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(Hansard)**

Monday 3 February 2003

**Journal
des débats
(Hansard)**

Lundi 3 février 2003

**Standing committee on
finance and economic affairs**

Pre-budget consultations

**Comité permanent des finances
et des affaires économiques**

Consultations prébudgétaires

Chair: Joseph Spina
Clerk: Katch Koch

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LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

Monday 3 February 2003

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Lundi 3 février 2003

The committee met at 0902 in the Hilton, London.

PRE-BUDGET CONSULTATIONS

The Chair (Mr Joseph Spina): Good morning and welcome to the standing committee on finance and economic affairs. We are in our pre-budget consultations. We're happy to be here in London for our first day of an awesome four-day road trip.

FANSHawe COLLEGE

The Chair: Our first deputation this morning is Fanshawe College. You have 20 minutes, and whatever time is left over from your deputation we'll have for questions. Welcome.

Ms Krystyna Lucas: Good morning. My name is Krystyna Lucas. On behalf of Fanshawe College's board of governors, I want to thank the members of the standing committee on finance and economic affairs for this opportunity to provide recommendations to the government of Ontario concerning education-related policies that, in our opinion, need to be addressed.

As governors of a publicly funded institution, we take very seriously our role in representing the ownership of our college, the citizens of Ontario. Fanshawe College is one of the largest community colleges in Ontario, with four campuses: London, St Thomas, Woodstock and Simcoe. We have approximately 10,500 full-time students and 40,000 part-time students. Fanshawe is a community employer. We provide about 1,000 full-time positions, and approximately 1,700 employers recruit Fanshawe graduates every year. Through our students, our employees and our employers, we serve our community.

Colleges support innovation and development across business and industrial sectors, spurring growth and success in the global marketplace. Simply stated, Ontario colleges and their graduates are the spark plugs in the Ontario economic engine.

As chair of Fanshawe College's board of governors, I have many concerns. Thirty-five years ago, the Ontario government took a visionary step in establishing a network of community colleges designed to fill the gap in the province's education system and to better meet the needs of the province's people, its employers, and a

growing and increasingly diverse economy. I applaud this visionary endeavour.

However, today we have a new gap in our education system. The economy has a growing demand for skilled workers, a demand that the college system is currently unable to meet. Why? Following a decade of pressures to do more with less, and facing unprecedented new challenges, Ontario's community colleges are poorly positioned to play the part they must play in provincial and regional economic success. Although colleges are Ontario's most efficient and accountable sector, our ability to function has been pushed to the limits. As boards of governors representing members of our community, we are concerned that Ontario colleges will be unable to meet the needs of our students and the needs of the province.

As chair of Fanshawe College's board of governors, I wish to present some of my concerns and the challenges the colleges face. In addition, joining me today are Keith Allen, president of Fanshawe's student union; Jordan Hobbs, president of Fanshawe College's alumni association; and Albert Brûlé, vice-president of development and partnerships for Fanshawe College.

A major challenge for us as a board concerns funding. Without the necessary government funding to accommodate enrolment growth and to improve the quality of education offered by colleges, current and potential students won't get the education and training they need to complete in order to prosper and to contribute to Ontario's society. Over the past decade, provincial operating funding to colleges has decreased from \$7,552 per student in 1990-91 to \$4,379 in 2002-03. This represents a drop of 42%. Ontario government funding per full-time-equivalent student is the second lowest in Canada. This doesn't make sense to us as members of a board. This is happening at the same time as college enrolments have increased 34%. At Fanshawe College, enrolment has increased 39%. This is not a recipe for sustainable excellence, nor is it one for growth. The need for more per-student funding must be given a high priority.

We are also facing technological challenges. Colleges have reached their 35th anniversary. Today many colleges labour at trying to impart 21st-century skills with 20th-century resources. For some time now, due to lack of funding, we have deferred acquisition of new equipment and the replacement of obsolete equipment.

We can no longer do this if our education and training are to be current and in line with the needs of today's employers. We need to provide our students with learning facilities that make them knowledgeable on the equipment currently used by industry and business. This equipment is increasingly sophisticated and very costly.

In addition, we need to understand the importance of providing e-learning. The vastness of our country and the many roles of our learners, including family, employment and shift work, are simply incompatible with attending traditional post-secondary classes. Colleges must be able to keep up with the technological advances in on-line learning; our citizens demand it. This requires an investment in hardware, software and servers for success in this endeavour.

We also have space challenges. Many of our buildings were constructed 35 years ago. Due to lack of sufficient funding, we've had to defer many maintenance needs. In addition, we need to support the expansion due to the increased enrolment from the double cohort. Our classes are bursting at the seams. In fact, at Fanshawe, due to lack of classroom space, we've had to accommodate our enrolments in some of our cafeterias. By 2006, the peak of the double cohort, enrolment is projected to grow by 33,000, with an additional increase by 2010.

Another challenge is the staffing challenge. Projected retirements and downsizing over the past decade have seriously diminished the college's pool of qualified staff and faculty. This is happening at a time of spiking enrolment. Recruiting qualified staff will be a challenge due to the competition with other sectors with similar pressures. Colleges will require 7,114 new employees by 2006 to replace retiring staff and accommodate new enrolment. Colleges need highly qualified faculty to be responsive to the needs of industry and our communities and to ensure that students receive the teaching that enables them to learn and to be successful in their professions.

0910

As a board of governors representing our community, we ask that you reinvest in our colleges. Fanshawe College strongly endorses the call by the Association of Colleges of Applied Arts and Technology to the Ontario government to increase per-student funding to \$5,751 in 2003, an increase of \$1,372. If you do not, the consequences are many. Here are just a few:

The Conference Board of Canada has identified London as one of Canada's fastest-growing city economies. But an emerging skill gap in the workforce poses a serious threat to our region and to Ontario's competitiveness. We need to help with this skill gap, and colleges can do that. The Elgin, Middlesex, Oxford Local Training Board estimates that 32% of skilled tradespeople—that's about 85,000 people in the London region alone—will be over 50 years of age and near retirement. Colleges can help in this area as well. We can train the new skills required.

The Thames Valley District Health Council predicts a shortage in registered nurses due to the large number of

retirements, recruitments from outside of Ontario, and career changes due to the stress of the profession. Again, colleges can help in this endeavour.

Other regional developments point to the increasing demand for graduates from Fanshawe College and from other colleges. Seven new companies have recently announced plans to open in London, creating 1,300 new jobs. We can help in that area as well. Companies locate in London because of the training provided by Fanshawe College.

Forty-five regional companies have announced plans to expand, representing an investment of \$390 million and so many more new jobs. Up to 10,000 newly skilled jobs will be created over the next 10 years in the biotechnology industry as a result of London's leading role in this field. We again can help in this area.

Here are some of the occupational training that we provide at Fanshawe: tool and die, general machinist, industrial maintenance, industrial electrician, mould maker, manufacturing technologies; and also the training we provide in life sciences: nursing and allied health, medical radiation technologists, respiratory therapists, paramedics, pharmacy technicians and personal support workers.

Here are the consequences: without an immediate strategic investment in Ontario's community colleges, these growing skill shortages cannot be met. Ontario's economy will falter. We need to invest in colleges because this is an investment in our future. Without an investment in facilities and equipment, the future ability of Ontario colleges to support innovation and productivity for the knowledge economy is at risk. They will not be able to keep pace with industry demands to graduate technology-literate workers. Without an investment in new faculty and staff, training and professional development, the future capabilities of Ontario college personnel to deliver programs of value are at risk. They will not be able to meet the increasing requirements of learners, employers and our communities.

At this critical juncture, Fanshawe College urges the committee to recommend an immediate increase of \$127.1 million in the 2003 budget for Ontario's community colleges. Furthermore, we would ask the committee to recommend that the governments provide multi-year funding commitments so that Ontario colleges can adequately plan and budget for the enrolment growth that is projected to continue for the next 10 years or more.

Next I turn to Keith Allen, president of the Fanshawe student union, to present the student perspective.

Mr Keith Allen: As indicated, there are 10,500 students enrolled at Fanshawe College, including our satellite campuses. The major concern among all of our student union members is what will inevitably be the overcrowding of classrooms. There is an intense pressure already from our community to graduate qualified and competent students right out of college. Fanshawe has been very successful due to smaller class sizes and their hands-on approach. However, if class sizes continue to increase, we will sacrifice the quality of education for

quantity. We will lose precious face time with our professors, and there will be a decrease in student-teacher one-on-ones. Class sizes will steadily increase over the next seven years.

Without improved per-student funding, our college will be turning away an immeasurable number of students. These students being turned away may be our future business owners in our community, or perhaps they decide to choose London—or Ontario, for that matter—as their permanent residence. Whatever the case may be, we are faced with a condition which will not just affect Fanshawe College's viability, but will also affect the province of Ontario and London's prosperity.

In closing, Fanshawe College students deserve equality among all post-secondary institutions. The students of Fanshawe College would ask that you consider our proposal for the future of all students.

Thank you for your concern.

Ms Lucas: I'll now turn this over to Jordan Hobbs for a perspective from the alumni association.

Mr Jordan Hobbs: I'm here on behalf of the over 85,000 alumni from Fanshawe College who have graduated in the past 35 years. I'm here to show that the alumni board supports this presentation and the call for increased funding to Ontario's colleges for the future.

Ms Lucas: On behalf of Ontario colleges, and in particular Fanshawe College, I thank you, the members of the standing committee on finance and economic affairs, for the opportunity of this presentation. The case is clear. Without a major investment by the provincial government, Ontario colleges will not be able to educate and train the workers we need when we need them. We hope that you recognize the importance of colleges and will act accordingly.

Thank you for your time and consideration of our request.

The Chair: Thank you, Ms Lucas and gentlemen. We have about a minute and change for each caucus. We begin with the third party.

Mr David Christopherson (Hamilton West): Thank you very much for your presentation. Certainly Fanshawe has an excellent reputation. I'm fortunate enough to have Mohawk College in my riding, so I'm very familiar with the college system and the stresses that are on it.

I just want to review the numbers you've got here, because they're really hard to believe: \$7,552 per student in 1990-91; today you're at \$4,379. If you get a \$1,372 increase per student, it brings you to \$5,751 for 2003-04, but that still leaves you below universities at \$6,800 and secondary students at \$6,700. Those are accurate numbers?

Ms Lucas: They are. That is my understanding.

Mr Christopherson: How do we compare with other jurisdictions, notably other provinces and our main competitors in the US?

Ms Lucas: In Ontario, the funding per student is the second lowest in Canada, so we are deeply underfunded.

Mr Christopherson: I know my time is short, Chair. I just have to say that it's got to be somewhat em-

barrassing. When so much of your focus is on training and education and high-tech, for the minister to come from this community where this kind of crisis is going on has got to be somewhat embarrassing for the government.

The Chair: We move to the government.

Mr Rob Sampson (Mississauga Centre): Thanks very much for your presentation this morning.

You mentioned e-learning. Tell me how you would see that panning out in Fanshawe and whether you believe that has an impact on this per-student funding number that has been talked about by you and other presenters who have come before this committee.

Ms Lucas: Increasingly, we're recognizing the importance of e-learning to accommodate the many needs of our adult learners, including responsibilities in the job force, family responsibilities and so on. But we also know that the technology that requires us to put together effective e-learning programs is very costly. So in fact—I'm not sure if you're asking this—it's not necessarily going to save us money by doing the e-learning—not initially, at first.

0920

Mr Sampson: Many of the businesses that I've talked to that are interested in providing ongoing training for their employees—how much time, Chair? I've got to keep going.

The Chair: Quickly.

Mr Sampson: My point is this: I get some sense from talking to businesspeople that they would prefer the e-learning structure because it allows them to keep their employees on the site and productive. So when you talk about total costs, it's important to understand what the total costs to the economy are by taking people out of their employment, taking them to a college structure—

Ms Lucas: Those are excellent points.

The Chair: Thank you. We move to the official opposition.

Mr Steve Peters (Elgin-Middlesex-London): Thanks you for your presentation. You talk about a couple of areas that I think hit very close to home in London: the life sciences—we know the leader that this community is when it comes to medicine—and the gap that exists in the skilled trades. You talk about a third of workers being close to retirement, and the shortages in the life sciences area. You've identified it. Have the organizations—the hospitals, the factories—been speaking up? You're delivering the message, but perhaps the government needs to be hearing the message from the hospitals, from the Ford plants and the GM diesels of the world and say, "Look, we're concerned about what's going on." Have you tried to enlist any support from them to try to help hammer home your message?

Ms Lucas: We have. Probably we could do a much more effective job of that, so I take your recommendations very seriously. We are collaborating with the different organizations—the health care sector, the industrial sector—but I think we could be doing much more in trying to get our message across.

The Chair: Thank you for your presentation this morning. We appreciate your input.

ONTARIO ASSOCIATION OF OPTOMETRISTS

The Chair: Our next presenter is the Ontario Association of Optometrists. Welcome this morning.

Dr Judith Parks: Thank you. First of all, I want to comment that it's really nice to see some familiar faces around here—Mr Sampson and Minister O'Toole. Mr Christopherson, you may not know me, but I am a Hamilton resident, so I know you.

Mr John O'Toole (Durham): He'll soon be the mayor of Hamilton.

Dr Parks: I know.

Mr Peters: "Minister" O'Toole? That's got to be a church minister.

Interjection.

The Chair: Order. Please proceed.

Dr Parks: I'm from Ancaster, but I now I have to say I'm from Hamilton. I just say "Hamilton" now. It's easier.

Thank you, Mr Chairman and members of the committee, for inviting us here today. My name is Dr Judy Parks and I am the president of the Ontario Association of Optometrists. With me today is Barbara Wattie Fuller, director of policy and government relations at the OAO.

On behalf of the OAO and our members, we are pleased to have the opportunity to participate in the committee's pre-budget consultation process. Our presentation today covers three areas. First, it provides some background on the OAO, the important role our members play in Ontario's health care system and some recent initiatives we have undertaken to promote eye health in Ontario. Second, it outlines the current untenable situation in Ontario with respect to remuneration for optometry services under the Ontario health insurance plan. Finally, our submission demonstrates compelling economic reasons and public support for proceeding with a proposed regulatory change that extends the scope of practice for optometrists to include prescribing therapeutic pharmaceutical agents—what we call TPAs.

We have provided a package of information for your reference and we would be pleased to answer any questions at the end of our remarks.

First of all, I just want to give you a little bit of background. The OAO is a voluntary professional organization that represents nearly 1,000 registered optometrists in every region of Ontario. In addition to providing resources and continuing education to its members, the OAO is committed to raising awareness of optometry and educating the public about the importance of professional eye care.

Optometrists are front-line, primary eye care practitioners who are responsible for primary eye and vision care in Ontario. More than four million patients visit optometrists in Ontario annually for eye examinations

and treatment. In addition to assessing and correcting visual problems, optometric patient care also includes diagnosis and management of eye diseases like cataracts and macular degeneration and, with physicians, the eye problems related to diseases such as diabetes and hypertension.

The OAO actively raises awareness about the importance of maintaining eye health and the role that optometry plays in helping patients achieve a better quality of life, including partnerships with the Ontario region of the Canadian Diabetes Association during Diabetes Awareness Month and on Diabetes Day each November.

The OAO also partners with educators on the importance of eye examinations and good vision in schools. For example, the OAO is working with the Lions Club and the York Region District School Board to screen all junior and senior kindergarten students across all elementary schools in York region.

The OAO also continues to promote the importance of good vision in the workplace. As a province, the healthier the workforce, the more productive and successful our economy will be.

We hope that some of the committee members here—and I know that some of you did attend and were able to join us at our inaugural Optometrists on Sight MPP reception at Queen's Park in November, where we showcased some of these important initiatives.

I would now like to turn to the funding of optometry services in Ontario. I'm going to give you a little bit of background first of all.

In the past 10 years, the Ontario government's approach to the issue of funding for optometry services has been frustrating and ineffective in meeting the needs of patients and unfair to the profession. On several occasions the Ontario government, without any consultation with the optometric profession, has arbitrarily set annual budgets for payments of insured optometry services. The results of these imposed decisions have been predictable: the inadequate annual budgets have been considerably and consistently exceeded.

Currently, Ontario optometrists are operating without a signed funding agreement with the provincial government, the most recent of which expired almost three years ago, on March 31, 2000, and the optometric fees for OHIP-insured services are unchanged since 1989. That's almost 14 years.

For example, a minor assessment fee is frozen at \$19.25, and it no longer covers the overhead costs of optometrists. As an example of this, when a patient comes in for a minor assessment—and one of the most common ones we get is someone who phones up saying they see floaters or flashes—when someone comes in with those complaints, it will take us in excess of 30 minutes to do a proper examination to determine the cause of that. It requires us to use all the equipment in our examining room, so in excess of \$30,000 worth of equipment. The reason we need to do that is that we have to rule out and differentiate between whether the

complaint the patient has, the symptoms and signs they have, is a sight-threatening retinal detachment, which would have to be immediately referred, or whether it's a normal, age-related change that requires nothing but counselling; no referrals. So it takes us in excess of 30 minutes and we have to use all our knowledge, all our skill and all our equipment, and the fee we get for that is \$19.25.

While discussions between the OAO and the ministry have taken place at various times during the past three years on the development of a new schedule of benefits for optometry services, no agreement has been reached. Due to this lack of a funding increase for more than 13 years, a crisis situation has been created for optometrists with respect to acquiring and maintaining the specialized instrumentation necessary to provide an appropriate quality of eye care for a growing and aging population and for the residents of Ontario who require optometric services the most.

A visual field assessment is a good example of this. We use visual field assessments—this is a big instrument and it's to check your peripheral vision. We use it for the diagnosis and monitoring of glaucoma. It's also a test we use to assess the optic nerve function in the eye. If someone comes in with certain symptoms or complaints, or if something we see makes us suspicious of a brain tumour or a pituitary tumour, or if we suspect they may have had a stroke that affected their peripheral vision, this is an instrument that we use.

0930

The instrument costs in excess of \$40,000. It's called a visual field analyzer. We can either buy it for \$40,000 or we can lease it for just around \$600 a month. It is used several times daily by every optometrist in Ontario because we need it to rule out certain conditions. It also requires a trained technician, who costs around \$20 an hour, and the procedure takes about 30 minutes. For this service we are only allowed to bill \$19.25. So it doesn't even come close to covering the cost of the equipment, the staff time, the overhead and, on top of that, we do the diagnosis and interpret the results, for \$19.25.

In short, a new agreement for optometrists is long overdue. There is an urgent need to revisit the current fee schedule to ensure that fair and reasonable compensation is given for the professional services of optometrists. A recent survey of our members conducted by the OAO indicated that this issue is the top priority for optometrists across Ontario. The OAO remains committed to working closely with the ministry to find innovative approaches to expedite and implement a new agreement for optometrists.

What is the solution? Well, optometrists are in a desperate situation. We hope this committee and the Ontario government immediately review our funding options. As far as we can see, there are really only two options: first, to significantly increase the OHIP budget to allow for fair compensation. The second option is to allow for the private payment of some optometric services that are currently covered. Those are really the only two options we have to explore.

Next, I would like to talk about the scope of practice for optometrists. Under the current legislative and regulatory framework in Ontario, the scope of optometric practice includes the diagnosis and treatment of eye diseases. Optometrists, however, are currently not permitted to prescribe therapeutic pharmaceutical agents, or TPAs, as treatments for these diseases, despite being responsible for most of the primary eye and vision care in Ontario.

This limitation means that optometric patients cannot obtain the most immediate and effective care from their optometrist and they must be referred to an ophthalmologist or a general physician for treatment. As you are well aware, there is a physician shortage in Ontario. Extending the authority to prescribe TPAs to optometrists would help alleviate the demand on increasingly scarce physician resources by keeping patients who require TPAs out of physicians' offices and emergency rooms.

For example, if someone calls up and has an eye infection, what happens in my office now is that the patient comes in and I am obligated to diagnose the condition. What I have to do at that point is make a note to the family doctor or, if the family doctor is not available, if they are swamped at their office or their office is closed because it's after hours, then we have to refer the patient to a walk-in clinic or to the emergency room. What I have to do is write a note, tell them what the diagnosis is, what the treatment should be, and send them off for another consultation with another health care professional to get a prescription. The other option would be that they would come in, we would make the diagnosis, we would write the prescription and they would be able to go straight to the drug store and get the medication. It certainly would be a cost saving.

Optometrists are highly trained and have the specialized equipment needed to diagnose and to prescribe.

The use of TPAs in optometry is now allowed in six Canadian provinces and territorial jurisdictions. Those are Alberta, New Brunswick, Saskatchewan, Nova Scotia, Quebec and the Yukon. All 50 states and the District of Columbia allow optometrists to prescribe TPAs. This means that 96% of North Americans have access to prescriptions for TPAs from their optometrist.

Independent studies in Canada and the United States have indicated that costs to the health care system will not increase with TPA use by optometrists. In fact, findings of a recent public poll in Ontario revealed that there could be 120,000 fewer visits to the physician's office every two years, with resultant significant cost savings.

In addition to the fiscal benefits, there is substantial public support for allowing optometrists to prescribe TPAs. In April 2001, the OAO conducted a research study on the attitudes and opinions of the Ontario public toward the possibility of extending the optometric scope of practice. Fully 90% of respondents were confident, when optometric training and education was explained. Physicians were also surveyed, and many of those interviewed recognized that optometrists prescribing

TPAs would reduce their workload, provide faster access to care of the patient and reduce health care delivery costs.

In conclusion, the OAO believes that there are numerous benefits to both individuals and to the health care system in permitting optometrists to prescribe TPAs.

Minister Clement has instructed ministry staff to make a review of TPAs a top priority. Right now, stakeholders' input is being gathered and the process is expected to be completed in March. The OAO certainly appreciates the minister's attention to this issue, and we look forward to the findings.

In summary, as an organization committed to working with the government to determine the most efficient and sustainable eye care system, the Ontario Association of Optometrists believes the 2003 Ontario budget provides the government with an opportunity to demonstrate fiscal responsibility without compromising commitment to primary health care in Ontario.

We urge this committee, and through it the Minister of Finance, to adopt these solutions: first, develop a new schedule of benefits and budget for optometric services that recognizes the public need for eye care services and provides a reasonable level of compensation to optometrists for their provision; and second, support an amendment to the Optometry Act to include the controlled act of prescribing TPAs. In committing to these two solutions, the OAO is confident that the government of Ontario will enhance the quality of health care in Ontario and ensure the sustainability of government expenditures in the area of optometric services.

The Chair: Thank you, Dr Parks. We have just about a minute and 12 seconds per caucus. We begin with the government.

Mr O'Toole: Thank you for your ongoing education of us, the public servants, in the elected field. As you might know, I have had considerable interest in this, working with my local optometrist, Dr Karen McPherson—whom I just visited Saturday, actually; Dr McPherson was kind enough to see me on Saturday morning—and also with Darryl Workman. I've written on behalf of both of them to the minister. I'm quite aware of the decision to review the TPA. I'm confident that, along with the review of the schedule that's part of the OMA debate right now, the potential savings that you've identified of \$2.5 million with the TPA would probably be part of the solution to some extent, if we can recognize that the physician shortage issue can be helped through this measure.

What's the general feeling? I've asked both of the optometrists I've referred to what they felt, were all optometrists willing to adapt this new scope of practice discipline.

Dr Parks: All optometrists are willing, I think, to adapt. The biggest concern we have is the fact that we will take on the new responsibility and there won't be sufficient funding. Again we're back to the issue that we haven't had a raise in 13 years. So our biggest concern is that we're going to take on increased responsibility and

certainly liability without any increase in fees. If there's a corresponding increase in fees that's coming, I think there will be no problem and we'll embrace it.

The Chair: We'll move to the official opposition.

Mr Monte Kwinter (York Centre): Thank you very much. I had the opportunity of visiting your MPPs' day. I had a picture taken of my eye and I was really impressed with the whole situation.

I'd like to ask you a question. I appreciate your concerns about the TPAs. I think it's important that they have this. One of the areas that we have been hearing about for years in the House is the whole treatment of macular degeneration. The government announced with some fanfare that they are providing funding, yet I consistently get calls from constituents who say, "The funding doesn't apply to me. I go to see people. They say, 'Yes, you've got macular degeneration, but you're not blind enough to qualify.'" I don't understand that philosophy of, "Wait until you're blind, then we'll try to fix you," when there is an ability to do it preventively. Do you have any comments on that?

0940

Dr Parks: From my understanding, the funding that is in place was only put in place for a year and they had very limited criteria as to who was going to be covered. It is true that not everyone is. It is a fairly expensive procedure, as you know. Certainly in my office, when I send a patient for that treatment to McMaster University, where Dr Pat Harvey is—who does an excellent job—I can't tell a patient before I send them whether they will have to pay or whether it would be covered by OHIP. That is a problem. I have had patients of mine who have called me back after and said they have had the testing done to determine that they would benefit from the Visudyne, the photodynamic therapy that you're referring to, but it will cost them \$3,000 a treatment and they're unable to pay for it. My response to that is to tell them to let their MPP know.

Mr Kwinter: They do.

Dr Parks: Yes, they should.

Mr Christopherson: Thank you, Dr Parks; excellent presentation.

It seems incredibly inefficient, the whole process that exists now. A couple of thoughts come to my mind. One is, I'd be curious to hear what the rationale has been from the Ministry of Health over the years as to why they haven't done this. Secondly, when you refer a patient to, say, a general practitioner who then can write the prescription, do they have to do much the same that you've already done? Do they do a limited version? Do they just take your word for it? How does that work?

