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(Hansard)**

Monday 4 March 2002

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Lundi 4 mars 2002

**Standing committee on
public accounts**

2001 Annual Report,
Provincial Auditor:
Ministry of Finance,
Ministry of Health
and Long-Term Care

**Comité permanent des
comptes publics**

Rapport annuel 2001,
Vérificateur provincial :
Ministère des Finances,
Ministère de la Santé
et des Soins de longue durée

Chair: John Gerretsen
Clerk: Tonia Grannum

Président : John Gerretsen
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

COMITÉ PERMANENT DES COMPTES PUBLICS

Monday 4 March 2002

Lundi 4 mars 2002

The committee met at 1041 in committee room 1.

2001 ANNUAL REPORT,
PROVINCIAL AUDITOR
MINISTRY OF FINANCE

Consideration of chapter 4, section 4.07, provincial personal income tax revenue and related credits and reductions; and chapter 5, public accounts of the province.

The Chair (Mr John Gerretsen): I'd like to call to order the standing committee on public accounts. This morning we're dealing with chapter 4, section 4.07, of the 2001 Annual Report of the Provincial Auditor, the provincial personal income tax revenue and related credits and reductions, as well as chapter 5 of the 2001 Annual Report of the Provincial Auditor, dealing with the public accounts for the province of Ontario.

I'd like to welcome this morning Mr Bob Christie, deputy minister of the Ministry of Finance, and his delegation. Perhaps we could start off with your opening presentation, and undoubtedly there will be questions from the members of the committee following that.

Dr Bob Christie: Certainly. I'd like to introduce the people at the table here with me. Tom Sweeting is the assistant deputy minister, office of the budget and taxation; Gabe Sékaly is the assistant deputy minister of our fiscal and financial policy division; and Marion Crane is the assistant deputy minister of our tax revenue division.

Thank you for the invitation today to talk about the various measures you noted. What I'd like to do is begin by talking about the material in chapter 5, including the CHST supplements, accounting for capital grants to hospitals, legislative appropriation controls and accounting for tangible capital assets, and then move on to talk about the recommendations with respect to the personal income tax system.

I'm happy to note, as noted in chapter 5 of the Provincial Auditor's annual report, that the province did receive an unqualified opinion on the 2000-01 statements, which has happened on all our financial statements since 1993-94. This has been accomplished by working closely with the Office of the Provincial Auditor and his staff over the years to ensure that we're complying with the stated accounting policies of the province and with the

standards put forward by the Public Sector Accounting Board.

In that regard, I would note as well the auditor's role as a special adviser to two separate sittings of the Ontario Financial Review Commission, which have been very helpful in terms of providing guidance to us in going forward with adopting the recommendations of the Public Sector Accounting Board.

The board is an arm of the Canadian Institute of Chartered Accountants. It is responsible for issuing recommendations and guidance on accounting and financial reporting. It is independent of government, and its recommendations are developed through a public process, with comments provided by government representatives and provincial and federal Auditors General, as well as academics and others. The province has adopted those standards since 1993-94 for public accounts and in the budget beginning in 1995-96. This was in response to recommendations from the Ontario Financial Review Commission.

Beginning, then, with the CHST supplements, under those Public Sector Accounting Board guidelines and standards, we're required to record revenue when it's earned, not when it's received. The CHST supplements are recorded as being earned over a period of time because of two main factors: (1) the undertaking to the federal government that the money would be spent on new programs or an increase in health funding over previous levels, and (2) the allocation of the CHST supplement to various fiscal years as identified by the federal government in its budgets.

Some of the issues around this have arisen as a result of the way in which other jurisdictions have chosen to record the CHST, which has been different from the way in which we've done it. This is based largely on their interpretation of any undertakings they have made in this regard to the federal government. In their case, their auditors have looked at it from the point of view of their own fact instance and in these cases have recorded it in ways that may differ from ours.

With respect to expenditures, particularly some of the health capital grants, the Public Sector Accounting Board standards require that expenditures be recorded when they are incurred, not necessarily when the cash flows. There is a separate test from the actual flowing of the cash to determine when an expenditure should be recorded. For example, the test for operating expenditures is whether or not the goods or services have been

received. If we have received the goods or services, even if we haven't paid for them, we recognize the expenditure in that year and then we recognize the debt, the account payable, for the service for which the money has not flowed.

For government transfers, three criteria have to be met before recording the expenditure: it has to be authorized by the appropriate level or levels of government, and this is particularly with respect to transfer payments; any eligibility criteria that the recipient is required to meet should have been met; and finally, it should be possible to make a reasonable estimate of the amount of the transfers.

In May 2000, the province provided \$1 billion in capital grants to hospitals, and a further \$140 million was provided the following year. This was in respect to the functional plans for those hospitals approved out of the Health Services Restructuring Commission process. The grants allowed hospitals to move forward immediately with their capital plans, and the province determined that the three PSAB criteria I just described had been met. The grants were booked to the years in which they were made, and the province's financial statements recorded that accordingly. We're certainly aware of and have discussed with the Provincial Auditor his concern that these expenditures are for transfers that will fund spending over a future period that will exceed the year in which we're recording the expenditure. In fact, it may well occur over a period, over a number of future years.

This is an issue that I think a number of people at least would agree has not been adequately addressed by the Public Sector Accounting Board. All provincial governments and the federal government are required under the PSAB standards to record the transfers in one year that are intended to fund future services if certain conditions are met. The issue of how to deal with the particular reporting of these kinds of expenditures is one that has been addressed to the Public Sector Accounting Board and they have a project underway to review the accounting for government transfers. The Provincial Auditor and others have asked PSAB to address this issue as part of the project, and obviously if the Public Sector Accounting Board changes the recognition criteria for government transfers, under the province's stated policy of complying with those standards, our reporting for future transactions of that kind would follow the new recommendations.

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On legislative appropriation control, the Ontario Financial Review Commission and the Provincial Auditor have recommended that the standards we have adopted for public accounts in the budget also be adopted for legislative appropriation control, to improve consistency and transparency of financial reporting.

Work is underway toward having that capacity in place for adopting PSAB for spending authority. This will require and is requiring investment in systems and training of staff. We continue to make changes in the way in which we manage and record financial information in

any event for the purposes of good management. These changes, all taken together, will permit us to adopt those standards for legislative appropriation control if the Legislature chooses to do so. Under legislation currently, appropriation control is done on a modified cash basis.

On the issue of accounting for tangible capital assets, both the auditor and the Ontario Financial Review Commission have recommended that the province enhance financial information on capital assets. In the 2001 budget, the government committed to report capital on a full accrual basis over a period of time. This is similar to what the private sector does when it accounts for its investments, with the assets carried on the balance sheet and the expense being spread out over the useful life of the asset through depreciation. We are working with the auditor's office now to move ahead on that recommendation.

In summary, we have benefited, I think, in terms of our own capacities as staff from working with the Public Sector Accounting Board and we certainly have appreciated the co-operation and the work we have done with the Office of the Provincial Auditor and look forward to continuing in that vein with respect to PSAB standards.

With respect to the personal income tax matters and the follow-up to the 1999 report, we would note that Ontario's personal income tax administration was audited by the auditor. His findings were reported in the 1999 annual report and a follow-up report was included in the 2001 annual report. What I'd like to do is go through the recommendations relating to provincial income tax revenues and the credit system as they appear in the follow-up and describe the current status of the actions taken by the ministry.

Just to give some context for this, the current tax collection agreement for personal income tax, which is the framework that governs the way in which we interact with the federal government on this matter, was first signed in 1962. It's an umbrella agreement that includes all provinces except Quebec. Each province has schedules under that agreement that cover specific credits, audit arrangements, refund set-offs and other technical matters under the agreement.

There is a new tax collection agreement that has been under negotiation with the federal government for some time—at least two years to my direct knowledge—and the auditor's 1999 report has provided us with a very useful framework for discussing the tax collection agreement with the federal government. The issues he has addressed, including policy flexibility for the province, cost to the province of the agreement, payment flows, penalties and interest and the amount of tax audit that is done by the federal government, have been raised by Ontario officials in these negotiations, and all of them really fit into the broader issue of accountability of the federal government to the province for collecting Ontario income taxes.

We are hopeful that we are making progress on these items in the discussion of the tax collection agreement. We have made some progress in dealing with the federal

government on some of these matters over the past several years, but the recent announcement of the major federal error in terms of their collection and remittance of provincial personal income tax has certainly caused us some concern with respect to not just the financial repercussions, which are the dominant concern we'll have, obviously, but also with respect to the way in which this agreement operates and the nature of the information to which we have access, because we've not been able, over time, to get the kind of information we'd like to be able to anticipate personal income tax.

On the timing of personal income tax flows, the auditor recommended negotiating changes to speed up those flows and some progress has been made. In 1998, payments were speeded up. In 2001, the federal government consulted with provincial officials on the formula that governs payments to try and build in enhanced flexibility.

On interest and penalties, the auditor suggested that we needed more information on interest and penalties on Ontario personal income tax collected by the federal government, which is not remitted by the province; that's retained by the federal government. Minister Martin has said that he does not want to profit from collecting taxes for the provinces. That's certainly a commitment that we're taking seriously and pursuing with Ottawa in terms of what really is the federal financial bottom line in terms of their collection of our taxes.

The federal government did a study for the 1995-97 period which tries at least to demonstrate that they don't profit from the interest on the money they keep that is the province's, or the interest and penalties on unpaid taxes, because they are responsible for bad debts. Our review of their study does not convince us in any way that in fact they are not profiting from this administration.

The study has been updated. It was promised to us in late 2001, but we have not yet received it so we have not got the updated information from Ottawa on that matter.

In respect to audits of personal income tax returns, the auditor recommended that the ministry "establish minimum audit requirements" and ensure that CCRA is meeting them. This issue had already been addressed in tax collection agreements and will be re-emphasized as a very high priority for the provinces. The discovery of the federal error, again, demonstrates the importance of this issue and of improving federal accountability. We believe that other provinces will share this concern and this interest in seeing to it that the tax collection agreement contains stronger language on these matters now that they have also, potentially at least, been affected by the federal error.

With respect to tax policy, the auditor recommended that the ministry consider the renegotiation of "the tax collection agreement in line with provincial interests," including protecting Ontario's policy flexibility. We have pursued that aggressively with the federal government in the negotiations.

I'll move on now to property and sales tax credits. The first recommendation with respect to property and sales

tax credits was that the ministry should negotiate increased audit coverage to ensure that we have a better handle on the claims being made and that we reduce the incidence of false and inaccurate claims.

We did proceed with additional activity with CCRA. Early last year the ministry and CCRA signed a formal agreement to increase the audit coverage to 5% from the existing 2%. Part of that agreement is that we will bear the annual cost of that enhanced audit coverage, which is \$1.34 million.

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They started the increased audit coverage for the 1999 taxation year. Preliminary results that they've provided us show that they looked at about 100,000 claims, which is about 5% of total claims. About one third of those were adjusted, resulting in approximately \$6.75 million in recoveries, or about \$67 per claim audited. Those figures are in line with totals that the ministry had projected when the increased audit coverage agreement was being negotiated.

The second recommendation dealing with these credits was that the ministry should request Revenue Canada to audit a random sample of the remaining tax credit claims to ensure that any claim might be subject to audit and that the degree of overpayments can be assessed for the program as a whole, not simply for the target group that were being selected for audit.

Again, the ministry agreed with the recommendation. CCRA has conducted random sample audits for both the 1998 and 1999 taxation years. We're waiting for detailed data from them in order to determine the results of the random audits. They have agreed to continue these random sample audits in future tax years.

With respect to labour-sponsored investment funds, the auditor recommended that in order to help ensure that these funds complied with the terms and conditions of the act that provides for the credit to them—the ministry has taken steps in that regard. Every labour-sponsored investment fund must complete an annual certificate of compliance. Ministry auditors conduct an in-depth review of each certificate. Any issues identified are investigated in a field audit. The ministry has completed either a desk audit or a field audit of all active labour-sponsored investment funds in the last two years, and we have significantly increased audits of the eligible small businesses associated with community small business investment funds, to approximately 100 during each of the last two years.

The second recommendation was that "excessive or ineligible claims were to be identified, reassessed and collected on a timely basis." CCRA conducted a review of potentially invalid claims in the summer of 1999. Of the 1,750 potentially invalid claims identified by the ministry, 952 were determined to be valid by CCRA after audits of taxpayers. The other 798 claims were reassessed by CCRA in the fall of 1999, with a recovery of approximately \$400,000.

A process is now in place for the ministry to conduct reviews of labour-sponsored investment fund tax credit

claims on a timely basis so that any valid reassessments don't take so long that they can't be recovered.

With respect to the Ontario tax reduction program, the auditor recommended that in order to help ensure that Ontario tax reductions are only provided to eligible individuals and in the correct amount, "the ministry should negotiate minimum verification requirements with Revenue Canada." The ministry agreed and in September 1999 we began negotiations with CCRA to improve verification.

Prior to 1993, the federal government was able to verify the dependant information by cross-checking against dependant's claim for personal amounts as part of the basic tax system when there was an exemption or a credit for all dependants. When the federal child tax benefit was implemented in 1993, claims for dependant children were no longer made as part of the income tax return. They were provided through the child tax benefit and CCRA had no way to verify dependants being claimed for Ontario tax reduction purposes.

We asked that they review a sample of claims for the tax reduction for the 1998 taxation year. They advised us that a very small percentage of claims were not supported. We asked that these sample reviews continue to be conducted annually.

CCRA has recently advised the ministry that their computer-matching program identifies cases where duplicate Ontario tax reduction claims may have been made by both spouses. In reviewing these cases, CCRA ensures that the number of children claimed for Ontario tax reduction purposes agrees with information on the federal child tax benefit database. So they're using some of the computer information from these two different programs to cross-check. CCRA reviewed 16,000 OTR claims during the 2000 matching program.

That is our review of the recommendations, and we'll turn it over to you.

The Chair: Fine, thank you very much. Since we only have this morning, I would suggest that we have 15 minutes per caucus, and there may be some time left for some really burning, last-minute questions. This morning we start with the government side.

Mr Raminder Gill (Bramalea-Gore-Malton-Springdale): Good morning. Thank you very much. A made-in-Ontario tax system: give us some of the benefits of that if it's implemented and if you have an agreement with the federal government.

Dr Christie: Some of the key benefits of the made-in-Ontario tax system are that, because the province can now set its own rates, the value of many of the deductions, its own levels of progressivity of income tax etc, there's a better and more transparent understanding to taxpayers of Ontario tax than there was when our tax was levied as a percentage of the federal tax. It also provides some more policy freedom to the province. If we're successful in renegotiating the tax collection agreements such that the federal government agrees that CCRA can collect provincial initiatives that are not subject to veto by the federal government, then the

government would have a substantially enhanced level of flexibility to deliver personal income tax initiatives to the people. But I'll ask Tom Sweeting to expand on that.

Mr Tom Sweeting: I don't think I could add a lot to the basic gains that come from having tax on income as a mechanism. Made-in-Ontario is essentially, as Bob said, a system where we levy our tax on the taxable income of people rather than on the tax that they pay the federal government. So before, we used to have to mirror the federal government's distribution of tax rates and that sort of thing. Now there's an opportunity for Ontario to set its own tax rates, its own levels, by income and therefore deliver policy intentions that are designed specifically for Ontario and the Ontario tax portion.

Mr Gill: On page 26, you said that by doing additional inspections, at a cost of \$1.34 million, you recovered \$6.75 million. Basically what you're saying is that it's \$13 per claim and you're recovering \$67. It seems like a good return on investment, if you want to call it that. Has anybody ever paid any attention to the so-called underground economy and how much money might be lost by that?

Dr Christie: We have paid a great deal of attention to the underground economy and in several budgets added auditors and inspectors to target areas of taxation that are believed to be most subject to underground economy kinds of concerns. I think we've had on those a pretty good record of recovery on the audit side. Marion is certainly aware of a number of those initiatives, so perhaps she could expand on the underground economy actions that have been taken.

