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ISSN 1180-4386

**Legislative Assembly  
of Ontario**

First Session, 38<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Première session, 38<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

**Tuesday 3 February 2004**

**Journal  
des débats  
(Hansard)**

**Mardi 3 février 2004**

**Standing committee on  
finance and economic affairs**

Pre-budget consultations

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

Consultations prébudgétaires

Chair: Pat Hoy  
Clerk: Katch Koch

Président : Pat Hoy  
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Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
3330 Édifice Whitney ; 99, rue Wellesley ouest  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400 ; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON  
FINANCE AND ECONOMIC AFFAIRS**

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

Tuesday 3 February 2004

Mardi 3 février 2004

*The committee met at 0901 in the Courtyard by Marriott, Ottawa.*

PRE-BUDGET CONSULTATIONS  
OTTAWA-CARLETON  
DISTRICT SCHOOL BOARD

**The Chair (Mr Pat Hoy):** The standing committee on finance and economic affairs will come to order. The committee is pleased to be in Ottawa today. I would call on our first presenters, the Ottawa-Carleton District School Board. Good morning. You have 20 minutes for your presentation. In that time, you might leave some time for questions if you so desire. If you would please identify yourself for the purposes of our recording Hansard.

**Ms Lynn Graham:** My name is Lynn Graham. I'm the chair of the Ottawa-Carleton District School Board.

**Mr Michael Clarke:** My name is Michael Clarke and I'm the Ottawa-Carleton school board's treasurer.

**The Chair:** Please begin.

**Ms Graham:** I would ask you, if you would, to let us know when 15 minutes is up. We will leave five minutes for questions, if you would do that.

**The Chair:** Yes.

**Ms Graham:** Thank you.

You have our presentation, do you?

**Mr Mike Colle (Eglinton-Lawrence):** Yes, we do.

**Ms Graham:** OK. Thank you for the opportunity to address the committee. I think it is important to give credit to the new government for asking people about the existing provincial funding system and the concerns that the first-line service delivery organizations have with it. We welcome your committee's willingness to travel to ensure that you hear from a wide cross-section of Ontarians.

We do regret that you have not been able to make time to hear from the public school boards' central spokesperson, the Ontario Public School Boards' Association. While the Ottawa-Carleton District School Board wants to address you itself, we also know that not every public school board was able to sign up to speak to you. The time restraints only let us speak to the issues that are unique to the OCDSB. You also need to know about the common issues of all public boards, the issues which OPSBA would have addressed with you.

I personally want to highlight the fact that the OCDSB welcomes the opportunity to build a strong working relationship with Queen's Park. We want the age of confrontation and blame-pointing to be over. It has not helped the students in Ontario. I welcome this opportunity to share information with you. We have already had the opportunity to meet with the minister, Gerard Kennedy, and his parliamentary assistant, Richard Patten, and have had a wide-ranging dialogue with them. The ongoing communication the two have established with us here in Ottawa is outstanding.

First, I want to acknowledge that the provincial government has many competing demands and responsibilities. A school board's one focus is students. When the province has to set priorities, I ask that it keep in mind:

(1) Premier McGuinty's focus on being the education Premier.

(2) That students are key to the long-term prospects of the province: for long-term economic prosperity, social cohesion, welfare rates, demands on social services and prisons. As our special education advisory committee has reminded trustees, a dollar invested now saves nine in the future.

(3) When the previous government redesigned school board and municipal responsibilities and funding sources to pay for their respective responsibilities, the province decided that it would take control of school board funding. With that control also came the responsibility to provide suitable resources to ensure every child has equitable access to the education he or she needs to have a productive and happy life. Of course money alone cannot guarantee this, but the money is a key factor. It is the needs of our students that make school trustees so passionate in our advocacy.

My comments on the present funding formula fall into three broad areas: the lack of resources that the formula now provides, the gaps in the existing formula, and the ongoing cost drivers that the formula must deal with. I will then comment on the implications for the formula coming from the government's announced policy directions.

I am going to shorten the first section in my speaking, because I do want to give us time for questions. I'm going to read the first two paragraphs.

The resources that the provincial funding formula now provides to school boards: The inadequacy of the present funding level is no longer the subject of any debate. Dr Rozanski's report was quite clear. The previous govern-

ment accepted the report and stated it agreed with it. The present Minister of Education, in his role as opposition spokesperson, was adamant that the missing funding for the benchmark shortfalls had to be provided immediately. School boards agree.

I must point out that the previous government ordered school boards to do a three-year plan based on an additional annual \$900 million being in place as of 2005-06, with over half of that incremental funding starting to flow in 2004-05. If the new government does not carry through with this government commitment, virtually all boards in the province are facing deficits. I attach a copy of the summary of the OCDSB's three-year plan showing how much it is dependent on this new funding. You can see that on page 10.

I'm going to go on now to section 2 at the bottom of page 4, because I want to ensure I have time to deal with issues specific to our board here in Ottawa.

The gaps in the existing formula: There are three major components to the OCDSB's concerns. The first is transportation—at the top of page 5. The funding formula was changed with the goal of ensuring that all students of equal need would receive the same level of funding. This principle was applied to all lines in the formula except one: transportation. School boards were assured that there would shortly be a formula that treated every student equitably for transportation. That was five years ago and the inequity has continued. The OCDSB was one of the school boards that lost the most funding in the change from the old funding system to the present funding system. It is ironic that it also loses under the interim transportation funding scheme.

The OCDSB receives a \$354 transportation grant per pupil now. Boards in eastern Ontario range from \$354 to \$616. Other boards in Ontario facing the same mix of urban and rural receive from \$216 to \$616. While we would expect some difference in the per-pupil funding due to student density, geographic factors etc, the shortfall we face cannot be justified.

We have also heard the province pressing school boards to form transportation consortiums between co-terminous boards. Different funding levels provide little incentive to do so. Why would a board with a richer set of transportation policies for its students volunteer to chance its schools' opening and closing schoolday times in order to facilitate sharing busing with another board?

We ask the province, if you can find an equitable formula for special education, why is transportation so difficult?

The province needs to set benchmarks for transportation, just as it did for the foundation grant. What are its assumptions as to walking distance, the public transit that urban areas should provide and school boards should use, special education dedicated busing, differentiation between urban and rural areas, a system to address safety issues for barrier streets etc? These factors are not easy to settle, but if the province could set up an ISA system, surely a transportation formula is also possible. Then fund the service level you believe should be in place for all students.

Secondly, the formula assumes the province is homogeneous. It isn't. Core French is an excellent example. The province funds boards to provide core French from grade 4 on. Yet the residents of Ottawa want French-language training for their children starting in junior kindergarten. This isn't an unreasonable expectation, given the size of the francophone community and the expectation from employers that employees be able to serve customers in the language of the customers' choice. If the province funded core French in the earlier grades at the same level it funds grade 4, there would be an additional grant of \$4.6 million to the OCDSB. A school board needs to tailor education programs to local needs and conditions. The provincial funding formula must fund this flexibility.

#### 0910

Gaps in the formula: special education. The province has not provided detailed benchmarks as to how it expects service will be provided to students with exceptionalities and how it will fund this level of service. Until we have this, there is no consensus about what an adequate service level is.

The existing intensive support amount claims system provides vital program funding; 2003-04 is the first year that the new model actually funds the special education services our board provides. The ISA process is very expensive and takes staff away from providing services to students in order to prove the need for funding. Either change the approval process or fund the administrative effort. Simply freezing us at the current level is not acceptable, as the OCDSB is a regional provider and sees a constant stream of high-needs students who have not previously qualified for ISA in their home boards. We must provide programs once the pupil arrives in the OCDSB and need to have the additional revenue to do this.

The present formula assumes all school board costs change immediately in direct proportion to changes in student enrolment. In real life, almost 50% of the cost of educating a student is a fixed cost; gaining or losing one student doesn't change the need for that school to have a principal, school office, a telephone system, a computer system, provide special education, run the school bus, have a building etc. Yet the present funding formula cuts the funding to pay for all these costs every time a student leaves.

School boards have been under budget pressure for years and as a result have postponed repairs and upgrades to school buildings. This has now caught up with many boards, leaving a major funding problem. The province has promised infrastructure help and has done an evaluation of every school building in the province. The funding is urgently needed so that all students have adequate buildings and technology. This is a \$300-million issue for us.

The existing formula funds boards based on the number of students in their schools who are from non-English-speaking countries and who have been in Canada less than four years. Note: This is in Canada, not in the

schools. The number of students who need ESL is far larger. At the OCDSB we provide various levels of ESL/ESD support to 9,220 pupils, while the formula only recognizes 1,956 for grant purposes. As well, as Dr Rozanski noted in his report, all research shows it takes more than three years to develop a real fluency in English. Most research indicates the period is seven years.

**Mr Clarke:** Continuing on, the province has legislated that all Ontario school boards are to be dependent on it for funding. By law, it severely limits our ability to achieve any significant outside revenue. It has refused to take over responsibility for province-wide bargaining of labour contracts, although it has severely restricted our ability to reduce the number of staff we have by changing class size, by enveloping restrictions on so on, which is the traditional way to partially pay for salary increases. The previous government also mandated that all teacher contracts come open for September 2004, setting school boards, and their students, up for massive labour action. Every 1% salary increase adds \$4 million to the OCDSB's cost. On a province-wide basis, 1% adds about \$160 million. Because of the nature of funding, the province will have to fund any contract increases. I would point out that in the two-year plan attached to my presentation on page 10, there is no increase built in for settlements and there is also no grant increase built in to pay for settlements. One drives the other. What percentage will the province authorize, what percentage increase will it fund, and when will it tell us? Negotiations will be starting shortly.

That ends our comments on the existing formula. We would, however, like to go on to talk about the impacts of the changes the government has indicated it would like to see. We will need to be funded to do those things.

The Premier's pledge of a class size of 20 in the primary grades: We applaud this, so long as school boards get the resources it will take to do it—more teachers, more classroom space, more supplies. We estimate a cost of \$26 million, both capital and operating. If the existing grant structure is changed proportionately from what it is now, the new grant will only fund \$13 million, leaving the rest of the students in the OCDSB to fund the remaining shortfall through fewer services for grade 4 to grade 12 students. Either fund the whole cost or don't make the change.

The school buildings as a community resource: The minister has said that he wants school buildings to be a community resource. However, boards will need additional grants to pay for the cost of keeping buildings open. School boards now are only funded based on the number of regular students registered in their schools. That means a board only gets facilities grants to keep enough buildings open to house the number of students it has now from 8:30 in the morning till about 3 in the afternoon Monday through Friday. If a board wants to make its buildings available to the community outside those hours, it has to find a funding source to pay this incremental cost. At present, user fees are about the only

source, which limits people or organizations who can afford to use the buildings. This contradicts the hub concept of using the school as a centre for community services.

**The Chair:** I'll interrupt you there. You wanted to have some time for questions.

**Ms Graham:** Is it 15 minutes?

**The Chair:** Yes.

**Mr Clarke:** OK. The other items, which I'm sure you've heard from other boards—I know Toronto school closures [*inaudible*] as spaces open, public demand for schools in growth neighbourhoods and, once more, the money to operate the ones that are built, and finally, the pledge about changing the school leaving age and the need for funding the programs to retain, to keep uninterested students in the schools. Then, finally, there are charts showing what the impact is for us. Thank you.

**The Chair:** Thank you for your presentation. We have a little under two minutes for each party. We will begin this rotation with the official opposition.

**Mr John R. Baird (Nepean-Carleton):** Thank you for your presentation today. One thing I'd like to try [*inaudible*].

**Ms Graham:** We have confirmed that we are building two schools [*inaudible*], two schools out in Cumberland—one is rural Cumberland and one in Stittsville—and we have one in Kanata that won't be ready till the fall, but there is an issue about keeping the other, older schools open, because we estimate it costs approximately \$400,000 a year to keep a school open. I'll turn it over to Mike, and he'll be able to show you on the charts what that is going to mean, keeping the 11 schools open.

**Mr Clarke:** If you will take a very brief look at page 11, in our school facilities line, which is the second set of bars from the left, we're spending just under \$70 million to heat, light, clean and maintain schools. Our grant is \$70.4 million. The difference is going toward paying for instruction. Our concern with new schools is that it's not a matter of capital costs any more; it's keeping them running once they're open. It's about \$400,000 per elementary school: the principal, the school office, the custodian, the utilities, the phone systems. So yes, we can build them in new neighbourhoods, but if we open them, we can't staff them with a school office and we can't keep them up to snuff to be used unless we cut back on the remaining existing schools, which then contradicts the government's intention about using the schools as hubs for communities.