Dr Parks: I think every physician does what they feel comfortable doing. Some, I think, because they personally would know me—the ones I would deal with—may just take what I tell them at face value and write the prescription. Others probably, if it's a physician I don't know or I don't have a relationship with, probably would bring the patient in and have a look at the eye. So I'm not sure what the process is after they leave my office; I

don't think any of us really are. In some cases, though, they will certainly take what we write at face value and just prescribe that. Usually we see the patient afterwards. They go off, they get their prescription and then they'll come back and see us a week later to make sure it worked, or see us if it doesn't work.

Mr Christopherson: That's terribly inefficient.

Dr Parks: It has been inefficient for a long time.

The Chair: As a successful PRK patient, I appreciate the work you do. Thank you for your presentation today. We'll take that into account, of course.

**SYDENHAM COMMUNITY CREDIT UNION
ST WILLIBRORD
COMMUNITY CREDIT UNION**

The Chair: Our next presenter is St Willibrord Community Credit Union, of London. Please come forward. You have 20 minutes. Time left over from your presentation will be used for questions. Please state your name clearly for Hansard. Welcome.

Mr Richard Tjoelker: Good morning, Mr Chairman and committee members. The first order of business is to thank you for giving us the opportunity to be here today and to allow us to make a presentation. My name is Richard Tjoelker. I'm the CEO of Sydenham Community Credit Union. Harry Joosten of St Willibrord's is beside me. We regret that Mr Komsa from Windsor Family Credit Union could not be with us today.

I'm the representative of Sydenham Community Credit Union in southwestern Ontario. Just a few brief words of introduction. Sydenham was established in 1957. We have locations in Strathroy—which happens to be our head office as well—Parkhill, Mount Brydges, Lambeth and London. We have a membership of 8,775 members, we have assets of \$95 million and we employ 54 individuals. Sydenham is a full-service credit union offering personal, business and agricultural services, including savings, chequing, personal loans, mortgages, retirement products and commercial accounts.

Within our name we have the word "community," and that word is there for a very specific purpose. Sydenham is very involved in the communities that it serves. We do, on a regular occasion, high school presentations to prevent drug and alcohol abuse. We had the privilege of having Mr Chuvalo, the boxer, come to three different high schools in our area to speak to our young people about the effects of alcohol and drug abuse, and he was very effective. We sponsor local county agricultural fairs and events. We've had considerable experience and presence at the plowing matches held here. We sponsor local sports teams and cultural organizations. We are a benefactor for student education achievement awards. We make major donations to local hospitals. You're aware that the Strathroy Middlesex General Hospital is just going through a major expansion for its emergency and critical care, and we're a big part of that. We're also a member of the caring company, Imagine, and its corporate philanthropy program.

Credit unions in Ontario are very important. We are very different from banks in three major ways, in that we have a much different look at ownership, philosophy, and how we build relationships with the people we serve. Ninety per cent of credit unions are owners of Credit Union Central of Ontario, 203 credit unions belong to Credit Union Central of Ontario, and we serve over one million members, Ontario residents, representing \$12 billion. That's not to mention those credit unions that are not part of Central, such as the Civil Service Co-op. You can add another billion dollars if you include those and the caisses populaires, which are also not included in that number.

Credit unions are locally owned and operated and are uniquely positioned to respond to community needs. Credit unions are vital partners in community economic development. I'm pleased that a couple of years ago I was able to also present at the Premier's task force on community economic development.

Credit unions love to donate and to support charities. Credit unions enjoy consistently higher member-customer satisfaction ratings than the banks and other financial institutions. I refer to the Goldfarb report and the Acumen Research report. Credit unions get top marks for integrity and for caring.

Credit unions are especially recognized for their commitment to small businesses and entrepreneurs.

Credit unions thrive in small communities which may not be otherwise served by a financial institution. I'm sure you heard about 10 days ago that the CIBC in this area announced it was going to close another branch in the small town of Ailsa Craig, just north of Strathroy. We were pleased to attend a town hall meeting they had and we have given them every assurance we can that we will look very closely and that we will work with that community as well as we can to make sure that what they have lost is not just a privilege or a fancy. They have lost an integral part of their community, and that is the opportunity to do financing or banking within their small town and rural area.

We appreciate the opportunity to present four points. We think the timing of this is especially because of the budget that is being built as we speak. I think what we have to say today will form a serious part of that budget.

We have four items. There will be a discussion about a planned merger between Ontario Central and BC Central, and Mr Joosten will do that. There will be a discussion about the need for expanded networking partners for the credit union system, and Mr Joosten will do that. Then I'll come back and talk to you about the issue of collateral mortgages and the credit union system, and the deposit insurance premiums in Ontario.

I would like to take this opportunity now to introduce Mr Joosten.

Mr Harry Joosten: Thank you. I'm speaking from another set of points. You probably have them in front of you.

I represent St Willibrord Community Credit Union. As of December, there were over 40,000 owners and 13

branches across southwestern Ontario. Our 12th was in St Thomas, Steve Peters's home riding. Mr Beaubien, our newly refurbished Sarnia office has a grand opening on Saturday, which you know about already.

There are \$709 million in assets, another \$150 million under administration, 246 employees and, as of the last fiscal year-end, \$4.7 million profit, of which over half was returned to our owners and at least 3% invested back in the community as part of our community investment initiative. You can see that our branches spread right across southwestern Ontario. Our latest addition was in the town of Wingham, effective January.

In the next little slide you'll see a rather unusual organization chart where the owners, the customer-members, are at the top and the board of directors and the CEO are on the bottom, because it really is our owners who direct and control the credit union.

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Down to business: the major point we want to talk about today is the legislative requirements, the harmonization that we require in order to effect the merger of the financial divisions of the Ontario and BC Central credit unions. It's part of a national effort to simplify the system and go from a three-tier to a two-tier system, with this Ontario-BC merger of the back office operations as the starting point.

There are lots of benefits: economies of scale; providing more opportunities for individual credit unions to be stronger and more competitive; quicker decision-making; and increasing our ability to contribute to community economic development.

The credit unions in both provinces have already approved this merger 98%, a remarkable number when you consider the size and scale of the system in both provinces. What we need is harmonization of certain legislative elements between the two provinces. The Ministry of Finance is more than aware of what is required. It's been on the table for well over a year. As a matter of fact, I personally met with Steve Peters last summer, and Dianne Cunningham, Mr Johnson of Stratford and Elizabeth Witmer up in Waterloo. I know that other credit union representatives from across the province have been visiting people on both sides of the House, as a non-partisan issue, saying, "This is a relatively simple thing. We just need it to make it work."

We need action now. If it's not attached to this budget, it's going to significantly delay the whole thing. It's a big deal and we want to make it go.

As a matter of fact, we were both heartened and disappointed by the recent announcement of the sale of the Province of Ontario Savings Office. We know that you have the time, effort and flexibility to make a deal like that work with our co-operative brethren from outside the province. We hope and expect that you would display the same amount of time, effort, flexibility and responsiveness to make it happen this spring for the credit union system.

The second point is a secondary one: networking powers. Currently within the act there is a whole list of

business powers that credit unions have specifically with respect to networking. However, credit unions in Ontario have fewer options for networking than credit unions in other provinces and our federally regulated financial institutions. We need a level playing field in order to play fairly. It is a relatively simple thing to add to the current list of allowed potential network powers a phrase like "an entity providing any financial service activity." It's something that could be done relatively easily. It's still subject to all the regulatory and oversight requirements from the Financial Services Commission of Ontario, and we would certainly hope that you take that into account.

I want to repeat that the legislative requirements to harmonize certain elements of Ontario and BC legislation are paramount, and we really want you to pay a lot of attention to it this spring.

Mr Tjoelker: I would like to now address the collateral mortgage issue. As you are aware, the credit unions in Ontario operate under the Credit Unions and Caisses Populaires Act, 1994, known as Bill 134, and credit unions in Ontario are regulated by O Reg 76/95.

The issue is that credit unions in Ontario suffer a disadvantage to the chartered banks and federally incorporated loan and trust companies. Interestingly, other credit unions in Canada don't have this problem.

The interpretation of the Financial Services Commission of Ontario—I'll refer to it as FSCO—of section 57 of the act unfairly prohibits credit unions from offering a financial service/product. Section 57 of the act requires substantial amendment. Credit unions must be permitted to apply for an exemption from this unfair and unworkable restriction. Credit unions found to be offside today must not suffer regulatory action from FSCO.

The reason I bring this up is that it was not an issue under the credit union act prior to Bill 134, prior to 1994. The wording identified at that time did not make this distinction. I don't think this distinction was meant to be made. I think it was made in error by a clerical process that did not understand or did not appreciate the impact of the new wording of Bill 134. Section 83 of the old act did not discriminate against credit unions; section 57 of the act today does. So that's just an issue that needs to be worked on. It was not an issue until a couple of years ago, when FSCO looked at section 57 and applied an interpretation other than the interpretation under section 83.

It's an unfortunate thing. It's probably just an administrative thing, but we're going to ask you to pay specific attention to that.

Amend section 57 of the act to eliminate the restriction. The definition of "conventional mortgage" only refers to a 75% limit. We can fix this by creating a subcategory type of loan that can be secured by mortgages exceeding 75%. We don't want to touch conventional mortgage-writing; we just need to have another product that allows us to exceed the 75%. Allowing us to do that allows us to effectively compete with the banks under the federal act. Failure to amend section 57 is major. Credit unions will not be able to

complete with other financial institutions and credit unions would assume additional risks in their lending portfolios by not being able access available security.

The final issue of the day for the credit union system in Ontario is deposit insurance premiums. Deposit insurance premiums payable by credit unions to the Deposit Insurance Corp of Ontario, known as DICO, are significant costs to credit unions across Ontario. In fact, they are much higher than the insurance premiums paid by federally regulated financial institutions to the Canada Deposit Insurance Corp, or CDIC.

I have given you a schedule outlining the differences in the premiums and you can see that credit unions in Ontario suffer a much higher cost than do the federally regulated banks. It is imperative that DICO premium rates be brought more in line with the CDIC.

Gentlemen, ladies, I appreciate it. Thank you for your time.

The Chair: Thank you, gentlemen. That leaves us just about a minute per caucus, beginning with the official opposition.

Mr Peters: Gentlemen, thank you for your presentations. With the two issues you raise, the merger that Harry talked of and the collateral mortgages that you've just spoken of, Richard, is there a cost or a risk to the government in proceeding with either of those areas? There seems to be some reluctance on the government side. What risk or cost is there to government to have the merger take place or to amend section 57?

Mr Joosten: No direct cost at all. It's getting it through the red tape and the bureaucracy, because there's no real direct cost issue at all in the legislative environments. There are policy interpretation issues, but there's no direct cost. The reason we're bringing it up this morning is because the issue is urgent. It's been on the table for a long time, and we wanted to take advantage of this opportunity and the legislative oomph that goes with a budget.

Mr Christopherson: Thank you for your presentation. I'm a big fan of credit unions. I've been a member of one credit union or another since 1972. I haven't been out of debt since, but that's got nothing to do with the credit union.

The issue around the conventional mortgage or the 75%: could you just run that by me again? I didn't quite catch it the first go-round. What's the problem?

Mr Tjoelker: The problem is that credit unions under today's legislation cannot write a mortgage that works as collateral to another debt instrument. Normally, we would have the conventional mortgage that would go to 75%, and that was fine. If a member wished to have additional debt and had security in their home or had collateral value in their home, they could go to the credit union and say, "Lend me another \$20,000 and you can have the additional equity in my home as security." The way it reads today is that we can no longer do that. The really strange thing is, the act was rewritten in 1995; it was not a problem until about two years ago, when someone at FSCO looked at the writing of this thing and

said, "Wait a minute. Credit unions can't do that, because it says so right here."

If you compare it to pre-1995, everything was copasetic. The act was written properly; the guidelines were done properly. Not a problem. This is strictly a clerical error that needs to be fixed. We've had reluctance so far from FSCO to address it. They're going to credit unions now, saying, "You guys are offside."

Mr Christopherson: Why are they so opposed?

The Chair: Quickly answer that, sir.

Mr Tjoelker: We're not sure. We wish they weren't.

Mr Marcel Beaubien (Lambton-Kent-Middlesex): Richard, Harry, thank you very much for your presentation. I don't really have a question except to recognize the good work you do in rural Ontario. I think you provide an awful lot of economic activity and you're certainly good corporate citizens. I also want it to be on the record that I support the changes you're trying to introduce. I don't know what the problem is. I have a sneaking suspicion, but hopefully we can cut through the red tape in the next short while and deal with those two issues.

Mr Joosten: Just responding to that, in one aspect you talked about the farm and commercial rural Ontario. This Ontario-BC merger will make it easier for credit unions to securitize loans, which will make it easier for credit unions to continue to provide lending and financing to small businesses, especially in rural areas. That's a challenge that both our credit unions face today.

The Chair: Thank you, gentlemen. We appreciate your input today.

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LONDON INTERCOMMUNITY HEALTH CENTRE

The Chair: Our next presenter is the London InterCommunity Health Centre. Welcome this morning.

Ms Michelle Hurtubise: My name is Michelle Hurtubise. I'm the executive director of London InterCommunity Health Centre.

Thank you, Mr Chair and members of the standing committee on finance and economic affairs, for granting me the opportunity to speak today on the role that community health centres are playing in our health care system and the need for sustainable funding.

The London InterCommunity Health Centre is one of just 55 community health centres that are operating in the province. All of them work in partnership with people who experience barriers to accessing mainstream health services. I'm going to talk a little bit today about the role that community health centres play in general and primary care reforms that have been discussed across the province, as well as some specific examples of the effectiveness that we feel we're playing here in London and some recommendations as to how we can play an even bigger role.

The strategic review of community health centres released in July 2002 indicated that community health

centres should play a strategic role in primary care reform, particularly for populations facing access barriers. The review found that they're an effective model of primary care delivery, and the London InterCommunity Health Centre is just one of those.

We serve over 7,000 clients from the hardest-to-serve populations in London: people living on very low incomes; people living with serious mental illness; immigrants who speak very little or no English; people without health insurance; people who are homeless. On average, our clients come to appointments with seven to nine critical health care issues, indicating a level of acuity and complexity that are not traditionally seen in a general family practice.

We provide service in 43 different languages, and we're not unique among many of the community health centres, which means that although we do use some translation dollars, that's not where our budget needs to go. We seek to employ people who speak many different languages. We work as a multidisciplinary team, working on the individual, family and community levels of health. This allows for a great breadth of case coordination to improve the continuity of care, and to ensure that physicians are not delivering very high-priced services that can otherwise be offered more appropriately by a nurse, nurse practitioner or social worker.

We promote broad-based strategies, such as our children's nutrition and learning program and Women of the World, which I'll speak to later, again addressing health issues on the broader determinants of health and not just what's happening in a doctor's office.

We have several examples of the effectiveness we've been able to play in our community in health care; for example, our health outreach for people who are homeless. One of our initiatives is around a dental care program based on the fact that homeless people are twice as unlikely to receive annual care and 25% have not seen a dentist in five years or more, compared with 8% of the general population. In our recent program, where we undertook some funding with the city of London to pay purely for dental services, we found that 83% of those 90 clients did not have a dentist, 67% were in severe pain, and 10% had such great difficulty speaking because of the level of abscesses in their mouths. They were not eligible for any other funding. This is a huge barrier in terms of them being able to get adequate nutrition and even being able to look for housing and employment, when that first impression, the state of their oral health, is all-important. Working with an oral health coordinator, that one-on-one-level work with community dentists, we provided services to close to 90 clients, with a 98% show-up rate. This is in a population that's known for a high rate of no-shows, to such a point that people often won't accept appointments for them because they rarely show up.

Last year we provided over 800 pieces of identification for clients to be able to access health care, employment and social assistance. This is a critical access point and a service that is a major barrier for

people to access care. If they're not accessing care, they're coming to emergency rooms with greater health issues than there really need to be.

We provide clothing and donations in partnership with Jockey underwear and Novacks clothing in the city, again providing front-line access to keep people from freezing. The health outreach team provided health care, social support, information and assistance accessing other services to over 1,400 people who were homeless in the city of London.

One of our most researched and evaluated programs that I think has some of most significant impacts around the effectiveness of health care is our Latin American diabetes program, which was the 2002 winner for the Peter Drucker award for innovation in Canadian non-profits. This program grew out of the recognition that Latin Americans in particular face a 10% incidence rate and a 40% lifetime prevalence for diabetes. This is four times the rate for Canadians in general. The estimated health cost burden for Latinos alone is \$33 million. This model of care, based on working with foreign-trained health care professionals, providing them with training, working as lay health promoters, not only provides employment opportunities and gets foreign-trained physicians and nurses back into our health care system, but also has a really high success rate in working with a very at-risk population.

This program in the last year has screened 12% of the 20,000 Latin Americans living in London, as compared to only one or two who had been seen at the diabetes education centre in the year previously. We deliver services at \$18 per visit, compared to the \$212 per visit per person at the diabetes education centre. The really significant thing is that this lower-cost service has seen an average 11% to 15% drop in HbA1c levels, which really is the gold standard of measuring the effectiveness of diabetes care. For each 1% drop in levels, there's a 12% decrease in cardiovascular disease. So this very cost-effective program is also delivering very effective health care.

We run a prenatal program. I think this is critical, in light of some of the recent news events that have happened, where very high-risk infants have been left exposed in Toronto; other high-risk deaths. We organized this way in response to some of the Jordan Heikamp inquest recommendations. So we have support half a day a week from a family physician, a nurse practitioner and a social worker, recognizing that many of our clients weren't accessing any prenatal care, which is a major indicator of low birth weight. We work with mothers who are considered high-risk because of their age, income, living conditions, substance use, mental health, status and other factors.

Our children's nutrition and learning program works with neighbourhoods in developing networks and structures which promote health. We develop structures that bring together generations—seniors and youth contributing to the improvement of the community. This program in the last year provided 450 students with an

average of a little over 3,000 breakfasts, 32,400 snacks and 16,200 apples in a school year. We know that kids can't learn in our education system if they're not provided with adequate nutrition, and many of the children from the community within which we work were going to school not fed because they didn't have food in their homes.

A recent study by Gina Browne indicated that community-based services are more effective and less expensive when they're proactive, comprehensive and aimed at reducing the inequalities in coping capacity and social resources that result in ill health. So part of the community health centre model really is looking at that whole continuum of services.

What are some of our barriers to success that we've encountered to continue some of these programs? For the past 24 months, our clinical practice has been closed to new patients, despite requests from, on average, 15 people a week for services. We provide health services to over 5,500 clients, with only two full-time-equivalent physicians, two nurse practitioners and three nurses. Again, this is the most high-risk, complex, acute-care health situation. Funding for a number of our programs, including the children's nutrition and learning program and the Latin American diabetes program, will run out within the next 16 to 18 months, so we're not going to be able to continue that kind of work that has a real impact on reducing health care costs elsewhere in the system.

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Salaries have also been frozen since 1992 for all staff, and this is creating significant problems for recruitment and retention. Just as one example, our nurses' top of scale is \$52,000 per year, compared to \$66,300 per year in a hospital. Our nurses receive less extended health care benefits, less access to professional development dollars, and are not paid for overtime. That's just one position. The Hay report from 1999 indicated that salary inequity ranges anywhere from \$15,000 to \$50,000 for a number of our professional and managerial positions. This lack of competitive funding makes it increasingly difficult to recruit physicians, nurses and nurse practitioners, which impacts on our ability to deliver services. I have physicians and nurses who are very interested in working in community health centres, but I don't have the funding positions, and even when I do, they're not willing to take the salary cut to do this kind of work.

The health of our clients is also impacted by other socio-economic conditions, including the lack of affordable housing and lack of access to medications. Last year we spent over \$20,000 on medications for clients who fell through the various systems and weren't eligible for Ontario Works or Trillium funding; the threshold was too high for them to meet. For a number of our clients, the levels of Ontario Works and the Ontario disability support plan have been frozen since 1995, but the cost of housing, food and transportation has gone up every year, creating an increasingly intolerable situation for them to address some of their health conditions.

According to the strategic review of community health centres, we are cost-effective. We write fewer prescrip-

tions. We have lower emergency room use by our patients. We use health promotion, which reduces other health strategies. We work in partnership with the community to address their broader community needs. Our costs are more easily contained: rather than a fee-for-service model, all of our staff, including our physicians, are on salary, so there's a recognized funding piece.

In terms of our recommendation, we would like recognition that family health networks and community health centres both have a role and meet different needs in primary care reform and should be supported. We'd like to see an increase in the size of existing community health centres and an approval of the salary increases to bring us in line with the rest of the health care sector to have a greater stability in our turnover and retention. We'd also like to see a CHC expansion for new centres and satellite operations. We believe this is one of the ways we can effectively meet some of the needs in underserviced areas and communities across the province.

The association of community health centres estimates that to bring existing centres in line with the recommendations of the strategic review will cost \$5 million to meet the salary catch-up costs and an additional \$30 million to meet the other recommendations, such as technology, IT services, improved 24/7 coverage, including expanded hours of service, expanded health promotion and disease prevention, and enhanced organizational and infrastructure capacity.

While these increases are needed so that many of our clients can receive primary health care services, we also believe that they won't achieve optimal health status unless some other conditions are also addressed in their lives, including increased access to affordable housing, increases in the level for social assistance and disability support, and improved access and bridging to medication coverage for the working poor.

I thank you for your time today and will take any questions.

The Chair: Thank you, Ms Hurtubise. That leaves us lots of time, by comparison, about two minute each. We begin with the third party.

Mr Christopherson: Excellent presentation; thank you. I have a couple of community health centres in my riding, so I know the impact they have and the difference it makes. To start, the salaries and your inability to attract skilled people to work there—obviously, you're up against a number of things. You don't have the same money that others have to offer, but also you're trying to hire in an area where there are acknowledged shortages, and we've got projections that show us that those shortages in the future are going to get even tighter. Where are you if you don't get some relief on the salary front to attempt to deal with the other two areas? What happens if, literally, you can't hire enough nurses, doctors and other professionals?

Ms Hurtubise: That's one of our biggest challenges. As I said, our clinical practice has been closed for the past two years. We're turning people away. While we are

the first choice for many people, we're often the last resort for others who have been denied services from other family physicians because they're just too labour and resource intensive; they'll continue to increase emergency rooms. Because we don't have adequate physicians or mental health counsellors, we have individuals who have been accessing emergency rooms three or four times a week. That's a small percentage. We manage others with serious mental illness.

I have a vacancy for a family physician working with our homeless outreach. It works great. If I have one physician, I can have three nurses and nurse practitioners providing services around that physician, which means that I need less physician hours to be able to deliver three times as many services. So I don't need a lot; I just need a little bit.

Mr Christopherson: And as Councillor Andrea Horwath of Hamilton notes, getting the right person isn't necessarily going with the highest-priced help, meaning that you don't always have to have a doctor to have the right person, looking at what your needs are.

Ms Hurtubise: Not at all. Most of the health status monitoring for some of our complex-care clients can be done quite effectively with nurses and nurse practitioners. For me, the recruitment issue isn't as challenging as being able to offer competitive salaries. I have people who are approaching us and who want to work with us—and it's fair enough; they don't want to take a \$15,000, \$20,000 or \$25,000 salary cut to be able to do this kind of work. But they are interested in working with us and with our clients.

Mr Christopherson: That is exactly where I wanted to go next: to talk about the reception you're getting in the community. I know that in the area of public health, for instance, there are more and more physicians who are seeing public health as the area they want to get involved in, and this is a good thing for the public. In the past, it was seen as a poor cousin in the medical field. Is it pretty constant across the board that you have a lot of people coming up through the professions who are saying, "I'd like to work in a community health centre rather than private practice or in the headline kind of places"?

Ms Hurtubise: It's interesting that when we did a survey looking at services for northeast London and trying to decide whether a family health network or community health centre would work, over 65% of the first-year residents who were surveyed said they'd like to work on a multidisciplinary team and on an alternative to fee for service, and they are really interested in working in this kind of environment. That was really exciting to us.

We have 50 first-year and second-year medical students who make lunch four times a month for our children's nutrition and learning program. They're really excited about what they're doing and the potential they'd like to see. A lot of them then don't choose us as a resident placement because of the limited opportunities. Most community health centres only have, on average, two to three funded physicians. Once physicians are

there—often they're working part-time with us and part-time in a private practice—they're not leaving.

The Chair: We move to the government. Mr O'Toole.

Mr O'Toole: I've had the privilege of speaking and in fact meeting with the CHCs and have a lot of respect for them, as I know our government does. I think Minister Clement has made it very clear that the family health network model, which is a collaborative health model, is one of the options. But he has also included the CHCs in that primary care model, and I'm pleased with that. The commission study that was released in 2002 confirms that.

I think you're at a crossroads, not just in light of Kirby's and Romanow's reports accenting the importance of primary care and community relations, as you've described them. I commend you, but I think there's more work to be done to make sure the public pressure you represent, and we do as well, is there so the struggle between the OMA and the other custodians of health care does change the culture. That's where we are, really. Not to blame someone, but there are traditions, and traditions have respect. There is a lot of support for international physicians being recruited, trained and licensed here—foreign-trained physicians, you might call them—and also for the nurse practitioner role, which is just burgeoning in my area.

You mentioned the inequity of pay, and of course you hear that between long-term care and hospitals, community care and hospitals, access to care centres. The doctors in community care are actually paid a salary. That's the difference: no fee for service. What is the salary for a typical physician, a family practitioner, in a community health centre?

Ms Hurtubise: My top of scale for a physician not in an underserviced area is \$117,000.