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Ms Marion Crane: We did increase our audit coverage starting in the last three or four years to target areas of the economy that we knew were areas that were not being audited before or areas where we were at risk, especially in some of the smaller areas. We want our audit to be a visible program and a deterrent program, and that's one of the important attributes of dealing with an underground economy, to ensure that you have a visible audit force. That's one of the things that we're looking at doing with increasing our audit.

Mr Gill: Any idea how many audits might have been done in that area and what the recovery might have been?

Ms Crane: Specifically in the underground economy area, I wouldn't be able to give you an exact number on that.

Mr Gill: OK. I'm done.

Mr John Hastings (Etobicoke North): Looking at your submission regarding the labour-sponsored agreements, I'd like to know whether you folks think there should be a review undertaken by the Financial Services Commission of Ontario, if that's its role, as to the effectiveness of labour-sponsored agreements in terms of job creation, their advertising—it might involve CS&B—and a whole related set of matters. It seems to me these operations have expanded significantly over the years, and they've done lots of advertising about how great it is to get a Mickey Mouse \$750 tax credit back, and you've

checked on that. But on a wider basis of tax policy, how effective are they? That's my question. I'd like to know whether you have had any conversations regarding the broader issue of their applicability to the Ontario economy. They claim they've created a pile of jobs, but if you look at their returns for the investor, except for the odd one, prior to the last two years it looks like they're mainly interesting tax arrangements, shall we say.

Dr Christie: The labour-sponsored investment funds have that credit, and because they're also eligible investments to be placed in an RRSP, the combination of the credit and the RRSP coverage can make them very attractive for tax planning purposes. In the budget last year, the minister talked about the need to be sure that our tax incentives generally were providing the benefits that were anticipated for them when they were put into place. Like some expenditure programs, it's necessary to review what you're doing on a regular basis to make sure that you're in fact accomplishing what the policy intent was; and if you're not accomplishing that policy intent, to make the changes required to ensure that you are; or if that policy intent isn't relevant any longer, to deal with the result. As a consequence of that, we are in the process of putting together a tax incentive review that will include labour-sponsored investment funds to do just what you have suggested we do.

Mr Hastings: My second question relates to the viability, credibility and reliability of the data we're getting from the feds regarding any issue—

The Chair: Surely only financial.

Mr Hastings: I don't need an editorial comment from the Chair regarding this.

The Chair: Any issue.

Mr Hastings: Any issue involving you folks, which could be more than financial. If you have questions as to all those items, then how can we continue to negotiate any kind of a new tax collection agreement with Ottawa?

Dr Christie: I'll address myself mostly to personal income tax data. A lot of the other information that we get from the federal government comes through Statistics Canada, which generally has a good reputation—perhaps not excellent, but certainly good, although we do watch closely those items from Statistics Canada that affect federal transfer payments, things like population etc. We want to watch those very closely to ensure that transfer payments that are set on a per capita basis are set at the correct level for the province.

On personal income tax, clearly information from the federal government has certainly been a long-standing problem over the last several years. Back seven to 10 years at least, to my knowledge and my direct involvement, the quality of the information, the currency of the information and the reliability of the information has always been a problem. The federal government has not, under the tax collection agreement, been aggressive in responding to our concerns about these things. They have tended to say that either there's no problem or that they'll undertake a study. Two years later they'll tell us that the

study shows everything is OK and we shouldn't be concerned.

We have obviously been concerned. I think the Provincial Auditor's office has been concerned when they looked at some of this material. But I must say that the error they showed us and explained to us at the end of January this year—the \$3.3 billion—was beyond even what I thought might be a concern.

Mr Hastings: Then isn't there a futility in continuing negotiations?

Dr Christie: There is a futility if the negotiations don't produce a regime that permits the provinces to satisfy themselves as fully as their auditors general need to be satisfied that in fact the procedures are appropriate, that the amounts are appropriate and that the federal government has the controls in place to ensure that the system is being administered correctly and the correct amounts are being sent to the provinces.

Again, they have not been very responsive to those sorts of concerns historically, but when all the provinces saw the kind of error they had made, and while this error primarily affected Ontario, BC and Manitoba, I think all the provinces are concerned that if that kind of error can be made, what other errors may have been made in the past or may be made in the future?

I think all the provinces will be much more insistent on having that kind of regime in place with the tax collection agreement. If we can't get that kind of regime, then we're having our taxes collected in a world where we don't have any confidence in the collector, nor do we even know how much it's costing us to have it collected, which is not a comfortable position or a responsible position to be in. I think people would want to look seriously at alternatives.

Mr Hastings: Is my time up?

The Chair: No. You still have a couple of more minutes.

Mr Hastings: Then I'd like to pursue the issue of collection and administration of personal income tax and all the other taxes they collect for us.

The auditor says in this report that there isn't any fee for the collection of personal income tax, supposedly. When it comes to the fine print, I read there is an \$8-million fee collected, if not for personal income tax then for a study of the penalties, interest and other matters. What are we paying money to these folks for if we're hardly getting any value under the existing agreement? Why are we paying that?

Dr Christie: The payments we make under the existing agreement are primarily with respect to extra services we ask them to provide. If we ask them to increase their audit coverage on one of our credits from what they would normally have done to a higher level, as we did with some of the credits I mentioned, their policy is that we pay the costs of the extra auditing they do. There's no direct fee for the basic service of collecting personal income tax, but they do retain, as we noted, all the interest on Ontario tax money that they hold and have not yet remitted to us. They collect and keep any interest

penalties, fines and other monies on Ontario tax, and they do bear the costs of any bad debt, any income tax payable that they can't collect. What we have been trying to do with them is determine what the cost is when you take all these things into consideration. It's certainly not free to the province in those various areas we talked about.

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Mr Hastings: How much is it, do you figure—your best estimation?

Dr Christie: Perhaps I'll ask Tom to address that. I know we have at least one number that we looked at in the 1997 budget, Tom. Perhaps you could—

Mr Sweeting: We had talked about numbers back then at \$100 million, I believe. The auditor made reference to a number in the 1999 report. Some of those numbers have to do with the fact that prior to about 1999, the federal government's way of paying us the estimates was unnecessarily delayed, and they've sped that up.

The big question mark we actually have right now is our view that interest and penalties exceeds bad debt as per the explanation from Bob, and we have not been able to get information that satisfies us that that's not the case. It's hard to come up with a number without the information the federal government, and only the federal government, has.

Mr Hastings: Incredible.

The Chair: The opposition members. Mr Patten.

Mr Richard Patten (Ottawa Centre): Just to follow up on the so-called overpayment, is the model you're using directed negotiations with the federal government or are you talking about putting in place a sort of third party vehicle that would be looking at the nature of the arrangements, the flows, the definitions of what's chargeable etc? In other words, I know you're talking about—and we have not been happy with—essentially total control by the federal government, and that's been identified by the auditor several times, I believe, not only in terms of the questions around who's benefiting and to what degree and all that sort of thing. In lean years it may be different, and in good years of course there are benefits.

My question is that in the interim, the immediate impact could be quite severe if the province were required to make payments back. I gather the feds have said that's not going to be the case, that there will be some arrangement to negotiate this. But seeing that everything is up for grabs in the sense that questions are being asked about the nature of the amount, the conditions under this, who's auditing etc, what does that mean budgetarily for, let's say, next year or the year after? Do you have any indications about that, or do you feel there are immediate pressures on our budget that could be substantial?

Dr Christie: With respect to the \$2.8 billion, which relates to the years 1993 through 1999, those numbers are being looked at intensively by the federal Auditor General, who had signed off on those years and is now revisiting that to get a more accurate number. The federal government has clearly said that in our case the \$2.8 billion is their estimate from having gone through, and

that they don't know and can't say at this point what the definitive number is. So the federal government is going through that with the federal Auditor General. We have the auditors general—the Provincial Auditor, in our case—from the affected provinces, and I believe Quebec as well, who feel they have some exposure because of equalization payments; that is, if this revenue had never been personal income tax revenue, then the federal government also overpaid equalization, which they shouldn't have paid. Quebec, I think, is concerned about that. So the auditors are providing some oversight to the work of the Auditor General and satisfying themselves that the correct procedures are being followed and that the information is being put together in a way that satisfies the auditors general. So at least on what the number is we will have some satisfaction as a province that the numbers will have been reviewed by the Office of the Provincial Auditor.

Erik, if I've mis-described that process, then—

Mr Erik Peters: The additional one that maybe you're not taking enough credit for is, of course, that your ministry has also provided a working group, and they are meeting, as you have mentioned in the document—or you didn't mention yet. We're working at it on all bases, because we want to make sure that in our oversight role, or in our role with the federal Auditor General and actually the internal auditors of CCRA who are also involved, we are not missing any of the particular salient points that are of interest to the province. So we have actually established a working group with some of the people at the other end of the table to ensure that takes place.

The particular point that was raised by the Ministry of Finance, and which was much appreciated, is the great interest that this is the sole issue, that there are not others that have to be addressed in the process; in fact, are there any other processing errors that could come at us in the future. That is the second leg of that.

Mr Patten: The last one is that regardless of what the figure is—let's say it's reduced by a third—it's still substantive. Presumably the federal government is saying, "Look, this can be worked out over a period of 10 years, 15, whatever," or what kind of a time frame are they saying this has to be within?

Dr Christie: They have not said anything about the timing or even their intention to recapture the money. What they have said is that their immediate concern is to fact-find on what the amount is. There is some belief that this error may extend back to 1972. So I think 1993 was really a reflection of how much time they had to do it and the kind of information that was available to them. I think they made a change in procedure in 1993 that gave them a sort of definable block of information to work with. It depends on whether they go back just to 1972; it depends if the error extends back that far.

For our part, we have indicated, and the Minister of Finance has indicated, that these payments were provided to us with the assurance of the federal government that they were the correct amounts, that they have been acting

as our agent on this. They gave us all the assurances they had available to them that these were the correct amounts, and the province made its plans on that basis and put money into health care and education and other programs on the understanding that these monies from the federal government were Ontario taxpayers' money. So we have taken the position that if an error has been made, we're certainly willing to see it corrected on a going-forward basis, but the mistakes they have made with respect to the past should be mistakes for which they bear the costs, not the province.

Mr Bruce Crozier (Essex): I just want to cover a couple of issues on this overpayment in connection with, I guess, the collection of personal income tax. We've established there is no set fee for the federal government collecting taxes on our behalf, and yet the federal government does benefit from interest on the money that's held, interest on the penalties that are put forward as well as the fact that it's netted out somehow by their taking responsibility for the bad debts.

If this agreement isn't fair to the province—and you've suggested it isn't, and I'm inclined to take your word and agree with that—why have we continued to go along with the deal?

1130

Dr Christie: The agreement, as it is, has the federal government collecting taxes on our behalf. We do not have the people or the systems to begin collecting it ourselves, and it would be costly to put those into place. Ministers of Finance for several years, certainly going back into the 1980s, have expressed real concern about the nature of the arrangement with Ottawa and have looked very seriously at setting up our own administration. There's also a concern about duplication in terms of the taxpayer, facing the taxpayer with two sets of tax returns to fill out.

When the Canada Customs and Revenue Agency was formed from the old Revenue Canada some years ago, the basis on which it was formed, and in the discussions with the provinces, because we're also stakeholders as participants in the tax collection agreements, the basis on which we as stakeholders said, "Yes, this is a good idea. Go ahead and do it," was that CCRA could be used to collect other provincial taxes than the ones currently being collected. I think the view that has been taken in Ontario is that we can achieve the flexibility we need and a number of the other benefits of working with the federal government in this way, by having a tax collection agreement that contains the appropriate safeguards and accountability mechanisms and by having CCRA collect Ontario taxes as determined according to Ontario's policy priorities.

The fly in the ointment there, I guess, is that the federal Department of Finance has the ultimate call on whether CCRA collects these taxes for Ontario and has not seen the wisdom of our interpretation of what CCRA ought to be doing. But we'll continue to discuss that with them.

Mr Crozier: I guess that's the point. I appreciate what you say. All I'm pointing out is that in an agreement there are two parties, or let's say in this agreement there are two parties. If it's not fair to one, then is it the fault of the other or is it the fault of the one it's not being fair to? I'm just saying that somewhere along here, if we're pointing fingers, I'm inclined to think fingers should be pointed both ways. If I get the bad end of the deal somewhere, is it that guy's fault or is it my fault? That's all. I'm glad to see that you're continuing to negotiate it.

On the mistake—and I will say at the outset that I'm one who's on the side of the province and inclined to say to the federal government, "Well, that's too bad, but let's go on from here," and, as you say, let's not have it happen again. But at the same time, I want to be able to support that argument. I say to myself, well, what would I do if the position were reversed? If it were an underpayment to us on behalf of the citizens of Ontario, I suspect I'd be standing and yelling loud and clear that I wanted that money. So I wish you well in whatever negotiations there are, because on this side of the coin—and there is only one taxpayer. I guess it goes from one pocket to the other and it's who's going to get the benefit for having done what. But I wish you well in your negotiations beyond that.

I want to get to a couple of accounting issues.

The Chair: You've got two minutes left.

Mr Crozier: Boy, oh, boy, 15 minutes. OK. I thought I had three.

Very quickly, you say the PSAB standards say that you should account for expenditures to be recorded when incurred, not when paid, and by the same token you should take into revenue not when it's necessarily received, but when it's accounted for.

The point then is the \$1 billion that was paid to the hospitals and that we, the provincial government, expensed in the year in which we gave it to them and which will be spent over a period of years. You say this is not addressed by PSAB. Where is the ambiguity? Why is that not clear? It is to me, but why is it not clear to you?

Dr Christie: In terms of the standards, they have been put forward to deal generally with government transactions and transfer payments. My understanding of it—and I'll ask Gabe to expand on this—is that the writers of the standards do not seem to have contemplated the sorts of transactions we have encountered in dealing particularly with the implementation of the Health Services Restructuring Commission recommendations, and there are similar issues around the establishment of trusts to provide services and funding over a multi-year period. Those don't seem to have been addressed explicitly. Therefore, in considering those specific transactions there is room for some ambiguity in terms of what those rules might say when applied to that specific class of transaction.

I'll ask Gabe to expand or correct, as the case may be.

Mr Gabe Sékaly: Basically, as we've laid out in our presentation, we have followed the PSAB recom-

mendations, as we see it, in terms of when to expense government transfers. There are three tests, and we followed those three tests.

As the auditor has noted in his report this year, as well as in last year's report, the professional standards in terms of government financial accounting don't address the issue of multi-year funding in an unequivocal manner. There is a grey zone there. We've had discussions with the Office of the Provincial Auditor over that in the last few years, and PSAB is presently reviewing that through a task force. Obviously PSAB believes there is a grey zone here as well, or else that task force would not have been formed. We believe we have followed the recommendations of PSAB as they've been set out at present.

Mr Crozier: You still haven't convinced me that you didn't know exactly what you were doing, and that is advancing money that was going to be spent over years. As I said, I'm not convinced.

Mr Sékaly: The rules of PSAB basically say that the transfer has to be authorized and the eligibility criteria should have been met and a reasonable estimate can be made. We have done that. Yes, we agree they will be used over a number of years, but the rules of PSAB allow us to expense in the year the decision was made, and we have followed that. Nobody has said they will not be used over a period of time. We have not stated that, but the rules of PSAB allow us and all provinces and the federal government to expense it in the year the decision is made if we met those three criteria in terms of transfer payments.

Mr Crozier: I merely put on the record that I'm not convinced. That's all.

Ms Shelley Martel (Nickel Belt): Thank you, Deputy and your staff, for being here this morning.

I only have a few questions. They do relate more to Ontario's positions in these negotiations, and I bear in mind that these have gone on for a long time. You were here two years ago in the middle of these negotiations when we first dealt with this and that the outcome is 10 years, but I would be interested in just clarifying some of Ontario's positions in this regard.

My first question had to do with page 18, where you're talking about the estimation formula with tax on income and that the feds had provided a paper and people were responding to it. What is Ontario's position with respect to this proposal?

1140

Mr Sweeting: Essentially, "improved estimation formula with tax-on-income" refers to the fact that the federal officials responsible for estimating income tax have been working with the provincial experts, our experts in finance, to identify ways in which they think they've come up with a better estimate than what was used previously. I'm not familiar with the actual specifics of how they accomplished that, but it was a joint federal-provincial effort that resulted, in our view, in improvements in how those estimates are made. They're still estimates.