**The Chair:** Thank you. We move to the NDP.

**Mr Michael Prue (Beaches-East York):** My question has to do with the pledge to raise the school leaving age. I do have some considerable difficulty with that inasmuch as there are a whole number of things that you can fix [*inaudible*]. What is your view on this? This is something that obviously may be a good thing, but can we afford it?

**Ms Graham:** Can we afford it? I think we're going to have to see what happens with the grants that are coming out in the spring and the current review of the funding

formula. In the board's view we think it's a good idea, but we're hoping certainly to be part of the consultation process to see what programs and services might be available for the 16- and 17-year-olds. There could well be a number of different co-operative education programs or other replacement programs. But can we afford it? I think that's a question for the provincial government. As a board, we think it is a very excellent direction and we look forward to consultation on it.

**Mr Prue:** But I'm asking you as a board. You have a lot of *[inaudible]*. Where does this fit into your plan? That's what I'm trying to figure out.

**Ms Graham:** Well, without new resources we're going to have a great deal of difficulty addressing this *[inaudible]* policy direction.

**Mr Prue:** Thank you.

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

0920

**Mr Phil McNeely (Ottawa-Orléans):** On page 5, you refer to the province being *[inaudible]*. I represent a 35% francophone region in the Ottawa *[inaudible]*. This appears to be something very important for Ottawa, that we should be putting more dollars into getting *[inaudible]* earlier. Could you just expand on what you provide now and what you would like to provide for our city?

**Ms Graham:** We do start our immersion programs in junior kindergarten and we also have a core French program that starts *[inaudible]*. But as our superintendent pointed out, we are having to put extra money in that doesn't come through the grants to be providing that kind of education. We definitely want to continue what we have. We think it is working very well. We have three immersion entry points: early, middle and late. But it isn't relative to the grant formula, and at some point we may be faced with having to make reductions which we don't want to make.

**Mr McNeely:** Am I allowed a supplementary?

**The Chair:** You have about a minute.

**Mr McNeely:** It's my first committee meeting.

This seems to be an issue that *[inaudible]* possibility we're going to hear about. On both these issues, is this a problem for you to *[inaudible]* as it should be?

**Ms Graham:** Yes, it is. The transportation issue is huge. We put it right at the top of our list, because we are not providing the level of service we need, whereas on the French side we are providing it, but we're having to take money from other pockets to do it. I'll let Superintendent Clarke continue.

**Mr Clarke:** In Ottawa, it's simply not acceptable not to provide at least core French. In order to do that, you need at least 40 minutes a day in the regular school. The province simply does not recognize that we fund it now. We can understand that in other parts of the province that may not be an issue, but for us, for Cornwall and for Sudbury, we have to provide French-language education right from the beginning.

In terms of transportation, within this area there are wide disparities in terms of the dollars per pupil that we receive for transportation, and that's why we keep asking—the point of the funding formula is that all students need and receive equal funding. So why is this one line where it doesn't happen?

**The Chair:** Thank you for your presentation.

#### CANADIAN FORUM FOR CRIME PREVENTION

**The Chair:** I will call on the Canadian Forum for Crime Prevention. Good morning. You have 20 minutes for your presentation. You may allow some time for questions within that 20 minutes if you wish. I would ask you to identify yourself for the purposes of Hansard.

**Dr Irvin Waller:** My name is Irvin Waller. I'm a professor of criminology at the University of Ottawa. I'm a consultant to governments across the world on ways to reduce crime cost-effectively. I'm the chair of a new public interest group established in Canada to try and get federal, provincial and local government policies to deal with crime more in line with what the evidence has to say about what is effective.

In simple terms, adding more police officers and building more prisons flies in the face of considerable international evidence about what is cost-effective in reducing crime. In terms similar to the previous speaker, if Ontario began to invest money wisely in prevention strategies that are effective, we could hope, in the next five to 10 years, to see significant reductions in violent crime and property crime.

I apologize for the size of the slides. The information is in fact in the attachment, but I'm going to follow the order of the slides.

First of all, you're probably not aware that one in four adults in Canada will be the victim of a common crime this year. These are the results of surveys done every five years by Statistics Canada.

You're probably also not aware that property crime rates—car thefts, break and enters—are now something of the order of 30% above those in the United States. We could, of course, go the way of the United States and incarcerate huge numbers of people. One in four of all people incarcerated in the world are incarcerated in the United States. Or we could go the way of scientific knowledge and of international norms, and that would be to actually invest in prevention.

Expenditures in Ontario are still limited only to police, courts and corrections. Some of the incidents in Toronto or in this city and some other cities in this province put pressure on local government to expand policing. This is clearly not going to achieve the reductions in crime that the advocates argue.

We know, from a series of comprehensive spending reviews, analyses of what you get for investments in terms of crime reduction, that there is significant benefit from organizing to tackle causes of crime more effectively.

I'll just mention three of those reports, but I've actually listed here some 11 or 12. First of all, the World Health Organization has made it very clear that the best way to reduce violence is to invest carefully and systematically in attacking the causes of the violence. The UN last year, in an initiative from Canada, adopted a series of guidelines about how to reduce crime. These guidelines start with a very clear statement that the most cost-effective way, and with the greatest benefits to the community, is to invest in prevention.

The Blair government has made considerable use of comprehensive spending reviews. One well-known one is called *Misspent Youth*. In summary terms, it says that if you spend your money on more police, more courts and more prisons, this is wasting the lives of youth. If you invest instead in carefully focusing on families, schools, communities at risk, and helping those youth stay in school and find sporting involvements and find an identity that keeps them out of crime, you will see significant reductions in crime.

The Blair government, after looking at the scientific evidence, created an independent arm's-length agency to tackle the problems of youth crime. Just in five years, we've seen in the UK against their trends a 20% reduction in youth crime, a 20% reduction in recidivism rates and a 20% reduction in the number of youth incarcerated. I think it's time for Ontario to begin to reallocate the small amount of money that's needed to achieve those sorts of reductions.

Canadians believe very strongly in prevention. Some also believe in heavier punishment. But they all agree that the way to go is to invest in tackling the causes. If we look at what is the recommended way to do this in the UN guidelines or international thinking, it would require the province of Ontario to establish a responsibility centre to spearhead the implementation of effective crime prevention strategies in this province. Such an agency was recommended nearly 10 years ago by the federal parliamentary committee chaired by Bob Horner. This committee recommended that there should be a national responsibility centre and that about 5% of what has been spent on police, courts and corrections should be given to that centre to spearhead the changes that are needed.

Today, Ontario is spending nothing—zero, no money—on ensuring that taxpayers get effective crime reduction strategies. Yes, taxpayers are expending considerable amounts of money at the local government level to pay for police services. At the provincial level they're paying for police, courts and corrections. There is no evidence in this province or actually in any other jurisdiction that those strategies are effective, let alone cost-effective. In comparison, all of the research that has been done to evaluate the effectiveness of secondary prevention strategies shows that these are not only effective but cost-effective.

The Canadian Forum for Crime Prevention recently organized a major national conference in Waterloo region with about 100 police leaders, people from the judiciary, people from crime prevention programs, people from the

academic world. This group worked for two days, hearing from Canadian experts, experts from the US and from the UK, and developed a declaration for a safer Canada. That declaration calls for a series of specific actions from the provinces. In the handout, not the slides, on page 2, you have a list of those recommendations.

#### **0930**

It calls for the creation of an inter-ministerial capacity for crime prevention to be responsible for planning and coordination. This is exactly the type of action that the Blair government, in a period of as short as five years, has shown works and gets results.

The second one is to require local governments to undertake crime and safety analyses on a regular basis and develop crime prevention plans. Basically, every major industrialized democracy, except Canada and the United States, already has that in place. In Australia, in England, in the Netherlands, in France, in Sweden, local governments have a small secretariat that looks at where the crime problems are, what seem to be the causes, and how school boards, housing, social services and parents can work together to reduce crime. It's time for Ontario to catch up with that. These are not expensive items, but they are items that require funding.

The third calls for providing support to local communities, both in the form of investments in individual projects and of core funding to local crime prevention councils. In Canada's national capital, where you are sitting today, there is a major political fight underway to ensure that the city's crime prevention centre has the sustained funding that will enable it to get the projects in the various parts of Ottawa underway: to tackle the causes of swarming, to tackle the problems of family violence. For the nation's capital in a province as rich as this, in a country as rich as this, it is time for change. The previous government had a Crime Control Commission. It talked and it built a boot camp, against all the scientific evidence that it would not work. It removed all the programs in schools that might have reduced the likelihood of further crime. The demographics are such that we would expect crime to increase. So for all of those reasons, in the next five to 10 years, if Ontario does nothing along the lines that are in here, we're going to see a rise in crime rates, and what a rise in crime rates means to taxpayers is more police officers and more prisons. This is not a cost-effective way of using Ontario's taxes.

The fourth one requires all policy decisions at provincial and local levels to be assessed for their potential impact on crime and victimization. This is an obvious clause, but it would require legislation and it would require the tools so that one can in fact assess whether changes in relation to schooling, changes in relation to urban design, changes in relation to social services, changes in relation to housing are likely to increase or decrease levels of crime.

Finally, and the most important recommendation and the reason why I've come here—we're meeting, by the way, with the Honourable Monte Kwinter and Liz

Sandals next week. Ms Sandals, the parliamentary secretary to Mr Kwinter, was an active participant in the conference in Waterloo region last December. But the bottom line is a call for you to not allow the levels of expenditure on policing and prisons to drift each year slowly up so that they increase taxes and do little for crime, but instead to ensure a reallocation of 5% of the criminal justice budget of this province to establish a permanent responsibility centre that would have the capacity to plan, to set targets for the reduction of crime, as other industrialized democracies except the United States and Canada have all already done.

Thank you for your interest.

**The Chair:** Thank you. We have a little over two minutes per party. We'll begin with Mr Prue of the NDP.

**Mr Prue:** Thank you. That was a very good presentation. I have a couple of questions. First of all, the Liberals were elected on a platform of [*inaudible*]. So you're asking them to scrap that kind of move?

**Dr Waller:** Well, I'm pleased to see that the Liberal government has been concerned to restrain expenditures in other areas. To the extent that that policy has not yet been implemented, yes, very clearly, because what that action means is that property taxes are going to go up or they're going to have to set much tighter priorities on property taxes. It's very clear, just as boot camps by the previous government are now to be shut down because people have looked at the research that says it doesn't work, that adding extra police does not work in terms of crime reduction. Now, the public may want extra police. I understand the pressures. But the fact is that if you take a thousand police officers and you multiply it by what the police chief here says is \$76,000, but what I think is closer to \$100,000, you're talking about something in the order of \$100 million. I would be happy to demonstrate, if not here, to anybody on this committee or to Mr Monte Kwinter the evidence of what you could do with even half of that, \$50 million, which is what I'm suggesting here, to reduce crime, and in reducing crime you're reducing pressures for more police and more prisons in the future, and you're also probably providing some collateral benefits in that many of those youth grow up to pay taxes and to be good fathers; we're talking primarily about males.

*Failure of sound system.*

**Dr Waller:** I spent eight years running an international institute associated with the UN, based in Montreal, and we produced a document of 100 effective programs. The program you allude to has not been evaluated here; it's not widely spread across the province. However, in the Netherlands they did evaluate it, and once they'd shown that it worked, they spread it all the way across the country. I think that's what we have to see in this province. We have to get to programs that work, evaluate the program that we talked about, check that it works and then make sure it's put all the way across the country.

I focus much more on programs that really tackle youth at risk. There's now a very famous program called

the youth attrition program that the British government started. Again, the same example: they did it, they evaluated it, they showed it worked, then they did it in 40 places, and now they're going to do it in over 400 places. You'll see through your program, if it's done like the Dutch do in that program, reductions in expected involvement in crime on the order of 60%—60%. That means you compare the group that goes through that with a group that goes through the traditional system and you'll see reductions of 60%. I'm happy to share with anybody here examples of some 40 or 50 different projects in terms of style that produce those sorts of reductions. This is not just my view; this is the view of the World Health Organization, of the United Nations, of the major commissions that have looked at spending reviews in the UK, of the institute that works for the state of Washington, the work done for Congress [*inaudible*] for some time.