Mr O'Toole: And all their supports are supplied, right?

Ms Hurtubise: All their supports are supplied.

The Chair: We move to the official opposition.

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Mr Peters: Thank you for your presentation. I too have a community health centre in my own riding in West Lorne, and they're in to see me regularly. It's amazing the role that they do play in the community in a lot of different areas beyond just health, and it's important.

When you read this little presentation you've put together here, it's interesting to see the CFO of St Michael's Hospital, John King, talking about community health centres, yet when Mr King was the Assistant Deputy Minister of Health, the strategic review sat on the minister's desk. So maybe Mr King has seen the light. I don't know, but I kind of chuckled when I saw John's picture in there.

The question is, why has this strategic review dragged? It gets initiated in 2000, it gets submitted in 2001, and finally somebody responds in 2002. Yet they really haven't responded to it. I know, in talking to Doug in West Lorne, the review points to the important role that you play. Where is the reluctance? Is it within the

Ministry of Health? Is it within the medical community? Who's balking at allowing the community health centre model to expand?

Ms Hurtubise: I think that's a really good question and one that community health centres would like to have clearly answered as well, because we were asking for the release of the strategic review for a year before it was released.

From our perspective, some of the challenges that we've heard about our model is that, as a community governance model where we have a board of directors to whom all of our staff are accountable through the executive director, that is a model that poses some challenges apparently for the medical community. However, I think it is an important accountability mechanism that the community has ownership over community health centres, and that really drives a lot of the strength of them.

I'm not sure where the other resistance is, because survey after survey of family physicians has said overwhelmingly that they would like to support and work in this model if there was support and incentive for them to do so. That is, they like not being the only provider who's responsible, particularly for complex-care clients. They like and approve of a model that they don't feel they have to rush people through in three to five minutes when there's a lot of health care needs. They like that there are other staff who speak different languages so that they don't have to work through an interpreter and that somebody else can provide the services, and that when they have a diabetic who's in front of them and they're trying to get control over their diabetes, they can work with the social worker and community worker to ensure that this person is getting the food supplements they need, rather than not eating or eating poorly because they can't afford anything else.

The Chair: Thank you, Ms Hurtubise. We appreciate your input here today.

ONTARIO SCHOOL COUNSELLORS' ASSOCIATION

The Chair: Our next presenter is the Ontario School Counsellors' Association. Please state your name clearly for the record, sir. You have 20 minutes, as you probably have seen from your observation. Welcome.

Mr Phil Hedges: Good morning. My name is Phil Hedges. I'm the executive director of the Ontario School Counsellors' Association. That's a voluntary, professional association made up of guidance counsellors in the elementary and secondary public, Catholic and private schools across the province. I thank you for the opportunity to appear before you today.

Many presentations before me, particularly those dealing with education, have stressed the lack of coherence between the province's vision and the ability of schools to achieve that vision. Even the most carefully thought-out policy is of no value if it cannot be implemented. That reality is glaringly apparent in terms

of guidance and career education in both the elementary and secondary schools in Ontario.

As part of secondary reform, Ontario introduced a new guidance and career education program policy, Choices into Action, in 1999. Prior to that, 20 hours of guidance classroom instruction was mandated for all students in grade 7 and again in grade 8. It has been estimated that at that time, 60% to 70% of Ontario elementary school students had access to and were taught by qualified guidance counsellors.

Choices into Action—the new policy—includes specific competencies that students are to achieve by the end of grade 6, by the end of grade 8 and by the end of secondary school, but it does not include any reference to a minimum amount of guidance instructional time. Staffing for elementary guidance, as outlined in the funding formula, is based on a ratio of one counsellor for 5,000 elementary students. That allocation is not protected. District school boards are free to use those funds in other areas, and indeed they do. Most boards have totally eliminated elementary guidance counsellors. In 2000-01, 74% of Ontario district school boards had no elementary guidance counsellors. Boards that had developed exemplary elementary guidance programs prior to the introduction of Choices into Action have slashed their staffing, and consequently their programs, quite dramatically. In the Waterloo Region District School Board, elementary guidance staffing has been cut by 67%; in the Toronto District School Board, staffing was cut by 63%.

In the United States, where comprehensive guidance and career education programs like Choices into Action are common, the guidance staffing ratio in grades 1 to 6 is one counsellor for 594 students; in grades 7 and 8, one counsellor to 387 students. In Newfoundland, it's 1:500. In Ontario, on paper, in the funding formula, the ratio is one counsellor to 5,000 students. In reality, according to data from the ministry for the school year 2001-02, the actual ratio was 1 counsellor to 7,678 students.

Introducing a new, comprehensive developmental program for all students in all schools while at the same time providing staffing at a staggeringly low level and, in fact, giving boards permission to use the funding to meet other needs if they so wish is a glaring example of the type of incoherence others have noticed.

Who needs elementary guidance counsellors? What do they do?

Elementary guidance counsellors monitor the progress of all students and are in a position to intervene directly or to refer to others when they discover students who are at risk of falling through the cracks for any one of an increasing number of reasons.

Counsellors are often the first to identify students who are struggling in several subjects, students who are having difficulty coping with personal and family issues, students who are victims of abuse and neglect, students who are engaged in risky behaviours, students who are not ready to learn. Counsellors are in the best position to work with the whole staff for the benefit of the whole

student. Counsellors are trained to recognize symptoms, to provide direct service and to refer to appropriate supports both within the school and within the community.

Elementary counsellors could play a major leadership role in implementing Choices into Action and many of its components, including providing career exploration activities and coordinating the teacher adviser program.

Counsellors facilitate students' transition from one elementary school to another and from elementary to secondary. Research continually reminds us that students who change schools often are at higher than normal risk of eventually dropping out. Students who don't fit in quickly and who don't feel safe, secure and valued are at significant risk of not succeeding in school. Counsellors could develop and coordinate programs to support such students as well as preparing them for the transition to the next step in their education.

Elementary counsellors are familiar with the curriculum in secondary schools and can provide information and support to students and their parents in choosing appropriate programs and courses. The fact that we are experiencing a significant failure rate in secondary school applied courses can be traced, in part, to the fact that many students are making inappropriate choices without having had the benefit of the knowledge and expertise of elementary counsellors.

Many presentations to this committee have reiterated the recommendation of both Dr Mordechai Rozanski and Dr Michael Fullan that we must move to an integrated system of providing services to school-aged children. The Ontario School Counsellors' Association is a member of the Ontario Healthy Schools Coalition and is committed to a healthy schools approach. If we really believe it takes a whole village to raise a child, we must put structures in place that will allow the village to enter the school and to work with staff and individual students. Guidance counsellors are uniquely trained to coordinate that work.

It is tragic that although we are increasingly aware of the potential impact of issues such as violence, bullying, eating disorders, risky behaviour, stress and suicide, the ability of schools to deal with these issues continues to be reduced because there is no staff to assist in the delivery of appropriate programs and strategies.

With respect to elementary guidance, we therefore recommend that the funding formula allocation for elementary guidance teachers be protected to guarantee that funds allocated for guidance teachers are in fact spent on providing guidance teachers. We further recommend that the allocation be increased to provide a minimum of one half-time guidance counsellor in every elementary school.

With respect to guidance in the secondary schools, the situation is again problematic. Prior to the introduction of Choices into Action and the funding formula, secondary guidance staffing was negotiated independently in each school board. With the introduction of student-focused funding, funding was provided for one counsellor for

every 385 students. It's important to note that this allocation was not related to research on staffing required for effective programs and was in fact a cut from previous levels.

1030

Boards have permission to use the funds allocated for guidance in some other area if they so choose and, again, many boards have chosen to do so. In the 2000-01 school year, according to variance reports on the ministry Web site, eight boards have underspent by over \$1 million in the area of guidance and library. One board has underspent by over \$10 million.

Some schools in this province with close to 1,000 students have only one counsellor. There is no equity of access to high-quality programs and services. In fact, with 1,000 students and only one counsellor, it is impossible to deliver a program to all students. One can only provide responsive services to those who seek them out and are patient enough to wait.

In the United States, the ratio is one counsellor for 338 students. In spite of the fact that funding is provided for one counsellor for 385 students, according to ministry estimates in Ontario in 2000-01, the actual ratio was almost one to 500.

It's interesting to note that Dr Rozanski recommended that where small schools are kept open, the funding formula should be amended to guarantee a minimum level of staffing, including a full-time guidance person. Presumably his intent was that schools with fewer than 385 students should still have a full-time counsellor, yet at the moment there is no such guarantee for larger schools.

It is clear that near the end of the fourth year, implementation of Choices into Action is uneven at best. In many schools, the teacher adviser program has all but disappeared. Annual education plans are not being completed. Program advisory teams, designed to provide a strong link between the community and the school, are very rare. This reality is especially unfortunate when we consider that program advisory teams could be extremely useful in ensuring an integrated approach to providing community-based supports and services for secondary school students and their families.

As Dr Rozanski pointed out, a system of integrated services would go a long way toward helping schools meet student needs. Establishing a cabinet-level advisory council to encourage collaboration and coordination of such services and funding is a good start but there must be in-school staff to coordinate those services and to ensure coherence between policy and implementation.

Guidance counsellors could play a leadership role in the design and effective implementation of comprehensive, developmental whole-school guidance and career education programs that are designed to meet the needs of all students. Guidance counsellors could provide leadership in the teacher adviser program.

We know there are large numbers of students at risk who have no access to support. We know there are many students whose readiness to learn and ability to succeed

is seriously impeded by issues that, if detected and addressed early, could be resolved. Guidance counsellors know how to identify those students before they fall through the cracks, before it's too late.

There has been, quite justifiably, a renewed emphasis on career education in our schools. Every course has a career component. Guidance counsellors play a critical role in ensuring that students and teachers have access to quality programs and resources that promote the belief that all destinations have value and ensure that all students have many opportunities to explore a wide range of career opportunities, whether they plan to go directly to work, to enter apprenticeship programs or to attend college or university. Guidance counsellors teach students the skills they need to research their many options and to make informed decisions about their future.

Among the many pressing issues in secondary schools, we should all be very concerned about Dr Alan King's prediction that close to 25% of students who begin grade 9 will drop out before earning a diploma. We know that by 2004, more than 70% of all new jobs created in Canada will require some form of post-secondary education and that only 6% of new jobs will be held by those who have not finished high school. Sadly, in spite of all that we know, guidance staffing in secondary schools continues to deteriorate. We cannot allow students to drop out, to disengage, to fall behind, to fall through the cracks. We must ensure that all students are able to achieve success.

We therefore recommend that the allocation for secondary guidance teachers be protected in order to guarantee that funds allocated for guidance teachers be spent providing guidance teachers. We further recommend that the allocation of 2.6 guidance teachers per 1,000 students be increased to 3.3 counsellors per 1,000 students.

We have appeared before, or made a submission to, this committee for three years in a row. We have presented to the Education Equality Task Force. We have brought our concerns to the Ministry of Education and have repeatedly requested a meeting with the minister. To date, we have seen absolutely no indication that these concerns are being taken seriously. We respectfully submit that you have the responsibility to act and you must do so quickly. The future of our students and indeed the future of our province are at stake.

The Vice-Chair (Mr Ted Arnott): Thank you very much, Mr Hedges, for your presentation. We have some time for questions, and I'll turn first to the government side.

Mr Sampson: Thank you very much for your presentation. Just to boil it down to two points, if I can, both on the elementary and the secondary side I think the message is the same. The money that's allocated by the funding formula, you said to protect. One, I'm assuming that means make to sure somehow that it's spent in those categories, and two, it's not enough; it needs to be increased. Is that a fair summary of—

Mr Hedges: Yes, that's a pretty good summary, and I think that's been our concern since the introduction of the funding formula. It's one thing to have an allocation, but if you're spending that allocation somewhere else, that's not helping.

Mr Sampson: I suppose one of the advantages of the funding formula is that it certainly identifies the fact that there has been this allocation of money that hasn't gone there. That's been one helpful thing at least of the funding formula. You might argue it didn't give you enough, but it certainly has been helpful.

Mr Hedges: That's true, and it certainly provides evidence. I do recall a conversation when Minister Ecker was Minister of Education. When I suggested we really need to make sure the money is being spent where it's allocated, her comment was, "We need to ask people what they're doing with the money."

Mr Sampson: What are the things we can challenge your profession to do to help demonstrate its impact on the association with the students? One of the ways in which to challenge people who spend money is to say, "If you spend it, these are the results you'll get." So what are the results you could get that you could sort of dangle or hit over the heads of the various boards and say, "That's why therefore you need to spend the money?"

Mr Hedges: I think in the secondary schools the most obvious result you would see from a more realistic staffing level and guaranteeing the staffing is that we would be in a much better position to implement Choices into Action and to implement it fully. This document, Choices into Action, is one of the best guidance and career education programs in the world. The difficulty is, we can't implement it because we don't have staff and we haven't had consistent staff.

Mr Sampson: But what does that—

Mr Hedges: What does that mean?

Mr Sampson: Can I boil that down for the person who might be reading this—

Mr Hedges: OK, I'll give you a current example. In the past, in my high school, for instance, every year before mid-term reports came out, or even before informal reports came out, we would connect with the teachers and we'd see who's at risk. When a report came out, we would check to see who is not doing well, who is struggling. We would then speak to those students individually and see what strategies might be available, who in the school might be able to assist them, are there other issues and so on. We could be proactive in those kinds of things.

The Vice-Chair: I've got to move on to the Liberal caucus.

Mr Peters: Welcome to London. I have a couple of comments. The first presentation we had this morning was from Fanshawe College. One of the areas they identified was the huge shortfall in people entering into skilled trades, a shortfall in people entering into life sciences programs. Is there some linkage between not having somebody in the school from a guidance perspective trying to help a student figure out what his or

her career choices are and what we're seeing in the community colleges right now as to a shortfall of people entering into those programs?

Mr Hedges: I think there's a connection. I think it's fair to say that the most common destination in terms of what parents think their kids could or should be doing—parents are still thinking that their kids will all be going to university. The belief is that university is the prize. We need to maintain the belief or spread the belief that all those destinations have value. We need to encourage students to explore college, to explore apprenticeship, to explore direct school-to-work opportunities. I guess part of the difficulty is that's time-consuming. We need to make sure that we're spending as much time on all of those options as we are on one or two of the options.

Our association is working closely with Skills Canada—Ontario. We work with the colleges, we work with the universities. We are planning a focus at our upcoming conference on apprenticeship and skilled trades. We are consciously doing everything we can to make sure that students are aware of all the opportunities available to them.

Mr Peters: I find it disturbing that you've been trying for three years to get a meeting with the minister and you have yet to have that meeting granted.

When you talk about the allocation not being protected, are you suggesting that those dollars allocated to school boards for programs such as what we're talking about right now have strings attached to them?

1040

Mr Hedges: Yes. I think the reality is that there is a tremendous inconsistency from school to school across the province. There may be one school with 1,000 students that has three counsellors, and the next school has one counsellor and 1,000 students. You can't run the same program. I know that boards are pressed—there are all kinds of demands on their money—and I know there is an indication that funding will increase, but I'm not convinced that if funding increases or is restored, boards will then restore guidance staffing.

The Vice-Chair: I'll turn now to the New Democrats.

Mr Christopherson: Thank you, Mr Hedges, for your presentation.

I want to pick up on the last point you touched on, and that's the issue of the boards and their decisions around the money made available. I was pleased to hear you say that the boards have been facing a lot of other pressures, because I would find it hard to believe that every board in Ontario is just so callous toward the future of the students that they are just going to wipe you guys off the map because you're not important. The fact of the matter is, those elected trustees—and, I say parenthetically, where trustees are still allowed to democratically hold their seats, unlike in Hamilton, where we have a dictator handed to us by the minister—are facing heart-wrenching decisions because there's just not enough money to go around. They've been left, whether we agree or not with ultimate decisions, with a choice not between good and bad and positive and negative, but terrible and horrific.

That has led them to make decisions not only in your area of expertise but in a whole host of areas in education that are equally important. But when you're looking at the fundamentals, these decisions are being made.

Would you agree that's the scenario, or do you really think there's a total misunderstanding on the part of trustees as to the value that you perform and that they are making wrong decisions?

Mr Hedges: I wouldn't underestimate the trustees' ability to realize the importance of good guidance programs, but you're right: the funding is a significant issue and there are many, many areas of great need. As a result, some areas are being cut, and some areas are cut more frequently than others.

Mr Christopherson: I raise this because one of the government members did it, and they do this a lot: they'll say, "See, there's the problem. We can't trust those people we transfer the money to, those trustees. We allocate the money for guidance counsellors and they turn around and don't give the money out. Therein lies the problem." You've got to take at least one more step beyond that and acknowledge that the reason they've made these decisions is because—

Interjection.

Mr Christopherson: Will you be quiet? It's because if they don't make those decisions, then something that's even more important to the children's learning is going to be affected, at least in their case. That point has to be made over and over.

But even if the government had the money allocated and we let something else suffer, your document is saying that at the end of the day, the reality is that we have one counsellor for 7,678 students. In effect, they don't have a counsellor really, do they?

Mr Hedges: That's right.

Mr Christopherson: You can't possibly manage that many files.

Mr Hedges: No.

The Vice-Chair: I'm sorry I have to cut this short to some degree, but you have had your allotted time. I want to thank you very much for your presentation and assure you that our committee will take your views very seriously and take them forward.

INTERFAITH SOCIAL ASSISTANCE REFORM COALITION

The Vice-Chair: Our next group is the Interfaith Social Assistance Reform Coalition, if representatives from that group would come forward now. Welcome to the standing committee on finance and economic affairs. I hope you will introduce yourselves for the purposes of Hansard.

Rev Brice Balmer: Hugh Tilley represents the Salvation Army and comes from Jackson's Point, or York. Jeffrey Brown represents the Universalist Unitarian Fellowships and comes from Mississauga-Peel. I'm Brice Balmer and I come from Kitchener-Waterloo,

Waterloo region, and represent the Mennonite community.

We have a document that you have, and at the back of the document it describes ISARC, or the Interfaith Social Assistance Reform Coalition. We'd like to read through it. It's a part of our ongoing discussion which we have had with staff, with the various parties, and also now here at the pre-budget hearings.

Hugh will start off our comments.

Mr Hugh Tilley: Good morning. I believe you all have copies of our presentation, and I will read it accordingly.

The Interfaith Social Assistance Reform Coalition was born as Ontario was preparing Transitions, the 1986 report of the Social Assistance Review Committee. As members of faith communities, we come together advocating for those who are often forgotten in the budget-setting process.

As faith communities and through social agencies supported by religious organizations, we have heard the ever-increasing pleas for help from, first of all, people with no place to call home; children living in poverty who are relying on food banks; people with disabilities who are having difficulty securing benefits; working people who cannot earn enough to support themselves or their families; and ill people who cannot afford prescription drugs or professional care in their homes.

Increasingly, our religious leaders are hearing more and more calls for help. Increasingly, our faith community members are responding more and more to the immediate needs of their neighbours and communities. And increasingly, leaders and members are becoming more impatient with what appears to be the unwillingness of governments, which remain indifferent to the needs of economically and socially marginalized peoples. We remain deeply troubled by the profound insecurity many vulnerable people experience every day on our streets and in our neighbourhoods. We believe the true stature of our society is not measured by how we treat those who are perceived to be successful, but rather by the degree we are prepared to safeguard and ensure the inclusion and contribution of these, the forgotten ones in our midst.

For the religious community, the foundational values that need to inform the choices we make as a society are as follows: human dignity; mutual responsibility; economic equity—for example, access to work, fair employment conditions and adequate income security; social equity—for example, access to basic resources and participation in community decisions; and finally, ecological sustainability.

Rev Balmer: Therefore, we believe the provincial budget needs to address the following concerns:

(1) An increase is needed in shelter allowances for those in receipt of social assistance to more adequately reflect the true cost of renting accommodation. While social assistance has remained frozen since 1995, rents and food costs have increased significantly. Regional and municipal governments have now written to the Premier asking that social assistance be increased because

recipients can no longer pay the rent and provide a nutritious diet for themselves and their children. To pay the rent and feed the kids is no longer possible for those on social assistance.

(2) Early childhood education and child care are important since many families with younger children now have both parents in the workforce. Other parents need quality child care in order to obtain training and seek employment. The federal government is releasing the additional monies that have been promised now to the provinces for child care. We request that the government use this money to increase quality child care and that the provincial government add its own monies for Early Years and other programs for parents and children.

(3) Many Ontario residents are among the working poor because part-time and contract jobs have increased. These workers need an increase in the minimum wage and better income security. The working poor need increased provincial benefits because employers do not need to pay above the statutory benefits to part-time workers and contract workers. With decreased eligibility for employment insurance over the past 10 years, part-time and contract workers have suffered.

(4) The rights of people with disabilities to benefits under the Ontario disability support program need to be assured. The process to obtain assistance and to receive equipment and aids has become very complex. Many are eliminated in the process of applying. Any Ontario resident could become disabled through accidents, illness and other tragic circumstances. We as a society need to adequately fund this program so that people are not victims of tragic circumstance and illnesses and then become victims of the ODSP process. ODSP basic and shelter allowances have not increased since 1995. ODSP recipients find it difficult to find housing that is accessible, affordable and also where the appropriate care is provided. Shelter allowances need to increase to reflect average rents in a community, or the province needs to allocate funding for the production of affordable housing.

(5) People who are ill cannot afford the medications they need. Some medications have been delisted from the Ontario drug benefit program. The working poor and those on social assistance cannot afford to pay from their income. Many families are struggling to provide home care for relatives who are temporarily or permanently housebound. In addition to possible federal monies for health care and home care, we request that the provincial government increase home care services, especially for those who have limited incomes.

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Rev Jeffrey Brown: (6) Affordable housing units are drastically needed in Ontario. Shelters only temporarily help people who are homeless. Faith communities have operated many shelters as well as the Out of the Cold programs in many of our Ontario cities. Volunteers in these programs are burning out.

The answer to homelessness is affordable housing. Though the current government has attempted to attract investment from the private sector, it has not been

successful. Throughout Ontario there are only a few examples, with minimal units, of for-profit ventures that produce affordable housing.

The spirit of the affordable housing framework agreement was clear. The new affordable housing program was to be cost-shared between the two senior levels of government. While the agreement does allow provinces and territories to claim contributions by municipalities as part of their share, the intent of the deal was to create a federal-provincial partnership. We ask the province to match the federal government dollar for dollar. This would be an increase to \$222 million, since the current provincial contribution is only \$20 million.

During the past eight years, the wealth of our province has increased. The gap between the rich and the poor has also grown significantly. The highest quintile has benefited from provincial and federal tax changes, while the lowest quintile has lost benefits, has not seen the minimum wage rise and pays more for services—education, recreation and health care. The provincial budget and tax systems need to acknowledge the terrible human cost that the poorest have carried over the past eight years as we have attempted various systemic changes.

We urge the provincial government to address the needs of children, parents, people who are homeless, people with disabilities and other vulnerable populations in our communities. Their health, security, dignity and safety are important to the well-being of each resident and to all of us and our communities.

The Vice-Chair: Thank you very much. We have some time for questions, and it's the turn of the Liberal caucus to go first.

Mr Peters: You point out a number of areas that need to be addressed, and these are areas that I think every one of us of all stripes—we see these most vulnerable individuals in our constituency offices. They've got a problem with ODSP; they've been turned down and they turn to us. We try to do what we can.

I don't want so much to get into some of the specifics of the points you're raising here, but you've got the Interfaith Social Assistance Reform Coalition on the ground in communities. Are there things we should be doing within our communities to ensure that we're not duplicating services? Some individuals will go to the Salvation Army, and then they'll go someplace else. A lot of the issues can be addressed by government, but are there things within the community on which we need to have better coordination on the ground as to how we manage programs and where we send people to ensure that we're not duplicating services?

Rev Balmer: I think at this point most of us who are working in the faith communities and also in the social service structure have been stripped to the bare bones. We are co-operating as much as we can. I think the issue of housing would be an appropriate one. There just isn't any more housing. There is no rental housing being built, except at the very highest rents, so we have people going into places that are actually unfit.

Right now, one of the big discussions going on is that the Ministry of Community, Family and Children's Services is asking why their budget is increasing so much. Part of the reason is that there's not adequate accommodation. Mothers are having to face the question: do you go into a shelter and keep your kids with you, or do you lose your kids because the housing you're living in is inappropriate? I think we've been pretty well stripped.

Most agencies, at least in the Kitchener-Waterloo area and when I talk with people from other faith backgrounds in other communities—there aren't the services. We can't provide any more. What's happening is the faith communities are being asked to provide more and more. The answer to Out of the Cold is housing, not more shelters. If we had housing, I think a lot of our people would not be burning out, because they would see there is an end to the Out of the Cold program. Right now, there doesn't appear to be an end to Out of the Cold. The numbers continue to increase, and we continue to get closer to where we have families in Out of the Cold. In most places we don't have that yet, but we do have men, women, young people and old people. Working people are in Out of the Cold now as well.

Rev Brown: Actually, one of the things that impresses me in Peel—I'm a local minister in Mississauga—is the degree to which there is co-operation pretty much across the board. It's not just within arenas that take issues of children that various agencies and local congregations are working in coordination there. That's happening, but they're also working in coordination with people who are working on housing and on educational pieces. So I really am very much impressed with the way that has worked out.

The Vice-Chair: I want to turn now to the New Democrats.