Ms Martel: How does it relate to the next bullet point? Was that Ontario's proposal, to look at a collections-based system?

Mr Sweeting: Yes, we're looking at a collections-based system. There's an estimate system, which pays you so much per month based on an estimate, or a collection system, which would pay you as the money comes in the door. There are issues around that, both from a policy perspective—obviously, with an estimate system, you can get adjustments too low and then you can end up with the issue we've been talking about, that the federal government has the money and they're earning interest on it and we're not, which is an issue that is obviously of concern to us. But at the same time, you don't have much certainty, whereas for financial planning purposes, under an estimate system you know what you're going to get every month and you can work with that from a planning perspective.

There are also data issues. The way the federal government collects the data doesn't lend itself very easily to a collections-based system. But it's something we are still looking at—the benefits and the difficulties—on an ongoing basis, and we're looking at it in the context of this tax collection agreement that we're still working on and negotiating with them.

Ms Martel: So until that is done, do you have a clear preference?

Mr Sweeting: We don't have a clear preference at this point.

Ms Martel: OK.

Dr Christie: If I could just add, one of the difficulties that Tom referred to is that when the federal government collects income tax, theirs and ours, through the withholding system, they're also collecting Canada pension plan and employment insurance. They get the money in one cheque from the employers, and they have historically had a great deal of trouble separating out how much is for income tax, how much is for CPP and how much is for employment insurance. My understanding, at least, of what they do—and I can be corrected—is that at the end of the year they go back and pass through the information, particularly as they're auditing the returns, to determine how much is income tax and how much is these other things. So there are those kinds of data problems that result from the way in which they actually receive the money.

Ms Martel: All right. On the next page, you made it clear to the committee that Ontario had reviewed the study by the feds for the 1995-97 period and you weren't convinced that there wasn't a benefit to the feds. What information is missing, or what is it about that study that leads you to that conclusion?

Mr Sweeting: I'll take my best stab at that. I may have to give you a follow-up explanation of that, but essentially, it has a fair bit to do with the discount rates, as I recall, that are used in trying to estimate the implication, but it has more to do with the fact that the information the federal government brought forward wasn't identified by tax year; it wasn't year by year by year in

terms of the potential liability. So from our perspective, we couldn't line up the interest and penalties with the bad debts very effectively.

This is because—again, it's the case that they do not collect this information on an ongoing basis. They had to go in and do a sample of what they had. From their perspective, it's theirs and there is no need for them to identify the information this particular way. So we also had to look at how they came up with their measures of this. One of the reasons why they are doing another study is because of the differences and the desire to try and create more certainty around this. As I said, we are expecting this, but we haven't got the information yet.

Ms Martel: So what would be required of the feds to convert the information into a format that would allow for that tracking? I understand that they don't want to do that, and why, but would it be a huge problem for them to actually do that so all provinces would be able to see that?

Mr Sweeting: That's a tough question for me to answer without consulting people with probably a lot more technical background. I can simply say that the feds have indicated that this is a significant burden for them to do this in line with the other things they do on behalf of the provinces, and have agreed to do it in the limited circumstances of a study. But I'm not able to say if it's a huge job for them or not. Perhaps I can check. There are some folks who might give me a better sense of that, in terms of the size of it. In the end, they decide how exactly they're going to handle these kinds of things.

Ms Martel: On page 22, with respect to the audits, can you give me a sense of what Ontario is looking for from the feds in terms of audit coverage—numbers? I'm gathering that in the renegotiation you're trying to get it on a level where we're not paying for that, where it's not considered a special circumstance. Where are you operating from in terms of what would be something you would accept as much better audit coverage, with Ontario having some control over some of the factors involved?

Mr Sweeting: I can give a general confirmation of the view that one of the things that we believe is important in the new tax collection agreement is to have much more accountability to provinces for the aspects of the tax collection that the federal government is responsible for. We have been meeting with them on a whole variety of issues associated with renegotiating a tax collection agreement, but the idea of what they do and what it costs is one of the fundamental issues that is currently being worked on.

In terms of what standards we're looking for, I don't want to speak on behalf of my colleague from TRD, who will have much more authority in terms of an acceptable standard, but I think some of the ideas we've put in—a tax credit, 5% as a minimum standard. One of the things we want to be careful of, from a provincial standpoint, is that there are a couple of things that aren't significant to the federal government but matter to a province. One of the things that comes to mind is residency. From the federal government perspective, which province you're

resident in doesn't matter for federal income tax purposes, but it is quite important for provincial income tax purposes. Those are the kinds of things that we sit down—and the discussions happen at quite technical levels, typically, around how we can accomplish more there and are we satisfied with the sufficiency of what the federal government does?

As I said, they are bringing forward ideas of how to cost their activity. Again, they're trying to define, "This is what we do for free and this is how you pay for other things we do," and that can range from auditing that they do on our behalf, certain programs they run for us—tax credits would be an example. If they were to look at something like the recent stock option credit that was brought in, they'd look at those and say, "This is what we're going to charge you for doing it," whether it's average cost, whether it's marginal cost. We're going through discussions with them right now about on what basis they should be applying those kinds of costs. We accept that some things are unique to the province, but exactly how much they charge is an issue of some debate.

I don't know, Marion, if you want to add anything to that?

Ms Crane: Part of the issue is that we don't get enough information from the federal government right now to know how many they're auditing, information about what they're auditing. That's basically what we're looking at: getting more information. Then we can make determinations about what is lacking. But that's what is involved right now in the tax collection agreement renegotiations—to give us that right.

Ms Martel: Do the provinces, with the exception of Quebec, assume a joint position on these issues at the table?

Mr Sweeting: The tax collection agreements are, in effect, bilateral agreements between the federal government and each province, but they're very multilateral in their structure. The current agreement is, as Bob said, a framework agreement. It's a base that applies to everybody, with special circumstances negotiated with each province in terms of things they do in addition.

The current agreement—the discussions have been both bilateral and multilateral. There have been meetings with all the provinces and the federal government to talk about issues, and there have been meetings between the federal government and specific provinces to talk about the issues that are specific to them. Ultimately, in the end, there will be an agreement signed between the Minister of Finance and the federal minister.

Ms Martel: "In the end" is the key question.

Page 26: this goes back to your decision to increase the audit coverage and to pay for that. In your 1999 response, you had talked about developing a cost-benefit analysis. I'm assuming it was the result of that that led to that decision?

1150

Ms Crane: Yes, it was, and the returns were in line with what we expected them to be.

Ms Martel: This goes back to, just generally, your problem about getting information, because I noted on page 29, the second bullet point, that the audits for 1998-99, the random sample—you were still waiting for that information. Is this deliberate?

Ms Crane: That's just a timing issue. We will expect to have that information probably within the next month. It's a matter of when we get information from past years. We're not expecting any problem in getting the information; it's just that this is the length of time it takes to get it from them.

Ms Martel: Is there a reason for that?

Ms Crane: When you go back to the 1999 returns, having been filed in 2000, and then when they take a sample after and do their audit, by the time they do all those procedures it would take—it probably could be faster, but that's not an unreasonable length of time.

Ms Martel: Are you expecting 1998 and 1999 at the same time?

Ms Crane: Yes, because we asked them to do 1998 and 1999. This is the first time we asked them to do the random audits, and they're going to continue to do the random audits. We'll also, when we get the results, be able to tell how effective the random audits were and what we might be asking them to do differently as well.

Ms Martel: Are they charging us for the random audits as well?

Ms Crane: Not for the random audits, no.

Ms Martel: I think that's it. Thanks.

The Chair: We have about two minutes left per caucus.

Mr Bart Maves (Niagara Falls): I only have two minutes? It will be quick.

Page 352, chapter 5, talks about "Accounting for Tangible Capital Assets." "In June 1997, PSAB approved a new set of recommendations setting out rules for the recognition, measurement, amortization, and presentation of government capital assets. Among other things, the standard requires that a new statement of tangible capital assets be included as part of a government's summary financial statements."

Is each ministry responsible for keeping an inventory of its capital assets, and are we looking at moving on this request from the auditor and PSAB?

Dr Christie: Yes, each ministry would keep their own set of records. We are in the process of moving ahead with this. I'm sure you'll appreciate that when they haven't been doing it for a substantial period of time, for them to determine and try to put a value on the road system or our jails and our courts is a process that will take some time. We're in the process of doing that and we hope to have it done very soon.

Once we have those values, and in particular once we have a set of procedures within the government to actually value and manage capital on an ongoing basis, then it will be much more a part of the way we do business. It will become self-sustaining, if you like. At the moment we've probably got 15 or 20, if not more, different financial systems across the various ministries.

All of them are based on the old cash system, because that's the way we still do estimates in business planning. None of the financial systems that people are using have any reasonable records on the capital, and even if they did, they would all be on a different basis. So one of the things we're trying to do is get all ministries on the same basis of reporting in the same kind of financial system, so that Management Board and other central agencies can have a more accurate and businesslike sense of the way in which money is flowing in the government, including the costs and value of our assets.

Mr John Gerretsen (Kingston and the Islands): I'd just like to come back to the question that Mr Crozier raised earlier. I'm referring specifically to page 351 of the auditor's report. It talks about that billion dollars in capital funding for health care. I realize from your presentation that you're working on it and you hope there will be some uniformity, but for the life of me, I cannot understand, particularly for the layperson reading this report—the auditor makes a statement that "In the financial statements, which are prepared on the modified accrual basis, the funding was treated as expenditure for the 1999-2000 fiscal year. In the expenditure estimates and in Volume 1 of the public accounts, which are prepared on the modified cash basis, the funding was treated as an expenditure for the 2000-01 fiscal year." Surely to goodness, if we want to present an accurate picture to the people of Ontario, we can't have it both ways. We can't for one purpose say, "It was last year's expenditure," and for another purpose say, "It's next year's expenditure." It's kind of like a government wanting to announce a program twice. It's announcing it, it's paying the money to the hospitals, and then next year it's also putting it in the estimates because that's the year the money is actually being spent. What can be done to clarify that and go on one system once and for all?

Dr Christie: The problem you are identifying is the one that the Ontario Financial Review Commission also identified and made recommendations on both times they came together, that is, that our budget and public accounts should be on the same reporting system as our estimates.

Mr Gerretsen: So when are you going to do it?

Dr Christie: What we need to do is to move the estimates on to that system, and as part of doing that, we have to change all of the ministry financial systems and reporting systems. As I noted before, they're all different and they're all cash. We're in the process of doing that and have been working for a couple of years at getting everyone into the same framework, a framework that would allow us to put all the detailed information that appears in Volume 1, for example, of the public accounts—very detailed, line-by-line information that needs to be converted into the new framework. We're in the process of putting that financial system in place. For example, it's scheduled to come into place in finance in July.

Mr Gerretsen: Or should the estimates process in effect have been started about a year earlier or six months

earlier? The estimates process really takes place when two thirds of the year's already gone. I mean, that's wrong too, isn't it?

Dr Christie: Well, the estimates process for 2002-03, what we now call the business planning process, started in the fall of 2001. It is underway now and will essentially be completed by February, March, before the start of the fiscal year.

Mr Gerretsen: That's for your purposes, for your administrative purposes, but not from the elected person's viewpoint, because in fact the estimates won't be done until sometime in—when is it? October, November?

Dr Christie: That's right. They will be tabled in the House following the budget sometime in the spring, assuming that we have the conventional timing with respect to that, and then, as you note, it then proceeds through the legislative process.

The Vice-Chair: Thank you. Ms Martel?

Ms Martel: I have no questions.

The Vice-Chair: All set?

It being 12 of the clock, as they say, I want to thank you and your staff for coming. It's unfortunate we don't have more time. We enjoy this so much. Thank you very much for your time.

Dr Christie: You're welcome. Thank you.

The Vice-Chair: If that's the case, we recess until 1 o'clock.

The committee recessed at 1158, resumed in closed session at 1300 and continued in open session at 1337.

MINISTRY OF HEALTH AND LONG-TERM CARE

Consideration of chapter 4, section 4.10, Ontario Substance Abuse Bureau.

The Chair: Good afternoon. I'd like to call to order the meeting of the standing committee on public accounts, dealing specifically with chapter 4.10 of the 2001 Annual Report of the Provincial Auditor dealing with the Ontario Substance Abuse Bureau.

Good afternoon. Welcome to everyone. We have with us today Colin Andersen, the acting deputy minister, and a number of other people from the ministry whom perhaps you could introduce. We look forward to your opening presentation and afterwards there will be questions from the members of the various caucuses. Would you like to start it off, Mr Andersen?

Mr Colin Andersen: OK. I thought I would start with some opening remarks and then turn it over to Gail. I'm Colin Andersen. I'm the associate deputy minister of health as well as the acting deputy minister. Maybe I'll just have everybody introduce themselves first and then I'll go into my opening remarks.

Ms Gail Ure: Gail Ure, executive director, health care programs.

Mr Dennis Helm: I'm Dennis Helm, the director of mental health and addictions.

Mr Scott Macpherson: Scott Macpherson, manager of addictions.

Mr Andersen: On behalf of the ministry, I'm pleased to be here today and have this opportunity for us to provide our response to the 2001 report of the Provincial Auditor, specifically as it applies to the substance abuse bureau.

What I thought we would do is briefly preface our response with some context and an update on substance abuse in general. It's not going to be very long but we thought it would be useful to get a little bit of context.

The ministry funds about 160 agencies across Ontario to provide a range of addiction treatment services, which include withdrawal management, assessment and referral, early intervention and community counselling along with long-term and short-term residential treatment. We're spending about \$113 million in this area specifically for those with those services. With the primary responsibility for these services, the bureau continues with the responsibility to fund addiction treatment services and the mandate to reduce or eliminate substance abuse and other addictive behaviours.

Since September, the responsibility for managing Ontario's addiction agencies has been transferred to the regional offices. We're confident that this structural change is going to go a long way to improving addiction service delivery to Ontarians. Managing the agency's operations at the regional level will lead to the integration of services, both within the addictive service system and the broader community-based system.

As well as the development of policy and of best practices, and overall provincial support and coordination, our top priorities continue to revolve around reducing or eliminating some of the concerns in the area, such as funding inequities, measuring the effectiveness of addiction treatment, developing and implementing performance expectations and benchmarks for the treatment agencies, looking at the availability of treatment for clients with special needs, and ensuring that all treatment agencies submit treatment availability information and validation of treatment services.

Specifically, the recommendations pertaining to the Provincial Auditor's report on substance abuse have been substantially addressed. Actions in these areas include the development and implementation of standardized assessment and discharge tools, eliminating multiple and unnecessary assessments. Web-based training on administering tools has been established. An assessment tool manual will be released this month. We've been monitoring addiction service utilization.

We're looking at baseline information for outcome monitoring and cost monitoring; it's being established and will be included in the new data software. We piloted outcome and cost reports released to the addiction field in the fall of 2001 and on the DATIS Web site as well. We're establishing improved agency accountability through service agreements which will be sent out this month, including a common mental health and addictions agreement. There is an operating manual that's going to

be available to all agencies this month, and annual agency completion and ministry review of budgets, operating plans and audited financial statements. We recover unspent agency funds.

We're looking at the personal needs allowance that's provided to agencies on an invoice basis. We're developing a framework for treatment services for people who are dependent on opiates. We have a number of strategies underway to develop frameworks for residential treatment and withdrawal management, case management and clients presenting with concurrent disorders, and diversity and access. Formal reviews are conducted in response to complaints or when the ministry monitoring indicates a need for review. And we've been collaborating with the public health branch, the AIDS bureau and health promotion on issues related to substance abuse and harm reduction.

That's quite a lengthy list and I ran through it quite quickly. I'm now going to turn it over to Gail Ure, who is going to go through in a little more detail our specific response to the 13 specific concerns that Mr Peters had raised in his report.

Ms Ure: First of all, I'd like to talk about restructuring addiction treatment services. To expand on what Colin just said, the service provider liaison functions were regionalized to better integrate addiction services into the broader health care system. As you know, regional offices have responsibility for mental health, hospitals and long-term care already, and this provides another function. Many times the same clients use the same service, so it's important that there is that continuity.