**The Chair:** Thank you. We move to the government.

**Mr Bruce Crozier (Essex):** Thank you, Mr Waller, for your advice this morning. I'm referring to your crime prevention facts and statistics, and I've got two questions. One is, why did you use the 1960s as your comparator? Secondly, were we doing something in the 1960s that we're not doing now that would cause this increase per 100,000 in crime?

**Dr Waller:** The 1960s is basically when varietal crime statistics were established in Canada. Were we doing something—we know that society is very different from the 1960s. Basically, families were relatively stable, communities were reasonably stable, and what happened between the 1960s and now is a much more urbanized society, a change in the family, which means that you now have many more single mothers below the poverty line. The problem basically is that you've been asleep at the switch because the crime rate has been going up slowly all that time and you were trying to use the methods that were or were not effective in the 1960s, which was that you waited until somebody had committed an offence, then you tried to arrest them and then you tried to do something about them. What was seen is that when you actually looked at the causes and how you could intervene on those causes, you got—there's no other word for it—spectacular results. The problem in Ontario is that we have very professional policing, very professional lawyers, great courts, wonderful prisons by international standards, but these are not the solution to crime.

**0940**

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

**Mr Toby Barrett (Haldimand-Norfolk-Brant):** Thank you, Mr Waller. I agree with you on the importance of prevention in dealing with these issues. I want to get a feel of—you indicate that we should be allocating 5% of justice spending in this area. What percentage are we allocating now? I think of a variety of programs that I've been involved with: Crime Stoppers, Neighbourhood Watch, the VIP program in schools, RIDE programs, other community groups fighting drinking and driving.



Many of these involve community allowances. I guess my question is, what percentage is now allocated to prevention through these kinds of programs, and have you done any evaluation of any of these programs?

**Dr Waller:** There have been extensive evaluations of all the programs you've mentioned. There are relatively few evaluations that have been done in Canada and certainly the group I represent thinks that it is long overdue for these evaluations to be done in Canada. However, if you look to the material used for the United States Congress that evaluates Neighbourhood Watch programs in the United States, UK, Australia, Sweden and the Netherlands—all the countries which have evaluations—the sorts of Neighbourhood Watch programs that we do here don't work. They're run by the police; they're not run in the areas where they're needed. If you were to look at Neighbourhood Watch in this city, for instance, you would find it's all in the low-crime areas—and by the way, those were low-crime areas before Neighbourhood Watch got going. Neighbourhood Watch, as organized in this country, does not work. If you have a well-organized Neighbourhood Watch, like was done originally in Seattle or is being done like the reduction program in the UK or is done by Montreal—Montreal reduced burglaries by about 60% over a three-year period through a city-level program. It's not a police-run program, it's a city-level program. So you can make it effective, but you have to do it very differently from how police in Ontario have done it.

**Mr Barrett:** Are you suggesting that there's a problem in *[inaudible]*?

**Dr Waller:** I think it's a problem that, yes, they need to be done outside of the police, based in city hall, because that's how we can be sure that they're based on prevention rather than enforcement. The main thing the police are set up to do is enforce and, yes, they want to get closer to the public, so they organize these sorts of programs, but they do not organize them in a way to reduce crime and there's no evidence in this province that any of these programs have reduced crime. The drinking-driving one is the exception, and VIP is possibly an exception.

**The Chair:** Thank you for your presentation.

#### OTTAWA-CARLETON ELEMENTARY TEACHERS' FEDERATION

**The Chair:** I will call the Ottawa-Carleton Elementary Teachers' Federation. Come forward, please. Good morning. You have 20 minutes for your presentation. You may allow time within that 20 minutes for questions if you so choose. I would ask you to state your names for the purposes of our recording Hansard.

**Mr David Wildman:** Thank you to the committee for this opportunity to present. I'm David Wildman, president of the Ottawa-Carleton Elementary Teachers' Federation. With me is Paul Dewar, our vice-president.

The Ottawa-Carleton Elementary Teachers' Federation represents approximately 3,000 teachers. We are

affiliated with the Elementary Teachers' Federation of Ontario. All of our members are employed by the Ottawa-Carleton District School Board. As an organization, we are dedicated to representing the interests of our members and promoting the importance of our profession and public education.

As the committee knows, I think, the provincial body, ETFO, has presented to the government on four main provincial issues: that the funding formula be amended so that all elementary teachers have 200 minutes of prep time as a minimum; that smaller class sizes be implemented; that the government reinstitute the five professional activity days, so we would return to the number of nine that was there; and that there be improved beginning teachers' salaries. Our presentation will focus more on the local, Ottawa-Carleton.

The recent election has had an immediate effect on teachers, parents and others in the educational community, largely because of the commitment made to public education in the Liberal election campaign. The promise to address funding shortfalls and to address overwhelming administrative workloads for teachers brought many of our teachers to the polls, eager to cast a ballot for change. Both the Premier and the Minister of Education have expressed confidence in Ontario's teachers and respect for their expertise and efforts on behalf of Ontario's children. This is a welcome change from the government media campaigns of the last few years. This new approach has certainly been a breath of fresh air for our teachers.

However, in reality the conditions experienced daily by both teachers and students are in fact largely unchanged. The restrictive funding, the underfunding, reduced staffing, lack of resources, lack of professional development opportunities and overwhelming administrative duties which take teachers away from actually working with children continue to be a fact of life despite the change in government. Funding and local autonomy are ongoing problems.

**Mr Paul Dewar:** Hi. I'm Paul Dewar, vice-president of the elementary teachers' federation locally. I'm going to talk about some specifics in terms of concerns here in Ottawa. There are many outstanding issues that the government needs to address, in our opinion.

Twinning of schools was introduced by the ministry supervisor to save money by cutting principal positions. The Ottawa-Carleton District School Board has 22 schools that have a "twinned" principal. That's a principal who is shared between two schools. The practice of twinning has meant less support for teachers and students. This has raised concerns around safety for children and can only be addressed with additional funds for the Ottawa-Carleton District School Board.

The closure of the Ottawa-Carleton Educational Media Centre last year by the supervisor: This centre was a cost-effective way of sharing books, videos, science kits and other classroom resources in our local school board, but was closed due to lack of funding. This was a model where all of the boards came together as a service

provider, where all of the videos and books and that kind of thing had one place where they were housed and then could be sent out to schools upon request. That was shut down and now those books are floating around somewhere but they're not organized. They're a resource that teachers use.

The reduction in the availability of funding for outdoor education centres has resulted in a reduction of staff and a board policy that they become self-sustaining. The immediate result has been the implementation of user fees. The result is that these centres are not equally accessible, having the most effect on those schools that are located in lower socioeconomic areas.

Special education remains an area of crisis for children and teachers. The waiting list for children waiting for assessments here in Ottawa has actually gone up. It's over 4,000. Those are people waiting for assessments to get help. We believe children can't wait for a more optimistic budget forecast. Their learning challenges should be dealt with immediately. By the way, those currently identified have reduced staffing. In other words, children who do get the testing do not have the teachers and the teacher aides who can meet their needs presently. One problem is the actual identification of those children; the second is the service ability once they are identified.

Teachers are constantly confronted with new programs without sufficient training and resources. Often the training is done under the promise of the "train the trainer" method. This is not effective, particularly when you are dealing with new ideas and expectations like a new curriculum. Don't train the trainer, train the teachers, please.

**0950**

**Real professional development:** The government should begin by the reinstatement of the five professional activity days for teachers, providing a total of nine days per year. This will allow teachers the time to work with each other to improve their teaching methods. It will also allow more experienced teachers the time to work with teachers who are new to the profession. As Mr Wildman said, this is something that provincially we're asking for. And by the way, it's a non-cost item. You're giving teachers time; it's not about money.

The other issue I'd like to bring up is the redirection of \$50 million spent annually on the EQAO office and administration. Put that money into teacher training and student learning opportunities. The money spent on standardized tests is an area where the government can save money and at the same time improve education for our children.

English as a second language is an area that is in desperate need of resources. While the government did inject some money in December, ESL is still underfunded and the provincial government should insist that the federal government share in this responsibility. That's an outstanding issue with the federal government. Until this shortfall is remedied, the board must either cut the service to these students or take money needed in other programs.

Student accommodation funding must meet the real costs of keeping schools open. The formula for determining the amount of space to be funded must be reviewed. In Ottawa, funds must be taken from other programs to keep our "excess" space open, in compliance with the Minister of Education's request that there be a moratorium on school closures. We think these matters need to be reconciled in the upcoming budget. In other words, until such time as we have it straight, those areas that are "excess" capacity need to have dollars for them.

We have gone through the last eight years ignoring the basic cycle of school repair. Many of our schools are literally falling apart due to a lack of proper maintenance. This should be addressed and is not presently in the current funding formula.

**Mr Wildman:** While funding is always a challenge and we understand that everything can't be fixed at once, we call on you to implement the funding recommendations of the Rozanski report, address the local concerns outlined here and return a measure of local autonomy to school boards in Ontario.

We look at this budget as the first step in the government's commitment to provide the necessary funding so that teachers are able to meet the needs of their students. It's time to reinvest in education and other public social services and the quality of life in Ontario for all Ontarians. We think that's what people voted for in the last election.

**The Chair:** Thank you. We have just a little bit over three minutes per caucus. We'll begin with the government.

**Mr Tim Peterson (Mississauga South):** We've heard from probably 10 or 12 of the school boards about teachers needing more learning. We certainly participated in this election on the basis that we can work with teachers better than the previous government had. In all these presentations, I haven't heard of any mandate for teachers across the province to be sharing best practices or looking at ways to improve the productivity of the largest component of our budget. Do you have any way to facilitate this, and can you share it with us?

**Mr Wildman:** The short answer is no. I think that would be worth looking into, but I don't have an answer.

**Mr Dewar:** If I could just build on one thing, I mentioned the media centre locally here. That actually was a way and it could be a model exported around the province. Here in Ottawa-Carleton, we had all of the boards come together to share their resources, all the videos, books, science kits, that kind of thing. That brings down the cost to all boards. It's the idea of a consortium. Probably you're looking at—and this is not our expertise—transportation consortiums. It was essentially the previous government, but I think that's an idea.

We talked about saving money through the EQAO, which is \$50 million right there. You talked about best practices in terms of teaching methods. Reinstating those extra five professional activity days will allow us to do that. We're losing new teachers. We have a problem retaining male teachers. One of the things we need is

time. By reinstating those five days—this is about teachers working together, sometimes in their schools with their principals as mentors, to talk about things. We don't have time to do that.

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

**Mr Baird:** Thanks very much. I appreciate your presentation.

What is the bottom line for this budget increase that you think would be fair and reasonable and would respect what you believe the result of the last election campaign was with respect to education policy? What sort of percentage number would make you say, "You know what? They kept their promise"?

**Mr Wildman:** I think the local school board would be better able to answer that question if they could begin the budget process this year by striking their budgets.

Going back to the media centre, we had a survey we put out that showed the board how it could [inaudible] if the media centre was cancelled, and they told us they couldn't entertain that because of the present budget situation. I can't give you a figure on that, but I do know when they talk about best practices, I have a survey here done by ETFO that shows that a mid-sized school board in Ontario spends about \$500,000 annually to verify their ISA grant applications. There's got to be a more cost-effective way of doing things like that, or changing the whole process of ISA grants. So there are ways that one can save within the current funding. Perhaps one of the things they talk about in funding is that the school boards have some local autonomy in where they put the funds they get. Definitely, there should be an increase in funding, as was set out in the Rozanski report. [Inaudible].

**Mr Baird:** A lot of parents we've talked to [inaudible]. Do you think there should be a [inaudible] to have textbooks, to say, "You know what? I'm going to [inaudible] textbooks but it's not going to do anything else"?

**Mr Wildman:** I don't think you should be putting teachers in untenable positions like you do now. For example, if you institute a new curriculum—whether that is a good curriculum or not, let's not go there. But if you introduce a new curriculum which requires new textbooks, you put the teachers on the hook for delivering the program without the resources. I think before we implement new programs, there should be a costing of what it's going to cost to provide the resources and to put the training of the new curriculum, the resources required, into place all at the same time, not ask the teacher, "Go ahead with what you can figure out now, and by the way, these performance appraisals [inaudible]." They need the supports to do the job.