Mr Christopherson: Thank you for your presentation. Again, you've been consistently there, providing a voice for people who don't have much of a voice in our society. I think it would serve anyone well to go back and look at some of the Hansards in terms of the presentations you've made over the years since 1995. I've been on this committee most of that time. Probably for the majority of the years I've been at the Legislature I've been on this committee and have heard the presentations and the warnings over and over.

If you sit back and listen to the other presenters today, you see that all the things you and others who are involved in these issues predicted are coming true. You can't take what is now \$14 billion out of the coffers of the Ontario government and not expect to have it show up somewhere. You're right; some people have done very, very well. In fact, this government will go to many meetings—I won't name them—and brag about the \$14 billion. Yet if you go and talk to the education system, the health care system and to environmental protection and try to brag about the \$14 billion, you don't get very far, because part of that \$14 billion is made up of money that used to go to our schools and our hospitals.

It's hard to believe that here we are in 2003 and this 22% cut stands. Nothing has been done about it. In 1995 they cut the income of the poorest kids in the province by 22%, and if you add inflation there's another 15%. Yet they want to trot off to conventions and conferences and brag about how they managed to cut taxes, in effect taking this money away from the people who can least afford it.

Before I ask you one question I want to make the point that, in my opinion, this is not just an issue about the poor and that we ought to be pleading with the middle class and the very well-to-do to care. This isn't just about the absolutely destitute poor. Most middle-class families have their kids in public schools. If most middle-class kids get sick, they need to go to a public hospital. Go to Walkerton and find out if it was only poor people who died. The fact of the matter is that the massive amount of their cuts, the majority of their cuts, have affected everybody.

As I finish my time at Queen's Park, it breaks my heart to see the damage that has been done to what was a great, great province. Yes, it's great now if you're looking at the bottom line only. But if you're looking at all the things that make up quality of life, it's a much sadder place than before they took over.

I want to ask you one question, if I may. You mention under (4) that "shelter allowances need to increase to reflect average rents ... or the province needs to allocate funding for the production of affordable housing."

1100

Given the fact that all they've done is thrown a pittance at affordable housing and haven't even done what other provinces have done, let alone what they morally should do—you're using the word "or." Most groups that come in will argue that the shelter allowance is a component but we must move into the provision of actual affordable housing because it's cost-effective. Once the mortgage is paid off, it belongs to the people of Ontario and other families can continue to use those facilities.

Do you have a different viewpoint or does that just happen to be the way you phrased it?

Rev Balmer: We have had very significant conversations with the Ministry of Municipal Affairs and Housing and we have pushed for more and more affordable housing funding, and in our conversations we've gotten nowhere. There seems to be a block. We would like to put an "and" there—at least some of us would.

As we talked with Mr Hardeman, who is the parliamentary secretary for community, family and children's services, he was talking about Woodstock, where the rents aren't as high as they are in Kitchener or Toronto or Peel or other places. So one of our questions is, when can the shelter allowance start to reflect the average rents in the cities where people are living? We're just asking if that's another way of working on this issue.

Mr Christopherson: Fair enough. Thank you again for your ongoing work.

The Vice-Chair: Now to the government side, quickly.

Mr O'Toole: Thank you very much for the advocacy you bring to the table. I appreciate it and respect it and it's important.

A somewhat different perspective; I just want to frame it a bit. We sort of think fundamentally that it's an argument of the chicken and the egg. We believe that without the strong economy you can't be discussing quality-of-life issues. Look at Afghanistan and other Third World countries. They have no economy.

Despite what Mr Christopherson said, I think the best opportunity for someone who hasn't got opportunity and resources and hope is the one million new jobs. Ultimately that's our plan. You may disagree with it, but the empowerment from the individual's perspective is a job—the power of believing they created their own sense of worth and responsibility.

When I've listened over the last couple of years—I've been on this committee for some time; as PA in finance, I've heard it at many stages and levels—the three issues are health care, education and the environment. They're somewhat linked, I might say as well—environment, health care, all that is sort of linked. All of them want more money. Arguably, I would say it's in the order of 5% to 10%. That's \$6 billion that we'll hear about over the next while.

If you had your choice—all of them are important, by the way, as Mr Peters said; I don't think there's anyone here who would disagree—how would you approach these very complex human and social conditions? Where would you, as people representing the faith community, from a multi-faith perspective, put the emphasis? Because most of the money, 80% of it, is wages. If you look deep enough, the argument is about more money for—we heard it from the previous presenter. Nurses working for community health centres earn \$58,000; in a hospital a nurse doing the same type of work with the same education gets \$66,000. It's about public sector wages, ultimately, and I don't disagree with the deservedness of that; it's not the issue. But when you decide more money—and we just did it in education. We put half a billion dollars in, and of the half a billion, \$350 million of it was for wages. Not one book was bought.

Where would you put the additional \$6 billion so that it got to the poor we're speaking of, the people, without going through the Sid Ryan-Leah Casselman network, to get it down to real people? I'd prefer personally to work through the Salvation Army, which I do, and the St Vincent de Paul, to give them my cheque directly, so that you buy the soup or the tuque for the individual who's homeless.

The Vice-Chair: Mr O'Toole, can you make a concluding comment?

Mr Christopherson: You're going to get a \$20,000-a-year increase.

The Vice-Chair: Order. Do you have a response to Mr O'Toole's statements?

Rev. Brown: Actually, I need to go back to the beginning comment, Mr O'Toole. The jobs that you're talking about very largely, a significant number of them, are at the lower end. We mentioned a growing gap, and in fact, if you look at whether it's the lowest 10% or the lowest quintile, what has happened is that people are—

Mr O'Toole: One thing: we put a statement that that's not true.

The Vice-Chair: We've run out of time, Mr O'Toole. I wanted to give the group one concluding response. Thank you for your presentation. We appreciate it very much.

GREATER KITCHENER WATERLOO CHAMBER OF COMMERCE

The Vice-Chair: The next group that I'll call forward is the Greater Kitchener Waterloo Chamber of Commerce. Welcome to the standing committee on finance and economic affairs. Good to have you here.

Mr Bernie Hermsen: My name is Bernie Hermsen and I'm the chair of the Greater Kitchener Waterloo Chamber of Commerce. I'm also a partner with the firm of MacNaughton, Hermsen, Britton and Clarkson Planning in Waterloo region. Also with me today is Todd Letts, president of the Greater Kitchener Waterloo Chamber of Commerce.

We've provided a copy of our submission; a summary of the recommendations is found on page 4. Today's submission is comprised of three parts. First, I will provide an overall context of the strength of our local economy in Waterloo region and its contribution to Ontario's economy and then Todd will outline specific actions the provincial government can take so the greater Kitchener-Waterloo area can further boost Ontario's economy and outline key fiscal parameters to ensure a strong foundation for future economic growth.

Let me begin by stating that as one of Ontario's largest chambers of commerce, the Greater Kitchener Waterloo Chamber serves more than 1,600 members representing all sectors of the business community. Our membership includes all sizes of employers providing over 50,000 jobs in one of Ontario's most progressive and economically productive regions.

Our key message to you today is that the Waterloo region area is playing a vital role in both the economic and social health of Ontario and that with a few key actions, starting with the 2003 budget, the greater K-W area can provide even further to the prosperity of the province.

Our area has a labour force now numbering 270,000. It is an important engine fuelling Ontario's economy. The regional gross domestic product is approximately \$16 billion, and some 900 million more tax dollars annually in federal and provincial taxes go out of our area as opposed to coming in. So we have a net contribution in terms of outward taxes.

In a report published by the Bank of Montreal in 2000 it was noted that our region is one of the premier growth

leaders in Canada. In fact, with a population of almost half a million, Waterloo region is the fastest-growing urban region and now ranks as the 10th largest census metropolitan area in Canada. As well, we were recently ranked as third most competitive in North American cities in the northeast corridor by KPMG.

We are also recognized as one of three pre-eminent technology centres in Ontario. The region boasts more than 450 high-tech enterprises and more than 850 local technology-identified enterprises. Key firms include Research in Motion, Com Dev International, Open Text, Descartes, Mortice Kerns Systems and many others.

Notwithstanding the challenges facing the province in establishing priorities for its 2003 budget, the Greater Kitchener Waterloo Chamber of Commerce is confident a plan of strategic investments and prudent fiscal programming in this year's budget will set Ontario on a rejuvenated course of prosperity.

I'd now like to ask Todd Letts to elaborate on how initiatives in this year's budget can help our region further boost Ontario's economy.

Mr Todd Letts: Thank you, Bernie. The story of the greater Kitchener-Waterloo area is very much like the little engine that could. From 1997 to 2001 our economic output increased about 20%. With that growth comes quite a bit of challenge as well.

Our first recommendation, starting on page 4, deals with the implementation of the brownfields legislation. We certainly applaud the government's efforts in establishing the legislation and enacting the Brownfields Statute Law Amendment Act. There are a number of acts that need to be amended, though, in order for the actual benefit of this legislation to occur and so that we can see development on some of these contaminated sites. We encourage that in the 2003 budget perhaps more resources should be put so that these amendments occur.

1110

In the greater Kitchener-Waterloo-area employment lands we have a shortage, our planners tell us: a supply of less than 10 years. So the sooner we can redevelop some older industrial land and put it back into productive use for jobs and investment, the better it is that we can create more of those jobs and investment. One of the recommendations from the brownfields advisory panel was the establishment of some pilot projects, and we certainly do encourage that recommendation.

Investment in infrastructure is something that is also very important to our region. It's estimated that 40% of the population in Canada's technology triangle live in one city and work in another. As Mr Arnott will know, Highway 7 is an important link between the greater Kitchener-Waterloo area and Guelph. That highway is also a source of tremendous congestion, and some accidents and deaths as well. For 13 years our chamber of commerce has been lobbying for an alternative route, and that was approved at the regional level. It's now in an environmental assessment. We certainly encourage with this budget the completion of that assessment and the

budgeting of that route. It will definitely help with the prosperity of Ontario, and our region in particular.

As well, investment in regional transit: tomorrow we are holding a prosperity forum of business leaders, encouraging the continuance of prosperity and identifying clearly what responsibility business can take to improve the prosperity in our region. As you know from your task force on prosperity with Roger Martin, investment in city regions is very important. Transit is something that is also very important for our area. We currently have a SuperBuild application in to extend GO Transit to Cambridge. That definitely would assist in terms of the economic development of not only the greater K-W region but linking it with the GTA as well.

Human infrastructure is also very important. We note that we still do not have, as a province, a labour market development agreement with the federal government. Although there have been independent injections of training capital from the federal government, we estimate that Ontario could be losing up to \$700 million a year because we do not have an agreement. In our area alone, in Conestoga College, their portion of what might occur under an agreement, forecast from the college, could train an additional 1,500 people. So we encourage the province to look at an agreement and sign an agreement if at all possible in the near future.

As well, developing a competitive provincial auto industry: we applaud the Ministry of Enterprise, Opportunity and Innovation for coordinating a working group to look at our industry and ensure that it remains competitive. We have a set of recommendations here encouraging that we look very carefully at our strategy, work co-operatively with the federal government and ensure that our investment environment is on par with our peers in the States.

Of course, any good budget is built on prudent fiscal planning—I know this is an item that's near and dear to the Vice-Chair's heart—and establishing a debt reduction plan as part of this budget is a very good first step. We don't recommend further taxpayer dividends.

We also have as this set of recommendations here the restoring of a competitive electricity market. This is an important issue to our business community from two perspectives: one, they want to avoid increasing the Hydro debt; as well, they want to encourage the increase of supply. We know that a deregulated market would have commodity pricing, and it's important, as was promised to the business community, that there be affordable electricity in the future.

The only way that is going to occur, though, is by encouraging new supply. Under the current price freeze there is not a lot of new supply coming on board. As well, we've got environmental assessments occurring on the coal-fired plants at Lakeview and Lennox. As we revisit the electricity policy, we really should go back to the fundamentals, back to the Macdonald commission report, and take a look at the market share of OPG. Perhaps solutions there, we believe, can assist in ensuring that there will be more supply for the future.

As you can appreciate, there are many manufacturing-related companies in greater Kitchener-Waterloo, automotive-related and tech as well, that have a dependence on electricity. In addition to affordable prices, the mere concept of brownouts or blackouts strikes fear in their hearts, and we certainly encourage whatever you can do to encourage supply. That is also a very important issue.

Personal and corporate tax cuts: we understand that the deferral will be complete and that you'll be back on schedule this year. We encourage that to occur. We have a number of recommendations with respect to streamlining revenue sources, encouraging the Red Tape Commission to continue their good work, to review each tax and fee and levy to ensure there isn't a tax on tax being applied through various levies. As well, although there has been some disagreement with the federal bureaucracy on tax collection, we do not encourage the establishment of a new tax bureaucracy. In fact, just—

The Chair: Mr Letts, could I ask you to hold on for a moment? Could I please ask that you move the meeting to the back of the room? Thank you. Sorry, Mr Letts. Go ahead.

Mr Letts: To continue on that vein, co-operation with the federal government not only in terms of the tax collection agreement but also the harmonization of sales tax we feel is a laudable goal and something the business tax advisory panel should look at.

In terms of our general recommendations for program spending, we support the balanced budget philosophy you have adopted. We know that health care and education spending are significant components of your budget.

We are currently reviewing the Romanow and Kirby commission reports. In the recommendations and presentations we've made to those federal commissions, we encourage that a solution occur so that doctors are not the only gatekeepers of the system, that we take a look at a greater role for nurses, psychologists, occupational and physiotherapists. As you may know, our community does have a doctor shortage and our chamber of commerce has now actively founded and operated for approximately four years a physicians' recruitment program. That's key for us to attract new talented employees to the area.

Anything we can do in terms of the sharing of information without compromising the privacy of individuals through a new technology—many firms in our area are involved in that—is also supported.

Lastly, on education spending, you've received the report from Mordechai Rozanski. We certainly support the realistic multi-year budget commitments and also the proper funding for construction costs. It is a fundamental belief of our business community that strong investment in education pays dividends to our economy as well.

Bernie, could you conclude?

Mr Hermsen: In conclusion, this year our chamber adopted a philosophy we call "partnering for prosperity." Locally it has meant partnering with numerous other organizations, from a business, marketing, academic, institutional, municipal etc point of view, to achieve our

economic opportunities. Likewise, we must look beyond our borders for those key provincial decisions and investments which support and multiply these opportunities for the good of all.

Thank you very much. We'd be pleased to answer any questions.

The Chair: That leaves us with just a minute each, beginning with the NDP.

Mr Christopherson: Gentlemen, it's good to see you again. Thank you for your presentation.

I would be the first one to commend the Waterloo region on the success you've had in becoming a tech centre. Probably almost every jurisdiction in the world talks about it. Some attempt it; few succeed. You've done a phenomenal job, and I think there's a lot there for a lot of our communities to learn from.

I have one question. You're the first one who's raised the issue for a while now, and that's the harmonization of the sales tax. It was hot for some time and then it just completely cooled off, and I haven't seen or heard too much about it at all. I was just curious, first of all, why it's rising up in your list of priorities; and secondly, you must have some sense that there is a benefit or you wouldn't ask that there be a process initiated, so just your thoughts on where you think the benefit would lie for us, both for consumers and on the business side.

1120

Mr Letts: We understand from tax specialists who are part of our volunteer network that harmonization does have a number of key benefits in terms of the applications for small business. As well, we're within the ballpark with respect to the federal GST level and the provincial level. We want to ensure that the economy continues a harmonization of the sales tax; it goes right to the street in terms of the contribution that can be made in terms of our shops, our restaurants and so on.

The Chair: We move to the government side.

Mr Ted Arnott (Waterloo-Wellington): Thank you very much for your presentation. You won't be surprised to hear that I thought it was excellent. I was pleased that you made reference to debt retirement, the need for a new Highway 7 between Kitchener and Guelph, the electricity restructuring points you made, and the importance of the automotive sector. In fact I had the chance to tour Lear Canada on Friday, which is a manufacturing concern that makes seats for cars and trucks. I met the plant manager and the CAW president, David. So it was well worthwhile.

Looking to the year ahead, what would you suggest to this committee is the number one economic challenge facing Kitchener-Waterloo?

Mr Hermsen: What we hear time and again in the various surveys we do is a skills shortage. There are some things which are notable by their absence here today, such as sending in a facilitator to talk about amalgamation. But we decided that story has been tried, at least for now. Really what we see, from an economic development point of view, is a skills shortage. It's strange that we're saying that when we've got the

number-one-ranked college in Ontario and two very well recognized universities, the University of Waterloo and Sir Wilfrid Laurier, but at the same time we keep hearing from our industries—and maybe it's the price of success, because we're attracting about 8,000 new people a year to the region who are attracted by job opportunities.

At the same time, it's making that fit between people and the jobs. It was interesting, listening to the previous speakers talk about how you help the people who are having so much trouble helping themselves. Todd and I, listening back there, thought that if we could get at least some of them the appropriate training, we could get the employment rate down and give them that opportunity.

The Chair: We move to the official opposition.

Mr Kwinter: Thank you very much for your presentation; I was quite impressed. You covered a wide range of issues and you did it, I thought, in a relatively even-handed method.

One of the questions I want to ask you is about your concern about the competitive auto industry strategy. I know it's important to your area. We have a situation where just last week DaimlerBenz announced that they are considering putting a facility into Windsor, but unless they get some financial help from the government, it's probably going to go somewhere else. You raised the concern in your presentation about these things going down into the southern United States, and we've also heard that Mexico is a very serious challenge.

When you talk about having a competitive environment, I know that in your brief you talked about the general competitiveness: about having skilled labour doing all of those things and having a tax environment. But I want to know whether you also refer to being able to go head-to-head with these proposals like DaimlerBenz and compete on that basis to make sure we get that facility into Ontario, which of course would then benefit your area. Do you have a comment on that?

Mr Letts: Yes. Thank you for the question. This is a very challenging question for the provincial government in this specific case you mention. Our perspective on that is that we prefer long-term solutions rather than short-term solutions when it comes to economic competitiveness. What we mean by that is that it is more beneficial to reduce or eliminate the capital tax, for example, because when we take a look at our United States peer groups—other jurisdictions—there is no capital tax. Capital tax is a penalty on investment in machinery. It also does not support more research and development. So the reduction of the capital tax and the personal taxes across the board will benefit the auto industry, definitely, but it will benefit all sorts of industries as well, rather than the game that's being played in Alabama and others with tax holidays, for example. That's a short-term fix, because I think your representatives in the Ministry of Enterprise, Opportunity and Innovation will tell you that the companies, at the end of their tax holidays, sometimes pick up and move.

So we are interested, as a chamber of commerce, in long-term solutions, long-term competitiveness that

affects a wide variety of industries investing in capital. You can do that by the elimination of taxes. You can do that by investment in R&D. You can do that by investment in training as well. Those types of incentives have the longer-term benefit that Ontario will benefit from.

The Chair: Thank you, sir; we appreciate that. Thank you, gentlemen, for coming today.

NEIGHBOURHOOD LEGAL SERVICES

The Chair: Our next presenter is Neighbourhood Legal Services. You have 20 minutes, sir. Any time left over from your presentation will be used for questions. I ask you to state your name clearly for Hansard. Welcome.

Mr Jeff Schlemmer: My name is Jeff Schlemmer. I'm the executive director of Neighbourhood Legal Services. Thank you for coming to London today and giving us the opportunity to give you our little state of the union. The principal area that I'd like to talk to you about today is disability issues, life for disabled people in Ontario today. I'm aware that you have had submissions from other folks that will mirror somewhat what I want to talk to you about, so I'll try not to spend too long on things that are too duplicative, but to give you my perspective, for what it's worth.

I should start by letting you know that my legal clinic, as you are probably aware, is one of a system of legal clinics in Ontario—there are about 80 of them—that provide legal services for poor people. One of the services we provide is to appeal decisions for people who are seeking Ontario disability support program benefits, either where they're seeking the benefits or where they've had a problem with continuing to receive the benefits. That's my bailiwick; that's the perspective that I come from.

The principal message that I'd like to leave with you today is one that I think you've heard before, and that is that it's time we do better for disabled people in Ontario, specifically in relation to the rate of benefits that disabled people are paid. As you are aware, the rates were last raised in the early 1990s and have been frozen since then. In various other ways, the benefits that are available to disabled people have gone down since that time, and I'll talk to you about some of those. I recall from speaking class years ago that you're most likely to remember the first thing you hear and the last thing you hear in a talk, so the first thing I'd like to tell you is that it's time to raise the rates for disabled benefits in Ontario and that they should be raised commensurate with inflation, that is, to take up the slack of the inflation that we've lost since 1995 and to put disabled people in essentially the same position now that they were in 1995.

There are a variety of other changes that have occurred since 1995 in relation to disability benefits that you will be aware of, and I want to touch on some of those to give you a flavour or background for how people are getting by on disability benefits in Ontario today. I've

mentioned that the amount of money they have has gone down by the estimate of about 18%, compared to what they had in 1995, as we've seen the cost of housing go up, the cost of utilities they're paying and so on and with the variety of other things that have happened to make life tougher as well. Again, you'll have heard of some of these, but I wanted to touch on them.

1130

The first thing I want to talk about is the substantial increase in the difficulty in getting on to disability benefits that has arisen because of a process change, more so than anything else. It's not that the definition you have to meet to become qualified for disability benefits has changed so much. As I explain it to people, in essence you have to prove that you can't do any type of work at all on a remunerative basis for at least a year.

The process changed dramatically in the late 1990s, the first aspect of that being that it used to be that the decision about whether someone was disabled was made by a doctor in the government. The government would hire local doctors on retainer to review medical reports provided by local doctors about their patients. That had a couple of advantages: one was that the government assessor was a qualified doctor; the second was that they were local doctors who often knew the doctor who had authored the report, knew whether they were credible, what their expertise was and so on. I would submit that was a pretty good system for weeding out malingerers or people who were not eligible. That system was changed in the late 1990s to a system where the doctor's role was removed from that process. Instead of having doctors assessing whether people qualified for disability benefits, the process was given to clerks at a centralized location in Toronto. The suggestion was that the clerks would have "some medical background," but clearly were not qualified doctors. After that, not necessarily surprisingly, the number of people being rejected for disability benefits went up substantially.

At the same time, there was a 15-page form developed—I brought a sample of it along—that the doctor was expected to fill out, assessing whether or not the person was disabled. Unfortunately, nowhere does the form ask whether the doctor's view is that the individual can work or not, which is a huge problem with the form. The doctors have told us that these forms are complex, that they don't understand them and that they're a mess. What typically happens on appeals is that these forms are ignored by the adjudicator who makes the decision, and we obtain independent reports from doctors where the doctor gives us an opinion: can they work or not? If not, why not? First of all, that has caused a lot of delay, because when people apply for benefits, they're not told that these forms are essentially not relied upon. Also, again, because the decisions are being made by non-doctors, these clerks seem to feel free to disagree with the doctors any time they don't understand what the doctors are saying. Of course, I don't understand what the doctors are saying either, because I'm not a doctor. So I would submit that system has not served Ontario well,

and it would be a good idea to move back to a system where local doctors are reviewing the decisions on behalf of the government to assess whether people are qualified to receive benefits.

Another corollary result of the change, of course, is that appeals shot through the roof. Back in 1995, about one quarter of the appeals we were doing at my clinic would have been disability appeals. Presently I'd say closer to about 70% of our work is disability appeals. We usually win the appeals, because at the adjudicative level the adjudicators rely on the law and assess medical evidence as to whether someone qualifies, and they generally grant benefits. But because there are so many appeals in the system, it has become much slower to get a hearing date. It's typically over a year now, from the time that we start an appeal, saying someone has applied for benefits, they've waited six to eight months to find out whether they are eligible, they've been turned down and they've come to us to appeal the denial of benefits. It's another year before we get a hearing date, and then typically another two to three months after that before we get a decision—a very, very slow process. That is very difficult for people who are genuinely disabled to endure during that time. So again, one of the recommendations I certainly would make is that we should try and get some of the red tape out of this system.

Within that, I'm going to talk about the red tape as well. We've seen a dramatic increase in the amount of paperwork associated with disability files. I would estimate that the amount of paperwork associated with any given disability file probably has gone up between five and six times what it was in 1995. This is a result of an antifraud initiative. While nobody likes fraud—and if we can track it down, that's a great thing—we have to balance out the cost of all the additional administrative work that's being done to try and root out the fraud versus the utility of the amount of fraud we're catching. I would submit that we're spending too much time on red tape and paperwork and, again, that this makes it very slow and difficult for people who are disabled to receive disability benefits.

I should mention as well a couple of other things that have been difficult for people on assistance. One of them that I'm sure you've heard about is the clawback of the national child benefit. If you're a disabled person, right now you're eligible for the child benefit if you have children. But if that child benefit is sent to you on behalf of your children, it's deducted from the food and shelter allowance that those children qualify for. That of course makes things that much tougher for disabled people.

Initially I recall hearing that one of the rationales for the tough love approach, if you like, for people on welfare was that the government wanted to provide an incentive for them to get back to work. We may agree or disagree with that approach but it doesn't apply at all for disabled people. Nobody is suggesting that disabled people should be given tough love as an incentive to get back to work, because they can't go back to work, by definition. If they could, they wouldn't qualify for

benefits. So the rationale of keeping benefits down, of making it more difficult to get benefits, of having a massive bureaucracy that they have to cope with, in my submission, just doesn't make sense.

Another corollary, of course, of the massive increase in paperwork is that I see on a regular basis mentally disabled people who can't cope with the process. They're too disabled, if you like, to get disability benefits. They can't cope with the forms, they can't make it to the myriad appointments that they're required to attend. They miss them and then they get cut off for that.