As well, setting resource priorities will increase cohesion between the regions and the ministry. Right now we're developing joint service agreements and operating manuals for substance abuse and mental health. We've already developed an operating manual for addictions, but we wanted to integrate that with mental health to assist regions and agencies in defining expectations and clearly knowing what is expected of them.

With regard to treatment efficiency, the use of standardized assessment tools has been instituted for all agencies to provide better matching of client needs and treatment resources and to reduce the number of assessments to which repeat clients are subjected. This means a better use of our resources and a focus on a single assessment to best direct resources to treatment. The assessment tools are being refined to better meet the needs of our youth clientele. Furthermore, Web-based training on administering the tools has been established and a companion manual is being released this month. DATIS, which stands for the drug and alcohol treatment information system, is a software which will also monitor the usage of assessment tools in each of the individual agencies, and that will be available this month.

In response to funding concerns, a series of initiatives are underway. We work closely with the Ontario Federation of Community Mental Health and Addiction Programs regarding financial pressures experienced by agencies. We assess the value of services through

program reviews and now, with the implementation of the new data system that I spoke about, we'll be able to collect the baseline data needed for outcome and cost monitoring.

The ministry-led residential strategy is conducting a survey among residential treatment providers and withdrawal management providers, and that too will be completed this month.

In addition, a framework has been developed to ensure economical and efficient regional funding for the early childhood development initiative, which funding will be released in the not-too-distant future.

Agency accountability is the next issue. In response to this issue, a number of steps are being taken. First of all, we're completing schedules describing programs and services to attach to the service agreement. Furthermore, addiction service agreements will be compatible with the ministry-wide service agreements that are now being developed to be sent to agencies over the next month.

Pilot outcome and cost reports were released to the field last fall. The outcome work will be used in allowing for baseline outcome information in the new data software. Also, the ministry's transfer payment accountability framework will be used to develop enhanced accountability in this area.

Financial approvals and reporting are being addressed as follows: all this current fiscal year's operating plans have now been approved, and all of next fiscal year's plans have been sent out to the agencies with approval to be completed in the first quarter of 2002-03.

Colin had mentioned personal needs allowances. Concerns were raised about agency invoices. The invoices are now received on a monthly basis and validated on the basis of actual occupancy. The ministry is timely in making payment of personal needs allowances, with payments generally being made within a month of the receipt of invoices. We're monitoring the amount indicated on the invoices we receive from the agency, as well as what we're paying per client, and we're making adjustments as needed.

Bear with me for a few moments with regard to problem gambling, and we'll talk about some of the financial approval comments. Problem gambling is the next issue—

Mr Patten: You never win. That's the problem.

Ms Ure: Ten formal contracts are in place for special population, pilot treatment and prevention projects. As well, service agreements with agencies will be compatible with the ministry-wide service agreement currently being developed. Apart from that, the first provincial report using the DATIS information system that I spoke about was published last September and we continue to monitor services utilization.

With regard to performance measurement, pilot outcome and cost reports have been released to the field and are available on DATIS. As well, we're continuing to work with the agencies to implement the standardized admission and discharge criteria. Furthermore, as I mentioned, the standard assessment tools will be part of

DATIS, and that will enable us to monitor adherence to the criteria. So that's part of the follow-through in monitoring a process. With DATIS in place this month, we'll be able to establish benchmarks through outcome and cost monitoring.

Accessibility is the next consideration. We've developed terms of reference for our diversity and access strategy and have conducted a policy search. Membership is now in place and we'll begin to develop a framework this month. The series of province-wide consultations on the strategy for people who are dependent on opioids will be completed this month and a follow-up workshop will investigate barriers that are eliminating progress in methadone treatment and other interventions.

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With respect to waiting times, waiting times are monitored on an ongoing basis now through DART, the drug and alcohol registry of treatment. On average, waiting times across the province have increased by 30% over five years. However, it's important to note that the client volumes have increased 60% over the same period. The residential strategy, which includes a review of withdrawal management agencies and a review of assessment referral, is exploring ways to reduce waiting times.

Program standards are the next issue. This fiscal year, five agency reviews were conducted and completed, and the review process will now be coordinated with the regional offices.

Complaints are also being addressed. A standardized reporting format for complaints is in place to streamline agency reporting, and the process will be coordinated with the regional offices. As well, we've developed an operating manual for the addictions agencies which includes the complaints process. In this way, board members, staff members and volunteers will know the expectation and what to do.

The last issue concerns prevention. I'm pleased to say that two cycles of a province-wide newspaper campaign targeting problem gamblers and those affected by problem gambling were run this past fiscal year. An external evaluation of the campaign is underway with the collection of baseline data on knowledge, attitude and behaviour. This data will be the basis of future prevention initiatives. As well, the Ontario Problem Gambling Helpline generated more than 6,000 inquiries over the last year. Other prevention strategies included public awareness sessions in schools, community orientation sessions for professionals, a public awareness play entitled *After the Beep* which toured the province with performances at more than 100 schools, and the establishment of two prevention Web sites.

In outlining these concrete actions in response to the 13 concerns detailed in the Provincial Auditor's report on the Ontario Substance Abuse Bureau, I believe we've demonstrated our commitment to ensuring the best possible services for people with substance abuse problems. We take your report very seriously. In concert with

our commitment to the enhancement of the health system is our commitment to ensuring that the health system is accountable to Ontario taxpayers. To that end, we've studied the auditor's report. We appreciate your wise counsel and believe we are making progress on the recommendations. Furthermore, with the implementation of tools such as the drug and alcohol treatment information system, I'm confident we'll be able to make the best use of the resources we have at hand.

This concludes the formal portion of our response. Now, with the support of my colleagues, I'd be happy to answer any questions you may have. Again, you've previously been introduced to Mr Dennis Helm, director, and Mr Scott Macpherson, manager of addiction programs. Thank you.

The Chair: Thank you very much for the opening presentation. We start this afternoon with the official opposition.

Mr Patten: How much time have we got?

The Chair: Twenty minutes per round.

Mr Crozier: Thank you and welcome. I'd like to at the outset, since our time is fairly limited, go to the issue of problem gambling. You mentioned that there's a change in structure and that regional offices are going to be more directly involved in this. Is there more funding provided to one region as opposed to another because of the gambling activity that may take place in that area; for example, where a casino is located, as opposed to some area where there is not?

Mr Macpherson: We have 45 designated agencies across the province. There are agencies close to all of the gaming venues. Those agencies are funded based on treatment demand. So in an area like Windsor, we have a lot more clients at our Windsor office than we do, say, in one of our northern offices. They have enough admissions funded in order to deal with that load.

We've recognized that each of these areas has potentially a greater risk for problem gambling and, therefore, when we've done things like community orientation events, public outreach, those tend to be more active in those communities.

Ms Ure: There's another part to it too. When we did the study looking at gambling, folks said it's not just casinos, that it's also things like scratch tickets with young folks; it's that whole range of gambling possibilities. So they said not to limit, but to look at the broader range of problem gambling, and that would imply more of a distribution throughout the whole province.

Mr Crozier: The same types of other gambling opportunities are in London, for example, but they don't have a casino there, or at least a casino of the magnitude—so I was just curious about that. You said you attempt to match the funding to the demand. Is it on an annual basis, a lump sum? How do you arrive at what a region might need?

Mr Macpherson: We've done calculations based on what the average length of treatment is for clients. From there, we determine the number of full-time employee

clinicians who would be needed to serve that number of clients. Our problem gambling staff work really closely with each of the 45 designated agencies. We've done in-year increases if the demand has been dramatic within a short period. Otherwise, it might necessarily happen at the end of the year as part of their operating review.

Mr Crozier: If I understand correctly, you said the fiscal operating plans are approved for this year, but you don't have a budget yet for this year. How does that work?

Ms Ure: My apologies. I was not clear. The operating plans have been approved for 2001-02, and then we've sent out the request for agencies to fill out their requests for this coming year. My apologies.

Mr Crozier: No, I may have misunderstood. How are these agencies selected?

Mr Macpherson: There was a consulting process back in 1996, I believe. It was part of our province-wide rationalization. Essentially, the 45 designated agencies are part of our assessment referral system on the substance abuse side. We have 44 assessment referral agencies, and for the most part, those are the problem gambling agencies.

Mr Crozier: It may be mentioned in the report, but can you give me an example of what the agencies would be? Are they ones that existed in the community before? Were there new ones that came in?

Mr Macpherson: No, they existed. The whole assessment referral system was in place.

Mr Crozier: So what would be an example of—

Mr Macpherson: In Toronto, it would be MAARS, the Metro Addiction Assessment Referral Service. In London, there's an assessment referral service, but I can't remember the name.

Mr Crozier: Youth addiction to gambling is said to be increasing dramatically. One might even assume that it's a greater problem than in the adult or older adult population. Is that correct, and can you make some comment as to what we might be doing in the way of attempting to stem youth gambling addiction?

Mr Macpherson: Prevalence studies are generally suggesting that the youth prevalence rate is probably double that of the adult population. The adult population ranges from 2% to 4% and the youth population is probably in the 7% range.

All of our 45 designated agencies are mandated to see youth. They see youth. Also, all of our mandated agencies see what we call collateral or family members, which might be a youth family member of an adult gambler. Then we have the whole play thing that Gail mentioned. After the Beep was a play that was developed by high school students. There was a competition held, and the winning team was from the Soo, and then that play toured the province. I think you said there were 100 showings of that.

Ms Ure: Yes.

Mr Macpherson: Evaluation was done after each performance, and the feedback we've received is that there was a shift for the observers in terms of their

awareness around problem gambling and even an attitude shift. So it has had an impact. The YMCA is doing a pilot prevention project through seven communities across the province, working with existing agencies and with schools to develop a prevention strategy.

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Mr Crozier: I want to compare three kinds of addiction, and I hope you can help me understand how we're attempting not to treat but to prevent these. When it comes to smoking, there is an absolute regulation on any advertising, if in fact they can do any advertising at all. In one of my favourite sports, which is racing, within the not-too-distant future you won't even be able to have "Players" on a car or something like that. When it comes to alcohol, it's my understanding that there are certain restrictions on advertising alcohol. Yet if I think of gambling compared to those two and I look at the amount of gambling advertising on television and radio, but specifically on television where they are literally celebrating the good life with their gambling winnings, is your ministry looking at all at any kind of restriction or proposing to the government that there be restriction on gambling advertising?

Ms Ure: We have not at this point. We have looked clearly, you're right, at the tobacco and alcohol areas; we have not in terms of gambling. Part of what we're doing, as I said earlier—

Mr Patten: Conflict of interest.

Ms Ure: —we did a report looking at gambling across the piece, and that identified the 17- to 24-year-old as the target group. In the next stage, we'll be looking at how you address that, which prevention projects are actually working and what steps we take in terms of treatment on those. So that's the stage we are at in this new initiative.

Mr Crozier: Certainly I would think it would be within the responsibility of the acting deputy minister, but is it within the responsibility of anyone, if you'd like to comment, who you feel should recommend to the government that there be a serious look at how we openly and blatantly advertise gambling in this province?

Mr Andersen: I think the important thing to look at, as Gail mentions, is where you get the best value for your prevention dollar. I think anything has to be looked at in the overall context of the prevention strategy that's being looked at. Aside from advertising, there are some of the other initiatives as well. I think it has to be examined within the broader context of the strategy that's being developed, and that's where we've been putting our efforts.

Mr Crozier: Is that how you arrived at the fact that tobacco and alcohol advertising would be either eliminated or not allowed at all?

Mr Andersen: I think there are some differences there with regard to the specific addictions and, as well, the responsibilities of different levels of government with regard to Health Canada and their role in some of the advertising area. Just back to what Gail was talking about with regard to how we're looking at developing our prevention strategies, it has been more multi-focused rather than specifically on the advertising front.

Mr Crozier: But I ask again, is that the conclusion you came to with tobacco and alcohol? Did you go through that process with tobacco and alcohol?

Mr Andersen: I wasn't involved specifically in that.

Ms Ure: In tobacco, we're looking at other jurisdictions. Clearly we've looked across jurisdictions; we looked at what works and what works best. Gambling is a newer phenomenon, and the data aren't there in terms of what we've discovered to date. We're investigating and we're investing in research, and I'd like to look and see what that holds. Clearly the work that was done in places like California on tobacco certainly shows some of these things. We don't have similar data on gambling, but your comments are well taken. I'd like to take that back. Thank you.

Mr Crozier: OK, I appreciate that.

At this point in time, would you have any data on the suicide rate of drug addiction, gambling addiction, alcohol addiction and tobacco addiction? Any comparisons in those areas?

Mr Macpherson: I don't have them in my figures list.

Mr Crozier: Does that mean you have them, though?

Mr Macpherson: There is some data around suicide. I don't know how much there is on gambling. There is certainly some around substance abuse.

Mr Crozier: I can't, but maybe somebody can help me search the Web, and I might be able to find that. I just wondered whether the ministry would have that; if so, I would appreciate receiving it.

Mr Patten: Just to follow up on suicide related specifically to gambling, I would suggest strongly that you explore this. Obviously there's a vested interest, with government getting more and more hooked on gambling as we go along. Some 5% to 7% of its budget is now related to gambling revenues. The independence of Lotto in Ontario—which is out there competing with some of the very agencies that I suspect are out there trying to raise money to do a job at the community level. So we have all these kinds of conflicts of interest, I suggest.

The one that really bugs me, quite frankly, is that there is no public disclosure. It may not even have to be on a case-by-case basis, because I do respect the individual case in which suicide occurs. But I'm led to believe that it's fairly substantive related to casinos in particular. I was given a particular figure for the Rama casino. I had asked why this wasn't reported, and they said, "Well, we don't call it a suicide if the person is in hospital." So it's a hospital fatality. All I'm saying is that there's a cloak of secrecy around suicide, for obvious reasons, in that it could adversely affect the image of the commercial operation.

As leaders in our health care system, it seems to me it's incumbent upon us to really look at that and find out and recommend to the government, which may be something the auditor might take a look at too, that you can't have it both ways, that it's not a sweet, glorious thing all the way through. The piddly, little amount of money that is there for gambling addiction, I think you and I know, will not do the job. I grant you that there

have not yet been the categories and protocols in doing the research, which it seems to me should be one of the objectives out of this—and if you say there is, then great; I applaud you for that.

Ms Ure: Just along with that, a recent international study—

Failure of sound system.

Ms Ure: —of psychiatry, and what it showed was, looking at pathological gamblers, it found that 62.3% had a personality disorder, alcohol dependence or adjustment disorder. So it's the co-morbidity. It's having the two things there that makes looking at it a bit more difficult. It's not impossible; it just means this is what the studies are showing these days. Other studies have shown that between 19% and 54% of folks with gambling addiction have substance abuse and other issues too. So it's the issue of having both issues and having to treat both of them, and that's what we're looking at now.

Mr Patten: It seems to me that any gambling operation should be able to report in some fashion situations where people take their life or respond in an unhealthy fashion. So I'll leave that one at the moment.

I would like to go to another area. Can I ask you this: the Mandatory Health Programs and Services Guidelines which I have here, it's 1997. I asked the auditor earlier, and he felt this was perhaps something that was updated annually or semi-annually. How often is that updated?

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Ms Ure: Currently, it's on the Web site. There are 17 included within the mandatory programs. Five of them are being updated currently, but that's a bit beyond the scope of this discussion.

Mr Patten: Oh, it is?

Ms Ure: There is substance abuse in there, but not specifically.

Mr Patten: The one that is in there is the needle exchange program, which is worked through municipalities and then in conjunction with other agencies, or set up independently or even with health centres. Sometimes it's hard to track, because it doesn't fall directly under health centres and may be at the request of the municipality because the municipality has the elbow room to work the program.

Coming back to this, there is one program, and it might fall under responding to complaints. There was a letter sent to the minister by some people in my own riding who were very concerned about the decommissioning of syringes, and finding syringes on the street, in playgrounds or in schoolyards and this kind of thing, to the point where children were now discouraged from participating in the annual environmental cleanup day because of the worry of a child pricking a finger or whatever it may be, and we've had numerous incidents related to this. By the way, the mandate for that program on the implementation of it was only—what's it called?—a harm reduction sort of philosophy, which it seems to me would be another good debate one day.