**The Chair:** We'll move to Mr Prue of the NDP.

**Mr Prue:** Two areas: The first one is ISA [inaudible].

**Mr Wildman:** Well, no. One of the things that has a direct effect on the classroom is that those students who would normally be getting special help from special education teachers or speech pathologists or all the different support groups that help teachers in the school are taken

out of action, as it were, for upwards of a month to prepare ISA grants to justify this funding for these children's programming. I just think that's a very heavy administrative duty to put on teachers that takes them away from actually delivering programs to kids. So I think we need to reduce the number of times that IE—independent education—clients have to be reviewed for ISA grants. All the things connected with the administration of special education to justify new grants need to be reviewed and streamlined so that the teachers can spend 10 months of the year teaching kids.

**Mr Prue:** OK. We did get one deputation from, I think, school boards in Toronto [inaudible].

My second question relates [inaudible] to the EQAO and the \$50 million it takes. So you would take the \$50 million and you would put it directly into the costs of special ed? Where would you direct this money?

**1000**

**Mr Wildman:** There's a lot of places that we think it would be best utilized, but certainly in the classroom, providing resources to the teachers that they need, better than to test them [inaudible]. We never looked at those results [inaudible]. They have their own diagnostic tests that they run by themselves to help them meet the needs of most of their children. It's the children who need [inaudible] that they refer to the special education department and the appropriate waiting list. That money should be redirected to the classroom whether it's [inaudible] resources, more educational assistants to support teachers or resources that would help.

**The Chair:** Thank you for your presentation.

#### OTTAWA-CARLETON CATHOLIC DISTRICT SCHOOL BOARD

**The Chair:** I call the Ottawa-Carleton Catholic District School Board to come forward, please.

*Failure of sound system.*

**Mr John Yakabuski (Renfrew-Nipissing-Pembroke):** On a point of order, Mr Chair: If I could ask the committee's indulgence for a moment, I have a group of people here, some in the hall and some outside, who've made a considerable effort to join us here at this committee hearing today. They represent a group of landowners in Renfrew county which comprises between 1,500 and 1,700 members.

**Mr Peterson:** They're not all relatives, are they?

**Mr Yakabuski:** Just about, Tim, just about.

They made a submission to speak to the committee but were unsuccessful for whatever reason—I know there were a lot of submissions to speak—so we're looking for an opportunity for them to speak to the committee. We're going to ask for unanimous consent—I have a motion here that I'll read in a second—for this group to speak to the committee at the time set aside for the lunch hour. If they could have 20 minutes of that time, it would be very much appreciated. Our MP, Cheryl Gallant, is here to speak on their behalf as she is, as am I, well aware of and very concerned about their issues with regard to property

assessments. I have the motion here and I'll read that now if I could.

**The Chair:** You cannot read a motion on a point of order. You can ask for unanimous consent.

**Mr Yakabuski:** Can I have unanimous consent to have a motion?

**The Chair:** Is there unanimous consent to read the motion? Agreed.

**Mr Yakabuski:** Thank you. I'd like to ask the committee for unanimous consent to add an additional deputant to our agenda today. Considering the tremendous effort and the long distance people have travelled today to have their voice heard by the members of this committee, I feel it is only fair that we take the time to hear what they have to say. Therefore, I would ask for unanimous consent that the committee take 20 minutes of its lunch hour today to hear from representatives of the Renfrew County Private Landowners Association.

**The Chair:** Do we have unanimous consent? Agreed.

**Mr Crozier:** Just one point of order, Chair: I just think it should be noted, for those who are going to present—and I'm very interested to hear them too—that it could have been very simply done by the opposition having chosen them as their first deputation.

**Mr Colle:** Why didn't you choose them?

**Mr Baird:** We put the children first.

**Mr Crozier:** Just one more point: Obviously you didn't think enough of it when the list was put in—

**The Chair:** That's not a point of order.

**Mr Colle:** On a point of order, Mr Chair: I'd like to know who the substitute members are, who the actual members of the opposition are. It's hard to keep track.

**The Chair:** Mr O'Toole and Mr Barrett.

**Mr Colle:** So you can seek unanimous consent without being a voting member.

*Interjections.*

**Mr Colle:** Just in terms of process, this means that basically the opposition party, who chose not to put this group on its list, is now saying they are ordering us to put them on the list when they didn't find it necessary to put those people on. The question is, why did they not allow those people to go on the list? I don't understand.

**The Chair:** That's not a point of order. I've called the next group forward. The Ottawa-Carleton Catholic District School Board has the floor.

*Interjections.*

**The Chair:** Order, please. We have people waiting to do their presentation.

I apologize for the interruption. I want to remind the Ottawa-Carleton Catholic District School Board that you have 20 minutes for your presentation. You may leave time for questions within that time limit if you so desire. I would ask you to identify yourselves for the purposes of Hansard.

**Ms June Flynn-Turner:** Thank you very much. I'm June Flynn-Turner, chair of the Ottawa-Carleton Catholic District School Board. On my right is James McCracken, director of education. To my left is David Leach, *[inaudible]*.

*[Inaudible]* information and history of our board for those of you who may not be too familiar with it, but I'm not going to go through that this morning. What we do want to address are four areas of major concern that we have.

The first one is the facilities. With the moratorium that has been put on school closures, there is no option for school boards to generate money by consolidating existing schools. Our facilities *[inaudible]* has identified approximately \$50 million in construction needs that we have. That's \$15 million in renovations and additions to existing schools, a new high school and *[inaudible]* elementary schools *[inaudible]* the next five years. So what we're asking is that the government address the issue of funding in the schools during the period of the moratorium and identify *[inaudible]* by providing additional facilities that are needed.

The second area that we have some concerns with is that the government identified as a priority mandating smaller class sizes of 20 to 1 from junior kindergarten to grade 3. For us as a board that will require an additional 110 teachers in regular classrooms and will require another 25 French teachers. Some of our schools have adequate facilities *[inaudible]* to accommodate the increased number of classrooms, but for others which are already overcrowded, this will increase the overcrowding and they will be required to purchase and install approximately 54 more portables. When the government brings forward the legislation that mandates the lower class sizes, we're asking them for at least some consultation with boards beforehand in order for you to understand the additional costs and the additional pressures and to ensure that we're able to meet those.

There'll be additional costs also in the area of maintenance and utilities. Because of the additional costs of reconditioning portables, we're going to have extra costs there. This identifies that over the first year of implementation of the 20-to-1 class size there will be an \$11-million additional cost to our board and then in the following years it will be approximately \$9.5 million to \$10 million each year for the additional *[inaudible]* costs to the classroom itself.

**1010**

The next item that we have a great deal of concern with is the capital and the operating cost benchmarks. The benchmark to fund new schools as well as the existing ones has not been changed since 1998 and I think that now that *[inaudible]* since that time our costs have increased enormously, in some cases rather dramatically. With the removal of the cap on hydro, we're figuring there will be an additional \$1 million in costs, just for that alone this year, which *[inaudible]*. I think the government has to look at the cost of operating schools, whether it's utilities or maintenance and come up with a more realistic number that actually reflects what it costs to operate *[inaudible]* schools. We're hoping that is one area *[inaudible]*.

The third area that's of major concern to us is employee compensation. Over the past five or six years,

other public service employees have received higher increases than employees in school boards. The government, because of the Rozanski report, gave a 3% increase this year for our employees, and most of our groups are getting another increase for next year. The problem is that our teaching staff have an end rate now of \$74,000. Our coterminous board has an end rate of \$76,000. So we're 2.5% short going into the next round of negotiations. We're hoping that the government will look at realistic salary [inaudible] equation for all the employee groups involved in education and address the [inaudible] that we have, which are quite significant going into the next round.

There are other areas, obviously, that we have concerns with, but those are the predominant areas, and we're hoping that the government will address those concerns and provide adequate funding for those areas.

**The Chair:** Thank you. We have about four minutes per caucus. We begin with the official opposition.

**Mr Baird:** Thank you very much for your presentation. [Inaudible] innovative [inaudible].

I wanted to talk about an issue, the electricity cap. You mentioned that it's going to cost you how much more?

**Ms Flynn-Turner:** Roughly a million.

**Mr Baird:** Do you think that for the consideration of this committee [inaudible] given that the government has lifted the cap [inaudible] voting for the cap and paying on the cap so that we can keep it through 2006 when more generation is brought on line. Would that be one of the things that you would support, that funding increase [inaudible] is beyond your control because of this legislation in place, their commitments to [inaudible]. Would that be one of the things that we look at?

**Ms Flynn-Turner:** Yes. The government is obviously going to have to look at our increased costs in this area but also in other areas, so whether it's gas or—

*Failure of sound system.*

**Mr Baird:** I wanted to follow up on the issue [inaudible] with respect to opening new schools and the operating costs for those schools above and beyond the per pupil grant to eliminate portables. Is there a challenge to that [inaudible] different challenges? Is that [inaudible] responding to the [inaudible] what kind of pressures do we put on? What type of recommendation can we make to the government?

**Mr James McCracken:** If I understand your question correctly, as you know, our school board has taken tough decisions [inaudible] in the last 10 years, so that we have the money [inaudible] south Nepean and Kanata and Orleans, in these three areas. When we mentioned the first issue that dealt with the perceived moratorium on closing schools, certainly there's a number of efficiencies that we realized by consolidating smaller schools. We have schools with 100 to 120 students that have a full-time principal, a full-time secretary, a full-time custodian and all the operating costs that attend that. We're consolidating, making our existing schools more efficient, have done to this point, so that we can have the money for [inaudible] schools. Down the way, we've listed here

for you that in the next five years we need three elementary schools and a high school. In the next 15 years, we need another seven schools. But this is a long-term problem that has to be addressed. I'm not sure if that answered your question.

**Mr Baird:** What recommendation could we make [inaudible]?

**Mr McCracken:** I think the first thing you should do is increase funding through the funding formula, as the Liberal government suggests, and separate the closing of one school from another school. We're not necessarily against that. But it's very clear that these new schools have to open. Right now, you're funded based on your total population, and across Ontario, as you may know, the demographic is going down. In the next 12 years, there will be fewer students in every school board. We cannot have a funding formula that says, if you have fewer students, you have less money, because [inaudible] areas [inaudible] in the suburbs, where parents will not have their kids bussed downtown to an empty school. So there has to be some disconnect between the closing of an inner-city school and the opening of a suburban school so you don't have one part of the board being pitted against another part of the board to satisfy the needs of students in the suburbs. Of course, if you don't give that funding, then we have portables. We have 265 portables in our school board right now.

**The Chair:** Thank you. We move to the NDP.

*Failure of sound system.*

**Mr Prue:** Turning to the problem of employee compensation, your board pays less than the public board. Historically, has it always been that way or has this just been since the last round of bargaining?

**Mr McCracken:** Historically, it's always been that way [inaudible] negotiations happening, and that becomes the benchmark for the highest level paid. [Inaudible] the benchmark is now \$76,000 in the province. For any board that is not meeting that, that's their first challenge. So our board is fully expecting our associations and teacher unions to come and say, "Get it to \$76,000 first and then 3% and 3% and 3%." As you know, the Conservative government had it such that all the boards will now be negotiating at the end of August, at the same time, and we have suggested that [inaudible] may be an option, rather than having two associations doing the same thing, because the same thing will happen again unless the numbers improve.

**The Chair:** Thank you. We'll move to the government.

1020

**Mr Colle:** Thank you very much. On page 5, you mentioned the new costs for hydro. It could cost you \$1 million. Correct?

**Mr McCracken:** Yes.

**Mr Colle:** As you know, the previous government had appointed one Bill Farlinger to head the generation side of hydro, called Ontario Power Generation. It has been found out that he had a salary of \$1.6 million. He spent \$154,000 in expenses; he entertained—

**Mr Baird:** Point of order: Mr Farlinger made \$250,000. I will guarantee that. That's totally, totally wrong.

**The Chair:** That's not a point of order. Mr Colle, continue.

**Mr Colle:** It has been found out that he was entertaining friends and relatives overseas in luxury resorts, he was wining and dining friends and relatives at the Air Canada Centre, he was ordering lavish meals at Raptors games, he was on international cruises with his family and friends while he was employed by this government to watch over Hydro and control its costs.

Do you think that as a government we should try and get some of that money paid back, and get Mr Farlinger to return all of the salaries and monies that he spent on these lavish events so that money can be given back to municipalities—

**Mr John O'Toole (Durham):** Mr Chair, he hasn't spent one second talking about education. He's slurring a personality and I believe it's a libellous comment.