I've got an appeal going on right now where my client has a disability that causes her to go crazy, to go ballistic after about 10 minutes of talking to any bureaucrat. We can't get through the hearing.

Mr Christopherson: That makes her pretty normal; I'm sorry.

Mr Schlemmer: I won't comment on that. But we've rescheduled the hearing three times now because we're trying to get the hearing but she keeps blowing up in the middle of the hearing. The issue is, can this woman work full time or not? Clearly she can't, but we can't get her on benefits until we get through the hearing. That kind of thing is a real problem and, in my submission, should never occur. Forget about her difficulties; it's a lot of cost for everybody. Everybody in these hearings is funded by government one way or another.

Just briefly, as well, I should mention the fraud situation, the lifetime ban. Whatever people may think about a lifetime ban for people on welfare, in my submission it's clearly not appropriate for disabled people, and it applies right now. If you are convicted of any amount of welfare fraud, as you may know, you are disqualified from receiving disability benefits for life. If you're on welfare, at least theoretically, you can go back to work. If you're disabled, by definition, you can't.

Nobody has been able to explain what we're supposed to do with these folks if they cannot get disability benefits for life and they can't work for life. By definition, there is no other source of income they can access, because, if they could, they would not qualify for Ontario benefits, which are the last-resort benefits, if you like. In my submission, that is something that is unduly harsh. Even my local MPP, Bob Wood, is on record in our local paper saying that that's too tough. It's too punitive to say that if you have a \$5,000 conviction for disability fraud, you're cut off for life, because there is just no way for these folks to survive.

In addition to that, one of the things you may be aware of is that often the rules in relation to disability benefits are counterintuitive and very complicated. Among them, for instance, I have a case right now with a woman who decided to start selling Avon products. People on disability are encouraged to try to get back to some form of work if they can. She started selling Avon products.

The rules in Ontario are that the cost of product is not considered to be a legitimate business expense. So in her case, for instance, say she buys Avon product, sells \$1,000 in a month but has to pay \$500 for the product.

The government says that \$500 is not a legitimate business expense and, as a result, they deem the whole \$1,000 gross revenue to be net profit, making it impossible for her to continue. The problem is, having started on it, if she stops it she gets in trouble for that. She's cut off for another few months. We have to do an appeal and that takes a year. Again, some of these rules are counterintuitive and too complex.

Another one you've probably heard of is that people on benefits are not allowed to borrow money. This causes various types of problems. Among them, I have a client who bought an electric fireplace from our local hydro utility, London Hydro, paying \$40 a month for it for two years or something. The disability office deemed that to be a loan from London Hydro of whatever it was—\$1,500 for this fireplace—and said, "You just received \$1,500. You're cut off for two months because we deem that to be money in your pocket and you don't need disability benefits any more." Again, people don't expect these to be the rules and it causes great hardship.

Similarly with education right now, you may be aware that if you are a child of a disabled person, you're not allowed to save money for post-secondary education. We know now that the maximum OSAP you can get in Ontario is \$9,350 a year. Tuition at the law school that I teach at is about \$8,000 right now, leaving about \$1,000, or a little over \$100 a month, for living expenses. People need to be saving money for school so they can go to university. But if you're a child of a disabled person, you're not allowed to save money.

1140

I have a case right now where a woman told her two teenage children, "You've got to go to work at McDonald's, you've got to cut grass and so on and save money for your education." It was discovered by her caseworker and a big overpayment was imposed for this money that they had saved, saying, "You're not allowed to do that. That's fraud."

These are big problems. This is the context of life for people with disability benefits in Ontario today.

I'm sure you've heard about difficulties with accessing social housing. Many of these people need handicapped units. I've got a fellow in my office right now who has no legs or fingers. He's 37 years old and he's about to be evicted from his subsidized London housing unit over a \$15 arrear issue. The problem in his case is that once they start the eviction application, they spend \$150 to start that application and they spend \$350 for the sheriff. These fees have been imposed in the last few years. So it's not about the \$15 now; it's about the \$500 legal bill that London Housing has. Of course, as a disabled person he can't afford to pay that. A person in his circumstances shouldn't be evicted in February in Ontario over a \$15 arrears issue.

Life is tough for disabled people in Ontario. I leave you with where I started, and that is, it's time that we do better for disabled people in Ontario. The starting point is that we need to raise their rates at least to reflect the cost of living.

That's my submission. Thank you.

The Chair: Thank you, Mr Schlemmer. That leaves us about 30 seconds for each party. I'm not sure that's enough but we'll give it a shot. Mr Sampson, quickly.

Mr Sampson: Thanks for your presentation and examples of bureaucracy gone wild and some of your stories. I think most of the folks around the table would say that what you explained is not right and needs to be looked at somehow and fixed.

Do you do any disability work outside of the disability plan?

Mr Schlemmer: I practised in private practice for five years, personal injury work.

Mr Sampson: Just very quickly, on the personal injury side, are there some disability processes, adjudication processes that are better than what is currently happening under—

Mr Schlemmer: Yes. The employment insurance program is much, much better. They have hearings within two weeks of appeals being filed. They guarantee a decision will be rendered the day of the hearing. It's a much better process.

Mr Sampson: How about workers' comp or private disability—

The Chair: That will be it. We move to the official opposition.

Mr Peters: I guess at some point, it would be great, Jeff, if we could pretend you're the minister and you have the magic wand. I think we'd love to hear from you what we should be doing to fix the system.

The government loves to point to their Red Tape Commission. I think you should make a presentation to the Red Tape Commission to lay it all out to them. They're so big on trying to remove red tape for the business community. I would hope that attitude they have in trying to help business would be an attitude they would take to persons with disabilities in looking at the program that has been developed and pointing out some of those flaws. I would encourage you. They always say, "Apply to the Red Tape Commission." I think you should.

Mr Schlemmer: I think I heard an invitation. I'll take you up on that.

The Chair: Mr Christopherson?

Mr Christopherson: Thank you, Chair. I don't know if I have time to squeeze a question and answer in there. I found it fascinating, because I'd never heard this before, that the paperwork for ODSP individuals was five or six times as much. That's interesting, given that the government, as Steve has pointed out, has made a big deal about their red tape. If a small business group came forward and said that they had five or six times more paperwork, the government would respond very quickly.

The other thing is, on the welfare fraud, that it's interesting, when you've got someone like Bob Wood saying it's too severe, no one should have any doubt that it's too severe. Let's keep in mind, too, that there is a member of the government caucus who was convicted of tax fraud who then went on and was allowed to become an MPP and, for that matter, became a minister. So if

anyone needs to have any justification for changing this, there's lots of it there.

The Chair: Thank you, Mr Schlemmer. We appreciate your input. I'm sure that if you did want to appear before the Red Tape Commission, there is a process by which you can be directed.

Mr Schlemmer: I'll follow up on that.

TOGETHER IN EDUCATION

The Chair: Our final presenters this morning, the Waterloo teachers' federation—I guess there is a combined presentation. Please come forward. Would you please state your name for the record.

I would ask that the meeting go to the back of the room, Mr O'Toole. Mr O'Toole, please move the meeting to the back of the room. Thank you.

Sorry, gentlemen. Please proceed.

Mr John Ryrie: My name is John Ryrie. I am currently district president of the Ontario Secondary School Teachers' Federation in Waterloo. With me is Rick Moffitt, communications officer of the Elementary Teachers' Federation of Ontario in Waterloo. We had hoped that Bill Brazeau, who is president of the Waterloo unit of the Ontario English Catholic Teachers' Association, could have been here today as well. But he phoned me early this morning to indicate that he would be unable to make it. Jointly, the three teacher affiliates make up an organization we call Together in Education.

For over a decade, we have been working together to advocate the concerns of educators in our local publicly funded elementary and secondary schools. One of the jobs we take on is taking opportunities such as this one to convey to government representatives the state of affairs in our schools, and we appreciate the time you are giving us to bring forward our own perspective.

We have participated in at least four pre-budget hearings in recent years. It would probably be fair to say that we have been largely ignored, because we have asked government MPPs since 1995 to see schools and students as an investment, rather than an inheritance to strip-mine for tax cuts, but we're going to try again today.

To put today's presentation in context, I'd like to briefly review some history that I think is pretty important. In 1995, the Conservative party said the following: "Our education reform plan is spelled out in our policy paper, New Directions II: A Blueprint for Learning. Here, we will concentrate on how these reforms can reduce the burden on taxpayers."

Right from the start, the intent of the current government was to make Ontario's schools cheaper, not better. Yet messages to the public repeatedly presented the bogus idea that we could endlessly do more with less: "The Ontario government has a plan that would significantly improve the quality of education at less cost to the taxpayer.... This model would recognize the cost of educating students, and of assisting students in special circumstances, such as students learning English for the

first time in the classroom, students with special needs, and students in remote communities.... A new, fair funding model ... based on the needs of the student ... nothing is more of a provincial priority than education. After all, education is our most important social program and a great leveller. The Ontario government is committed to improving the quality of education for every student in this province."

Five different recent analyses have now shown that the cuts and policies from 1995 onwards have been profoundly destructive, and government promises very hollow and disingenuous. Dr Alan King's study, initiated by the Ministry of Education and eventually released last fall, indicates that some 7,000 students graduating in the double cohort will not find a spot for them in a college or university this September despite marks and achievement that would have done so in previous years. Dr Rozanski's report in December showed the funding model to be a disastrous, ill-conceived reform that has hurt and hindered schools, not improved support for students. The cupboard is bare. A five-year study of six secondary schools in the Peel board by Mr Andy Hargreaves, the Ontario Institute for Studies in Education report released on January 23, and the Canadian Centre for Policy Alternatives report say the same thing: students have been cruelly short-changed by funding cuts.

The obvious point I want to make in referring to earlier government documents is that the starving of our schools has been deliberate. And the enormous cuts have been centred on a phony crisis: the fake and dishonest undermining of public confidence in education that John Snobelen so famously articulated in 1995. Our schools weren't substantially overfunded in 1995 and they weren't underachieving; they were under-appreciated.

How would I know that? Well, the 1994 report of the Royal Commission on Learning, which is still worth taking a look at, said, "From what we've observed and learned, we're confident that most Ontario teachers are competent, caring, and committed; that they work conscientiously and hard; and that day in and day out, they do a good job. In fact, given the constant pressure they operate under, the seriousness of their responsibilities, the never-ending new changes that boards or the ministry impose on them"—and have continued to impose on them since 1994—"the anxiety about keeping up with their subject and with good practices ... given all this, even the ordinary teacher seems heroic to us."

Moreover, in 1996, a year after Mr Snobelen conveyed that Ontario's system was broken, a non-partisan federal study found that "the most recent school-leaving cohort, aged 16 to 25, contains relatively few individuals at level 1"—which was the lowest level of this particular study—"a finding that belies any notion of widespread school failure." I suspect that none of you have read this document. Here it is, *Reading the Future: A Portrait of Literacy in Canada*. It goes through and looks at not just literacy in Ontario but across the country and comes to that conclusion, which I think was a lot more substantial than what Mr Snobelen was saying in 1995.

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We now know that it is centralized funding that has not improved the opportunity for students or the services that are needed to support them. Centralized funding has not put students first, in its rigid formulas or in its sufficiency. As Michele Landsberg pointed out yesterday in the Toronto Star, this centralizing has, in her words, "merely robbed the local communities of flexibility and competence to solve problems." I think she's got it right.

Locally, the facts are quite revealing, which is the reason we're here today. In 1993, the Waterloo Region District School Board was able to access revenue of \$6,750 per student, by their own audited statements. By 2000-01, this figure had dropped to \$6,388 per student. When corrected for inflation, and assuming steady affirmation of public education, the 1993 figure would have risen to \$7,754 per student. In other words, per-student support for young people in our region in real terms dropped by 20.2% over a period of seven years.

In the simplest of terms, the current government has failed to provide the things that students need, and I know you've heard this before: special education teachers, textbooks, clean and well-maintained schools, transportation, heat, light, secretaries, educational assistants and thoughtful, well-laid-out, age-suitable curriculum.

Quite apart from the appalling failure rates in the new applied courses—these courses aren't working very well—quite apart from the 40,000 students who are on track to not graduate because of the unreliable and inconsistent grade 10 literacy test that they can't study for, and quite apart from the double cohort catastrophe that my own middle son is living through, another consequence is looming on the horizon in Waterloo's public board, and you may not be familiar with this. Our board is planning to close two viable high schools, one each in Cambridge and Kitchener. Why? Because the funding model is forcing them to. This direction is not a pedagogical one, it's not one the board would have thought of prior to 1995 and it's not one that puts students or the community first. None of the 15 public high schools in Kitchener, Waterloo or Cambridge is so tiny as to logically demand closure. I know that's not the case elsewhere but it's true in Waterloo. For example, we could keep all the current high schools in Kitchener, build a new one in southwest Kitchener, where we need one, and the resulting six would still house more than 1,200 students each, which is just about a perfect size for a high school.

Since an election appears to be fairly imminent, I'll note that four Conservative MPPs currently hold seats that overlap the region of Waterloo or encompass Cambridge and Kitchener. When our school board finally announces in early April which two schools it thinks should close, I suspect that thousands of citizens in these two cities, the ones who vote, are going to have a lot more to say about how educationally questionable, if not stupid, it is to close their viable high schools because of a flawed, outdated, rigid, bureaucratic funding formula. They are going to know, and be told quite correctly, as

they have been at recent public meetings which I've attended, that Queen's Park formulas are driving the loss of these schools.

Dr Rozanski made 33 recommendations for reinvestment in Ontario's publicly funded schools. Only three recommendations have been addressed so far—just three. We urge you to give back to students what you have taken away by implementing the rest of his recommendations. After all, the proposed \$2.5 billion in tax cuts would more than pay for Dr Rozanski's recommendations. I can't help but note that these tax cuts are slated for people who generally do not lack money for food, basic housing or winter clothes. Thousands of our students and their families do. They need educational support to improve their lives.

Mr Rick Moffitt: As a representative for the 2,400 ETFO Waterloo members, teaching approximately 40,000 students, I am pleased to offer suggestions for the coming provincial budget.

In many ways, teachers are saddened by the notion that government education policy is being set at budget hearings rather than educational forums and hearings. This flies in the face of doing what we as educators know is needed for children. It devalues public education and debases the roles of professional educators at all levels.

It is, however, precisely during the delivery of this province's next budget that the priorities of this government must change. We must stop referring to education funding as a cost or an expense and instead acknowledge that it is the most important investment we as citizens can make. We must also make the fundamental decision to acknowledge that we are not merely taxpayers but citizens, and that being a citizen carries with it both rights and responsibilities. Finally, we need to accept that the rights and responsibilities of citizenship extend to corporations as well as to individuals.

There is really a simple answer to what this government needs to do to remedy the problem created in public education: implement the recommendations of the three independent task forces that this province has had in the last few years. The McCain and Mustard Early Years Study, the Rozanski report and the recently released OISE-University of Toronto report, The Schools We Need, are very clear on the pedagogical and financial needs of our public education system.

The following statements can sum up the Rozanski report generally: (1) fund the actual costs, not the 1997 benchmarks of public education, and provide stable multi-year funding to the public education system; and (2) make new investments for the most vulnerable students—special education and ESL students—so as to ensure an equitable opportunity for students to succeed not only in our schools but also in life.

The costs associated with the Rozanski report that remain to be implemented are in the \$2-billion range, notwithstanding the fact that in 2002 a down payment of \$205 million was made on special education and \$340 million for salary and benefits not costed in the recommendations of the report. Once funding has caught up to

the actual costs by the year 2005, as outlined by Rozanski, the government must also ensure that we do not begin the process of sliding backwards from these benchmarks again. A timetable for cyclical reviews of the funding formula must also be included in this process.

Just as important as the investments Rozanski called for, however, was the implementation timetable that this budget needs to embrace. Part and parcel of the implementation timetable is the announcement of a stable, multi-year funding mechanism. We urge the government to announce a timetable, spread over a maximum of three years, for this \$2-billion investment as part of the next budget presented.

The key recommendations of the McCain and Mustard Early Years Study need to have an implementation timetable set as well. Key recommendations included reducing class sizes for elementary students, particularly those in the primary division. ETFO has called for average class sizes of 15 in junior kindergarten, 18 in senior kindergarten and no more than 20 in grades 1 to 3. Investments in these early years would yield significant savings in grades 4 through 12, more than enough to recover the costs associated with implementation. In addition, this would begin to address the current funding inequalities between the elementary and secondary panel—a model which currently sees per pupil funding for our youngest, most vulnerable children at \$751 less per pupil than their secondary school counterparts—and it does not disadvantage the secondary students. In fact, in the longer term it ensures that issues currently being dealt with in the latter stages of a child's educational life are remediated much earlier.

We urge the government to announce a timetable for the implementation of these recommendations, an investment that meshes very nicely with the learning opportunities grant called for in the Rozanski report. The Rozanski report calls for \$50 million to be invested immediately and for a review process to be put in place to assess the adequacy. This needs to be properly funded prior to the commencement of the 2004-05 school year. This particular initiative is also supported in the OISE-U of T report just released. A large amount of research is available to support the pedagogical value and long-term economic savings available through the implementation. So overwhelming is this evidence that 70% of American states have now passed class size reduction initiatives.

The Schools We Need, the OISE report just released in January 2003, also contains some specific recommendations that we believe will strongly increase the quality of education in this province. While the items contain some costs, the value they would provide to public education far outstrips the associated costs.

Quoting from the document, "The government's indirect attention to teachers and teaching has taken the form of increased pressure and accountability with no corresponding increases in support or resources." In fact, this government has made a point of cutting resources as it implemented the new curriculum and made major policy changes in education. Cutting professional de-

velopment days from the school calendar while introducing a new curriculum does not make sense on any level. Let us rid ourselves once and for all of the notion that you can do more with less. One can only do less with less. It is absurd to suggest otherwise.

If you believe this can work, try it with your car some day. Put \$10 less gasoline in our car and see if you can travel any further. It does not, it cannot, work. Quite simply, if you have more students in your class, you have less time for them. Alternatively, if you add three or four higher-needs children to a class without increasing the size, it still means less time for the rest of your students.

It is time for this government to stop telling teachers what constitutes sensible education policy and once again embrace the collaborative process in which the public education system thrived in the 1960s and 1970s under Bill Davis and the Conservatives and also into the 1980s. The senior partner in this stakeholder collaboration must be professional educators. We are the front-line workers with the requisite knowledge and experience to make the system work.

This government is responsible for the current impasse in public education. They created a series of phony crises as a mask for stripping funding from the public education system to provide tax cuts for the wealthy and tax cuts for corporations. Funding must be restored, and restitution for the damage done demonizing teachers and the education system must be forthcoming.

Teachers have always put their students first, while for the past seven years this government has put tax cuts first. Teachers are not afraid of being accountable. As lifelong learners, teachers are willing and able to be accountable for ongoing professional development in collaboration with the government.

Return professional development days to the school calendars, supply the financial means to train and implement new curriculum initiatives and provide the necessary financial support to pay for the resources needed to implement the new curriculum. End the costly standardized tests and instead do random testing to ensure that standards of performance are being met, and use those testing dollars to supply extra opportunities and support to students who are vulnerable.

There is absolutely no financial benefit to testing. In fact, the announced increases in standardized tests for every single grade will cost upwards of \$100 million and provide no benefit to the government that could not be realized by spending just \$5 million to \$10 million. The statistical evidence provided by random sample testing for 20,000 students would yield data just as statistically relevant as the data received when testing all two million students in this province. If the goal is to ensure that students are meeting standards acceptable to the government, we can do this at a fraction of the cost.

We call on the government to reverse their decision to fund private schools through tax credits. This government has no mandate to implement such a profound change in policy. After seven years of inadequate funding in public education, there is no justification for pouring

\$300 million into funding for private schools and encouraging an exodus from public schools. For 150 years since Egerton Ryerson's time, Ontarians have believed that a strong public education system was imbedded in this province's value system. Funding private schools simply undermines this.

Finally, the same standard of accountability that this government is so fond of trumpeting applies to it as well. There is reciprocal accountability to which this government is subject. The children of this province deserve no less. We cannot legislate equality, but we can ensure an equality of opportunity in this province. Public education is supposed to be the primary means by which we citizens ensure everyone an equitable opportunity to succeed not merely in school but in life. It is high time this government accepted its responsibility and made the necessary investments in education to fulfill its duty.

The Chair: Thank you, Mr Moffitt and Mr Ryrie. That concludes your time, so there will be no time for questions. We appreciate your input today, gentlemen.

Mr Kwinter: Mr Chair, is this room going to be secure?

The Chair: Yes, this room will be secure, and there's a designated area for members to eat. This meeting will recess until 1 o'clock.

The committee recessed from 1204 to 1301.

ROBERT SEXSMITH

The Chair: Our first presenter this afternoon is here. Mr Sexsmith, if you will be kind enough to state your name clearly for the record when you begin speaking. You have 10 minutes. If you use less than that, that may allow us the opportunity to ask you some questions. Please proceed, sir, and welcome.

Mr Robert Sexsmith: Mr Chairman, my name is Robert Sexsmith. I am a citizen of London who has been actively involved as a volunteer in the community. I'm trying to make some points on the need for some finances coming to this community as well as other communities in this province. I have four points I'd like to touch on: municipal tax increases, housing, employment and poverty. I apologize for reducing it to two pages, if it's a little small. I also wear bifocals, so we'll go slowly on it.

The provincial government's spending is higher than it was when the current government took office. The provincial downloading obscures the fact that the major changes in responsibility and limited taxing authority imposed on London have not been revenue-neutral for the city. The result of new municipal responsibilities has increased property taxes and user fees. Even with prioritizing the existing programs, the unmet needs of this community have been recognized. The options the city faces demand increased spending because of the unfunded mandated programs from the province, ie, roads, infrastructure, public health, ambulances, environment, community health care cuts, and homelessness etc.

Housing: the municipality has been handed the cost of the provincial social housing program. Funding of

income support programs from property taxes is bad public policy. Senior levels of government must either resume funding these programs or provide municipalities with the appropriate taxing powers.

Since 1995, the Ontario government has made deliberate choices to give priority to tax cuts that primarily benefit wealthy individuals and corporations instead of social programs, including housing, that benefit 4.5 million people living in renter households. Currently the province spends about \$412 billion on tax cuts, yet zero on new housing dollars for housing supply, and a decreasing amount on many other vital social programs. Since 1995, the provincial government has explicitly relied on the private sector to deliver housing and many basic services. The signs of failure are evident in the human and economic costs of the province-wide housing crisis.

Employment: people have proven that they want to work, but well-paying jobs have been replaced by temporary, contract and self-employment or part-time jobs. This has resulted in people working for wages that cannot meet their expenses. Housing, child care, education and health care cost more because of cuts and changes to government programs. Low-income statistics, on the LICO, which vary according to family size and community, state that households falling below low-income cut-offs are considered to be substantially worse off than the average total-income family. This is a serious loss of public confidence in governments—all levels—and the economy.

In the London area the majority of job gains—12,000—has been in the services-producing sector, led by wholesale and retail, with gains in health and social assistance, transportation and warehousing, followed by construction and manufacturing. Most of these jobs pay \$6.85 to \$9.00. The others range from \$9.00 to \$11.00, and a few at \$13.00.

Add to this the restructuring of municipal employment patterns to reduce taxes by deferring projects or programs and finding efficiencies or outsourcing. There will be a shortage of skilled workers due to early retirement as companies continue to restructure in this area. This will affect retail employment and the construction trades. While employment patterns affect the economy, they affect women the most. Most are employed at 50% or less than men and they are most likely to be working part-time. They are the last to be hired and the first to face layoffs.

Poverty in this city—and I'm going to switch down to the bottom of this. I talk about the average rents and how people are jeopardized by the lack of affordable housing, but I wanted to make the point that in 2002 the average number of people served by food banks in this city per month was 2,554, and 42% of those served were children.

I'd like to conclude and allow some time for questions. I have a lot of responses to some of these issues that I've been working on in the community. But now that I've reached the magic retirement age, I can still

contribute to this community, and I'm finding that the difficulties of poverty in living in this town have become significantly worse. They are unlike any other historical reference to having lived through a bout of poverty.

With that, I conclude my remarks and ask for any questions.

The Chair: Thank you, sir. That leaves us roughly with one question per caucus, beginning with the Liberals.

Mr Peters: Thank you for your presentation, Mr Sexsmith. I was wondering if you could expand. Under "Housing" you talked about appropriate taxing powers for municipalities. Do you have some thoughts in mind as to what we should be doing to help municipalities raise new revenues?

Mr Sexsmith: The first thing I think they could do is that the province could match the federal government's commitment to affordable housing, as one step. The second thing is the fact that the province has eliminated the housing ministry and you can't get a program approved now, even if you do have a partner in the community who's willing to build housing, for up to six months to a year, and in some cases 18 months, because of the rules that are being applied to the building of new affordable housing and for transitional housing. If you could put back some staff people in the housing ministry and create a proper housing ministry that could respond and get these projects built, it would help to alleviate an awful lot of people who are now living in homeless shelters, and that's women, children and men.

The Chair: Thank you, sir. We're going to move on to the third party.

Mr Christopherson: Bob, thank you very much. I've known Bob for over 25 years now. His entire adult life has been spent in fighting for justice, and particularly speaking out for those who don't have the opportunity to do that effectively. In my last go-round here, Bob, I want to take just a minute to thank you for a lifelong commitment that you've made, and you continue to do it way beyond the call of duty.

I have not so much a question maybe, and I'll give you a chance to respond, but I was quite taken aback to see that here in London, a community that I think most perceive as being fairly affluent, there are over 2,500 families per month using food banks. It just doesn't fit with the image most of us have, Bob. What's behind it?