The second part of the mandate, the terms of reference for the program in this instance—I would be happy to

give you a letter on that. I don't know whether you've seen this letter or not; it was sent to the minister. Somebody was suggesting there should be a second level; that is, once needles are given out, what happens with them and what is the responsibility in terms of collection and cleanup if they're not all collected etc, particularly in the interest of public safety—and in particular we're worried about children. I would leave that with you, but I wonder if you might have a general response to that.

Ms Ure: Could we get back to you on that?

Mr Patten: Sure.

The Chair: Any other questions at this time?

Mr Patten: I'll wait till the next round.

The Chair: OK. Ms Martel.

Ms Martel: Thank you to staff for being here today. I want to begin with funding. Deputy, if I heard you correctly, you said you're spending \$113 million now through the bureau. That would be for drug, alcohol and gaming addictions, correct?

Mr Macpherson: There's \$98 million that the substance abuse bureau manages, there's another \$15 million that is managed through institutions and there's the problem gambling money over and above that, which was \$21.7 million in 2001-02.

The Chair: How much?

Mr Macpherson: It's \$21.7 million.

Ms Ure: The \$15 million in institutions means hospitals and specialty hospitals.

Ms Martel: How does that compare, for example, over a five-year period? I'm interested specifically in the substance abuse category, the \$98 million. Is that an increase, a decrease? Is it staying the same? Give me five years, if you can.

Ms Ure: It's staying the same. There have been some increases in pay equity and a transfer from the Ministry of Community and Social Services. The recovery homes were formerly within the Ministry of Community and Social Services, and they came over. But basically the dollars have remained the same.

Ms Martel: When you say an increase in pay equity, the agencies are responsible for finding pay equity within their own payments now.

Ms Ure: That's correct.

Ms Martel: You say there may have been a hit some time in 1998-99 when the payout was made.

Ms Ure: That's right. It was actually 1999, and that was the initial one.

Ms Martel: With respect to that, that would mean a number of agencies have then been essentially flatlined for a number of years now. Of the 160 agencies you have, could you tell this committee if the bulk of them, two thirds of them, continue to have the same budget year after year, and for how many years? Do you track that?

Ms Ure: Yes, we do track it.

Mr Helm: Pretty well all the budgets for all the agencies have remained the same over a period of time. Last fiscal year, we did provide a 2% budget increase for

that fiscal year only. That was a one-time grant that all the programs did receive in that year.

Ms Martel: So agencies now are finding their pay equity payments, because the government is no longer providing that, and maybe that will change, depending on the court challenges.

What is the cost to agencies to implement the changes you've made in terms of protocol, assessment tools, discharge criteria etc? What are the increases in administrative costs—for an executive director and other staff, I suspect—to deal with that?

Ms Ure: A fair bit of that is staff time. They're doing those types of work in terms of trying to save time to do more clinical work in the longer term. Existing staff time would be the main cost of those things.

Ms Martel: Is there also, though, staff time taken away from other responsibilities to deal with those issues?

Ms Ure: I'm sorry. Could I have the question in a different way?

Ms Martel: I'm going to assume that in taking over some of those responsibilities, you might see staff not being able to do something else. Is that a fair categorization of what might be going on in agencies?

Mr Helm: The primary intent for standardized assessment tools is, first, to have a standardized system across the board for counting numbers of people served etc, but also hopefully to result in improved efficiency within that organization, because when each organization has their own, or if there's a variety of tools out there, there are varying degrees in levels of administration to run those. By standardizing, in many cases we're hopeful that it actually results in less administrative time, because they have a standardized tool and we provide them with the training and technology to utilize those tools.

Ms Martel: Are you specifically asking agencies about that and trying to track it? I'll tell you why. I've got letters from two agencies in Sudbury. One deals with women and addictions and the other with men and addictions. Both of them wrote to the minister in October, and both stated that the guideline of program administration not being more than 25% of an agency's cost is not realistic and pointed to their increased work with respect to the new tools, admission/discharge criteria, the new DATIS program etc. How many other agencies are telling you that?

Ms Ure: We can do another sample, if you'd like.

Mr Macpherson: We can do that.

Ms Ure: But in terms of written letters—

Mr Macpherson: There's been a number. I don't know what the number is. There have certainly been more than two. There have been a number of letters to the minister this year.

Ms Martel: Is the ministry going to try to track that to see what the impact is directly on agencies?

Mr Helm: On an ongoing basis we track pressures within the agencies and through their operating plans. With DATIS and some of the other tools, it is early on in the process, and we do plan to monitor their operating

pressures on an ongoing basis, which would include administrative activities. So we will be looking at those.

Ms Martel: I'm glad you mentioned DATIS, because they also referenced it. This particular letter says: "Although we welcome the ... program, we are concerned about the additional cost to our operating budget. We have networked computers at both sites and are now looking to connect with the Internet. We consulted with the DATIS staff, asking what would be required to use the program [and] have found that the cheapest service for our agency would total \$2,400/year.... As well, we require two additional computers. Will the ministry be paying agencies for Internet access so that they can be compliant with ministry requirements?"

Is that happening to every agency?

Mr Macpherson: We will fund the DATIS system for the agencies. If an agency needs a computer, that will be covered.

Ms Martel: Have you advised them of that?

Mr Macpherson: Yes.

Ms Martel: When were they advised?

Mr Macpherson: I'd say in the fall.

Mr Helm: The fall of 2001.

The Chair: Could you speak up, please. If you're getting information from someone, maybe it could be repeated for purposes of Hansard.

Mr Macpherson: OK. The agencies have been advised, we believe some time in the fall, that we would support them in getting up and running with the new DATIS software if that required Internet connection or hardware.

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Ms Martel: So the hard costs are all going to be covered. This letter was dated October 10. I will send a copy of this Hansard to them to make sure that they have applied.

The concern that was raised in both of these cases: one agency has not seen a change in their budget in 10 years, the other in eight. They've got negotiations that will start this year. They've both been managing to pay pay equity, but that's about the best they're doing at this point. They've got a serious problem recruiting and retaining staff, and they both have waiting lists.

How much longer can not only these two but some of the agencies providing important services last in an environment where they are just not seeing an increase at all in their budgets?

Mr Helm: We acknowledge the operating pressures that they were under. Last fiscal year we did provide the 2% increase on a one-time basis to address some of the immediate pressures they were facing at that time. Our plan and what we're going through now is to review operating pressures throughout our system, mental health and addictions, and determine what we might be able to do this year and into next year as we do our financial planning. That's as much as I can say at this point.

But from their operating plans, they have been clear in addressing their service pressures and identifying the funding requirements that they feel they require to at

least maintain the existing level of service, so we are trying to take that into account.

Ms Martel: The \$2.2 million was one-time only; it was not added to base?

Mr Helm: That's correct.

Ms Martel: In the majority of agencies, what did it address, what did it fund?

Mr Helm: In some cases, it addressed one-time pressures such as if they needed minor capital purchases within their operation, new technology that wasn't part of a ministry initiative, perhaps, or if there were some time-limited, one-time service programs that they could institute. They were a bit limited in terms of the timing. They had the money last fiscal year, so it was generally for one-time, end-of-year projects, with some service delivery in there, but it truly was one-time, usually minor capital purchases.

Ms Martel: So no impact on the operating side, wages and salaries, which would probably be the bulk of the problem for most of these agencies to try to address.

Ms Ure: Unless they did it one time.

Ms Martel: In this case, one of these agencies did.

Ms Ure: Yes.

Ms Martel: I also understand that an additional \$3 million was allocated "to implement addiction-treatment system and service enhancements." I'm reading from your response to the auditor in 2001.

Ms Ure: Yes, that's correct.

Ms Martel: What does that refer to?

Mr Macpherson: A number of initiatives; some of them were to enhance services, so that might have been to do a pilot methadone project or a pilot community outreach project. Some of them did surveys of their agencies, needs analysis. Some developed a diversity-and-access strategy. It varied. It was done through a collaborative process with each of the regions, involving the DHCs. We established implementation committees. They tried to come up with what suited their region the best. For instance, in Toronto, because there are no services right now in Scarborough, they wanted to deal with that, so that was a project they came up with in Scarborough.

Ms Martel: Was this funding again one time?

Mr Macpherson: It was one time.

Ms Martel: Was all of the \$3 million allocated?

Mr Macpherson: Yes.

Ms Martel: So they've had two hits of one-time-only funding, but nothing added to base, which, as you'll well know, is going to mean that their existing problems are just going to continue to exist.

The operational plans: you've said that almost all of them are done for this fiscal year. I have a question about the timing of that. Can you give this committee an idea of generally, with what you've seen since those are now in, what's the monetary value attached to the need of the agencies out there now?

Ms Ure: I'm sorry, I wasn't clear. The plans for 2002-03 have not come in. We've put them out, but we've not received the responses from the agency. They are due back April 4. Once we have those, we'll have a

better idea of what's out there in terms of your specific question.

Ms Martel: Can you give it to me based on the majority that are now in, even though the fiscal year is almost over? I'm assuming a lot of those needs wouldn't have been met, so they continue to increase.

Mr Helm: We don't have a specific total across the province in terms of the pressure that they have identified. On a program-by-program basis we go through the operating plan and see what their operating pressures are based on their current mandate and current funding level. Because we weren't in a position to fully plan for enhancements across the board, our immediate priority was to look at their existing pressures and their existing budget and what they could do within their budget. So we don't have a provincial total of the pressures identified by the 160 agencies.

Ms Martel: How did you arrive at the \$2 million in 2000? What was that figure based on?

Mr Helm: Arrive at the—

Ms Martel: The \$2-million allocation which you said went to meet operational pressures. How much of the need was met, and was there much increased outstanding need after that? Was that figure based on exactly what the needs were?

Mr Helm: It was based on some very general information that we had in looking at the pressures and the available resources within the program within the ministry as to how much we could put out to alleviate some of the immediate pressures. I don't have any accurate information right now in terms of how much that addressed of their total pressures. We don't have that information.

Ms Martel: So under a budget that has been flatlined for some time now, are there new programs opening, new beds being put into place anywhere?

Ms Ure: No, there are not. Currently, through some of the initiatives that we've talked about—ensuring that people aren't assessed more than once, ensuring that admission and discharge criteria are dealt with, ensuring that the assessment determines what treatment you get—I think we're increasing the throughput or the number of clients dealt with. So in fact there was a 60% increase in clients dealt with since 1997-98 to 2000-01. But that's due to the agencies as well and the staff in this area, who are terribly committed to doing the best they can do and doing it day in and day out, and boards that are committed to that as well. So it's a combination of the staff and the agencies that are delivering day after day as well as the procedures and the processes that help them match up and help them do a better job.

Ms Martel: So your waiting lists, if I just flip over to that, have increased by 30% over the last five years?

Ms Ure: That's correct.

Ms Martel: And your client volume by 60% over the same period.

Ms Ure: That's right.

Ms Martel: But essentially you're managing that with the same number of agencies, residential beds and detox

centres as you've had for some time. There has not been a change in any of those things.

Ms Ure: Some agencies have closed for weekend or holiday periods, so the number of days of care would be less. In some cases, they would have decreased one or two beds, if that was the way they could meet their budget and if that was what the board requested. So with this amount of money, a board would make a decision in terms of what services they could safely provide, and those decisions were made.

Mr Macpherson: Then there's a phenomenon shift in order to cope with it. Gail was talking about the dedication, where agencies' mandates are shifting: withdrawal management services may keep clients longer, assessment referral services may do more counselling and clinical work. To their credit, they're assuming responsibility to try to fill the gaps.

Ms Ure: There have been systemic changes too. In the past, and referenced in the auditor's report, some of the agencies had 28-day programs. An evaluation was done, and the 21-day program was just as effective. Similarly with the outcome data, they found that sometimes outpatient or non-residential treatment is as effective as residential treatment. Then another recommendation was going from group to individual counselling. In some cases that works, in some cases that doesn't, and that's why we need more performance measures to look at who is best in what environment, with co-leaders or single leaders.

Ms Martel: Just based on the numbers that you gave us, the increasing waiting lists and the increasing client volumes, it's clear that there are gaps that exist, and it's right across the province and requires a significant investment or an investment to be dealt with. Do you have any idea of what kind of money would be required to get rid of those waiting lists?

1430

Ms Ure: I've not done the calculation right here, no. I'm sorry.

Ms Martel: OK. Is the ministry anticipating receiving money in the near future?

Ms Ure: We're just in the midst of our business planning process, so I can't say.

Ms Martel: Let me tell you where I'm going. This government announces a mandatory drug and alcohol treatment for social assistance recipients and if you don't take the treatment your benefits will be cut off. From what I've read in the document from the auditor and from what you've told us, we already, without that, have a serious problem in the province, both in terms of waiting lists and numbers of clients who have to be served. Where's the money going to come from to deal with this initiative?

Mr Andersen: As Gail had mentioned, we're just right in the middle of doing our business planning process, which, as you know, is a multi-year process. We're looking at all the competing pressures the ministry is facing, as well as established priorities such as the ones you've mentioned and a number of others, so it's really

hard to say at this stage of the game. Within the next few months the provincial budget will come out, I would imagine. We'll be able to answer more directly at that point in time, once the ministry's full business plan has been examined—and the government's as well, not just our own ministry.

Ms Martel: Deputy, can I be clear? When the minister made his announcement—and this was not your minister; this was the Minister of Community and Social Services—on May 3, 2001, was there any funding attached to this initiative or has the government announced any funding for mandatory drug and alcohol treatment, and what's the level of it?

Mr Andersen: I'm not actually clear on that. It might be a question that we would have to have the Ministry of Community and Social Services answer.

Mr Macpherson: But we have been given assurances by that ministry that this will be fully funded, from our agencies' perspective, depending on the type of treatment that a client may have to go for, whether it's a residential treatment or whether it's a brief intervention.

Ms Martel: Can I ask you who gave that assurance?

Mr Macpherson: From the Ministry of Community and Social Services.

Ms Martel: They gave the Ministry of Health an assurance—

Mr Macpherson: They have indicated to us that there will be funding available.

Ms Martel: For how many clients?

Mr Macpherson: We don't know, at this stage.

Mr Andersen: Again, it will factor into the business planning process for both our ministry and that ministry. We'll have to see where things are at and what might have changed in the meantime since the original announcements were made. It's really difficult for us to get into any more specifics as to our ministry. You might have to direct some of those questions to the Ministry of Community and Social Services.

Ms Martel: The Ministry of Community and Social Services doesn't fund these programs, right? You folks do. Do they have any programs, alcohol/drug treatment, under their jurisdiction?

Ms Ure: No, they recently transferred the recovery homes to us, which I referenced earlier.

Ms Martel: Right. So they don't run the programs; you do. They've given you an assurance that the money's going to be there, but they haven't told you how much. Have they given you any idea of when that money will flow?

Mr Andersen: Again, I can only go back to the fact that we're right in the middle of our business planning for 2002-03. We're looking at all the priorities that the ministry faces in the broader context and trying to look at these programs in general, not just specific to this one particular area. We'll have to get back to you, because those decisions have not been taken yet.

Ms Martel: Have they given you any idea of the number of clients who might be involved? No. Have they given you any indication that if not all of the money

comes, because we know from recent public announcements by the Minister of Finance that there are going to be some big cuts coming, in fact we might have a situation where social assistance recipients who need drug and alcohol treatment are bumping people who have been on a waiting list? Is that a possibility?

Mr Helm: My understanding from the expected process is that that would not be an outcome. Again, as Colin was saying, it's an MCSS initiative, and our expectation is that they would be coordinating and looking after the service needs, from a funding point of view, for their clients. Our funding and our programs are targeted at the targets for our population, and if another population comes in, it would not be at the expense of the core funding and population we're serving.

Ms Martel: How could—

The Chair: We'll have to leave it at that, Ms Martel. Mr Maves?

Mr Maves: I just want to touch on the different types of addiction treatment. The regional offices are overseeing the monies laid out for alcohol, drug and gambling addiction treatment?

Mr Helm: The alcohol and drug funding is through the regional offices; the gambling is still a corporately managed project.

Mr Maves: OK. Now, when you treat an addiction, people in the field of addiction treatments acknowledge that it's the same behaviour, very similar behaviour, treated the same way, whether it's alcohol, drugs or gambling. Is that not correct?