**The Chair:** Order.

**Mr Crozier:** Get out, John.

**Mr O'Toole:** It's absolutely absurd. This is an education community we're speaking with. You're on some sort of—

**Mr Crozier:** We're giving you an education.

**Mr O'Toole:** You sure are. We know what your priorities are.

**Mr Baird:** It took us at least five years to get it there.

**Mr Crozier:** And you stayed that way for a long, long time.

**The Chair:** Order. I ask the committee to come to order, please.

**Mr Colle:** Do you think as a government we should go after that money?

**The Chair:** Mr Colle, you have put your question to them.

You may answer the question, if you would.

**Ms Flynn-Turner:** I haven't given it any thought. I know what our needs are and that's about all I can comment on.

**The Chair:** We have about one minute left.

**Mr McNeely:** There was a quote of some \$1 million per year, and you have high energy costs. I was part of a better budgets program in Ottawa a few years ago that dealt with that cap. I just wondered, with the new costs—I think the Liberal government has been proceeding. We don't want that \$800-million shortfall again because of the cap. Is there any motion by the school board to look at energy conservation in your buildings again? Because we have a higher cost of energy and we have new technologies on the market.

**Ms Flynn-Turner:** Absolutely. We have an entire program [*inaudible*].

**Mr McCracken:** Yes, we have a program that was put in place about a year ago that involves students in [*inaudible*] learning, and we make sure that we do reduce them [*inaudible*] and we have achieved significant cost

reductions in doing that. But there's only so much you can do.

**The Chair:** Thank you for your presentation.

#### RAILWAY ASSOCIATION OF CANADA

**The Chair:** I'll call the Railway Association of Canada.

**Mr Baird:** On a point of order: I'd like to put a research request in to find out the salary of the chair of Ontario Hydro—is it \$250,000 or is it the libellous, slanderous [*inaudible*] Mr Colle made—and that it be distributed to the committee to show how wrong he is.

**The Chair:** I'll ask research to do that.

**Mr Crozier:** The former Minister of Energy is very indignant. He's the one who paid him and let him—

**The Chair:** Order. The committee knows that we're working through the noon hour. I hope you are calculating—

**Mr Colle:** Point of order: Could I also include all the expenses of the former chair of Ontario Power Generation, all the expenditures he made, all the expenses he expended on his expense account while he was employed, if you could include all of those in the information.

**The Chair:** Research will attempt to find that.

*Interjections.*

**The Chair:** Order, please. We have the Railway Association of Canada. Gentlemen, you have 20 minutes for your presentation. You may allow time within that 20 minutes for questions if you so desire. I would ask you to identify yourselves for the purposes of our recording Hansard.

**Mr Bruce Burrows:** Good morning. My name is Bruce Burrows, vice-president of the Railway Association of Canada. The Railway Association is pleased to present a short brief to the standing committee on how the rail industry of this province can help do more for Ontarians under a modern fiscal structure, where we can help by achieving a better quality of life—one that is not only more prosperous by facilitating the competitiveness of Ontario shippers, but in particular a life that is environmentally sustainable.

Joining me today is James Allen. James represents one of the 23 railways in Ontario. He is general manager of the Ottawa Central Railway, a viable short line in his part of the province. Chris Jones is our director of provincial government liaison for the association.

**Mr James Allen:** Good morning. In Ontario, the railway industry employs approximately 10,000 people. The Railway Association of Canada has 23 members, including 15 short lines, of which the Ottawa Central Railway is one.

The Ottawa Central Railway handles a wide range of products, including pulp and paper, forest products, chemicals and industrial goods, shipping all over North America, down into Mexico and to ports for export.

As a short line, our greatest challenge is when it comes to infrastructure upgrades. At the end of the day, there are just not enough dollars available from our

operations to deal with the upgrade on infrastructure. There is a great deal of infrastructure: the rail industry operates 12,000 kilometres of track in the province.

Ontario trade gateways handle 65% of Canada-US trade, including 80% of the Canada-US rail trade. GO Transit has a significant presence in the province. There is also a significant supplier presence, including National Steel Car, General Motors and Bombardier plants in Thunder Bay and Kingston. Ontario railways were forecast to spend approximately \$323 million in capital stock additions in 2003.

Virtually 100% of interprovincial and Canada-US finished auto traffic moves by rail.

Rail moves over 90 million tons through Ontario annually, equivalent to over five million truckloads. That's a lot of rubber off our highways.

Algoma Steel traffic to the new Hamilton facility alone will reduce Highway 400 traffic by 10,000 trucks per year. DaimlerChrysler, shipping 120 truckloads a day worth of auto parts by trailer-on-train service between Detroit and Toronto—over 40,000 trucks off the roads.

There is a need to recognize the contribution rail makes to addressing freight movements and freight movement challenges in the province and to Ontario's economic growth.

International trade is growing three times faster than domestic trade. Using rail to help handle more freight would produce major savings in public infrastructure costs, particularly on Ontario trade corridors.

Given the urbanization and demographic trends, future growth in the GTA and southern Ontario will require massive new spending on highways, with a commensurate increase in consumption of land and the negative environmental impacts.

**Mr Chris Jones:** The transportation sector, in our view, is clearly not sustainable in financial terms *[inaudible]*.

We believe there will be significant pressure to raise taxes to pay for roads and their maintenance. We know that at the moment the 401 highway vies with the San Juan freeway as the most congested road in North America.

1030

In part this is because we lack full-cost accounting and road user charges on our system. Many other jurisdictions and governments in the world have moved in this direction, recognizing that the way governments *[inaudible]* finance highways fails to incorporate the long-term costs of financing land acquisition debt. Hence governments around the world are being asked to look at that and to rectify it. Just this last weekend in London, England, most of the European nations got together to look at systems of full-cost accounting and had to deal with this.

Some of the impacts of moving more freight and people by road are unsustainable. In terms of accidents and safety concerns, we know that policing and emergency scene attendance is a huge issue. Gridlock and delays in delivery are estimated to be about \$2 billion

annually in the GTA alone. A less well known impact which we describe as an externality is the health costs, not just of people involved in the accidents and so on, but in a more insidious manner the air pollution result in Canada and southern Ontario having one of the worst rates of asthma in the industrialized world, with huge numbers of children being admitted to hospital for that and emissions from coal-fired generation.

Rail accounts for about 4% of all transportation sector GHG emissions. That's despite carrying about 66%, by weight or volume, of goods. Rail has increased its revenue per ton-kilometres by 28.2% over the last 12 years, but total GHG emissions fell by 0.6% over that same period. So we're moving more and emitting less. Almost two thirds of the 26-megatonne increase in transport sector GHG emissions between 1990 and 2000 came from the road freight sector while rail—in fact, rail, as I was saying here, reduced its emissions by about 1% of the total. Finally, we think rail's multi-modal and intermodal services are a viable solution to the growing problem of GHG emissions, essentially containers and truck trailers on the flatbed rail cars.

**Mr Burrows:** Turning to page 9, the nub of our presentation today is taxation. Taxation in Ontario is limiting our ability to further contribute to the economy. We see that we have reported taxes running up to about \$120 million, almost \$150 million a year.

The real concern today is property tax. Turning to the next page, railways pay property taxes for railway corridors which they finance and get few services for. We are paying \$20 million of property tax in Ontario on our corridors. This is after a massive increase to the values, of 50%. In contrast, commercial road users pay no property tax for the benefit of using roads. Privately run toll roads such as Highway 407 are tax-exempt. Our property taxation levels overall in this province are the second highest in North America. Making railway property taxation more equitable with competing jurisdictions in both Canada and the US and equitable vis-à-vis the other modes, in particular the transport mode, would permit railways to offer lower rates to Ontario firms and industries, thereby making them more competitive in the North American marketplace. The government of New York, for example, recognized the problem recently last year and they introduced and passed legislation to reduce property tax for railways by an average of 45%.

There are a couple of other concerns which I will note, but I'm not going to be spending much time on those issues. These are issues that need to be addressed when the budgetary conditions are appropriate in this province, and they're issues that aren't particular to the rail industry. I'm speaking in particular of capital tax. I think Ontario will want to get back on track, phasing out the capital tax regime. It's clearly a disincentive to investing. It's something that the federal government has clearly recognized now. And the issue of business tax rates, which seem to be creeping back up in the opposite direction, is probably more appropriate to having a sustainable economy in Ontario in the long term.

But just turning, in summary then, to page 14, we at the rail industry association are eager for the government to conclude the long-standing review that has been underway for over two years now of Ontario's property tax regime. There is an outstanding issue of maintaining the freeze for 2003 and 2004, and moving to address, on a longer-term basis as a first step, looking at a reduction of 25% of the education component, which is an item already on the table.

In summary, I would just say, turning to the last page, that Ontario's railways are making a significant contribution to the economy, but if we're to play an even greater role in addressing the challenges that Mr Allen and Mr Jones just outlined, then certain fiscal barriers need to be removed and Ontario could easily attain a world-class *[inaudible]* if it finally addressed the property tax problem on the rights of way in this province. Then I think we can get well underway on a more equitable, balanced transportation regime for the province.

**The Chair:** Thank you. We have about three minutes per party and in the rotation it's the NDP.

**Mr Prue:** Thank you very much. I have to tell you I am quite supportive of more *[inaudible]*.

My question to you comes back to the tax. This government was elected saying that it wouldn't reduce taxes and it wouldn't raise them either, other than *[inaudible]* corporate tax. You're asking them to reverse that? *[Inaudible]*.

**Mr Burrows:** As I mentioned, we faced a 50% increase over the last 10 years, so we are looking to reverse that increase net. We're not looking for a reduction but that you take into consideration *[inaudible]*.

**Mr Prue:** Now in terms of the railways themselves—  
*Failure of sound system.*

**Mr Prue:** What is it, precisely, other than tax, that the Ontario government can do for you to put the railways *[inaudible]*?

**Mr Burrows:** We are both federally and provincially regulated. Many of the lines which operate strictly in the province of Ontario are actually provincially regulated.

**Mr Prue:** That's news to me.

**Mr Burrows:** That started in the mid 1990s when new legislation was brought in at the federal level that finally allowed a number of small railway companies to be formed. Hence we now have, in fact, right across the country, 60 railway companies. Of the 23 in Ontario, 15 are short lines. Most of the short lines are all strictly provincially regulated. Those that go across the border into Quebec, for example, are federally regulated.

**Mr Prue:** I noted with some interest an article in the newspaper—

*Failure of sound system.*

**Mr Prue:** What would you need from this government to assist in getting into that kind of transportation, getting out of cars, getting out of airplanes, and putting them on a line at 500 kilometres an hour?

**Mr Jones:** One of the dying acts of the Chrétien government was to announce \$690 million to put toward high-speed rail—

*Failure of sound system.*

**Mr Jones:** But some initial down payment would have to be made on improving the right-of-ways. We're not talking about electrification. We were talking about running high-speed commuter trains that use jet engine technology. We think the numbers are there, the densities are there with auto. There's obviously resistance from other modes *[inaudible]*.

**The Chair:** Thank you. We'll move to the government.

1040

**Mr Peterson:** Have you done a more detailed—you seem to have done a massive amount of *[inaudible]*. If you choose to share that with us—not just the *[inaudible]* but also the road wear aspects?

**Mr Burrows:** We'd be pleased to. We also have quite a bit of micro-analysis on *[inaudible]*.

**Mr Jones:** You have in front of you a piece by the president of the railway association—

*Failure of sound system.*

**Mr Jones:** —heavy axle vehicle trucks. Remember, only about 50% of the damage they do to roadworks is *[inaudible]*. There's significantly more damage done by *[inaudible]* than a passenger vehicle.

**Mr Burrows:** Those are independent studies that have been done in both Canada and the United States and they all tend to merge on that *[inaudible]*.