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Mr Sexsmith: I think part of it is the cutbacks in government programs that were available to people who had a need that was not being met by their income capacity.

The other thing we find is that the city is even at odds to find out why their welfare rolls at the municipal level have gone from around 7,000 up to pretty near 9,000 people per month. These increases are directly related to the policies that we have for OW and ODSP. I'm finding that even at the food banks they talk about how 17% of the people who used it had no source of income, from the government or anywhere else. That's an alarming figure

when you add to that the number of children who are going to school hungry. We have meal programs that feed kids breakfast in this town. London does not talk about that. I've worked with the homeless coalition, and in the last year, since just before Christmas, we started to get the media looking in depth at a lot of these issues. I really think it would be a wonderful first step on this budget if you returned the 21.6% cut to welfare. That would be a tremendous first step.

The Chair: Thank you, sir. We'll move to the government side.

Mr Beaubien: Thank you very much for your presentation. In your opening statement, you mentioned that "provincial government spending," and these are your words, "is higher than it was when the current government took office." Yet you talk about government cutbacks. How do you square that round peg for me?

Mr Sexsmith: Well, a lot of the cutbacks have been in employees. You've eliminated people in the environment ministry, in the health ministry and in community health programs. You've changed the way hospitals are structured, with nurses not being available, and you're now delaying operations in the hospital sector by up to 18 months to get simple cataract surgery.

Mr Beaubien: But you're avoiding my question. That doesn't mean—the spending has increased.

The Chair: That's all the time you have, sir. We'll have to move on.

Thank you, Mr Sexsmith, for your input and your thoughtful comments. We appreciate it.

Mr Sexsmith: Thank you for the time.

ALLIANCE OF CANADIAN SECOND STAGE HOUSING PROGRAMS (ONTARIO CAUCUS)

The Chair: Our next presenter is the second-stage housing alliance. I would ask that you please state your name when you speak so that we clearly are able to record it for Hansard. You have 20 minutes for your presentation. If you have any time left over in that 20 minutes, it will be available for questions. Welcome.

Ms Shelley Yeo: I'm Shelley Yeo from second-stage housing here in London.

Ms Ruth Hyatt: I'm Ruth Hyatt. I'm with second-stage housing in St Thomas.

Ms Carol Montag: I'm Carol Montag, Phoenix Place second-stage in Hamilton.

Ms Tonia Milner: My name is Tonia Milner, and I'm a survivor of domestic violence.

Ms Yeo: On behalf of the membership of the second-stage housing alliance, Ontario caucus, we wish to thank you for the opportunity to come before this committee. We are here to speak to you about the continued viability of second-stage housing programs in Ontario. Our membership shares a belief that the safety of women and their children who are fleeing abuse is a fundamental priority. Once again, we implore this committee to urgently recommend annualized funding for second-stage

housing programs in Ontario and that it be a priority in the upcoming budget.

Studies have shown that women are most at risk when they are escaping from their abuser. Second-stage provides additional safety and support during this dangerous time when women and their children are leaving the abusive environment. The federal government has declared woman abuse a major public health issue. More women are injured or killed by woman abuse in this country than by automobile crashes, muggings and rapes combined.

In 1995, second-stage programs in Ontario lost all provincial funding that had supported on-site counselling and support programs for women and children. Since then, second-stage programs have continued to struggle to stay open. There has been a significant loss of programs, staff, and ultimately safety and support for the women and children who access the programs and the persons who staff them.

Second-stage programs in Ontario and the women and children who are seeking safety need the support of the Ontario government. Please listen carefully to our concerns.

The first second-stage program in Canada was built in British Columbia in 1979. Second-stage programs were developed in response to an identified need for transitional safety and support for women and children leaving abusive relationships. Emergency shelter workers witnessed women having to return to abusive partners when leaving shelters because of a serious lack of safe, affordable, and supportive housing alternatives in the community. The lack of affordable housing in the community is more acute today, making the need for second-stage housing for abused women more necessary now than at any other time in its history.

Today there are 27 second-stage programs operating in the province of Ontario. The facilities range from two to 40 units, with an approximate total of 375 units. They are typically self-contained apartment, townhouse or single-family units where women can live independently with their children. Though second-stage programs may vary in size, configuration and management style, the mandate of all programs is to deliver services which contribute to keeping women and their children safe.

A 1996 survey by Canada Mortgage and Housing Corp shows that safety is the number one reason that women, with or without children, seek housing at second-stage facilities. In many programs, safety and security have been compromised for two reasons: there are insufficient funds to repair, maintain and upgrade security systems, and there is insufficient staff to ensure safety policies and procedures are followed.

This past year has continued to challenge those of us who are committed to providing safe places to live for women and children fleeing violence in their homes. The most recent report from Stats Canada, dated September 25, 2002, reports that "the number of men accused of killing their current wife or ex-wife rose from 52 in 2000 to 69 in 2001, with virtually all of this increase occurring

in Ontario." These numbers do not even count the number of women who were in intimate relationships other than marriage or the other innocent bystanders. Unfortunately, this news is not a surprise to many of us. It is, however, appalling to think that women and their children continue to be targets of this violence. We must increase our efforts to end these atrocities against women and their children.

Women living at second-stage are usually on a low fixed income. Supporting women in creating a safe home for themselves and their children will enable them to achieve stability. During their stay, women are able to set goals and objectives and connect with appropriate community resources, and are provided the opportunity to build on new skills as they move on to economic independence.

Since the Ontario Ministry of Community and Social Services cut 100%, or \$2.56 million, of funding from second-stage facilities, all programs have changed. Counsellors who come to the facilities from community services are not able to provide the level of trust and continuity of support and service that is necessary to assist women.

According to the Southwestern Ontario Shelter Association's November 2000 report Knowing What We Do Best, "Among the women who were living with their abusers when they entered the shelter, fewer than one in four intended to return to a home in which the abuser would be present." In fact, many of these women do seek support from second-stage.

Partnerships between violence-against-women agencies and community groups are used to develop prevention initiatives and public education events and coordinate the services provided to victims of violence. Most staff in second-stage programs report that it is difficult, if not impossible, for them to attend violence-against-women services community coordinating committee meetings, children's services coordinating committee meetings and domestic assault review teams because of a serious lack of time, money and staff. This not only puts the women and children we work with at risk; it also puts the staff and other support agency workers at risk of violence.

Credibility has become an issue for second-stage programs throughout the province. Systems were in place when programs were funded to ensure that the programs were supportive, responsive, and accountable to the women and children using the programs. The complete withdrawal of funding to support the counselling services disconnected the programs from the government body that gives direction to all other violence-against-women service providers. Therefore, we are no longer directly involved in policy development and program planning, which also means that the women and children using our services have been taken out of the decision-making process.

Ms Hyatt: There have been two significant coroner's inquests into the deaths of women who were murdered by intimate partners in Ontario. The inquest into the death of

Arlene May, who was murdered on July 2, 1998, resulted in 213 recommendations, of which 203 were directed at the government of Ontario. Some of the recommendations have been addressed; however, almost all significant long-term initiatives undertaken by the Ontario government have been focused on the criminal justice system. Most abused women will not use the criminal justice system to address the violence, and even when they do, women report that they still need ongoing supports through well-trained women's services.

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In June 2000, Ralph Hadley broke into the home he had shared with his estranged wife, Gillian. Gillian Hadley, who was from Pickering, Ontario, and was the mother of three children, was murdered on that day. Since her tragic death, more than 65 women, their children, friends and family members have been murdered by known abusers. The coroner's inquest into the murder of Gillian Hadley was released in February 2002, with 58 recommendations. The following two recommendations are directly related to second-stage programs:

"(23) We recommend that the government of Ontario and the government of Canada immediately provide new funding for developing additional permanent subsidized housing units and second-stage subsidized housing units—medium-term housing with supportive counselling and advocacy services—sufficient to meet the current and forecast needs for the subsidized housing in each community in Ontario"; and

"(38) We recommend that the government of Ontario, through its various ministries but in particular the Ministry of Community and Social Services, ensure that all community-based women's anti-violence services, including shelters, are appropriately funded."

Attached is a partial list of the names of women and their children who have been murdered by intimate partners in 2002 alone, according to Woman Killing. These women have names, they have faces and they have families, and we will continue to remember them and all those before them. These women were your constituents, and the women we continue to serve are your constituents. Please consider this when making your decisions.

Ms Yeo: Our hope is that you and your government will find, as we do, that this situation is intolerable and must be changed. The Ontario caucus of the Alliance of Canadian Second Stage Housing Programs is requesting the inclusion of annualized funding in the amount of \$5 million for second-stage programs in the next provincial budget. We are also asking the provincial government to become a full partner in the struggle to save women's lives.

In closing, I'd like introduce to you Tonia Milner, who would like to tell her story. Thank you for your attention, and we'll be happy to answer questions after Tonia has spoken.

Ms Milner: First, I'd like to say thank you. It's a great honour for me to speak on behalf of the rest of the women and children who are subjected to domestic violence each and every day.

My name is Tonia, as you heard, and I'm a survivor of domestic violence. Before April 2000, I had never heard of Phoenix Place second-stage programs, but I did realize that I had spent the last eight months to a year in an extremely abusive relationship. It didn't take long for me to realize that this was not a good situation for me or my daughter. It was the hardest thing I ever had to do: to leave. Where would I go? Where would it be safe? How would I take care of my daughter? What about work? How would I make ends meet?

That's how I ended up at Inasmuch House, one of the shelters in Hamilton. But you are only allowed six weeks in a shelter. In those six weeks you have to get it together: how do I find an apartment, go to work and get my daughter to school, let alone save up enough money to pay for the apartment and furnishings and all the clothes? All I had when I left were the things on my back and as much as I could cram into a duffle bag. I had nowhere else to go. That is when the counsellor at Inasmuch House introduced me to the Phoenix Place second-stage program.

When I first moved into Phoenix Place, I remember feeling scared and confused, and most of all alone. How was I going to cope? I resented Phoenix Place for what it seemed to represent to me, the bitter reality that it reminded me of every day. I really didn't want to be there, but I knew I had to be there to make things better for my daughter and me.

It took a few months to settle in, but by Christmas all the other residents were moved in and we were all on our way to some sort of recovery, each one of us with our own tale to tell: five women from five different walks of life, from five different financial statuses, with and without children, all with the same understanding.

The year went by very fast. It was time for my daughter and I to move on to new things in our lives. As I look back, two and a half years later, I realize that I no longer resent Phoenix Place for what it represents to me. I realize how extremely lucky I was to have Phoenix Place. If I had never been introduced to that program, I wouldn't be here today; I'd be with Gillian Hadley and Shannon Cruse.

Thank you for your time.

The Chair: We have about a minute and a half per caucus, and we begin with the NDP.

Mr Christopherson: Thank you all for your presentation. No matter how many times you hear these things, they remain as disturbing as the first time you hear them, and the government has some things to answer for here. I recall that this was a party that, when in opposition, talked, for instance, about the absolute sacredness of juries' recommendations because, in my opinion, they found it politically convenient at the time to use that as a weapon against the government of the day, which was us. But once they got into power, they were very selective about which juries' recommendations they moved on. The Gillian Hadley recommendations and jury findings have been raised in the House; I can't tell you how many times Shelley Martel stood on her feet and

raised them and gone after the government and said, "You've got to do something." Again, we listen to the government brag about all the things they say they've done, and we've asked them over and over again, "Put the counselling funding back in place with second-stage housing, because without that you don't have what second-stage housing is meant to be."

You make some reference in here to how much difference that counselling makes. Can you expand on that a little? Some people might think it's sort of a nice little add-on that really isn't necessary, and yet your message is that it's core to everything that's done there.

Ms Hyatt: I think what we find is that when you're able to offer in-house counselling to the women, you're there on a consistent basis. Often the women we serve are still reeling from the effects of the abuse, and they need the consistency and availability of support that will help them become much more stable and help them to move on in a healthy way. If it's not there—it's bricks and mortar, and they obviously aren't accessing the support they need.

Mr Christopherson: Thank you. And thank you particularly, Tonia, for sharing your personal experience; it takes a lot of courage.

Ms Milner: If I may add about the counselling, I'm out two and a half years and I still undergo extreme amounts of counselling. I see three counsellors. I saw a counsellor then, but I still have to go. One of the most intricate parts of the whole system is having somewhere to go and someone to talk to.

The Chair: We move to the government side.

Mr Sampson: Thank you for your presentations and, Tonia, for your courage to come before us and give us your story. I have two questions, if I may. How did you come to that \$5-million figure? You're suggesting that \$5 million be re-established for second-stage housing programs.

Ms Yeo: Partly because of increased costs—some of the second-stage housing programs have closed and other ones, amazingly enough, have actually come to fruition, so there are some new programs since then—and in order to provide the programming we think the women and children need.

Mr Sampson: Some of our challenges in any social service and health service spending is figuring out where in the province existing money and even new money gets spent, and allocating that money to the various regions and jurisdictions of the province. So the background on how you get to \$5 million will help us understand where the needs are. I would guess that in some parts of the province there is more need than in others. That's what I'm trying to get at.

If there is new money, do you have any advice as to how it gets allocated? That's usually the second challenge, after you figure out you've got more money to spend. The next question is where?

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Ms Yeo: Evenly would be nice. I think that the needs in some communities are higher or greater, or that some

of the programs have been lost, in the northern part of the province for sure. Most of the second-stage programs are in southwestern Ontario, or southern Ontario, anyway—a lot of them. The programs in northern Ontario haven't been able to receive the same kind of support. We were really at odds for quite a while after we lost our funding and weren't able to re-establish a connection, but are starting to do that again.

Some of them are just housing now. Some of them have not been able to continue the safety part of the housing, and the counselling.

The Chair: We move to the Liberal caucus.

Mr Peters: We often hear from the government side all the positive things and the good things in the province. I think what struck me, of everything we've heard today, is how many people have been left behind by this so-called revolution. It's sad, it really is. I hope that the government members are listening and reading these presentations, because there is a significant number of individuals in this province who haven't enjoyed the benefits that a lot of people have. I think we do need to do something about that.

I take my hat off to you. I don't know how you've managed over the seven years. Your fundraisers must be just burnt right out. The challenges that you face—I know locally we've had one of the bingo halls close, and that's going to put a real dent into fundraising efforts.

We talk a lot about urban centres, but how much more work do we need to do in rural Ontario to ensure that the needs of women and families who may be isolated from an urban centre—is there a lot of work to do yet in rural Ontario?

Ms Hyatt: I think, because second-stages were cut off before we really got going—there were only 23 of us in the beginning. With the first one in Ontario being developed in 1989, there really hasn't been a lot of development since that time. There are a lot of areas that could benefit from development of second-stage, and it hasn't happened.

The Chair: That concludes your time. Thank you, ladies, for your presentation. We really appreciate it.

BLUEWATER COMMUNITY HEALTH CENTRE STEERING COMMITTEE

The Chair: Our next presenter is the community health centre steering committee. You have up to 20 minutes, sir, for your presentation and any questions we might have time for.

Mr Jim Houston: My name is Jim Houston. I'm chairman of the Bluewater Community Health Centre Steering Committee. My colleagues are Mr Jim Larocque and Mrs Mary Feniak.

I'd like to take this opportunity to thank the committee for allowing us to make a presentation on behalf of the Bluewater Community Health Centre, which will serve, if approved, Sarnia, Point Edward, the municipality of St Clair and portions of Lambton county. Our presentation

is visual, but you do have hard copies available that have been distributed.

This is our overview of the Ministry of Health and Long-Term Care vision as it applies to the community health centre. We will attempt to show you what the vision of the government includes; how community health centres fit into the vision; we'll explain our proposal; we'll try to explain why it meets your needs and the needs of the government; and we'll conclude with the reasoning as to why we need a community health centre and how it, again, fits your vision.

The vision of the Ministry of Health and Long-Term Care, as quoted in the long-term care business plan of 2000-01 of the Ministry of Health, states that primary health care reform is "an accessible health system that promotes wellness and improves people's health at every stage of their lives and as close to their homes as possible." Your action plan to support this vision focuses on new programs, services and facilities that will help "keep people well, detect illness sooner, expand community health services, build on the strengths of our system, and improve quality of life." These goals were stated in the Ministry of Health and Long-Term Care business plan, once again, in the year 2000-01. We are here to help you make this vision a reality.

Community health centres, which I'll refer to as CHCs hereafter, are an excellent means of accomplishing this vision. They exhibit most of the features that have been recommended as desirable in reforming primary care. They are an alternative to fee-for-service payment. They implement interdisciplinary teams, community involvement and governments. They provide 24/7 service availability and they coordinate service.

CHCs are accountable through community board governance, service agreements and accreditation. They meet the ministry goals and deliver on ministry strategies.

The Coalition for Primary Health Care in Ontario has stated 12 principles as the foundation of reform. They are: to ensure access to a wide range of comprehensive services; to provide primary health care 24/7; to establish disciplinary group practices; to service the community base and community need; to provide primary health care, which must not be for profit; to work under community boards; to stimulate enrolment; to accept funding that is appropriate to the community's needs; to provide information management, coordination of care, rights, responsibilities and accountability; and to provide continuing education. That is what a community health centre does.

The Romanow commission report states that the components that make up primary health care include treatment combined with disease prevention and health promotion; services not only for individuals but also for communities; teams of professionals, not just doctors, available 24/7; services addressing the needs of the population that is served; and decision-making decentralized to the community-based organizations. That is what a community health centre does.

Community health centres are cost-effective. It has been stated in the Association of Ontario Health Centres' strategic review that CHCs have a multidisciplinary team approach using allied health professionals such as nurse practitioners, health promoters, social workers etc, which improves coordination of patient care. Patients see the family physician less often because of the accessibility to other health professionals. Therefore, we would provide more care for less money.

Community health centres provide access to those who experience barriers because our community has a shortage of health care professionals. Sarnia, Point Edward and the municipality of St Clair have an acute shortage of family physicians. We are now designated as being an underserviced area, 29 physicians short. This has resulted in an estimated 10,000 to 15,000 families without access to services except through the hospital emergency department or the one walk-in clinic that we have in the city.

Given the nature of the clients who do not get primary health care, such as youth in transition, moderately mentally ill adults and the marginalized and hard to serve, if one look at those who have difficulty in accessing primary health care, the CHC model is the best model for these individuals. These patients are challenging to serve and they take more time and flexibility. They also benefit from access to other health professionals who are part of the primary health care team, such as health promoters, nurses and counsellors. These individuals need a comprehensive plan of care and continual monitoring.

CHCs have a strategic role to play in meeting the primary health care needs of groups that face barriers to access. Community health centres have comprehensive programs to promote wellness and prevent disease by using a coordinated team approach to providing primary health care. CHCs provide the maximum use of allied health professionals as they are part of the primary health care team, which is a shared responsibility.

Community health centres attract health professionals such as family physicians and nurse practitioners. We believe that graduating family physicians are willing to come into a CHC setting as they have no overhead and administrative responsibilities. CHCs also allow for a 40-hour workweek and time off as they have a team of physicians to cover the clinical area.

CHCs maximize the skills of all the health professionals on the team, whether it is the physician or the nurse practitioner. CHCs are one way of meeting the primary care needs in underserviced populations.

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We have a proposal. We have written and submitted it. It has been funded by local resources and we have tried to be cost-effective in our activities to date. We've had financial support from Sarnia, Point Edward and the municipality of St Clair, the labour sector and the private sector, Lambton Seniors Association and many volunteers from our community. The proposal is supported by the populace in that we gathered over 11,000 signatures

on our petition. It was further supported by local agencies and service providers, whereby we received over 55 letters of support. It was supported by the Essex Kent Lambton District Health Council, which gave much of the research data in our proposal.

Municipal councils supported our proposal in the city of Sarnia, the county of Lambton, the municipality of Point Edward and the municipality of St Clair. All three councils passed a motion to support our proposal.

We have a member of the chamber of commerce working with us on this proposal. Mrs Feniak and I also sit on the Sarnia task force for the recruitment of health care workers and family physicians.

This proposal was submitted in May 2002, and we had overwhelming support from the community. It was amazing how the whole community spoke with one voice. We are now awaiting approval from the Ministry of Health and Long-Term Care.

Our need for a CHC: one asks, why do we need a CHC in Sarnia, Point Edward and the municipality of St Clair? We have a shortage of doctors and health professionals and we are designated as underserviced.

We have an older population. Seniors traditionally access the system more, and also take more time per visit because they usually have more complex medical problems. We estimate that 1,876 seniors 65-plus years of age need a family physician.

We have identified a serious need for primary health care for those who have barriers to access to the health care system. We have identified five high-risk groups in our community that need access to primary health care.

We have estimated that there are 10,078 in need of a family physician. There are 2,708 youth in transition who need access to primary health care. We have 2,008 people who are marginalized and hard to serve and need access to primary health care. We have 2,800 moderately mentally ill adults who need access to primary health care. We feel that our CHC proposal truly reflects the needs of our community.

You ask what is in the proposal? The budget is \$2.25 million in year 1, growing to \$3.3 million in year 3. The initial complement will include a staff of 26: four family physicians and six nurse practitioners in year 1; six family physicians and six nurse practitioners in year 3. We expect 5,000 clients in year 1, growing to 15,000 in year 3. Four out of the five priority groups with high-risk needs are presently estimated at 8,000 people.

In conclusion, our community is waiting. We desperately need more primary health care. We have a well-thought-out proposal that the community has supported. We want to help you achieve your vision for primary health care reform by establishing a community health centre. We have demonstrated that we assumed our portion of the responsibility toward improved primary health care in our community and we ask that if the government wishes to demonstrate its commitment to primary health care reform, please allocate the funds for our community health centre in your budget for 2003.

Time is of the essence. Up to 15,000 clients in Sarnia, Point Edward, St Clair and surrounding district, as well as over one million clients in more than 100 communities in this province, are asking for increased primary health and community care services through the health centre model. Many have been waiting for over eight years.

Primary care reform is a key deliverable that this government has promised the people of Ontario. Our proposal can help the government keep this promise.

The Chair: Thank you, Mr Houston. We have a little under two minutes each. We begin with the government.

Mr Beaubien: Thank you very much for your presentation. First of all I'd like to commend you and your group for taking the ball and running with this. I think it's a very worthwhile project. I know we've met on different occasions.

In the past five or six days during the budget deliberations, we've heard from the Registered Nurses Association of Ontario. I think they are a strong proponent of the nurse practitioner and the health care centres. This morning, indirectly, we heard from the optometrists also, where they want their power to be broadened so that they can administer drugs. They basically were saying that we've got to make the system more efficient, and I think this is what you're trying to do.

Two quick questions. What is your present relationship with the group that's recruiting medical practitioners in the city of Sarnia? And you mentioned in your presentation that you would provide coverage on a 24/7 basis. Especially when you only have four family physicians with six nurse practitioners, I think that would be somewhat challenging at the beginning. Just your comment on that.

Mr Houston: On your first question, Mr Beaubien, both Ms Feniak and I sit on the task force for recruitment of health care practitioners in Sarnia. That task force at the present time is in the process of recruiting family physicians through the provision of incentives, both financially and materially, to encourage doctors to come to the city of Sarnia. This task force is not totally limited to just doctors; they are recruiting nurses and technicians. At the present time they are working with, from what I understand of late, three family physicians who have indicated a desire or a wish to come to Sarnia.

To answer your second question with regard to 24/7 coverage, it's our understanding that there is technology available in some of the community health centres as we speak wherein the nurse practitioner, as an example, would take a laptop computer home with her in the evening, say after 10 o'clock, and have access to the community health centre files from 10 at night till 8 in the morning, wherein if you called the community health centre she would be able to access your chart and give you direction as to whether you should go to emergency, or suggest medication or whatever.

The Chair: We move to the official opposition.

Mr Kwinter: Thank you very much for your presentation. Over the years that I've sat on this committee

visiting many communities across Ontario, we invariably get a presentation on community health centres, and I think it's the way to go because it really solves the problem.

The question I have follows up on Mr Beaubien's question and your response. You say that your area is designated as an underserviced area as far as both doctors and health professionals. If you can't get a doctor to come to the community to practise as an individual, what is the attraction to get that doctor to come and participate in a community health centre? I know that you've got a task force looking for them, but what is the incentive to attract them?

Mr Houston: From what we have been told through some of the recruiters we contacted when we were putting the proposal together, it's our understanding that a goodly portion of the family physicians who are practising today detest the paperwork and administrative and overhead that's required when they operate a fee-for-service practice. I've had family physicians right in Sarnia tell me, "If I didn't have a mortgage on my building, I would love to come to work in a community health centre, because you have none of the overhead or none of the administrative work." We've been told through recruiters that the young doctors who are coming out of medical schools today would just as soon come to a community health centre setting wherein they don't have any of the administrative and overhead to deal with.

Mr Christopherson: Thank you for your presentation. Obviously a lot of community work has gone into the development of this. I gather from your proposal that you're ready to push the button; you just need the OK from the ministry and you're on your way.

Mr Houston: We're presently waiting for approval from the ministry and then the next step is bricks and mortar.

Mr Christopherson: Do you have something already in mind? Are you actually that far along?

Mr Houston: We have several locations that are desirable and we have expressed the wish of that being where we would establish it, but of course, without approval, we're not in a position to make any commitment to any of these.

Mr Christopherson: Certainly. It's a very impressive presentation. The only other question I would have in the time remaining is that you mentioned there was a population base of 8,000 to draw upon in terms of those who were at risk and who could be served.

Mr Houston: Four out of the five.