Mr Macpherson: Yes, it's an addiction, but there's such a range. I mean, in terms of problem gambling, is it an impulse control disorder? Is it compulsive? Is it an addiction? Is it a disease? Within our addiction business, you'll get five different opinions around what's an addiction and what isn't an addiction. What we try to do as the Ministry of Health is best match clients with what they need, and clearly a cognitive behavioural intervention could work just as well for a substance abuse client as for a problem gambling client.

Mr Maves: The monies that have been allocated for gambling addictions over the past few years have gone up quite dramatically, from \$1 million to over \$20 million in the last four years?

Mr Macpherson: In the very first year, 1995-96, it was \$1 million.

Mr Maves: OK, and now it's up to \$21 million. Would not a lot of those dollars be going to the same agencies that are doing alcohol and drug treatment?

Mr Macpherson: They're all the same agencies, yes.

Mr Maves: They are all the same agencies?

Mr Macpherson: With the exception of one or two.

Mr Maves: So that extra \$20 million is now going to those same agencies that did alcohol and drug treatment and they have the added responsibility of treating gambling addictions. Do you have any idea how often gambling addiction is treated in concert with an alcohol and drug addiction?

Mr Macpherson: Research shows that the comorbidity or the co-occurrence of problem gambling and substance abuse would range from 19% to the mid-50s per cent. It depends on the study. A recent Canadian study pegged it at around 24%.

Mr Maves: With that being the case, the fact that there's such a similarity or—I don't know a better word to use, but certainly a cross-pollination in this addiction field of people with these addictions, there's obviously a direct correlation between the alcohol and drug treatment centres and the gambling centres. Operationally, then, wouldn't it start to make sense for us to administer that funding as one?

Mr Helm: The funding for the two areas comes from two different sources. Right now, even though the 44 or 45 agencies that receive the gambling funding are also substance abuse service providers, they have two different budgets, then. Technically, the problem gambling budget they receive is for a very specific target population, and so is the substance abuse. But you're right, and as Scott said, I would say from 25% up to 50% of the clients would be in that one agency and hopefully access both the problem gambling services and the substance abuse services. And because it is in one agency, there is a common administration structure in place already, but with two budget lines. There is a distinction there that is required of those agencies, but they do try to maximize the cross-programming in a single administration.

Mr Maves: Yes, but I'm just trying to imagine—if I'm an agency with an alcohol and drug treatment budget and I have a gambling budget and 50% of my clients under the gambling budget are also being treated for an alcohol and drug dependency, it's got to be very difficult for them to separate all this out. To me, one could almost say you've increased the funding of alcohol, drug and gaming treatment by \$20 million over the past five years.

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Mr Macpherson: It is probably difficult for the agencies administratively. From a practical point of view, the agencies are going to look after their clients and they're going to look after them on an addiction continuum. Their counsellors are trained to do both, so they'll probably do what they need to do, hence the administrative problems with having two log books.

Mr Maves: I'm willing to bet the auditor wouldn't be happy with us requiring two separate sets of books from the same agency.

Interjection.

Mr Maves: Finance has more than two, though, we learned earlier.

Anyhow, I'll leave that one for discussion with the auditor at a later date.

Earlier, before we got into the funding section, you had said that a standardized assessment tool was introduced. When was that introduced, how was it developed, and who did you develop it with? You also said that you were continuing to work on it now. Why? Has it shown

some deficiencies? And who are you working on it with now?

Mr Macpherson: The Centre for Addiction and Mental Health was the lead agency involved. There are actually eight tools that have been developed. Gail mentioned that it was the youth that we were looking at. A number of the tools are not applicable for youth that well or don't fit that well, so we're using some of them—I believe we're using three of them—and then we're working on trying to develop some other tools. As we work forward with diversity and access, we'll need to recognize that eight tools geared for what might be an adult traditional male population in North America might need some tinkering as you start to look at different populations, and we're prepared to do that.

What was important was that what happened was that a client would come into the system and get assessed and assessed and assessed. Nine or ten times was not unheard of. The assessments were all different. It made comparability very difficult. It made any sort of evaluation very difficult. The notion of coming up with a standardized assessment is starting to give us those things. The cost, of course—when you start to try and standardize anything for such a diverse population, that's what we've got to work with and tinker with.

What's really quite interesting is that the field, initially somewhat resistant—because it's change—has really eaten it up. They're watching the clients shift just in the administration of a tool: a client who walks in kind of ambivalent or even in a place where they don't even want to be there, thank you very much, after their assessment they actually go through a bit of a shift. That, to me, speaks volumes about the bonus of this kind of thing.

Ms Ure: What that means is that less money is going on assessment and more on treatment in terms of the time. Someone from one of the agencies I spoke with a week ago came up and talked about the difference it has made in his program in terms of the assessment. He looked at the clients in terms of what difference it was making in their lives in having them connect and getting on with treatment, as opposed to just another stage.

Mr Maves: Did we come up with our own assessment tool? Did we borrow from others? If we came up with our own version of somebody else's, is ours being utilized now in any other jurisdictions?

Mr Macpherson: No. It's a mishmash. There is one tool that I believe we pay royalties to the US for. It's a mixed bag, and we developed some new ones. Some of them were in place with CAMH, the Centre for Addiction and Mental Health.

Mr Maves: Do you have to pay royalties to use an assessment tool that someone else developed? For how long would you have to do that?

Mr Macpherson: Well, we've been doing it for the two years I've been there, and it's \$10,000 or \$12,000 a year.

Mr Maves: OK. As to your problem gambling help-line and the prevention strategies that you talk about, the auditor in this report and most of his reports always

wants to know about measures and your outcomes. Have you been able to devise a way to measure your success or otherwise of some of these prevention initiatives?

Mr Macpherson: One of the initial research projects we did with problem gambling was to do a broad provincial survey, sort of baseline information, around attitudes and beliefs around gaming. It was euphemistically called Project Weathervane. It was a joint venture between a couple of our stakeholders. That will provide us with baseline data in looking at how people's values and beliefs start to change, what their cognitions are around gambling.

One of the things with gambling is that there are a lot of cognitive distortions. People don't know what the odds are. They think one in 14 million is large, not very likely. But one in 14 million is tantamount to zero, and those are the odds of winning the lottery. I'll tell this anecdotally: I had one of my staff about two years ago wanting to buy one of the hospital lottery tickets. He said, "It's only one in 15. It's great odds." So I ripped up 15 pieces of paper and put an X on one of them and put them in a cup and said, "Go ahead and draw." He decided not to buy a hospital lottery ticket. It's those kinds of distortions around gambling that we're working with quite a bit in terms of our clients.

Mr Maves: Your anecdote just totally removed my next question from my mind. I was just thinking about so many thoughts on that.

Go ahead, Raminder—I'll have to come up with my question again—if you want to ask yours.

Mr Gill: If I may, Chair?

The Chair: Yes, Mr Gill.

Mr Gill: On the same analogy, should he have bought all 15 and then he would have won?

Nonetheless, you mentioned earlier that there are 160 agencies and \$113 million in funding. Can you give us some idea of the smallest agency versus the largest? How much money is allocated to the smallest agency?

Mr Macpherson: You're looking at a range of \$200,000 to \$2 million.

Mr Gill: In terms of the clients served, what would be the ratio of the smallest agency versus the biggest agency?

Mr Macpherson: I don't have that.

Ms Ure: We can estimate now, but if you'd like the actual data, we'd be pleased to provide that to you.

Mr Macpherson: Anne is estimating 12 to 100 clients.

Mr Gill: My reasoning, again, is value for money. Are there any standards? What is the difference between the rural versus the urban agencies? I know in some of the other hearings we've had, there was some discussion, be it city-based versus outside. Does it cost more money to deliver the same service?

Mr Macpherson: With DATIS we're starting to develop those things and are collecting that information. It's not something we've readily had.

Mr Gill: In terms of problem gambling, is there any tracking of the socio-economic backgrounds of people who get into trouble?

Mr Macpherson: That's part of the demographics that are collected on every client that comes in. The ethnic question is there. There is an education question there.

Interjection: Is there an income question?

Mr Macpherson: There is an income question.

Mr Gill: We have the data on that. Is that ever to be shared or is that ever to be brought forward?

Mr Macpherson: That would be information that could be brought out in a utilization report. If DATIS did a report, they would include the demographics of the clients who are presenting.

Mr Gill: In terms of DATIS, is that fully functional now? Is the software working well?

Mr Macpherson: It's been installed, so it's up and running. We've had a system in place. It was a DOS-based system. We've now moved to a Windows-based system. Given what's happened in software technology, the DOS system just wasn't serving our needs.

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Mr Gill: In terms of the backlog in residential spaces available, is that getting better or worse? Are there more people in demand?

Mr Macpherson: Our waiting lists are not getting better.

Mr Gill: What is to be done to have them get better?

Mr Macpherson: Part of what we're doing and what we've been talking about here are those things in terms of the standardization of assessment and referral. We have seven mergers going on right now. We're starting to reduce duplication of services. The whole notion of regionalization—one of the things we believe will happen with regionalization is that the addiction agencies will start to work together better as a system. The addiction system is an eclectic system of a whole lot of different types of services, with people who are vested in the way they do business. There are a lot of people who have had their own addictions who are running agencies, so what worked for them in dealing with their addictions is what they think should work for the rest of the world. So there is a lot of kind of anecdotal, eclectic background that has formed the addiction business, and that has caused some inefficiencies. So we hope by regionalizing, by having them part of the regional structure, part of mental health, part of the community, that will make things more efficient as well.

Mr Gill: Are there more people utilizing the service, or do we have better tools to diagnose and see if there are more people using the service?

Mr Macpherson: I think the tools are better. Clearly, in over four years, we've had a 60% increase in the number of clients.

Mr Gill: How does that break down into gambling versus substance abuse? Do we have those stats?

Mr Macpherson: We're just really getting underway with gambling. Prevalence-wise, as I say, we probably estimate in the province of Ontario as high as 400,000 problem gamblers. We'll see about 3,000 problem gamblers this year, probably, in 2001-02.

Ms Ure: There is a DATIS report called Treatment of Problem Gambling in Ontario: Service Utilization and Client Characteristics. That talks explicitly. They looked at the clients from January 1, 1998, to April 30, 2000. There are a number of charts that look at what's really going on in people's lives: what was the reason for seeking help, and did that differ for men and women; looking at the age and gender of problem gamblers and what was the peak; looking at the disclosure of problem gambling and was there a difference between men and women—and actually, there isn't; and looking at things like the number of years gambling and the effect on the client's life in terms of was there a difference between men and women, and there was a small difference there. That report is available.

Mr Gill: Did we ever compare, after we had the casinos open, if you want to call it, Ontario jurisdictions versus some places where they've had casinos for ages? Is there any comparison? Are there more problems here or more problems somewhere else or is it universal?

Mr Macpherson: When the government moved away from the roving charity casino initiative and came up with the four charity casinos in Thunder Bay, Point Edward, the Soo and Brantford, we did socio-economic impact studies before the opening. That, once again, took a look at values around gambling, expectations about what people thought would happen to the moral fibre of their community, the economics of their community. We'd also looked at the current prevalence of problem gambling. The idea is that once they've been open for two years—we're now starting the follow-up studies to look at changes from the venues being open. Those are related to the charity casinos.

Mr Gill: I'm still trying to get a handle on a comparison between Ontario versus somewhere else.

Mr Patten: VLTs.

Mr Macpherson: Notionally, with VLTs, the prevalence rate seemed pretty standard, around 2% to 4%. I think when you look at the difference between 2% and 4%, if you're at 2%, you're more at the really pathological or problem gambler, and at 4%, you're up to the more problem gambler. There are notions in Alberta—some of the places that have VLTs, the faster electronic versions of gaming—where the rates are getting up to maybe 5%. So there is some notion, because there's a sort of perpetual feedback loop that people get caught up with in the electronic VLTs. But overall, it looks like it's in that 2% to 4% range across the world.

The Chair: To the official opposition.

Mr Crozier: I want to go to some of the pressures you face in the area of problem gambling. Let's say that a problem with gambling is not elective; you don't choose to be a problem gambler. So you're defined as having this problem, and yet you face a waiting list. What happens to them in the meantime? Do you have any idea what happens to a problem gambler when they can't get help?

Mr Macpherson: There are no waiting lists in problem gambling.

Mr Crozier: Oh, there are none. OK. That's good. I'm kind of like Mr Maves. That kind of shoots the rest of my question.

If there are no waiting lists, I guess I can ask if it is a growing problem, and if at least in the meantime you can sustain that growth.

Ms Ure: I think we can sustain the growth. We're watching it very closely. They also put data into DATIS, so that's how we know what the waiting lists are. Each of the 45 workers we have throughout the province do part-time in treatment and part-time in outreach, which is back to your issue in terms of prevention and community education and outreach.

Part of our issue is getting people to come forward. The problem gambling helpline has had a number of calls—a great increase in the number of calls—and that seems to be many people's first approach to saying: "I've got a problem. What do I do, and where do I go?"

Mr Macpherson: The helpline has had a number of advertising campaigns over the last couple of years. They've monitored the calls, and there's invariably a pickup in calls after an ad campaign.

Mr Patten: Because Mr Helm is here and he has a dual responsibility related to addictions and mental health, I'd just like to ask a brief question. There was a schedule, and we implemented Brian's Law—essentially there were some adjustments in procedures and abilities for getting assessment for someone who needed treatment. Then the community order was a big, big debate, as you would well remember.

I recall there was a commitment by the government that there would be annual reports on how that was proceeding, because there were some questions about developing the capacity around the province. I think 52 different programs were to be set up—or 44, whatever it was—and they were only part of the way there, and this had to be worked out with agencies and psych hospitals and all this kind of thing. When will that report sort of surface, or what's the status of it?

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Mr Helm: When we established the legislation and started implementation, at that point we identified the monitoring mechanisms and report-back. Part of the legislation actually says we must do a formal review in year three. So that is the formal timeline to report back. We're just in the second year, a year and a half into it. So a year and a half or so from now, we will have our formal report-back from a legislative point of view.

We do have ongoing monitoring. All our investments are in place. We put in place about 40 caseworkers—the number you were referring to—across the province to work on the community treatment orders and other pressures that come up around the legislation. We put in place case managers across the province to help them link with the community for housing and other supports. We put in sessional fees for psychiatrists. So all that is in place.

We have just over 100 community treatment orders to date that we're aware of. There's a time lag in some of

the reporting from the billing point of view. But we are monitoring that, and our formal report-back will be about a year and a half from now.

Ms Ure: That's on schedule. That's what we had agreed to do at the time.

Mr Patten: Good. So that's proceeding well, in your opinion?

Mr Helm: Yes.

Mr Patten: I'm truly glad to hear that.

Back to what's in the auditor's report. You have a variety of research elements. Some may be supporting some clinical studies or research that's happening out in the field, others may be researching the programs themselves and others, I suppose, may be assessing the relationship, the protocols of support, primarily being money and access to other resources that government may have etc. Do you still have the same amount of resources for research or has that diminished somewhat or have you been able to lever any funds in conjunction with the federal government in terms of the whole area of abuse?

Mr Helm: Through the Centre for Addiction and Mental Health here in Toronto—they're a key player. Partially through their core budget as well, they undertake research in the addictions and mental health field. We've worked with them, as Scott reported, on the standardized assessment tools, and they've done that kind of work, looking at other jurisdictions as well to see what can be applied here. On the gambling side, we also work with the Ontario Problem Gambling Research Centre, and we provide funding to them to do research in that area. So we are fairly well positioned in supporting research in addictions, and more recently in problem gambling, with more to go in that area so we have a better picture of the client and the needs.

We do try, through fiscal funding if it becomes available, to match or to facilitate certain tools that would help in our program area. The federal government, to some extent through their own initiatives, is also developing tools and best practices around the mentally ill with addictions that we benefit from as well, and vice versa.

Mr Patten: They had a report—I think it was about a year ago, somewhere around that—that I thought was fairly significant in their own research findings, which suggested that treatment solely on the basis of the individual provided limited results and that what had to be considered was the individual in the context of their social environment. That may be friends, immediate family, parents, what have you, which obviously suggests that the modality of treatment would change. Has that manifested itself in terms of restructuring certain programs?