**Mr Peterson:** The specific costs would be appreciated. Also—

*Failure of sound system.*

**Mr Burrows:** We'd be pleased to.

**The Chair:** Mr Zimmer, you have about a minute left.

**Mr David Zimmer (Willowdale):** On these 15 short-line operations, what sort of revenues *[inaudible]*?

**Mr Allen:** If you're asking about *[inaudible]*, I don't have the specific lines in front of me. *[Inaudible]*.

**Mr Zimmer:** On the taxation side, do you include licensing? Are there any licensing fees? *[Inaudible]*.

**Mr Jones:** I think the point to bear in mind is that short-line railways tend to be smaller—

*Failure of sound system.*

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

**Mr O'Toole:** Thank you very much. I think this is an important sector. I agree with you *[inaudible]*. In that respect, just a comment first, then a question. The comment is basically the way the fixed mode of transportation is rail. Can you tell me, in all the statistics around *[inaudible]*, what other solutions would you see—

*Failure of sound system.*

**Mr O'Toole:** That's one of the reasons they moved to the rail system from an integrated system *[inaudible]*. Chrysler uses that. It's not that they're really popular, because it does involve a whole infrastructure. I noticed in property taxes *[inaudible]* issue, you say it's a linear tax problem. You claim that we weren't listening, but we understand. Do you think the tax break applies to the land *[inaudible]*?



**Mr Burrows:** To answer your first question, you [*inaudible*] rail-truck. In fact, that's the fastest-growing sector of the industry today. In the last five years, we've seen 5%-plus growth per year. Looking at the cross-border flows, for example, the issues where the auto companies have been very active intermodally, we've seen 3%-4% market share growths because the auto companies are fed up with [*inaudible*] and the inventory control problems associated with that, coming in exclusively on the highway system. We've introduced, over the last five years, numerous new intermodal services which are, for the first time, actually pretty time-sensitive and service-friendly: overnight service now that hasn't existed in 40 years between Toronto and Montreal on a service called Expressway. That's branched right down now into Detroit, so the auto companies are using it cross-border. It's very, very successful [*inaudible*].

On your question about taxes, the question was—

**Mr O'Toole:** The rate itself. In a minute or so [*inaudible*].

**Mr Burrows:** They're broken into [*inaudible*]. After the 50% increase I mentioned earlier, they froze it at that 50% increase level, broken into nine geographic zones, actually. So the railways, each line is in one of those nine zones and there is a common average freight rate that is applied to the right-of-way.

**The Chair:** Thank you for your presentation. Any information requested by members of the committee, if you would provide that to the clerk, and then we will give it to all members.

**Mr Burrows:** Thank you very much.

#### CANADIAN UNION OF PUBLIC EMPLOYEES, LOCAL 2204

**The Chair:** I call the Canadian Union of Public Employees, local 2204, Child Care Action Network, to please come forward. Good morning. You have 20 minutes for your presentation. You may allow time within that 20 minutes for questions. If you would please state your names for the purposes of Hansard, you may begin.

**Ms Jo-Ann Hightower:** Good morning. My name is Jo-Ann Hightower, and I am the coordinator of a local child care centre in Ottawa and a member of the Child Care Action Network.

**Ms Shellie Bird:** I'm Shellie Bird, with local 2204, child care workers of eastern Ontario, and a member of the Child Care Action Network.

**Ms Hightower:** Before I begin, just let me say that lobbying is not a strong point of mine. I feel much more comfortable being in the presence of children. I will read directly from my notes.

**Mr Crozier:** There are children here too, so don't feel bad.

**Ms Hightower:** I won't comment on that.

Who are we? The Ottawa Child Care Action Network represents non-profit child care agencies, associations, groups, child care workers, children's services and advocates living in Ottawa. We are a local network of the

Ontario Coalition for Better Child Care. Our purpose is to build momentum in our community to support, protect and expand regulated child care and its workforce in the city, the province and the country for children and families.

Before we get started, what is high-quality child care? Extensive research shows quality child care programs have high adult-to-child ratios, consistent caregivers, small group size, well-trained and compensated staff and healthy, clean, safe environments. These elements have been found to exist when there is adequate government funding for a not-for-profit delivery model, parental involvement and enforced regulatory standards and it is linked to community and parent services.

**Ms Bird:** I would like to quickly go through what is happening in the city of Ottawa with its child care system, and also relate it to what has been happening in the province of Ontario over the last eight years. Currently, there are over 94,000 children zero to nine years old living in our city. There are currently 11,300 licensed child care spaces, of which 6,850 are subsidized. With over 70% of young children needing access to non-parental child care, while their parents work or study, this means that only 10% of children can access high-quality child care, the kind that we know is best for them. Wait-lists in the city of Ottawa for infant and toddler care can be up to two years.

Two local research projects, the Women's Access to Municipal Services and the Success by Six community gap in service analysis found child care to be the highest unmet need among families with young children. It found that women in Ottawa identified the inability to access quality child care as a barrier to finding and keeping work or participating in employment, training and other city programs. Women identified not knowing how to access subsidized care, long wait-lists and inaccessible locations as barriers to accessing child care.

#### 1050

These findings are disturbing in light of the fact that our city has had a strong understanding of the importance of, and a commitment to, regulated high-quality child care in our city. This situation instead reflects the results of chronic provincial underfunding. Eight years of provincial cuts, together with increased pressures on city budgets as a result of downloading, are witnessing a retreat from this long-standing commitment. This retreat began last year when our city was forced to eliminate 170 licensed child care spaces and placed a moratorium on the capital child care reserve fund as a way to stabilize the child care system in Ottawa and to balance the city's 2003 budget.

Another issue we wrestle with in the city, that is being wrestled with across the province of Ontario, is the 2003 out-of-court settlement on the charter challenge on proxy pay equity. The pay equity settlement did not fully address the financial requirements of all child care centres and operators. The settlement failed to provide funding for retroactive payments incurred by a majority of employers who met this legal obligation, at the

expense of other vital operational and capital needs for each centre. Also, this out-of-court settlement only extends until 2006, so we're not sure what's going to happen to the obligations of parent boards of directors or the situation faced by the, largely, women who work in this field if proxy pay equity is not continued.

The continued absence of provincial leadership for this financial and legal obligation has resulted in uneven and haphazard adherence to proxy pay equity plans, a situation that puts operators in violation of proxy legislation for failure to close the wage gap between the proxy sector and their comparator.

The elimination of minor capital grants and the initiative for locating child care centres in schools, the Bill 34 education funding formula, mean that our city is unable to expand services to meet the needs of families and children. School closures have seen centres face closure because they cannot afford the cost to move. In the past, our city has been there to provide support when centres have faced this problem. Clearly, the city is saying, "Tough. You cannot count on us in the future."

The effects of tightened provincial child care subsidy criteria and the new class of subsidies created for Ontario Works clients have created a situation where there is huge unmet need on the one hand and subsidized spaces sitting empty in child care centres on the other. These centres are struggling to run quality programs while trying to keep their doors open.

Provincial downloading and increased funding and delivery responsibilities have created a deficit in the city of Ottawa's 2004 operating budget. In order to deal with it, the city has undertaken a universal program review to address the \$109-million funding shortfall. The purpose of the universal program review was to provide residents with an opportunity to set budget priorities for 2004.

At this time in the city of Ottawa, we are facing possible service reductions with the removal of 295 subsidized child care spaces and 151 licensed spaces, with the reduction of three municipal child care centres, and municipal child care centres are the highest level of quality services, not only in this city and our province but across the country, and it's these kinds of centres that are currently under attack. In the worst-case scenario, we could see the removal of 1,400 subsidized child care spaces and the closure of nine municipal child care centres, a loss of 410 licensed child care spaces, 138 licensed home child care spaces, and a reduction in Ontario Works child care spaces by 587. We are also looking at a 10% reduction in administration of subsidy reviews for parents, which means parents and families will be waiting longer to access child care spaces and, at the same time, spaces will be sitting open for longer periods of time, causing huge financial problems for centres.

Child care in Ontario today is in crisis. There is no coherent system, and the supply of child care spaces needed to meet the needs of families with young children has been stagnant since 1995. Child care programs report financial crises, difficulty recruiting and retaining trained

staff, escalating fees and deteriorating physical environments. As a result, many regulated child care programs struggle to deliver developmental environments, and even when quality services are available, most families cannot afford or access them.

**Ms Hightower:** Why is high-quality early learning and child care important? Research and experience show that regulated high-quality child care is good for children, their families and society. Regulated child care ensures high-quality services that support a child's development and support parents' needs to work and study. High-quality early learning and care is the foundation for life-long learning for all children, a fundamental element in reducing poverty, ensuring women's equality, providing equity for children with special needs and fostering social inclusion.

Evidence from research shows that non-profit child care centres, nursery schools, kindergartens and family daycare are more likely to be of high quality if they are well regulated by government, operate on a not-for-profit basis, are supported by adequate public funding and provided by trained, skilled, well-compensated professional educators with backgrounds in early childhood education and care.

Quality early learning and child care should be a vital service. Researchers and national and international bodies such as the Organization for Economic Co-operation and Development, the European Union and the United Nations recognize that early learning and care is a key component of a solid social and economic foundation for societies; social justice; social determinants of health; crime prevention at the community level; social equity and inclusion; and human development and freedom.

Quality early learning and care provides many benefits to society, including economic ones. Canadian economists have calculated that every \$1 invested in high-quality child care brings in \$2 in future social and economic benefits. If Canada made high-quality child care available to all two- to five-year-olds, the immediate benefit to our economy would be greater employability for parents, higher income and taxes paid by parents, and savings to the social welfare system. Down the road, there would be similar benefits projected for the children because early childhood education is linked to academic and career success.

Setting the stage for a national child care strategy:

(1) The value of a national, provincially managed child care program is well recognized. Families across Canada as well as in all regions of Ontario need a system of universal, high-quality programs. In ensuring that this becomes a reality before more children grow up, all three levels of government have roles to play.

(2) Setting national goals and targets demands a strong federal leadership role and financial resources as well as federal collaboration with the provinces. Ontario must play a key role with the federal government in urging such national engagement.

(3) Ontario's cities and municipalities have borne the brunt of Ontario's downsizing and devolution in the past

eight years. Ontario municipalities, unlike those in the rest of Canada, have had a key role in operating, administering and planning child care since the 1940s, and have played a key role in how the system has been developed.

(4) Canada's cities are more and more being understood as the economic engines of growth. They play a vital role in the well-being of our nation and must be given the tools they need to manage societies that are growing and becoming more complex. The provincial Liberal government needs to take an active part in negotiating a new deal that ensures cities can play a productive role in a national early learning and child care strategy.

**1100**

**Ms Bird:** We'll move on quickly to our recommendations. They do echo our provincial organization, the Ontario Coalition for Better Child Care.

The Ontario government must take a leadership role if it is to put its Best Start plan into action. The members of the Child Care Action Network support our provincial organization's recommendations to move forward on establishing a regulated high-quality child care system that is now commonplace in most developed countries.

First, we would like to urge the Ontario government to immediately address the current crisis in the child care system. Designate three quarters of the \$192 million federal earmarked for early childhood development programs from the 2004-05 ECDI to the regulated not-for-profit child care sector.

Replace the \$160 million cut from the annual provincial child care budget between 1995 and 2001 by the previous Tory government.

Use \$192 million from the federal government through the ECDI, \$30 million from the federal government's multilateral framework agreement and 160 million new provincial dollars to begin to stabilize current regulated not-for-profit child care programs.

We need you to review the subsidy system and remove eligibility restrictions for student parents receiving OSAP, families with RRSPs and RESPs over \$5,000, and parents looking for work.

Amend the education funding formula to ensure that space for existing and new child care programs in schools is available to the not-for-profit sector at no charge.

Direct school boards to incorporate space for child care centres in every new school in the province.

Take full financial responsibility for funding proxy pay equity adjustments and fund the wage enhancement grants so that every person working in the not-for-profit sector has a full wage grant.

Second, we would like the provincial government to keep its election promise to implement a universal, high-quality, regulated, seamless system of early learning and care services and develop a strategy for meeting this commitment.

Third, we would like the Ontario government to develop a policy framework and action plan for implementation to begin to put this system into place one year from now.

Fourth, the Ontario government must play a leadership role with the federal government and other provinces and territories to move toward a national child care program.

Finally—and this comes out of our experience in Ottawa at this time—our city needs strong provincial leadership to support our bid to negotiate a new deal for cities. The province must ensure our city has the financial means it needs to undertake the new funding and delivery responsibilities it has been saddled with as a result of provincial downloading. We also urge you to immediately amend the rules governing property tax assessment and to share provincial tax revenues with cities, beginning in the Ontario budget of 2004.

Thank you.

**The Chair:** Thank you. We have time for one question. In this rotation, it will go to the government. You'll have three minutes.