1350

Mr Christopherson: I was just curious: where and how are these individuals accessing their health care now?

Mr Houston: Either through emergency or we have one walk-in clinic, or none at all.

Mr Christopherson: For probably a lot of them, none at all, or for some.

Mr Houston: Particularly for youth in transition and the marginalized and hard-to-serve focus groups, I would suspect that they're not having any primary health care.

Mr Christopherson: In conclusion, let me just say that I agree with Mr Kwinter. We hear it in every community. I have two of them in my riding. They work. They are the way to go, and I applaud your efforts on behalf of your fellow citizens.

The Chair: Thank you, Mr Houston and all of you, for the presentation. We wish you well.

CANADIAN FEDERATION OF
UNIVERSITY WOMEN
ONTARIO COUNCIL

The Chair: Our next presenter is the Canadian Federation of University Women Ontario Council. Good afternoon, ladies. Welcome.

Ms Edeltraud Neal: Good afternoon. I am Edeltraud Neal. I am president of the CFUW Ontario Council. I live in Ottawa. I should also like to introduce my colleagues Margaret McGovern from Scarborough-Agincourt, Teri Shaw from Oakville, and the president of the London, Ontario group, Norma Exley, who came to give us moral support.

Mr Chairman, members of this committee, we are pleased to have this opportunity to address you on behalf of CFUW Ontario Council. Our group has been part of the fabric of this province for a long time. CFUW Ontario Council is made up of approximately 6,000 women university graduates from all the regions of Ontario. We are totally self-funded. Our members live in big urban areas as well as in rural and northern towns. We are non-partisan and non-sectarian. When voting on policy, each of our clubs has one vote so that members from Thunder Bay and Renfrew and St Thomas have the same weight as those from Toronto and Ottawa. This results in well-balanced policies that may be embraced by most Ontarians.

We are businesswomen, scientists, teachers, university professors, nurses and physicians, seed specialists and engineers, farm women and artists, accountants, soldiers, policewomen, wives, daughters, mothers and grandmothers. All put their skills and education at the service of their community. We don't have any particular axe to grind. We are a very diverse group.

We are not a charitable fundraising organization. Our clubs nevertheless award more than \$200,000 annually in scholarships and bursaries to students in all the regions of Ontario and to charitable and cultural causes.

The policy areas that we propose for your urgent consideration have been identified as a priority by our members at the AGM in October 2002. This brief has as its basis CFUW Ontario Council policy. Margaret McGovern will speak on health and Teri Shaw will speak on education, so I will cover the other issues.

Our members are very concerned about the child care situation in this province. Not only has the integration of non-parental care services and childhood education as requested by the McCain-Mustard report not occurred, but funding for what non-parental there is has been threatened.

We note that in Ontario, of the more than 500,000 children five years and under with mothers who are working, there are currently only 139,000 regulated child care spaces; ie, 72% of young children do not have access to quality care. To quote the McCain-Mustard report, "The better the care and stimulation a child receives, the greater the benefit—for the national economy"—the provincial economy, of course—"as well as the child."

Because of poverty, many children are not able to grow up healthy and to achieve in education and in life. Whatever the reasons for the poor economic status of these children, our members do not want to see Ontario children without a safe and secure place to live. We ask your government to consider the alternate costs to us all: the cost of lost human capital, the extra health and remedial education costs, and the cost to all of us from dealing with crime that results from the consequences of poverty and homelessness.

We urge the Ontario government to make a serious effort with this budget to help our province to become a place where the homeless have at least warm and safe shelter, and low-income families have affordable housing.

We want to see ended the practice that houses children in protective custody with young offenders. These children have not committed any crimes and should therefore not be treated as criminals. Provincial funds have to be found to house these children where the character-forming influences will be such as to engender good citizens.

For immigrant families to have a chance for a more stable future, it is essential that immigrant women receive ESL instruction. We ask the Ontario government to continue to fund adult ESL instruction and to provide funds that help certification bodies to develop equivalency exams and profession-specific ESL instruction to remove the barriers that prevent skilled and professional non-nationals from working in their professional field. We applaud the Ontario government, which has promised to do something in that line for foreign doctors.

Our members advise your government to give itself enough financial resources to maintain the health of our Ontario environment. High-quality public education and economic success are for naught if our next generation will be suffering from physical, neurological and cerebral damage from the ill effects of pesticides, bad water and toxic air. We commend the Safe Drinking Water Act in response to the Justice Dennis O'Connor inquiry, and ask for the funding of measures that ensure that water in Ontario remains in safe and abundant supply and that the control of all water rests in the public domain.

Cosmetic pesticides are non-essential and may be easily banned from Ontario's environment. We urge the Ontario government to underscore the seriousness of this area of public policy with its budget. Some municipalities are struggling with an outright ban on cosmetic pesticides, but realize that the public has to understand the consequences of indiscriminate use of these chemicals first.

Our members recognize that the Kyoto Protocol may not be the perfect multilateral agreement, but they want their Ontario government to join the other governments and take part in an all-Canadian effort to further this global push to reduce carbon dioxide emissions. The Ontario government can command the expertise and the financial and tax incentives that can result in a solution that includes industry, business and private citizens.

Ms Margaret McGovern: Good afternoon, gentlemen. My name is Margaret McGovern. In October 1995, the Ontario Council of CFUW passed resolutions at its annual meeting supporting the Canada Health Act and its five principles.

With the announcement of the formation of the Commission on the Future of Health Care in Canada, the Canadian Federation of University Women sent a questionnaire to the members of its 122 clubs in all 10 provinces in order to prepare a brief that was subsequently presented to the commission. In the responses there was overwhelming support for maintaining the five existing principles, as stated above, and for sustaining our public health care system.

1400

The Ontario health care system needs more money. We support the call of the premiers that the government of Canada must restore its share of the funding of health care. However, we also support the position of the federal government that accountability for funds transferred needs to be introduced to the system. We support the introduction of a health council to oversee the spending of health care dollars. We would suggest that the council have representation not only from the federal and provincial/territorial governments, but also have consumer representation. After all, it is our money. We are concerned to read in a recent newspaper account that Mr Eves believes some of the transferred funds should go to pay back accounts from which he says some of the health care monies came.

We are concerned with the ongoing privatization of health care facilities and services in Ontario, such as the private cancer clinic at Sunnybrook and Women's College Hospital, the proposed for-profit hospitals in Brampton and Ottawa, and proposals for private MRIs and CT scans. At the Romanow hearings in Toronto, the Ontario Minister of Health was invited to send to the commission documentation to demonstrate that private, for-profit care was more effective and efficient than public health care. We can only assume that this was not forthcoming, as there is no documentation in Building on Values: The Future of Health Care in Canada.

While there is nothing inherent in the concept of public health care that would deny private sector involvement per se as the mode of delivery of health care, there is strong feeling and widespread concern that the wholesale privatization of health care would inevitably undermine universal accessibility to health care in Ontario.

In his report, Roy Romanow indicated that he could find no documentation to support private sector delivery of health care. He could find no studies to indicate that

private sector delivery is either more efficient or more economical. Rather, he argued that private sector delivery of health care was actually found to be less efficient and more expensive than public sector delivery.

CFUW Ontario Council urges the Ontario government to: protect the five principles of health care by providing sufficient funding to prevent the need for user fees; provide public delivery of health care, promoting existing community health centres, whose mandates closely reflect the primary health care structure described in the Romanow report; provide integrated health and social programs; provide for appropriate home care; and ensure that there are sufficient numbers of trained health care providers in every community in Ontario.

The government of Ontario is to be commended for extending the funding for nurse practitioners and for establishing a program to fast-track internationally trained doctors who wish to practise in Ontario.

Primary health care reform has been recommended by several recent reports, including Romanow. We have some concerns with the family health networks being funded by the Ontario government. These seem to be a model to cluster family physician services, rather than the multidisciplinary approach recommended by most experts. In fact, we are puzzled that the existing community health centres that are closer to the primary care model recommended have had no increase in their core funding for nine years. We understand that there are 70 communities that have submitted requests to the Ministry of Health to establish community health centres, without success to date.

We appreciate the efforts of the government of Ontario to protect the five principles of health care. We suggest there is more work to be done. We hope the budget will reflect a further commitment to the sustainability of a public, universally accessible health care system and to the people of Ontario through funding and program development, as described above.

Ms Teri Shaw: Good afternoon. I'm Teri Shaw. I am with OCCFUW. Funding continues to be a key issue for education in Ontario. Many of the problems in public education cannot be addressed without adequate funding. Long waiting lists for special-education evaluation, the loss of daily physical education and specialists to teach it; cuts to teacher specialists with training in music, the arts and library sciences; increases in average class sizes; long bus rides to schools; and reductions to ESL support have all resulted from the increasingly tight budgets and dwindling reserve funds that school boards have been forced to work with.

In the spring of last year, the Ontario government undertook to review the education funding formula through the Education Equality Task Force. We applaud the Ontario government for this effort to re-evaluate the public education funding formula, and we appreciated the opportunity we had to make our presentation to that task force.

It is our sincere hope that the government will fully implement the 33 recommendations of that task force.

Through his recommendations, it is clear that Dr Rozanski agreed with our assessment that the current levels of education funding in Ontario are not sufficient to meet the individual intellectual, emotional, psychological and physical learning needs of each student in Ontario. We support Dr Rozanski's recommendation that the Ministry of Education update benchmark costs for all components of the funding formula to reflect costs through August 2003.

Since 1996, school board budgets across Ontario have decreased by as much as 20% in real dollars, and school boards have lost financial resources necessary to implement the curriculum because inflation has reduced the value of its allocations. School renewal allocations need to be included to address both the most pressing school renewal needs and deferred maintenance. School boards with older facilities have been forced to delay maintenance in order to balance budgets. The Greater Essex County District School Board estimates a need for \$17 million annually to keep its 76 schools in good repair. Since 1996, the maintenance allocation has been less than \$5 million annually—an annual shortfall of over \$12 million.

Increases to the geographic circumstance grant, as described in recommendation 15, will protect student and staff safety by ensuring that small schools in single-school communities have full-time principals, secretaries and custodial staff to monitor traffic in and out of the school, as well as ensuring a safe, clean and well-maintained school.

Students' social, psychological and physical health can be protected by implementing recommendation 13 and integrating services for children and families.

The effect of changes in education funding and delivery since 1996 has been to reduce the cost of education, but the fallout of the changes is that they prevent local school boards from providing programs that meet Ontario's student needs. Implementation of Dr Rozanski's recommendations will increase the cost of providing public education, but it will also result in improvements to the education being provided. The government of Ontario needs to affirm public education as a key priority by investing in public education funding.

This will end our verbal presentation. You have most of the rest of it in written form. I will now return to Edeltraud Neal, our president.

Ms Neal: Thank you very much for having given us a chance to address you.

The Vice-Chair: We have time for about 30 seconds for each caucus, so I would ask each member who engages in this to be very brief, starting with the Liberals.

Mr Peters: Thank you all for your presentation today. One area you didn't touch on with education has been the proposed tax credit for private schools. Does your organization have a position on that?

Ms Neal: Our Ontario council had a resolution to ask for regulations. We do not oppose the tax credit per se. We understand it was imposed on the Ontario government from outside. We cannot say anything about it

because we do not have a policy on it; it was defeated by our federation. So we don't have an opinion on that.

1410

Mr Christopherson: Thank you very much for your presentation. I want to say at the outset that 1919—that's like 84 years, very impressive. The fact that you start out by saying, "We don't get funded by government, and we're not looking for money for ourselves," is great, because it removes any doubts anyone has.

I just want to draw attention to one thing—there are so many good issues you've raised. I think you're the first one I recall, and I stand to be corrected, who spent most of the time talking about children and the impact of social policies, in all the issues you raised. You also tied in Kyoto. I don't think we do that often enough. We've got to start making the link between environmental issues and our children. When we're talking children, if we're going to talk about education and child care and health care and stable family existence, then we've got to start talking about the environment. As we see with the kids in Walkerton, nothing else really matters once that's gone.

The Vice-Chair: I'll now turn quickly to the Conservatives. Please be brief.

Mr O'Toole: Thank you for your presentation. It's an important voice in the overall discussion. It's the first presentation we've heard from university women in this round on the budget and I commend you.

You've touched on many of the important policy areas, which I would generally state, as did Mr Christopherson, are pretty much linked. Whether it's health, education or environment, they really are linked. Education and poverty may be related as well. All of them are related in the sense of having the proper environment to raise ourselves and our children.

There's one little question I'd put to Ms McGovern. The issue of privacy in health care is a complex debate. The development and evolution of health care and the provision of health care have evolved from the country doctor kind of status to the current multidisciplined team integration of counselling—medicine or no medicine. It's more collaborative health care. There may be cultural resistance to that collaborative method, as opposed to the doctor only, but others providing advice into the system.

I want to leave one important message: to date—that is, going over the last half-century—about half of the dollars in health care are already private. I was so disappointed when the Prime Minister of this country, in the last federal election, said on national television that there's no privacy in health care. That is either ignorance or a lie.

The Vice-Chair: Mr O'Toole, could you conclude, please?

Mr O'Toole: Compensation, workplace insurance, is insurance money. Insurance in our workplace is insurance money for drugs, vision or glasses, hearing tests. All dental is insurance. This ignorance in the debate, which I think you've pretty much touched on here, has to be clarified by going forward. So we appreciate your input.

The Vice-Chair: Thank you, Mr O'Toole. I'm sorry, but we have to draw this to a close.

Ms McGovern: May I respond to that?

The Vice-Chair: Please be brief.

Ms McGovern: Yes, there is privatized care in our system. But my sense is—and I am a retired public health nurse, so I know of what I speak—that we will continue to have two-tiered medical care, which means some people will not be able to get drugs etc. I'm not here to defend Mr Chrétien, but I do feel strongly that if we further privatize our health care system, we will indeed be getting challenges on the globalized level. Certainly, if you read Romanow's report, he warns very carefully: "Let's not go with any more private care."

I also would like to suggest to you a recent article in the New England Journal of Medicine, which not only shows that private care is not more efficient but that it could be more deadly, ie, people died in hospitals that were run by for-profit public-private institutions as opposed to public hospitals.

The Vice-Chair: I have to draw this to a close. Thank you very much for the work you do and for the presentation you've made today. Your advice is greatly appreciated.

CITY OF LONDON

The Vice-Chair: Next, I would like to call forward representatives from the city of London. Welcome to the standing committee on finance and economic affairs.

Mr Russ Monteith: Thank you very much, Mr Chair. I'm Russ Monteith, deputy mayor and budget chair for the city of London. On my immediate left is George Duncan, who is the city manager. On his left is Martin Hayward, the director of financial planning and policy—in short, that means he puts the budget together. On my right is Mike St Amant, the city treasurer. When we were sitting back there, Martin said he would take notes, and Mike, who is the city treasurer, said he would take the cheques. So if you want to hand them out now, we'll go away.

Mr O'Toole: That's what all the presenters say.

Mr Monteith: No such luck, eh?

We're really pleased that you've come to the city of London with your committee. It's a pleasure to have you here. On behalf of the city, let me welcome you. We hope you enjoy your stay. Steve is no stranger to us. He's always around, though I know he lives just a little south of us. But he represents part of us.

In our presentation to you today, we want to talk about a couple of items which are of some concern to us, and hopefully to yourselves. One is SuperBuild, which we want to thank you for. It helps us greatly. To have anyone put up one third of the money is always appreciated, so we appreciate that.

One of our concerns is that you have a time frame for your SuperBuild projects of five years. The problem is that in our municipal budgeting, five years is a very short period of time, so with your present SuperBuild program

we would really ask you to extend that for a longer period of time. Something in the range of seven to 10 years would make it a lot easier for us.

We in the city of London, and I'm sure in other municipalities, have had a program where we've spent a lot of money, and like you people on the provincial side, we have to try to cut back in certain areas. But we really don't like the idea in SuperBuild if cutting back means giving up the third we're receiving from the province.

I have to tell you that the province has been more generous than the federal government. They gave us less than half of what the province gave us.

The other part of SuperBuild which we'd like you to give some thought to—it isn't something you can do with the present SuperBuild program, but if you put in SuperBuild or something similar in the future—is to give us more flexibility in the projects. In setting up the projects, we first of all had to line them up with the provincial guidelines and then we had to line them up with the federal guidelines. When you put those two together, it takes away from us at the municipality a lot of flexibility in deciding which projects we think will be best for our municipality. So we really would hope you would give serious consideration in the future to letting the municipalities decide or have more say in deciding which projects we want to go ahead with. If we can work that out with you, we would really appreciate it. But we do appreciate what you've done in SuperBuild. That's very positive.

The other thing we'd like to touch on just briefly with you is opportunity bonds. We have given some serious consideration to what opportunity those bonds do present us with. This year we expect that we will be able to reduce our carrying charges through those bonds by \$400,000. We're projecting that over a 10-year period of time, it could be as high as \$10 million in savings on interest. So we commend you for putting in place the opportunity bonds. We're going to make use of them, and we think other municipalities will obviously join in. Any time we have a chance to save money on interest, we, like any other government, want to do that, so we appreciate it.

1420

On local services restructuring, one of the problems we have is that once you've transferred the services over to the municipal side, the standards change on us. The difficulty we have with that is that we get fixed with the costs of those new standards.

In ambulance, for example, you had some standards back in 1996 which were set by the province. The province didn't follow those guidelines, but once you transferred the ambulance services to the municipalities, you imposed those standards upon us. That means there is an extra cost.

One of those standards which directly affects us is response time. The 1996 standards for response time are now the standards that we have to meet. That will cost us in this municipality another \$600,000 this year. You have put up some extra money and we appreciate that, but it's

still \$600,000 which our budget has to meet. That's an example of the standards which, when you change them after the transfer, present a budgeting problem for us, and that's difficult.

The other area where the provincial standards become difficult for us is policing. In this city our crime statistics suggest that crime is going down, but you're putting higher standards on us, and those cost more money. Naturally, when our police force comes to the city of London with its budget asking for funds, they incorporate their need to meet those standards. As a result, the police services board would have come to us with the highest increase in the budget for this year. It seems to me, quite frankly, that instead of just imposing those standards on us, it would be a lot better if we could have consultation away up front on those so we can plan how we meet them and how we deal with them in our budget. But when they come to us too quickly, we have difficulties with that.

The other area we'd like you to look at in your budget for this year is West Nile. If you examine West Nile, it's going to be a provincial, province-wide problem. To try to do it on a municipality-by-municipality approach isn't really going to have the effect we all want. If London puts in place a program to reduce the numbers of mosquitoes in London, and Middlesex doesn't, unfortunately, those mosquitoes don't seem to be bothered by boundaries. And if Middlesex did it and we didn't, they would have the same problem. Really, what we need in this province, where West Nile is going to be a problem, is a provincial standard, and I think not only a provincial standard but, when it's coming upon us so quickly, let me suggest to you that it should be funded by the province.

We had all the budget submissions; we had tabled our budget. It was only after all of that that our Middlesex-London Health Unit came to us at a committee meeting and said we had to come up with half a million dollars for a program they wanted. When we started examining that program, we weren't even sure whether you could do it and what the true cost would be and how effective it would be. It seemed to be based on something that happened in New York City, and whether that would be the same here in this city or in Ontario is hard to say. It seems to me that West Nile is a problem. We've had deaths in this city; we've had deaths all across our province. If we look at the American example, 2003 is going to pose a greater problem for us than 2002, and I think that it really behoves the province to take hold of that issue, put the program in place and put the funding in place to handle it.

The other area in which you are affecting our budget is in the emergency measures. Obviously flowing out of September 2001, we've all had to change our views of how we deal with emergencies. We accept that that has to be done, but again, if the municipal level has to deal with new standards put in place by the province, we have budgeting problems. I think one of the issues we have to look at is, should it be the property taxpayer who bears

the burden, or should it come out of some other form of taxation, out of general taxation? We would ask you to give serious thought to those issues, whether you get involved in giving us further funds.

I have to tell you that one of the big problems we have at the municipal level is how we fund the services that we are expected to provide. At the provincial level and at the federal level, we're going to have to look at how we share those costs. I've been with groups of big-city mayors who have made presentations to the federal government asking for sharing of their present tax funds, and they haven't received this very well. I think, we have to sit down federally, provincially and municipally, and figure out how to deal with that. Just letting the property taxpayer pay the burden isn't going to be the solution to the problem. It just seems to me that if we put our heads together, there are solutions that we can come up with. We'd ask you to deal with that.

In summary, those are the three items: the SuperBuild, the impact that your standards are having upon us and having to look at the issue of how we fund some of these programs that we're putting in place. You and the municipality and the federal government all share the taxpayer. We all have the same taxpayer. We all have the same obligation to provide services to that taxpayer at a cost that the taxpayer can bear. So hopefully we can work together in coming up with some solutions.

The Chair: Thank you very much for entertaining us here today. If you have questions, let me tell you, these three gentlemen with you, they'd better have answers.

The Chair: Thank you. I'm not sure it's our place to entertain you. However, thank you, sir. We have about a minute each caucus. We begin with the NDP.

Mr Christopherson: Deputy Mayor, thank you for your presentation. You deal with some of the downloading issues. I certainly have some sympathies, to be fair, on both sides of the argument with regard to policing, having been on a regional council responsible for the delivery of policing in the community and then having been the minister on the other end. I know the pressures to provide upgraded standards and to implement more and more training, for obvious reasons—for public safety—and yet it's left up to municipalities to pay for that. I know in the past the province has been able to provide some support: training materials support, train-the-trainer programs, providing the infrastructure at OPC, the Ontario Police College.

The Chair: Question, sir.

Mr Christopherson: You said "one minute." Never mind; I'll get to it. What I want to get to with that is that West Nile is becoming an issue in every municipality. It is being replicated. I wanted to ask about the spraying in particular. First of all, what have you talked about locally about whether you're going to go down that road, because there is a public health argument happening; and then second, whether you think it ought to be happening on the provincial level so we can bring all the experts, one decision implemented across the board, one way or another.

1430

Mr Monteith: What the medical health unit proposed to us is, the catch basins are a source of the mosquitoes that carry the virus. So they were suggesting that we treat all the catch basins in the city of London—a huge number of catch basins. The reason they're suggesting that's the way to treat it is that in New York City they would have treated the catch basins, and that reduced the incidence of West Nile disease in that city. So the Centers for Disease Control and Prevention in Atlanta were recommending that.

We are going to have our civic administration look at that program and other programs. It's a very expensive program. If you do it three times to be totally effective, it would cost \$800,000 to \$900,000. The other problem is you have to have people who are capable of doing the treatment, and if you had a rain after every treatment the effectiveness of the treatment would wash away. So there are some problems with that. The spraying—I have to tell you, we'll have a lot of reluctant citizens if we're out there spraying pesticides. That's the problem I think we have with pesticides.

The Chair: We move to the government.

Mr Sampson: I don't know if I get your message completely on the standards issue. You seemed to bring up an example of policing where the provincial standard was maybe in excess of, if I read you correctly, what you might want here; on the ambulance side it was the same. Are you saying that in some areas there should be sort of a range of standards that the local folks can pick from?

Mr Monteith: I guess the problem we have with the ambulance standard is you're using a 1996 standard which the province didn't comply with and you're suddenly telling us that we have to comply with it, and we have to suddenly put up another \$600,000 to meet that standard. The standard may be a good standard; the problem really is in the funding. It seems to me that if we suddenly have to come up with another \$600,000, it would be fairer if you could give us some financial aid so you would spread the cost of meeting the standard over a period of time. George may have some other thoughts on this.

Mr George Duncan: I think the deputy mayor highlighted that it's really an issue of timing as well. We completed our budget process and then we received a notification saying, "This is the new standard that must be met." The service is contracted, and the language would be such that the contractor would have to meet that standard. Then there's the question of whether there's some obligation to pay the contractor more money. The city had to come up with \$600,000 after the fact, and I guess prior consultation would have been helpful, particularly if it's imposing a standard that the province never did meet when they had ambulance.

The Chair: We move to the official opposition.

Mr Peters: You pointed out in your presentation a number of areas where you've had difficulties meeting standards. You've got the area of unmet needs. We've heard talked about, over the years, giving the muni-

cipalities this tool chest to find new ways of raising revenues locally. Is that what you were implying when you were saying we need to sit down with all three levels, or do you have some specifics in mind, Russ, of areas that could be a new source of revenue generation for municipalities?

Mr Monteith: Steve, let me give you an example. The big-city mayors proposed to the federal government that we do it on fuel tax. Their response was, "We don't think the provinces will agree to it. There is a constitutional issue, and if the provinces don't agree, it won't happen." That's why I'm saying that all three levels of government have to sit at the table and come up with a solution, probably creatively enough that we don't make it a constitutional issue. That's one example. I have to tell you, in Calgary and in Vancouver they already have some sharing of fuel tax, and I think Edmonton also shares in that. Other provinces have been able to do it, and it seems to me, if they can do it, we can do it.

The Chair: Thank you, sir, and that concludes your time. Mr Monteith, I will give you a public apology on behalf of the committee because in the public agenda that was printed, you were mistakenly referred to as Ruth Monteith. You clearly are not a Ruth. So we apologize to you, sir.

CANADIAN AUTO WORKERS LOCAL 27

The Chair: Our next presenter is CAW Local 27. Please come forward. You have 20 minutes. I think you know the gist: any time left over we'll allow for questions. Please state your name for the record. Welcome.

Mr Tim Carrie: Tim Carrie, president of Local 27, Canadian Auto Workers. To my immediate right is Tracy Smith, an RPN out of St Joseph's Hospital and a member of the CAW bargaining committee; and to my left is Maria Raposo, who is chairperson of our local women's committee and also a committee at Siemens, an auto parts manufacturing plant in London.