Mr Helm: Programs in the mental health, addictions or substance abuse and problem gambling areas are all strongly based in including the people in the person's life, whether it's a partner, a spouse, a sibling or a friend. I think it's recognized throughout that that has to be a core activity, and I think that from working with our

agencies and our operating plan report-back, it's clear that is well-established. As you say, a specific treatment modality based on the individual will only go so far, and when they leave, if it's an in-patient service, and go back to the community, they need those supports. So by involving the group around that person to be part of the system, and our agencies do if that group exists—if it doesn't exist and the person is on his or her own, that poses other challenges for our service providers.

Mr Patten: I would just cite the case of Davis Inlet. The native people themselves wanted to take another approach, but of course they were not professionals. So the federal government works out an arrangement with the professionals. They take the children who are sniffing gas out of Davis Inlet and send them away. They spend, if not millions, literally hundreds and hundreds of thousands of dollars. Then the children come back. Of course there's no change in the modality, no change in the environment. Within days the kids are back to sniffing gas again. It just drives me nuts. What a waste, what insensitivity and what a lack of respect for others who have traditional ways of doing things. I happen to know this particular thing, and I just point that out so you know.

Their approach was to take the whole family out for a while into a constructive, positive environment and work with them, the youngsters and the parents at the same time, in terms of their responsibilities to each other and then back to the community. Some of those really were interested and keen, and we're only talking about a neighbourhood with a population of 600 people, so 10 families would be highly significant. Anyway, they wouldn't look at this, and this was \$40,000 or something of that nature. I just highlight that as an example of a missed opportunity.

The last thing I'd like to say before my colleague has a question is that while a lot of these questions the auditor asks about accountability and end results and outcomes and this sort of thing are there, and I see that the ministry has a response, my worry, having often worked in the voluntary sector, is that when you're there looking at government, believe me, it looks like, "Here we go again. More red tape." You get action, you get a ministry response and then you get—maybe the Red Tape Commission should go in after all this to see how much more paperwork and how many more administrative requirements there are. The value of streamlining what you're there to support should be clear at the outset, and the concept of supporting organizations doing their thing with explicit agreements on the job to be done and the expected outcomes, and you work with them.

I often felt the government was extremely paternalistic in imposing—of course it comes from the pressure of taxpayers' interests, and I don't want to misrepresent the auditor—when often there isn't the knowledge and understanding and consideration for a lot of people who work at very lousy wages because they care about others in their neighbourhoods and communities, and it becomes more and more a bureaucratic nightmare. So I just

offer that. Hopefully this isn't going to mean more and more paperwork for some of these voluntary organizations or agencies.

Mr Helm: When we instituted the rationalization project, and following up on the Provincial Auditor's recommendations, we did involve many of our community players in the process. When we looked at assessment tools, for example, the Federation of Mental Health and Addiction Programs and the alcohol and drug association were all involved in the process around the various tools. I think that was very instrumental in getting their buy-in and support, because of course their concern is, "What will this mean to me every day in my job?" and whatever. A result of many of the accountability mechanisms, we have found, actually does assist them in their jobs by having one assessment tool. For example, what one agency does, the other can utilize; they do fewer assessments. Reporting through DART and DATIS, they also get the benefit of accessing those services themselves, in terms of knowing what's available across the province. Getting reports from DATIS helps them in their planning as well.

I think it has been a positive exercise, starting with that concern but trying to really work through that it is a positive for us in our reporting in our system and for them. We have many successes in that area.

Mr Gerretsen: I want to continue with that. Do I take it that you have implemented the 1999 comments from the auditor's report, in which he basically lists a number of criteria that should be included in the service agreement? In 1999, for example, the auditor recommended that, "The agreement should bind the recipient to achieve specific measurable results according to established expectations; require recipients as a condition of funding to have in place the governance and administrative structures and processes; require recipients to provide periodic reports on the financial status; clearly establish the province's right to require independent verification of reported information; limit the obligation of the province according to the terms of the program approved by cabinet; and permit recovery of provincial funds and/or the discontinuance of ongoing funds in the event of recipient non-performance."

What I'm asking you is, are all the criteria he recommended in 1999 now included in the different service agreements you have with the organizations?

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Ms Ure: The service agreements are being issued at the end of this year, at the end of March. They've been worked at with agencies. We have other things to define the expectations. The operating manual does just that. It says what you have to do. It also outlines the recovery process, it outlines the expectations for recording, it outlines the expectations for the personal allowance payments and those types of things.

Mr Gerretsen: So you don't have service agreements with individual agencies in place right now?

Ms Ure: No, we do not.

Mr Gerretsen: OK. Next question: do you look at the number of clients an agency services vis-à-vis the number of staff people it has on hand? Do you look for a correlation there?

Ms Ure: We look for a correlation. That was part of the costing study, and what that showed was that it was more difficult than just looking at number of staff and number of clients. You had to look at what clients were getting, how much time. They actually did a costing study with 12 agencies, looking at that. What that will do is form the baseline to say, "Here's what people are doing, what methodologies they're using, how much time it's taking and also how many dollars it's taking." So it's the baseline as opposed to just doing a rough average.

Mr Gerretsen: Would it be fair to say that up until now most of the agreements that you have with these different agencies have evolved historically, that usually the kind of funding they receive next year would be X per cent more than what they got last year, so if you were in the game longer, you probably would get more money than if you were a relatively recent organization in servicing these kind of clients?

Ms Ure: There is a historical basis to the funding pattern, and that's why we had to do the costing going beyond just number of staff and number of clients. Historically, this program has been flatlined, as we've talked about, for a number of years, so there haven't been increases.

What we're looking at when we get new money in areas like early childhood development is developing funding models that make sense; looking at population, looking at things like that, as opposed to arbitrary allocations.

Mr Gerretsen: Are they basically negotiated at the regional level; in other words, between the regions and the individual service providers? Is the ministry as a whole—the Queen's Park ministry, if I can put it that way—removed from that process?

Ms Ure: A framework is developed at the provincial level and then local regions negotiate with local agencies in terms of delivering services. The board of the agency is key in terms of the management and the governance of that agency and determining how the services are provided.

Mr Gerretsen: Could you file with the committee a copy of the proposed service agreement?

Ms Ure: Yes.

Mr Gerretsen: Finally, on the question of increased waiting time and increased service levels, I listened to your comments earlier and also to the questions of Ms Martel that you answered. The number of clients who are in effect being serviced I understand has gone up by 60% but the waiting list has gone up by 30%. What does that mean, in reality, to an individual client? I realize there are all sorts of variations possible, but what does a 30% increase in the waiting list mean? If I need treatment now, as opposed to four or five years from now, how much longer do I have to wait before I get treatment?

Mr Macpherson: There is a triage aspect to waiting lists, so when we say they've increased 30%, that in and of itself might seem like a lot. But clients who are desperate, who need service right away, tend to get service right away. Clients who are thinking about getting treatment and are in a rather ambivalent or pre-contemplative kind of place might be quite happy to sit on a waiting list for a while. From what I've seen with the system, clients who are really in need will be seen and won't have the kinds of wait you're thinking about in terms of getting longer.

Mr Gerretsen: I have just one more minute left. You made a comment earlier about how some of the advertising with respect to gambling was very problematic, or at least it wasn't honest advertising. You gave the example of having a chance of one in 15 to win and it really wasn't one in 15 or whatever.

Mr Macpherson: It was one in 15; it's just that the cognitive distortion for the individual is that one in 15 is good odds.

Mr Gerretsen: OK, let me ask you this. What are you as a ministry doing in that regard to come up with some counter-advertising? Or are you making suggestions to anybody at the political level, through the ministry, as to how these kinds of cognitive notions could be rectified or corrected?

Mr Macpherson: We are doing things along that line. I think part of it is to look at the history of how the problem gambling strategy started. The first commitment was to get a treatment system in place. We didn't know how gaming was going to expand. All we knew when we started to do prevention, when we started to do research, was that when gaming started to expand we needed to have a treatment system in place that could take these clients, and that's what we've built.

I think we've built a wonderful treatment system. We have the 45 designated agencies. There is a dedicated problem gambling person in virtually every community in the province. Those people do outreach. The Centre for Addiction and Mental Health has developed a training manual. They go around and do community orientation events, in 30 or 40 communities, where they speak to allied professionals. Cognitive distortions and starting to recognize what problem gambling is about are things that are talked about and trained about.

It's been done to date on a more remedial level than what you're talking about. I think that's the next stage that we're moving into, the broader-based prevention.

Ms Martel: I want to return to the issue of waiting lists. I listened with interest to the comment that essentially if you have a need for a service right now you're going to get it. My question would be, if you need withdrawal management services right now, would you get that anywhere in the province? If you needed it right now, could you be guaranteed that you could get a space in a centre right now?

Mr Macpherson: No.

Ms Martel: What if you're a youth, what if you're 15 years old? Is it even more unlikely that you're going to get a spot right now if you need it?

Mr Macpherson: For withdrawal management?

Ms Martel: Yes.

Mr Macpherson: I wouldn't say it's any less likely. We're turning people away at detoxes right now.

Ms Martel: What I'm getting at is that you told the committee that you could probably get the service but in fact you can't guarantee that across the province, and for specific populations the situation would probably be worse, youth in particular.

I go back to what the auditor said in his 2001 report: "The ministry advised us that waiting lists were growing across the province due to insufficient system capacity and/or resources." Do I understand correctly that DATIS gives relatively up-to-date information on waiting lists?

Mr Macpherson: DART does.

Ms Martel: All right. Does that give us a breakdown in services needed; for example, withdrawal management, short- and long-term residential and recovery? Is it broken down in that way?

Mr Macpherson: That's available. I don't have it with me.

Ms Martel: Is it fairly recent, that it comes in from the agencies and has to be updated for the purposes of their receiving funding? Does that information come in from them annually?

Mr Macpherson: They submit their availability to DART, so DART is the one that knows what the waiting lists are and what the availability is for any of it, whether it's withdrawal management or—

Ms Martel: Do agencies have to do that through any particular time period: once a year, twice a year? Is there a requirement around them sending in information so that the information at DART is up to date?

Mr Macpherson: Weekly.

Ms Martel: OK. Could you give this committee—

Mr Macpherson: But withdrawal management doesn't do that.

Ms Martel: What does it do?

Mr Macpherson: Withdrawal management does not submit. The thing with withdrawal management is that it's not like—it's so short a stay. They could have three empty beds recorded right now and then five minutes later not have three empty beds.

Ms Martel: Fair enough. Could you give the committee the most recent statistics about waiting lists after this hearing?

Mr Macpherson: OK.

Ms Martel: With respect to the waiting list, you can't tell us offhand right now what we're looking at in terms of short-term, long-term or recovery anywhere in the province. You can't give us that right now.

You said that you are assuming that through mergers, regionalization, standardization etc you're going to be able to deal with waiting lists, or that's part of your strategy.

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Ms Ure: That is part of our dealing with it to date, accommodating the increased number of people we're able to deal with.

Ms Martel: What impact—and I don't know if you define it as a percentage—is that having on your waiting list right now, all of those tools?

Ms Ure: We can't estimate the percentage. All we can do is look at the fact that over the four-year period, there has been over a 60% increase in throughput, or people who have been assisted, helped, in the organization. But we wanted to give full disclosure and also say there was a 30% increase in waiting lists as well over that time period.

Can I say how much is due to any one intervention? At this point, I can't. That's why we did the cost work and the outcome work we're doing right now, so that in the future we'll be able to say, "It looks like here's what's happening." We could also say, "It looks like people need to try different interventions." So rather than have two leaders with a group, maybe one leader is less of a cost, and that may be one thing that continues to have the outcome effectiveness.

Ms Martel: OK, fair enough. But the ministry also identified that the waiting lists are growing because of insufficient system capacity and/or resources. So that remains, I'm assuming, in spite of everything else that's happening on the side.

Ms Ure: Yes.

Ms Martel: But you can't give us a real good indication of what the capacity might have to increase by in order to deal with waiting lists?

Ms Ure: I don't have those dollars.

Ms Martel: Could you get that for our committee? Could you send some information to this committee that would give us an indication, in terms of, I guess, the operating plans that you look at etc, of how much more capacity you would need to deal with waiting lists? I'm thinking of long- and short-term and recovery homes. It's possible to compile that for us, right?

Mr Andersen: Again, I guess I would just say that it's sometimes difficult to correlate it specifically to those things. We are trying, as we've been discussing over the course of the afternoon, a number of different measures to try to deal with the various pressures that are out there. They do overlap in a variety of areas, and we're looking at the substance abuse program in general to try to get at all the various areas. We've been dealing with some of the restructuring initiatives so far.

An assessment of capacity and a strict dollar value assessment—I'm not sure that is perfectly forecastable, as well. We'll see what we can do. It may not be as specific an answer as I think you're hoping for.

Ms Martel: There must have been something that led you to tell the auditor that waiting lists were growing because of this indicator. There must have been something in the system that would lead you to say that to him, that part of this problem was resources and part was system capacity. I'm assuming "resources" means staffing. Is that what "resources" means?

Mr Andersen: It would be broader. It would be dollars as well as staffing. The majority of the budgets would be going to staffing.

Ms Martel: There's no new capacity being built right now? I just want to be clear about that.

Ms Ure: It was back to the comment Mr Maves made, in terms of some folks having gambling as well as substance abuse. That would account for some increase. We talked about the co-morbidity. Some additional folks would be served that way, with the 45 counsellors across the province.

Ms Martel: But I also heard Mr Macpherson say that of that 60% increase in clients over the four years, most of that was not really gambling because that was just getting up and running, correct?

Ms Ure: That's right. It's just the co-morbidity, that in addition to gambling, they have substance abuse as well.

Ms Martel: So it's a factor, but the bulk of people waiting for service right now have either a drug or an alcohol addiction.

Ms Ure: They have that and they may have mental health or other issues too.

Ms Martel: I want to go back to this issue of where social assistance recipients are going to get treatment and how people on waiting lists are going to continue to get treatment when this initiative gets right rolling. Correct me if I'm wrong, but I think Comsoc has told you that they will be paying for their clients to access services. Is that correct? Is that how I should understand what's going to happen here?

Mr Andersen: It would probably be more accurate to ask MCSS the specific implementation questions. It's a bit difficult for us to answer on their behalf what the program intent is. But our understanding, what I said earlier, is that their program would be self-contained and supported while they access our funded agencies and our programs.

Ms Martel: I'm not sure if I understand "self-contained" or "self-supported."

Mr Andersen: Self-contained from a funding point of view.

Ms Martel: So the Ministry of Community and Social Services will be paying you for services for their client. Is that what that means?

Mr Andersen: Yes.

Ms Martel: OK. If you don't increase any capacity in the system—and it doesn't sound like that's underway at this point—how do you deal with new clients coming on who are social assistance recipients who have to have treatment in order to have their benefits continue, and your current waiting list, which you're going to provide to us?

Ms Ure: As Colin said earlier, we're looking at both. The Ministry of Health and the Ministry of Community and Social Services are in the midst of the business planning process, and we'll await the outcome of that. We're also looking at how agencies can work together. If there are any more admin efficiencies that can be gained from agencies combining together, that's yet another option.

Ms Martel: Agencies combining together is not going to give you more capacity.

Ms Ure: It may use dollars in different ways. If each of them has an executive director, then some of those dollars could be used more for direct treatment as opposed to some of the admin costs.

I was informed by Anne Bowlby, the senior policy analyst, that locally, MCSS and the Ministry of Health are working together, looking at what's happening community by community in terms of the need for additional spaces with MCSS.

Ms Martel: Can you folks guarantee to this committee that people who are on waiting lists right now are not going to be bumped off those waiting lists so Comsoc can have services for one of its clients in order to make their initiative work?

Mr Helm: The only thing I think we could say at this time is that our understanding is that Comsoc will be providing the resources and, in a way, contracting directly with the service provider to provide that service for their client. So it wouldn't be taking any services away from our clients. Comsoc would contract directly with a service provider to provide services, perhaps with new resources or staff, for the individuals that they refer there.

Ms Martel: What if the beds are full?