**Mr Peterson:** Thank you for your presentation. I think you [*inaudible*].

In my area, I have an early childhood centre. It focuses on teaching parents how to better work with their children and educate them one on one [*inaudible*]. In my situation, I would have thought a daycare centre would be more beneficial to the family unit and society, but I'm not qualified to make those decisions. Do you have any thoughts on how we can [*inaudible*] the balance in Ontario to provide better [*inaudible*] and better help largely to single mothers [*inaudible*]?

**Ms Bird:** Yes, it is in the brief. The Tory government's own Early Years study, which was done by Fraser Mustard and Margaret McCain, set out an ambitious plan for integrating and expanding a network of community-based programs across Ontario to provide early universal childhood education and care for working families. However, instead of implementing the recommendations, the Harris-Eves government chose to launch the Ontario Early Years centres. One is located in each riding.

These centres are completely separate from child care service management systems responsible for planning and coordination of children's services at the local level, which undermines the role that local governments have in planning for children [*inaudible*] nurseries. The Early Years centres—Margaret McCain and Fraser Mustard both came out with a second report damning the provincial government for not implementing their recommendations and spending all of the federal dollars on anything but child care, the highest unmet need identified by families in this province. Does that answer your question?

**Mr Peterson:** Yes.

**The Chair:** Thank you for your presentation this morning.

#### OTTAWA-CARLETON HOME BUILDERS' ASSOCIATION

**The Chair:** I call on the Ottawa-Carleton Home Builders' Association. Good morning. You have 20 minutes for your presentation. Within that time frame you

may leave time for questions, and I would ask you to identify yourselves for the purposes of Hansard.

**Mr John Herbert:** Thank you, Mr Chairman and members of the committee. Thank you for the opportunity to make this presentation. My name is John Herbert and I am the executive director of the Ottawa-Carleton Home Builders' Association. I've been involved in the residential construction industry for about 35 years. During that time, I've worked for municipal and federal governments and a range of private sector planning, land development and housing companies. I also spent three years promoting Canadian wood frame technology in Russia and former East Bloc countries for the Canada Mortgage and Housing Corp to assist those countries in developing new housing technologies.

I appreciate the opportunity to speak with you today to deliver an important message from our local association for the construction industry. First of all, I'd like to tell you a little about our local association and the Ontario Home Builders' Association.

The Ottawa-Carleton Home Builders' Association was created in 1951 and is the voice of the residential construction industry in this region of the province. Our association includes 340 member companies involved in all aspects of the industry. Together we employ approximately 20,000 people. Our local association is one of 31 that together form the Ontario Home Builders' Association.

The Ontario association is the voice of the residential construction industry in Ontario. As a volunteer organization, OHBA represents about 3,500 member companies across the province. Our membership is made up of all disciplines involved in residential construction. Together we produce approximately 80% of the province's new housing and renovate and maintain our existing housing stock. We estimate our industry directly employs over a quarter of a million people and contributes approximately \$30 billion to the province's economy every year. A recent report by Canaccord Capital calculated that the residential housing industry represents approximately 22% of Canada's total GDP.

Over the past several years, Ontario has generated tens of thousands of new jobs. Many of those new jobs were in residential construction. It's estimated that each average housing start generates approximately 2.8 person-years of employment. Therefore, with housing starts at 85,000 in 2003, Ontario's new housing industry directly provided over 238,000 person-years of employment last year.

Ontario's housing market in 2003 was very active and healthy. Starts last year were up by 2% over 2002 and reached a 14-year high of approximately 85,000 units. The housing industry was a bright spot in the provincial economy despite a series of unpredictable economic setbacks. Low mortgage rates, increased immigration to the province and high consumer confidence all contributed to strong sales in 2003.

The OHBA and its members are looking forward to another healthy housing market again this year. In fact,

we're forecasting 78,000 starts in 2004. Renovation spending is also on the rise, with about \$12 billion spent in this sector last year. The Canada Mortgage and Housing Corp expects another active year in the renovation sector and forecasts \$13 billion in spending for 2004. This certainly bodes well for Ontario's existing housing stock, which benefits from efforts to maintain and upgrade housing standards and technology.

Locally, the housing market began correcting in 2003, with starts down 18% from the extreme highs of 2002. This was the biggest municipal decline in Ontario, and we believe it was the result of a delayed reaction to the high-tech decline that began two years ago in Ottawa. Given that the high-tech sector is still not showing significant recovery, we believe that housing starts could continue to decline in Ottawa by as much again in 2004.

While most builders are very optimistic about the coming year, they do have some concerns and listed the top five barriers to growth as skilled labour shortages, increasing material costs, shortages in the availability of land, development charges and over-regulation.

#### 1110

Excessive regulation and over-taxation on the home building industry has pushed the price of new homes higher and higher, which in turn has put home ownership out of the reach of many families. New housing is in fact the highest-taxed industry in Ontario, after tobacco and alcohol. Studies by the Urban Development Institute have found that the total taxes, fees and charges paid by a home buyer represented up to 30% of the cost of a new home. Development charges represent a substantial portion of these fees.

Not only do these charges contribute significantly to the cost of housing in the province, but there are serious concerns that some municipalities may be manipulating development charge calculations to increase revenues. Currently, many municipalities are in the process of preparing new background studies to be used in setting new development charge rates. The Ottawa-Carleton HBA and OHBA are very concerned that in some instances background studies have been prepared using very inconsistent and sometimes flawed methods of data projection, which has resulted in various municipalities implementing development charges that are artificially high. As we begin another round of studies and consultant reports to set new rates, we recommend that the government identify and correct abuses of development charges in the home building industry and intervene to ensure that the intent of the legislation, which is to reduce costs, is met. The OHBA seeks to ensure that builders pay only their fair share of growth.

I must also state our concern for potential changes to the land transfer tax rebate for first-time buyers of newly built homes. Since their introduction in 1996, rebates totalling approximately \$196 million have helped more than 135,000 Ontarians purchase their first home and have certainly contributed to the strong growth experienced in the new housing market. Our association supports provincial initiatives to target growth toward

brownfield and infill sites, but our membership is concerned that any changes to the land transfer tax may place new housing out of reach for many young families. We recommend that the province investigate other means of providing either consumers with a tax break for purchasing new housing in targeted growth areas or builders with incentives to build in targeted areas of the province.

The Ontario Home Builders' Association has been actively involved in the government's consultative process as it seeks to develop strategies for promoting and managing growth in ways that sustain a strong economy. Transportation links are extremely important in achieving balanced growth. It is critical that government ensures efficient transportation links between neighbouring communities and that mass transit is reasonably priced. The Ottawa-Carleton Home Builders' Association is in full support of government promises to allocate two cents per litre of the existing gas tax toward transportation infrastructure. While our members understand that the government has to make tough choices to wrestle down the \$5.6-billion deficit, we urge the government to move ahead with this promise as soon as possible. We recommend that if the full two cents per litre of gas tax cannot be allocated in full this year, it be phased in over time.

The shortage of skilled labour is a major concern for the construction industry in Ontario and has been a top concern for our membership for a number of years. The increasing number of skilled tradespeople retiring is not being offset by the numbers of young people entering this market. Informing and educating the public about the opportunities available in the construction industry, as well as dispelling some of the negative stereotypes associated with skilled trades is a major challenge for the industry and government.

In the past year Ontario has turned the corner in the production of private rental housing. Investors are now returning to this market and private construction of new rental units is increasing. Since the Tenant Protection Act was introduced in 1997, private rental starts have increased by 400%. In addition to new supply, since the introduction of the Tenant Protection Act landlords have invested over \$1 billion per year in upgrading and maintaining existing rental properties across the province. The culmination of this activity has resulted in over 30,000 jobs being created annually. Vacancies have increased significantly in urban centres across the province, and in some cases are the highest they have been in decades. In addition to this, rental rates are also decreasing, thereby making rental housing more affordable for tenants across the province. We believe this is proof that the Tenant Protection Act is working and we believe the proposal by the provincial government to repeal this act would have devastating consequences for the new rental construction industry.

The Ontario Homebuilders further recommends the elimination or lowering of development charges on rental units to increase the economic viability of private rental

construction. Government is encouraged to continue to review policies that discourage private investment in this sector. For those who simply cannot afford housing, our association recommends that the province provide shelter allowances. The private sector is prepared to work with the government to provide high-quality rental housing for tenants across the province. Adequate shelter is a basic necessity for all Ontario citizens and we continue to support the provision of shelter allowances for citizens truly in need.

Pressure from the underground economy continues to plague our industry, particularly in the renovation sector. On the provincial level, estimates range from \$1.1 billion to \$1.7 billion per year in lost tax revenue. Our association recommends that the government work together with industry to seek ways of encouraging customers to utilize the skills and services of legitimate, honest renovators and contractors.

Our association has some concerns and recommendations regarding the future of the Ontario Municipal Board. The OMB has served a vital role as an independent adjudicative body in the province of Ontario for over 100 years. There is a need for an independent and impartial body to pass objective judgment on appeals in the province of Ontario to ensure land-use decisions are made based on good planning in adherence to the stated goals of the province. The residential construction industry is, however, open to improving the system and recommends an increase in remuneration for board members as well as a lengthening of members' tenure. The planning system is best served by the province articulating its interests through the provincial policy statement, with municipalities adopting clear policies through their official plans. The industry strongly supports an independent OMB that provides checks and balances outside of the political process.

The importance of this can be seen in relation to the city of Ottawa's new official plan. Although there is always rhetoric about the need for public-private partnerships to maximize economies, it still is seldom recognized by local government. The city of Ottawa recently excluded our industry from discussions on its new official plan on the basis that we were a special interest group, instead of seeking our wisdom and guidance as the key stakeholders we are. Regardless, we attempted to provide input through the process and recommended 61 changes to the document that would have allowed a smoother and more effective implementation of the plan. I am sorry to report that not one of the recommended changes was made to the official plan. We are now faced with a document that will have an extremely negative effect on the housing industry, resulting in reduced consumer choice and significant increases in new home prices in Ottawa. The province must ensure a strong Ontario Municipal Board in order to protect the housing industry and consumers from the extremes that can occur in a transient local political environment.

The Ottawa-Carleton Home Builders' Association is in full support of government initiatives to balance the

budget. The residential construction industry has a valuable role to play in the elimination of the \$5.6-billion deficit. The residential construction industry contributes \$30 billion to the provincial economy and employs over 350,000 people in a variety of disciplines across this province. As the engine that drives the provincial economy, the residential construction industry pours billions of dollars into provincial coffers. The government would be wise to work with the industry to ensure that the housing and renovation industries continue to thrive in Ontario.

We also have one recommendation relating to Ottawa's unique strengths. Although our members are primarily responsible for building this great city, we also have positions on a broader range of economic development issues that affect all sectors. Public and private organizations are increasingly concerned with the environment and sustainability, and we believe that Ottawa is uniquely positioned to advance these strategies. Many of you will know the former city of Kanata as Silicon Valley North because more research and development occurs there than in the rest of Canada combined. We believe that the province could facilitate sufficient diversification of this R&D engine into environmental technology to achieve new job growth and worldwide sales. Most are familiar with Toronto's municipal solid waste problem but many do not know that the technology necessary to convert this material into energy is now available. Why are we talking about shutting down 30% of Ontario's electrical generating capacity because it's coal-fired instead of implementing new technologies that would reduce emissions to the same level as natural gas? One reason that environmental technology is not developing is that no one individual company or government is willing to risk the resources necessary to commercialize new technology. Ottawa has the research and development capacity and is home to municipal and federal governments. The province could coordinate a new program in Ottawa involving all levels of government and the research and development community to create a new and powerful industry that will provide solutions to many of the world's environmental and sustainability problems.

1120

Mr Chairman, members of the committee, I would like to thank you very much for your attention and interest in our presentation and I look forward to hearing any comments or questions you may have.

**The Chair:** Thank you for your presentation. We only have time for one party to ask questions, about three minutes. In this rotation it's the opposition.

**Mr O'Toole:** Thank you very much for your presentation.

*Failure of sound system.*

**Mr O'Toole:** It's a tax by any name. That \$50,000 is added on to the mortgage, and the young couple—that \$50,000 will carry over \$200,000 servicing that mortgage over a 30-year period. That is just unforgivable in a climate where we're talking about affordable housing. I

don't know what we've done, but *[inaudible]* has to be part of the solution; there's no question.