I'll go through our presentation. First of all we would like to thank the committee for allowing us the opportunity to present our views on priorities for the upcoming provincial budget. Our local union represents close to 7,000 members in London and area who work at auto parts plants, hospitals, long-term health care facilities, building, locomotives, defence, auto dealerships, light bulbs and a host of others.

The first issue, and we have four that we're going to deal with today, is health care. The CAW believes that health care is a fundamental right of every human being without distinction of race, gender, age, disability, religion, sexual orientation, political belief, economic or social condition. We, with many other millions of Canadians, are mobilizing to defend this right and we call on the province of Ontario to endorse the Romanow commission's findings on health care.

We need to move away from a fee-for-service model toward a community-based, multi-disciplinary approach

to the management, organization and delivery of services and care. We strongly believe in the universality of medicare and that it remains in the public domain and paid for by the public.

We need an accountable health care system through democratic participation and governance at all levels. We call on the Ontario government to work with the federal government to reaffirm the social values that we all share. We believe that these values must be adhered to by all governments in Canada, even though jurisdiction is largely a provincial or territorial matter. Therefore the principles of the Canada Health Act should be enshrined in the laws of the province of Ontario. We will work together with our health care coalition partners to protect and expand health care, based on the foundation of the Canada Health Act, 1984.

We call on the government of Ontario to recognize that health care workers are critical to the effective operation of the health care system and that decent wages, working conditions and training opportunities are essential to high-quality care and the retention of health care workers. If you look, over the last 12 to 15 years, only in regard to wages for health care workers like Tracy, we have seriously fallen behind in real purchasing power. If you look at the increases that were negotiated over the last 12 years compared to the inflation rate, workers' buying power in health care has fallen by about 50%.

Homelessness: the homeless are men, women, children and families, who are becoming the fastest-growing group of homeless. Mothers living in motels as emergency shelters are going hungry so their children can be fed from what is left of their meagre welfare cheques. Children are being born in emergency shelters. The recent tragedy in Toronto, where a child was born on a stairwell, is a testament to the struggle facing the homeless.

Thousands of people in Ontario are in constant danger of becoming homeless because they pay more than half their income in rent. Any sudden financial shock could leave them on the street. Too many landlords are exploiting the poor as a result of the government's dismantling of rent control.

The lack of affordable shelter increases violence against women. Many women who would otherwise leave abusive situations are forced to stay in the marital home for fear of becoming homeless.

Ontario has experienced two waves of mass evictions of poor people in recent years: one after the welfare cut and the other after rent control was effectively abolished. Combine these catastrophes with the freeze on the minimum wage, falling real wages for the working poor, changes to the unemployment insurance rules which have cut in half the number of workers who can collect benefits when they need them, and the lack of private investment in shelter for low-income families, and the result is a homelessness disaster by public policy.

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Government must start from the understanding that decent, affordable housing is a right of all citizens.

People who are struggling to avoid freezing to death on the streets cannot participate in a democratic society.

We recommend that the provincial government increase the amount they spend on affordable housing to 1% of the total budget. We further recommend that effective rent control legislation be restored, that the cruel and inhuman welfare cuts be reversed and that the minimum wage be increased substantially.

In conclusion, governments have a critical role to play in ending this crisis. Because of the CAW's tradition of social unionism, our union will continue to push for an end to the provincial and national disgrace of homelessness.

Child care: we recommend that the government use the following policy elements as a starting point for rebuilding early childhood education and care in Ontario.

A systemic and integrated approach to policy development and implementation: Ontario must move toward a system of seamless, inclusive services offering both care and education. We must move away from a targeted, subsidy-based system to a publicly funded system.

A strong and equal partnership with the education system: Ontario must devise a service system based on the best available knowledge that makes it the foundation of lifelong learning. This system must integrate the current child care under the Ministry of Community and Social Services, with kindergarten under the Ministry of Education, and continue with family support programs. An Ontario government should, with public consultation, choose among several options to implement this system.

A universal approach to access, with particular attention to children in need of special support: all children must have equal opportunities to attend quality child care regardless of family income, parental employment status, special educational needs or ethnic/language background. Ontario must develop a multi-year plan reflecting the goal of universal access. It must move toward expansion of services to ensure that every child has access to ECEC services. Programs must be structured to be sensitive to parental work, education and family needs.

Substantial public investment in services and infrastructure: Ontario must set a goal matching the European Union's spending—1% of GDP—on ECEC services. The first step is for the government to immediately restore regulated child care funding to 1995 levels. At the same time it must take leadership with the federal government at the national federal-provincial-territorial level, calling for a national policy framework for ECEC. The federal government must live up to its responsibilities and provide substantial funding for ECEC. Funding must increase annually, within planned expansion, until universal access is achieved.

A participatory approach to quality improvement and assurance with regulatory standards supported by coordinated investment: Ontario must strengthen its legislative, regulatory and consultative role to ensure that best practices in ECEC programs become the norm. This must include participation of parents and other experts. A

clear plan must be developed and implemented to ensure that Ontario's ECEC system becomes a high-quality environment, enhancing healthy development for all children. This requires that the physical and human environments for children are appropriately funded and sustainable.

Appropriate training and working conditions for staff in all forms of provision, with strong staff training and fair working conditions across the sector: Ontario must immediately restore funding to achieve pay equity for ECEC teachers and undertake a full analysis of workforce issues, including recruitment and retention, career laddering, enhanced training possibilities and gender issues.

Systematic attention to monitoring and data collection: Ontario must create a plan for monitoring, collecting and providing up-to-date, reliable and accurate information about ECEC throughout the province and adopt a sustainable long-term research agenda.

In conclusion, international studies have shown that public, accessible child care is an essential ingredient for the full participation of women in the labour force and for narrowing the wage gap between men and women. By allowing women to get better jobs and keep those jobs, a universal early childhood education program would boost family incomes and government tax revenues.

Early childhood education programs are big job creators in and of themselves. Child care is a relatively labour-intensive service; that is, most of the cost of the program goes toward staff salaries and benefits. This means you get more bang for the buck in terms of job creation than with just about any other industry. For example, each \$1 billion spent on early childhood education can be expected to create at least 40,000 new direct jobs in the industry, not to mention thousands more spinoff jobs in local communities.

New research on childhood development confirms that quality educational programs dramatically enhance the intellectual and social development of pre-school children. Quality group care is particularly effective for children from poor or troubled homes, offsetting their disadvantaged conditions at home and offering them a fairer chance at future economic and social success. The long-run economic benefits of smarter, more successful children will be huge: higher incomes, more tax revenue for governments and reduced spending on health care and remedial social programs.

Last and certainly not least is the auto industry. Our local union represents approximately 2,000 auto parts workers in London and area. These plants provide parts for Ford, GM and DaimlerChrysler. It is common knowledge that parts manufacturers move to where the auto plants are located; the just-in-time system requires it. We are deeply concerned for our jobs and the potential impact on the community.

The automotive sector is Canada's largest manufacturer and exporter and provides roughly one in six Ontario jobs. But Canada is suffering from declining

production, partly because the Big Three automakers and Japanese competitors have taken advantage of huge subsidies offered by southern US states to locate plants there. Alabama provided the Mercedes-Benz division of DaimlerChrysler with a US\$253-million package and gave \$158 million to Honda. Mississippi and South Carolina have acted similarly. Meanwhile, a new assembly plant hasn't been built in Canada since Honda opened one in Alliston, Ontario, in 1996. Of the last 20 or so plants built in North America, it's the only one in Canada.

We are profoundly troubled by the implications of chasing the cash thrown around by Alabama, even though the funds sought by DaimlerChrysler would be returned to the public purse through taxes within a few years.

Ontario, perhaps, is too dependent on the auto industry and needs further diversification. Still, the Windsor plant would be a state-of-the-art facility, engaging in flexible manufacturing that would allow different models to be built there and ensure the plant was less dependent on a fickle marketplace.

Such subsidization should be banned under international trading rules, and Canada is pushing hard in that direction at the World Trade Organization. But a deal won't come for years, if ever, and Canada, as the 1994 federal paper stated, must live in the real world.

We encourage the provincial and federal governments to look seriously at the recent DaimlerChrysler proposal. Our union believes that there should be a carrot-and-stick approach to any taxpayer investments, meaning that long-term job guarantees would be a necessity prior to the meting out of any cash. We certainly do not want to experience another Northern Telecom. Taxpayers' money was used to invest in Northern Telecom, and today only a handful of Northern jobs remain in Canada. Local 27 lost a Northern plant in 1994, which at one time employed over 1,000 workers.

Again on the carrot-and-stick approach, we believe it is an investment. Unfortunately, we are in competition with the type of investments they're doing in the southern States, and we need to keep our auto industry in Ontario and Canada. Thank you.

The Chair: Is there anything else?

Mr Carrie: No.

The Chair: We have 30 seconds per caucus. Mr O'Toole, can you get it out in 30 seconds?

Mr O'Toole: I worked for 30 years in the auto sector and I just comment on your presentation. No one would disagree with the priorities of health, daycare and the rest. I'm going to put one question to you, if you will. You presented the debate, which we heard from Buzz Hargrove, on whether or not our investments should be like South Carolina's and Mississippi's: should Ontario follow suit? My question is this: if we only had \$1 billion, where would you put it, in the subsidy of the auto industry or in daycare?

Mr Carrie: First of all, if we only had \$1 billion—that's kind of a trick question—I guess you would put it

into the auto industry, which could generate enough tax revenue to fund the child care.

The Chair: We'll move to the official opposition.

Mr Peters: Staying with the auto industry and the carrot-and-stick approach that you spoke of, should we be looking at a direct grant to a company or should we be looking at those dollars coming in the form of, say, maybe infrastructure improvements, training dollars, maybe daycare programs to help workers get a job at the plant? Or is it just a straight, "Here's your \$300 million, DaimlerChrysler. Do your thing"?

1450

Mr Carrie: First of all, as we said, it's the carrot-and-stick approach. We're not calling it subsidies; we're calling it investment. But there also has to be along, with it, a guarantee around jobs. If we're going to, for instance, turn over \$300 million of taxpayers' money to DaimlerChrysler, we'd better have some guarantees that we're turning it over based on some long-term guarantees of jobs. It may be in infrastructure, it may be in different ways that we use the money, but we believe the guarantee has to be there along with it.

Mr Christopherson: Thank you for your presentation. As you know, my background is the Auto Workers. I'm proud of it; 525 in Hamilton, president for a number of years. I thought it said a lot about you and your priorities that you went through all the social issues first before you got to the issue that actually affects your members most directly. It says a lot about the commitment of the union to these issues.

Just a quick comment. Mr O'Toole would have you believe—he got you into a nice little trap by making tax cuts look like they're the priority. What he leaves out of the equation is the fact that the money they make from a growing economy never seems to find its way back into the things that really matter, like health and education and cleaning up the environment and decent labour laws. They just loop it back so it's more tax cuts. So it's constant investment, tax cuts, take the benefit, and they never break out of that mould, whereas in the CAW, not only on an institutional basis, Chair, if you'll allow me, so many individual members are active in all these areas that affect people's lives. I want to compliment particularly the local here, because you've got a great reputation.

The Chair: Any final comment?

Mr Carrie: Yes, just on the tax cuts. I read this morning a letter to the editor about what's more important and where we are at. We believe there have been things done about the deficit, which seems to be a priority with this government, but it's created a real social deficit in our province. That is the legacy the tax cuts have created. We might have done one thing one way, but we've got a lot of people on the streets, we've got a lot of people who aren't getting the health care they need, and we still have women who can't get decent child care in this province.

The Chair: Thank you, ladies and gentlemen. We appreciate your input.

**OLD EAST VILLAGE
BUSINESS IMPROVEMENT AREA**

The Chair: Our final presenter is the Old East Village Business Improvement Area, if you would please come forward.

Interjections.

The Chair: Order. You're taking this lady's time, gentlemen.

Ms Sarah Merritt: Come on, gentlemen. Behave yourselves.

The Chair: Thank you. It takes a woman to tell them to keep quiet. I appreciate that.

Ms Merritt: Good afternoon, ladies and gentlemen. My name is Sarah Merritt and I'm the manager of the Old East Village Business Improvement Area. I'm representing Mr Phil Singeris, who is the chair of our board. He sends his apologies. He is unable to be here due to a family matter, so I'm going to read the speech that Mr Singeris prepared and then hopefully answer your questions. This is the first time I've ever done anything like this, so I'm feeling a wee bit nervous.

The Chair: Plow on.

Ms Merritt: OK. I'm here today to tell you about a revitalization initiative which is underway in old east London. There's an attached brochure that we gave that will explain a little bit about that initiative. I want to tell you about that and I also want to request that the Ontario government extend its commitment to support and develop Ontario city infrastructure to include support for commercial development and social programs. An extension of the Smart Growth plan, for example, would ensure that the special needs of urban core commercial corridors are addressed. The Smart Growth plan should incorporate programs which will increase investment in affordable housing, provide tax zone incentives similar to those proposed in the throne speech for remote regions, and provide increased access to new technologies for small family businesses. Access to funding to assist with the development of small, family-owned retail and commercial businesses that reflect the diversity and needs of multiethnic, inner-city communities is also required. These kinds of programs are critical to the revitalization of urban core, heritage shopping districts such as the Old East Village.

This is where Mr Singeris speaks, and what he says is that his family has owned and operated a business in east London for 67 years. During this time, we have witnessed a deterioration of the commercial corridor between Dundas Street and Adelaide and Egerton Streets from a thriving shopping district to one of empty storefronts, deteriorating buildings and decreased shopping traffic.

To address this, in June 2001, the BIA formed a partnership with the southwestern Ontario Planners Action Team, known as PACT, and the London Inter-Community Health Centre. We formed this partnership to address the deterioration of the district. With the voluntary assistance of PACT, who are members of the

Ontario Professional Planners Institute, and funding assistance from Human Resources Development Canada's Job Creation Partnership program, the BIA has developed its own infrastructure to support and implement the findings of the Old East Village in London, Ontario, Commercial Corridor Transition and Revitalization study. It's a bit of a mouthful. By mid-February 2003, the BIA will have a commercial, economic and social development plan for this area.

Early study findings and census information identify a range of challenges common to Ontario inner-city neighbourhoods. The following description of our area addresses some of these challenges and some of the challenges we're addressing. It's also going to identify some of our capacities, which we are recruiting in an attempt to identify the challenges.

The population of east London right now is about 11,000 people, and that's one third of what it was 35 years ago. Compared to the rest of the city, we have a lower population of children and youth, a higher population of young adults and a lower population of adults between 40 and 60.

Consistent with the age structure of the area, the number of families in the area is disproportionately low, as are household sizes. Related to these figures, we have a high percentage of lone-parent families and a high percentage of families who do more than 60 hours of child care a week. What that statistic is really saying is that we have a lot of single parents, young women, who are not able to go out to work right now. The concentration of lone-parent families that have no members within the labour force differentiates the area from most other areas in the city. Overall participation rates in the labour force are low and the area has one of the highest concentrations of unemployment in the city.

There has been an extremely low level of private sector investment in the study area over the past 10 years. Within this 10-year period, only a few properties have received building permits for work that exceeds \$70,000. For a commercial corridor of this age and significance, this is a clear demonstration of underinvestment by the private sector, and I would say the public sector as well. This lack of investment likely reflects a lack of expected return on investment by property owners in the area; that is, property owners ask why they should improve their building if it will likely remain vacant or attract an extremely low rent generator, given the economic context of the corridor. There is also significant interruption of commercial use of buildings on the study corridor as well.

All of these factors are important when considering the economic viability of the commercial corridor. If it is to be revitalized, it is unlikely that much demand for commercial uses can be generated from the surrounding community unless we take action. As well as catering to the existing community, we need to develop commercial uses so that we can access potential customers from outside the area. Of equal importance is the need to increase the number of people residing in the core area

and address the housing needs of young working families, new immigrants and the most vulnerable members of our community, many of whom have gravitated to our neighbourhood with the closure of local psychiatric hospitals and services.

It's not all doom and gloom in our area, so I'd like to tell you a little bit about the capacities that we're recruiting as well. Despite the challenges, we are a strong community and we're proud to be east Londoners. East London maintains a vibrancy attributable to its people, who come from diverse cultures and have different lifestyles, skills, capacities and potentials and have the willingness to contribute to the area's revitalization. Businesses, area residents, social agencies, faith groups, schools and the arts community have a history of collaboration which is being strengthened through the BIA initiative.

We have a large number of heritage properties on the corridor. Many of these are on the city's heritage inventory. We have a significant number of ethnic restaurants on the corridor and a variety of unique specialty stores. The corridor also houses a variety of second-hand furniture and antique stores which could be developed into an antique shopping district.

We have also developed a broad base of inter-sectoral support for the revitalization initiative, including area residents, business, arts groups, faith groups, and health, education and social services. I'd like to also add that one of the commitments the BIA and the community have made is that this revitalization initiative we are leading and looking for support for will not take place at the expense of the most vulnerable people in our community. We want an initiative that makes life better for everybody in the community.

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Our aim is to create a vibrant shopping district at the heart of an inclusive community where more people live, shop, work and have fun. Implementation of our plan over time will rebuild our economy, increase access to training and employment opportunities for area residents and increase the local and provincial tax base. By creating a heritage shopping district, we will also reclaim some of London's best architectural heritage. Providing decent, affordable housing and support services to vulnerable people and encouraging more people to live in the core will also assist with promoting the area as a desirable place in which to shop and do business.

We have examined both the provincial and federal governments' priorities for the funding of city infrastructure. We note with concern that the special challenges of inner-city commercial corridors have been overlooked. Increased funding for improved transportation, roads, sewers and clean water is both appreciated and very necessary. However, a multifaceted approach to strengthening city infrastructure is required if core commercial corridors such as the Old East Village are to be revitalized. Such an approach must recognize that inner-city neighbourhoods do not benefit from the economic growth of the wider city unless their unique chal-

lenges are addressed. Really, what we're saying is that the wealth doesn't trickle down into marginalized commercial corridors.

The challenges that need to be addressed are the lack of investment dollars, deterioration of buildings, aging population, lack of access to employment opportunities for area residents and lack of the kinds of networks and structures more affluent neighbourhoods have to represent the interests of their stakeholders. The BIA believes that the work we've undertaken has begun to address these challenges. We've opted to develop a revitalization plan that addresses the social, economic and commercial needs of the people who live and work in our neighbourhood.

Through this initiative, we have engaged in a process to develop long-term strategies that will strengthen our ability to create local solutions to local challenges. We are in the early stages of creating a business development program, and we're exploring the possibility of creating a loan fund. We're also laying the foundations for a community economic development initiative linked to affordable housing. To accomplish this, we have developed a partnership with the city of London housing department to create a convert-to-rent program. With the assistance of the London Intercommunity Health Centre, the neighbourhood is eight years into developing community capacity, leadership skills and support networks for area children and youth. Despite the marginalized image our neighbourhood has, ours is a community of active citizens who want to make a difference.

Many of the challenges we are addressing reflect Ontario's challenges and indeed reflect Canada's challenges. The Ontario government's May speech from the throne identified the need to strengthen city infrastructure and also identified an approach to economic development which addresses the diverse needs of all regions as key elements in building a strong economy.

To enable deteriorating inner-city commercial districts to participate in economic growth, all levels of government must recognize that deteriorating inner-city neighbourhoods have a range of challenges that are often similar to remote regions and rural communities, and they're some of the challenges I mentioned. They need the kind of economic development assistance that is currently being given to remote areas and rural communities.

As a community, we've embarked on a journey that is going to take many years and a significant infusion of resources. If we're to create a sustainable local economy, we need an infrastructure to support its development. We need multi-year funding to support admin services, community economic development, business development, access to new technologies, renovation and new building, employment training, and planning and research that's targeted at inner-city corridors such as ours.

We believe that increased funding for affordable housing; investment and tax incentive zones targeted at deteriorating inner-city commercial corridors, which is different from regions, but going specifically to inner-

city commercial corridors; programs to increase commercial corridor access to new technologies; programs and funding to assist the working poor, including new immigrants, to start their own businesses; and increased funding to support the vulnerable people who live in or are served in inner-city core neighbourhoods would make possible some of what we're trying to do. It would also demonstrate the Ontario government's commitment to growth and prosperity through cultural and economic diversity.

I'd like to thank you all for your attention and for this opportunity. I'm so glad it's over.

The Chair: Thank you, Ms Merritt. You did well.

Ms Merritt: Thank you very much.

The Chair: We have about a minute per caucus, and we'll begin with the official opposition.

Mr Peters: Thanks for the presentation, and I think probably every one of us sitting around the table here can think of some communities in our own ridings that are facing the same challenges that east London is.

One of the areas, and we haven't had a lot of debate about it, is these tax incentive zones. I know that you're pushing for it, but do you have some concern—let's say, are you going to create competition in London that if you've got other areas in London for tax incentive zones you're going to be fighting with one another? My concern all along—we've had a level playing field in Ontario of not being able to bonus, and now these tax incentive zones are going to change that playing field. But could it potentially change the playing field in London where you've got maybe the west end of London asking for a tax incentive zone?

Ms Merritt: I can't see your full name there.

Mr Peters: Steve Peters, Elgin-Middlesex-London.

Ms Merritt: Mr Peters, the thing is, as you know from London, we don't have a level playing field. If you take a look at the corridor that runs from Adelaide up to Egerton, there's been an ongoing deterioration of that corridor since the early 1980s. The result of that I think has been that not only has that corridor and that residential area deteriorated, but in some ways actually it's a blight on the face of London. So for as much as we're talking about creating unfair competition, I think really what something like that would be doing—and I'm not saying it's something that you would do forever—is it would start to level the playing field, because what we really need to do is to encourage new investment into that area. As you know, at the moment it's like a chicken and an egg: how do we start this? We need to be able to create some kinds of conditions that are going to make new money want to locate there, and another area similar to that would be Hamilton Road.

The difference, as I understand it from our neighbourhood, is that we don't have the connections to other groups that may have money. We don't have anything. I'm not playing the poor cousin here, because we've pulled ourselves together and we're going to make this happen.

The Chair: Thank you. We're going to move to Mr Christopherson of the NDP.

Mr Christopherson: Thank you very much. You mentioned Hamilton. I didn't catch quite the context, but my—

Mr Peters: Hamilton Road.

Mr Christopherson: Oh, Hamilton Road, OK.

Mr Peters: It goes all the way to Hamilton.

Mr Christopherson: We watch these things, you know. We don't get mentioned often.

I wanted to ask you just very briefly if there were any particular communities across particularly Ontario that you had looked at and said "They made it work. Their situation is similar. Let's follow this more closely."

Ms Merritt: We are talking to other Ontario communities, but when we actually did our research we had to go to Montreal to find a multifaceted approach to this kind of revitalization.

Mr Christopherson: Really?

Ms Merritt: That doesn't mean that there aren't other places there. You folks probably know more about that than I do, so remember, we're just new to this game. But what we were looking for was an approach to revitalization that actually looked at local community economic development. When we did that, we went into Montreal. What we found was, when we looked across the board, and actually into Nova Scotia, that the commercial corridors like ours that have done their best are the ones that have had the kinds of investment that we're talking about.

We're not saying that we are saying investments forever, because the reality is that people can't do that, but I think we need a level playing field. Mr Peters, that's a good expression that you used, although you might have been using it differently. But we're certainly open to hearing from folk around the table. If you know of other groups that are doing some other stuff, I'd love to hear from you.

The Chair: We move to the government.

Mr Beaubien: Thank you very much for your very, very impressive presentation. It goes to show that business does have a social conscience as opposed to razing the whole neighbourhood, that you want to work with what's there.

I would imagine, as Mr Peters pointed out, that we do face some of the same challenges in rural Ontario with deteriorating downtown core small communities. I'm sure that access to capital to improve buildings must be a major challenge that you've faced with the banks. What role do you think the government could play, maybe with the tax incentive zones? Could you expand on this, whether the government could play a role in that?

Ms Merritt: Yes, I think they could even create more money to set up loan funds that people could apply to, repayable at low interest rates over time, to renovate your buildings and your properties, or even grants that could be made available, linked to doing things like façade improvement programs, which is part of what we're going to be looking at. Banks aren't interested; we're not

a good risk at the moment. That's why we're looking at trying to create our own loan fund, which is a huge challenge. People with no money are going to create a loan fund? We don't really know how we're going to do this, but as an east London neighbourhood—and this is no offence to our representatives, so please don't take it that way—we get fed up waiting for our turn to come. We're really glad to see the London downtown revitalized, because it's our downtown too, but we decided that if anything was going to happen, we'd have to do it ourselves, because nobody was stepping forward to do it for us.

So if we could get that kind of funding, where property owners could be applying for loans to renovate—and we're not talking about just giving money away; there would be conditions based on fulfilling the development plan that we've got. That's going to be

coming out at the end of February and that's going to give us some clear guidelines with respect to what we should be doing. We would be linking those kinds of loans and grants, if those were available, to those guidelines.

Mr Beaubien: Good luck.

The Chair: Thank you, Ms Merritt. You did a great job.

Ms Merritt: Thanks very much.

The Chair: That concludes our presentations here today in London. I would remind both members and staff that the bus will be at the front door at 3:30, in 20 minutes. We have rescheduled our takeoff time to 4 pm, for arrival in Sudbury at 5:20.

There being no further business, this meeting stands adjourned until tomorrow morning in Sudbury.

The committee adjourned at 1512.

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