Mr Andersen: I think it's important to go back to a point that Scott referenced earlier as well, that a waiting list in itself isn't necessarily always the most perfect indicator of the full demand or need that's there. You have to look at the people who are on that on a case-by-case basis and make sure you're looking at the ones—doing the triage that he was referring to, with regard to people who need the services most at the particular point in time. I don't think it's really an issue of people being bumped off a waiting list; I think it's more important to make sure that people who are in the most desperate need or circumstances are getting the treatment they need.

Ms Martel: But your staff have already told me that they can't guarantee that if someone needed detox today they would get it, not anywhere in the province, and they certainly couldn't guarantee that for youth, because there is an appalling lack of services for youth. I go back to what the auditor said about waiting times in his 1999 report: for short-term residential facilities, the waiting times range from one day to 60 days, with the average being 22, and for recovery homes and long-term residential facilities, the waiting times range from one day to 76, with the average being 17.

Those two categories, waiting lists and detox, I appreciate, can go up and down because of that service. All of this revolves around bed capacity as well. If there's a waiting list, I'm assuming that's because there are no beds available in a short-term residential facility for someone to get in, or there are no beds available in a recovery home and long-term facility for people to get in.

So if there are no beds available, how are you going to guarantee that both these two sets of clients, which I firmly believe are now going to be set up as competing sets of clients, are going to get service? Who is going to get the service?

Mr Andersen: Again, what we have to do, in the context of our overall business planning for this year and next, is assess the impact of some of the measures that have been undertaken, that we've been talking about over the course of the afternoon, and as well, on a going-forward basis, look at some of those issues, the multiple pressures that are out there from various areas as well as the other funding priorities that the ministry is having to deal with. So it's difficult to really give you an answer right at this point in time, given that we're in the middle of our business planning process for the next number of years.

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Ms Martel: But you can confirm for us, Deputy, that you don't know right now from community and social services how many clients your facilities may need to have to deal with?

Mr Andersen: I don't have those figures and I don't know if we've had an estimate from the ministry of Comsoc or not. Have we an estimate from community and social services?

Mr Macpherson: No, I don't have that.

Mr Andersen: We'll see and we'll get back to you with what we can.

Ms Martel: That would be useful, and also if you can tell us when you anticipate those services will have to start to be available for clients. The minister announced in May that early in the new year they would be operating this in four municipalities. I've been watching but haven't seen an announcement as to which municipalities might now be affected. So it's not clear to me if this is now underway. Perhaps you can let us know if it is underway in some of your treatment facilities.

Mr Andersen: Another thing we should probably point out is, it isn't necessarily the case that there are just two sets of clients. Some of these people may already be in the system; they may be already looking for the services. So you can't really treat them as two distinct groups, and I think that's where some of the forecasting or predictive complexity is going to come into this, in trying to determine exactly whether some of those folks are already in the system, because we certainly wouldn't want to double-estimate, I guess, or count them twice.

Ms Martel: Let me go back to the issue of operating plans being approved. As the auditor pointed out, there was a significant delay in the ministry actually completing those, many of them just being approved when the fiscal year was almost over.

I listened carefully to what you said about the situation for this year and didn't get a clear sense that there was any kind of improvement. Am I correct in that assessment? Are you still at this point really in the process of finalizing operating plans for facilities for the fiscal year that's just about to end?

Ms Ure: For the fiscal year that we've completed, the operating plans have been completed. What we're doing to get ahead of the process is we've sent out the request to each of the agencies to submit their operating plans for the coming fiscal year. Those are due back April 4 or 5.

That will allow us to review them early in the year in order that we can get approvals out. That's the plan. So basically we're backing it up, getting it out earlier, so we can have the agencies know what their budgets are earlier in the year, which will be helpful to both board and staff as well as to us.

Ms Martel: Did you have to have a shift in your resources to allow that to happen?

Ms Ure: We reprioritized resources, yes.

Ms Martel: Is that going to stay in place then from this point on, those resources, to allow that to happen?

Ms Ure: That is our goal.

Ms Martel: Did you have to hire new staff or did you reorganize staff?

Ms Ure: We reprioritized existing staff in terms of what their functions were. Part of it is going back to things that are important. Developing an operating manual means that people don't call with as many ad hoc requests: "What do I do when? What form do I fill out? What do I do when I've got a new board member? What do I do when I've got a complaint?" Those types of things we're trying to systematize as well as we can, and also ensure that the time we're spending is going on key areas such as getting budgets out.

Mr Helm: Addiction operating plans are now on the same cycle as mental health and very close to the hospital plans. Within our division we're trying to get all of our reporting operating plans out within, say, a month's range time so it's all in the same cycle, district health councils have the complete picture around the same time for them to review and give comments back. So we're in that cycle and we expect to stay in that cycle now.

Ms Martel: One of the sections that gave me a fair bit of concern had to do with compliance reporting, because I understood this was—I don't want to use the word "mandatory"—in operation in the ministry and then changed in 1995. I believe you said that you had done five. I was assuming that was this fiscal year?

Ms Ure: That's right.

Ms Martel: Were all of those generated by complaints against the agency?

Ms Ure: No, they were not. There are a number of ways you can do reviews. One is if the agency requests it. If they are going through a major time of change and they are relooking at their goals and their mission, then we can be called in to do a review that way. If there's a complaint, we can do a review. Also, we do some just on a schedule as part of an ongoing accountability process.

Ms Martel: OK, so in 1999 I think the auditor reported that three had been done and all three were as the result of a complaint. You did five this year. Can you tell us what the breakdown was of the five?

Ms Ure: We think they were all complaints this year. All five of them were, yes.

Ms Martel: I misunderstood. I didn't think you had a periodic schedule for reviews; for visits, yes, but not for reviews.

Ms Ure: We try to do as many as our staff resources will allow us to do. We don't have X number that we

have to do each year, like the nursing homes or homes for the aged, for example, but it's just one of the tools that we use for looking at how programs are working.

The Chair: We'll have to leave it at that. Mr Maves.

Mr Maves: I actually remembered my question that I was going to ask before, so I will ask that one, Chair.

Interjection: That's encouraging.

Mr Maves: Yes, it is encouraging.

I want to follow up on the waiting lists because while I don't discount the importance of waiting lists and that when you have waiting lists and someone is in fact looking for a service, they are important and we want to get rid of waiting lists, I do know from being involved with the Ministry of Health that waiting lists can often be a misleading indicator.

For instance, there have been occasions when people have been on a waiting list for a long-term-care bed 20 times. In fact, it was a practice of some hospitals to put some of their patients on 20 different waiting lists for a long-term-care facility. There are other waiting lists which are similarly misleading or instances on why waiting lists are misleading. For example, I could be at home, hear about the fact that there's a long wait for a long-term-care facility, put my name on a waiting list, get offered entry and then say, "Well, no, I'm not ready to leave my home yet." So I know there are a great deal of difficulties with waiting lists.

On this issue of waiting lists, it's my understanding that, for example, if I'm waiting to get into a detox centre, I could indeed have my name on more than one waiting list for different detox centres, correct? They're nodding their heads yes, Chair.

Similarly, once I'm in a detox facility and I'm going to be in that detox facility obviously for a certain period of time going through detox, my understanding is that quite often my name immediately goes on a waiting list for an outpatient service once I'm done. Is that correct?

Ms Ure: That is not correct, but you can ask to have your name put on a waiting list or a list, or you can say that you need treatment right away.

Mr Maves: Right, so if I'm in a detox and I know eventually I'm going to leave detox and go to another form of treatment outside of detox, I get my name on a waiting list.

Interjection: For the program, yes.

Mr Macpherson: One thing we're trying to do is stop the revolving door of detoxes. One of the things that's starting to happen is 80% of clients entering the addiction system enter through detoxes. So while we have the assessment and referral service, another reason for the standardization of assessment is so that clients entering the detox system can get assessed there so that we can immediately start to try and match them where they need to go.

Mr Maves: So a lot of people on waiting lists could actually be receiving some sort of service at the time that they're on a waiting list.

Ms Ure: That's correct.

Mr Maves: Going back to my question that I forgot, there was a program under the gambling addiction portfolio where we worked with the casinos on problem gambling identification programs. I know we did that early on. I'm not sure if we are continuing to do that, if it had proven to be a valuable program, what the status of that is. I just wanted an update.

Mr Macpherson: That's under development. The Ontario Lottery and Gaming Corp is looking to do more in that regard. The Canadian Foundation on Compulsive Gambling did some work around that. It wasn't, I would say, really in depth; it was more on availability.

What we've done is, the helpline is posted visibly in the casinos now and at the racetracks. On every slot machine, there's a helpline sticker. I think what you're going to find over the next year or two is that there will be more and more of the—for the staff who work at casinos and the gaming venues to start early identification and learning how to intervene with a problem gambler.

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Mr Maves: In the auditor's report, he said he had concerns about the way facilities were funding and that the ministry should assess whether the current distribution of funds is commensurate with the value of the services provided, compare the cost to provide services among similar treatment agencies and so on. I think the response you gave was something along the lines that the regional offices are now administering this sector and therefore have a much better idea of who gets funding and stuff. Does that address the auditor's concerns or is there another way, which I missed, in which those concerns were addressed?

Ms Ure: We worked with the Centre for Addiction and Mental Health looking at an actual costing study because, as I said before, it's not possible just to say this program is residential, therefore they should get the same amount as another person who does X number of residential days. In the costing study, they looked at agencies in detail, took detailed time counts from them over a six-month period and then looked at how much time was being spent in various types of agencies with various types of programs. That's going to form the basis for the data system, and that will go right across the province. Then we'll know how much time is spent because of different treatments in different programs. Many of our programs cut across a wide range of treatment initiatives. So some short-term residential programs can be more intensive than others. That way, we can actually know what's happening within a program area. The board can also look at it and see if there are changes over time and what they should be doing with it.

Mr Maves: An earlier response leads me to my last question. You talked about the problem of a revolving door at detox centres. How are we measuring outcomes of each agency? Some agencies may have had more people come back to them. Is that a measure that they're not doing as good a job as other agencies? How are we measuring the effectiveness of the programs delivered by each agency?

Mr Macpherson: From a detox point of view, we do actually have a client satisfaction survey that was done in May 2000. The response to our withdrawal management system was quite positive in terms of the service and client satisfaction at that time. In terms of cost and outcomes, as we've said, we're just at the point where we've developed the software and the baseline data to really go forward and start measuring cost and outcome.

Mr Maves: I could go into a program and get surveyed and say it was wonderful when I left, but if I'm back in there again two or three times, the program really isn't that wonderful if the person keeps reappearing. There must be a way to measure that.

Mr Macpherson: That's why we've developed what we've developed, because with addictions the outcomes are so varied. A success could be a week clean, it could be total abstinence for the rest of your life, it could be not exchanging needles any more or not having unsafe sex, depending on whether you're talking about harm reduction or total abstinence. There's just such a range of goals and outcomes that we weren't able to do anything with that until we actually developed this software with DATIS and CAMH.

Mr Maves: I don't know why it would take software. I would think that we have a certain relationship with agencies over time and we would be able to determine in the instance of each agency, if their clients keep reappearing, that that agency is not being effective. I don't know why we would have needed software for that. We should have been able to measure those agencies for effectiveness by now with or without software.

Ms Ure: We have relapse measures, and that comes through the software, in terms of if they had a relapse, if they needed to go back, and that's a positive outcome measure, given that the detox is probably, in withdrawal management programs, one of the first entries into the system.

Mr Maves: Thank you, Chair.

The Chair: Thank you. Anyone else. Mr Gill?

Mr Gill: I have a quick question. The Ontario Problem Gambling Research Centre: how is that working? I understand it's the highest-funded centre of its kind in the world. How effective is it, and have they started funding projects?

Mr Macpherson: I'm not sure how it compares with the whole world. I know we're funding at around \$3 million and a little bit over doing research on an annual basis. I believe there are 27 different research projects that are underway in some form of state of completion: looking at treatment efficacy; differences in women versus men; why people gamble; there are a number of youth products—are the attributes on a ticket more drawing or seductive than another attribute on a ticket; various prevention initiatives. Yes, they are leading the way. The Ontario research centre is doing some wonderful research.

The Chair: Anyone else on the government side? No. Mr Patten.

Mr Patten: If I could come back to one area, Ms Ure. In response to Ms Martel's question about the options of finding resources for those who would be obliged to be tested and treated from the welfare side, community and social services, I forget who it was earlier who said that there was some indication from community and social services that they would share in any costs that might occur. Who is saying this from the Ministry of Community and Social Services? Is this just among your colleagues or is this a deputy, an assistant deputy? Is this official or is this unofficial in terms of sharing costs?

In other words, you don't want to get dumped on. You can't get dumped on, because you can hardly support what you have now. I bet you wish the minister were with you, because a lot of the questions you have to answer, you have to answer in the context that you know damn well you don't have the resources to do the job as you'd like to do it. That's my assumption. So I do not envy you sitting there having to answer some of these questions when they're really out of your hands. You don't have the resources to do some of the job. Now with the impact of the nature of the questions Ms Martel is asking, and you say there's some indication, is that an official indication from community and social services?

Mr Helm: It might be best, to ensure that we're accurate, for us to take that question back—I'm not sure what the protocol is—to try to get a statement from MCSS specifically in this regard. I think we can endeavour to do that.

Mr Patten: OK, good. In this whole treatment area, usually there are coalitions or groupings or a lot of the agencies and organizations get together and do best practices and all this kind of thing. Is there a group that gets together? What's the name of that group? Is it a federation?

Ms Ure: It's a federation, yes.

Mr Macpherson: The addiction system has seven umbrella groups. Each of the discipline areas has its own umbrella group. There's a fair amount of that going on, and there's a new group that's coming out. They're still trying to come together as a system.

Mr Patten: Could you give me a list of who those people are?

Mr Macpherson: Sure.

Mr Patten: I probably know some of them already, but since I was involved it has probably changed.

My worry is, and only because I've seen this happen, not by individual personal intent but just by the dynamics of government shifting priorities or cutting back and what have you, that community organizations fall by the wayside. My personal observation and bias is that we lose in communities by that because they tend to be closest to where the action is, they tend to not have the same demand on salaries as others have who work for big organizations or work in business or this sort of thing. It

worries me, and I think it weakens our communities when that happens.

So when I hear that that's one option of the possible—there may be two executive directors or administrations. I know that was only an example, and I'm not implying this would certainly be your intent, but it does indicate that the pressure can be put on by some of these organizations.

There are some organizations that I call GONGOs, which are government-organized non-governmental organizations, that are created because sometimes when government puts out that they want to go in a certain direction, there are people with expertise and they quickly organize and they create an organization and away you go. I don't call that a community-based organization.

There are others who get sucked in and take something because they believe they can make a contribution and are not aware of the threat to themselves, and that's what worries me, those kinds of organizations that might be multi-purpose but in good faith got involved, and then, uh-oh, all of a sudden now there's this pressure and they made a strategic organizational mistake in being dependent upon government, which any organization should never do, in my opinion. That's just my bias. That's why I raise this question. I would hope that you'd have some way of flagging that. The auditor, I'm sure, would not be pushing to say, "In the interest of efficiency, let's just reduce all these organizations and have just one or two," instead of 10 or 15 or whatever it is. It's a concern to me, because it has other implications.

Mr Macpherson: Historically, as part of what you're talking about, the OSAB has worked very closely with the field collaboratively on all the initiatives: Setting the Course, which is our underlying document around system reform. We worked together with the system, with the DHCs, with the community-based agencies. We still have a number of central initiatives that are membered by the community-based agencies. The rationalization teams last year were all community-based. The umbrella groups are very active. The federation is one of the major ones, and ADRAO, which is the Alcohol and Drug Recovery Association of Ontario, is very prominent. That addresses part of what you're talking about. It has been very collaborative and not us dictating, "This is what you need to do," that kind of thing. We recognize that the best practice and the knowledge is out there.

The Chair: Anyone else? No other questions?

Thank you very much for attending this afternoon. We appreciate the comments you've made, and we look forward to getting the various undertakings you've given here today. Thank you to all of you.

With that, we're adjourned until 10 o'clock on Wednesday morning.

The committee adjourned at 1553.

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