I guess my real question is, *[inaudible]* is to add on a little more of a development charge. Because it's kind of hidden. I'm blaming you, because it's buried in the price of the house. It's for building the hospital. I can tell you, in the hospital sector, in health services restructuring, *[inaudible]* 230 hospitals across the province. The number Duncan Sinclair dropped to us was about \$1.5 billion. That number is \$7 billion.

The question is, should they add a development charge for building hospitals *[inaudible]*? That's an important thing.

**Mr Herbert:** I'd have to respond no, I don't think they should add a development tax for hospitals into development charges.

**Mr O'Toole:** Why not? It's the number one issue, next to child care.

**Mr Herbert:** I think what we should be doing is trying to reduce taxes on new housing construction by *[inaudible]*. Part of our presentation deals with the need for local government to work with industry to find better solutions, more economical strategies, so that we can develop health systems as well as houses at affordable prices.

**The Chair:** Thank you for your presentation this morning.

#### ONTARIO ASSOCIATION OF RADIOLOGISTS

**The Chair:** I call on the Ontario Association of Radiologists. Good morning. You have 20 minutes for your presentation. You may leave time out of that 20 minutes for questions, if you so desire. I ask you to identify yourselves for the purposes of Hansard.

**Dr Ian Hammond:** Thank you to the committee for this invitation to make a presentation. My name is Ian Hammond. I'm a medical doctor specializing in radiology. I've been practising here in Ottawa since 1976. I'm the past president of the Canadian Association of Radiologists and I'm also a long-time member of the Ontario Association of Radiologists. My co-presenter is Mr Ray Foley, who is the executive director of the Ontario Association of Radiologists.

I'd like to present a brief overview of the issues that concern us. Mr Foley has some more specific recommendations which I hope will be of interest to the committee.

I represent a group of 40 radiologists. We provide radiology services ranging from simple things like chest X-rays to more complex examinations like MRI and CT scans, which some of you, or your family members, may have had to undergo. We do provide well over half a million of these examinations in the Ottawa region. We provide services at the three campuses of the Ottawa Hospital. We also send a physician out to the community every day, to Kemptville, to Winchester, to Arnprior, to Carleton Place and to Almonte; and we also help provide

services at community-based imaging clinics in Ottawa—one in downtown Ottawa and one in Nepean. So we provide services to a very large segment of the population of this region; probably about two thirds of all radiology service is provided by this partnership of which I am a member.

The issues which concern us here in Ottawa are not dissimilar to those affecting the province in general. Specifically, Ottawa has a very long waiting list for MRI scans. In 2002, the average resident in this region sat on a waiting list of about eight months for an MRI scan. In fact, there is a private scanner across the river in the city of Gatineau which offers services on a pay-as-you-go basis. Many citizens in the region are forced to use this scanner to get access to an MRI. One of the ethical issues there is that that allows them to jump the queue and subsequently get treatment more quickly than those who do not have the ability to pay for their scans.

The second issue of concern to us is outdated radiology equipment in the hospitals and the community clinics in the region. There are thousands of pieces of outdated equipment throughout the province, and things are no different here in Ottawa. Mr Foley will speak a little more to that.

The third very important issue, which I think tends to get overlooked, is the shortage of technologists. Technologists are the trained young men and women who attend community colleges. They actually do the hands-on operation of the CAT scanners and the ultrasound scanners and the MRI scanners. There's a very critical shortage of these young men and women. They're not being trained. The field is not attractive to them, and just as there's a problem with a shortage of nurses, so there is a serious shortage of technologists. That is another issue we feel needs to be addressed.

The federal government has responded at least to part of this need with the medical equipment fund, part 2, of which \$570 million is earmarked for the province of Ontario. We want to make sure that the elected members of the provincial Legislature are aware of this fund and that they have some say in how it is spent.

I will now turn the microphone over to Mr Foley.

**Mr Raymond Foley:** Yesterday, the federal government had its throne speech. I think there were the same messages which we're talking about here this morning. It was under the heading of "Partnership for a Healthy Canada." The federal government recognized that "The length of waiting" lists "for the most important diagnoses and treatments is the litmus test of our health care system. These waiting" lists "must be reduced." It went on further to indicate that a further \$2 billion of funding would be transferred to the provinces with the specific mandate of reducing waiting lists and to improve access to diagnostic services and also to provide more doctors and nurses and, by the same token, I think, other health care professionals.

1130

I think that's really the thrust of the remarks that I'm going to make in terms of an action plan to resolve some

of these things. Since the election, it appears that many members are not aware that the federal government in 2003 approved a \$1.5-billion medical diagnostic equipment fund as one of the recommendations coming out of the Romanow commission. As part of that \$1.5 billion, Ontario received an allocation of \$570 million. The objective of that recommendation was equipment renewal in clinics and hospitals across the province and indeed across the country, as this has been documented numerous times as a national crisis.

The thing that is astounding to us is that almost a year—10 months—has passed since the federal government made that announcement and no funding has been released, even though that funding is available to the provinces to draw down and to release.

I think more concerning to us, and I think perhaps it should be concerning to the members of provincial Parliament, is that there really has not been any kind of formal or public consultation with the public, with the experts such as radiologists and others as to how this funding should be used. More to the point, we are concerned that the discussion is really occurring within the Ministry of Health, with perhaps a deliberate sense that that's where the expertise lies and an announcement will be forthcoming. We don't believe that makes good public policy. I couldn't help but think, as the last presenter made his presentation, that instead of talking about home building or health care, we could have substituted our respective areas and made many of the same points about the issue of consultations and the lack thereof.

The significance of the \$1.5-billion fund is that this is not the first time that it has happened. In 2000 the federal government announced a \$1-billion fund to replace radiology equipment—that was across the country—of which Ontario received about \$380 million. It was intended to address issues of concern that had been expressed by both the Canadian Association of Radiologists, the national association, and the Ontario Association of Radiologists, which represents roughly 40% of the radiologists in the country.

One of the things that we advocated was that there should be strong accountability measures to ensure that there is the most bang for the buck in terms of how this money is used, as well as providing transparency and an assurance to taxpayers that their medical needs were being addressed in an adequate and satisfactory manner.

However, the experience has been that the radiologists are deeply concerned that this didn't happen with the \$1-billion fund, and we are alarmed at the prospect that this may recur with the use of the \$570 million here in Ontario. Hence, we're making recommendations that we believe are very practical, can be measured, can be seen in a tangible way and will also, more importantly, lead to direct improvements in the delivery of health care to Ontarians, irrespective of where they live or the kind of diseases or conditions they have.

Part of the debate gets disguised to some degree by talk of CT and MRI. The reality is that in radiology most

patients don't get to a CT or MRI scanner as the first diagnostic test. There are a number of good reasons why. Lost in that debate is the discussion about what we would refer to as the primary diagnostic modalities, whether that be mammography or X-ray, ultrasound, fluoroscopy or bone mineral densitometry, all of which detect life-threatening diseases.

We've devised, in the material that you may have at your disposal there, a six-point plan which we believe will correct what happened the last time and provide a scorecard or report card of how this money can best be used to renew the radiology infrastructure in the province to assist in a demonstrated way in the improvement of the health care status of Ontarians. It covers all of the diagnostic modalities that radiologists use to diagnose disease.

The six points really are: we believe that the oldest equipment in radiology clinics and hospitals needs to be identified. There needs to be an inventory, out of the 2,400 pieces of equipment that were identified in September 2000, to get those out of the system and get them replaced. We have suggested that \$50 million of this \$570 million be earmarked for that.

We've given as an example that any mammography equipment over six years old should be replaced. That's an international standard. Any ultrasound equipment over six years—it should be six years. For fluoroscopy and general X-ray, anything older than 20 years should be replaced. I would just add to that that it should be a lot sooner than that, but there is equipment in this city and in this province that is 25, 35, 45 years old. If you were to ask, "Would you drive a 45-year-old car today?" other than if it was an antique, most of you would say, "No, I wouldn't." That's the kind of issue facing the delivery of health care in Ontario.

Second, looking at the other end of the spectrum of diagnostic equipment, is replacing outdated CT and MRI scanners. A number of hospitals have 8- or 10-year-old CT scanners or MRI scanners. More of it is leaning toward CT. Again, we've suggested that \$50 million should be designated for the replacement of CT and MRI scanners, particularly in those communities and those parts of the province which don't have the fundraising or the charitable hospital corporations to raise the money. So in order to help small-town, rural and northern Ontario, we think there should be priority-setting there. We believe that a very practical way is to get hospitals to identify who has the 8- or 10-year-old, or older, scanners and get them to the top of the list to be given priority assessment.

Third, in our plan, we believe that there are a number of new CT and MRI scanners across the province that need to be deployed and approved rapidly. Those, interestingly, were recommendations that all political parties adopted in the last provincial election as being part of their election platform. Again, we're recommending that \$50 million be designated for the areas which typically are small towns, broad regions and rural northern Ontario, where there are major gaps in the delivery of care.

Combined with the previous \$50 million and this \$50 million, that \$100 million of activity would be a significant increase in improving not only the radiology infrastructure for these important modalities but also for shortening the waiting lists, because newer scanners have the ability to scan much faster than older equipment. But it's more than just speed. It's the quality of the diagnostic information that these machines produce.

Next, we've recommended that another \$40 million be designated to replace what we would refer to as a 107-year-old technology. That technology is better known to you as X-ray film, because that's how long X-ray film has been around. In the last 10 or 15 years, there has been digital, electronic imaging called PACS, picture archiving and communications system, which is a much more efficient and modern way of using information and actually lowers health care costs and gets information where it's required.

Again, we're suggesting that hospitals and clinics with major applications should be asked to put forward, as an expression of interest, projects that have a bona fide application so that they can be assessed by an independent team of experts that reports directly to the Minister of Health. We believe that the \$260 million, divided equally between hospitals and clinics, should be designated for the replacement of other outdated equipment or for the purchase of this filmless technology. As I said, it should be applied equally between the two settings, because both hospitals and imaging clinics provide about 50% each of the radiology services in this province.

#### 1140

Finally, number 6 in the plan: We believe there needs to be a capital investment in radiology human resources and, as Dr Hammond referred to earlier, in the training of technologists. Improving all of this equipment is futile if we don't have technologists to run it. We're recommending that \$5 million be allocated, part of which would be to the Michener Institute, an existing technologist facility—the CT and MRI facility in Toronto—and some of the money to another community college that has an existing radiology training program, so that the \$5 million could be used for the purpose of acquiring CT and MRI simulators—devices that would emulate a CT or MRI scanner without actually going through the cost of acquiring one—as well as having the diagnostic work stations that technologists need to train on in order to use that. The impact of that is that it would double or triple the number of technologists being trained currently, and it would ease the concerns about poaching.

We've identified a number of things around accountability, but, in the name of time, I won't go through every one of them. I think "accountability" is a tired expression which, in our eyes, has really no meaning, based on what we've seen and what we believe may happen in the near future. We believe that the elected members in Ontario have to take charge of how this \$570 million is spent and be personally accountable to the constituents in their particular ridings. We believe that there need to be clear and transparent guidelines, and there needs to be a report



card, unlike the last time, whereby not only politicians but patients and the health care system can actually measure what this \$570 million bought.

To that, we've come up with an outline of how we believe it could, using the six-point plan we outlined a moment ago, replace 1,100 of the 2,400 pieces of equipment. We've identified, for example, that it could replace 330 X-ray machines, over 200 ultrasound, 200 fluoroscopy and so on and so forth, and over 50 CT or MRI scanners in the province.

**The Chair:** I want to remind you that you have about two minutes left in your presentation.

**Mr Foley:** OK. I would like to close by saying that I think the questions we would ask you, as elected members, to consider in the context of the \$570 million are: What is the state of the radiology equipment in your ridings? Have you, as local members, spoken to the radiologist in your community about the state of radiology equipment? How long are the waiting lists in your riding? What are the waiting lists for CT and MRI? What's the impact of this equipment on the diagnosis of the leading causes of mortality? Ask the Ministry of Health why there has not been a formal consultation process with radiology experts and other stakeholders as to how this money will be spent in your riding in the health care systems and clinics in your area, and also how it will be accountable to you in your respective areas to improve the delivery and the status of health care. Thanks very much.

**The Chair:** Thank you very much for your presentation this morning.

#### CS CO-OP

**The Chair:** I call on the CS Co-op. Please come forward. Good morning. You have 20 minutes for your presentation. You may allow for questions within that time frame. I would ask you to state your name for the purposes of Hansard. You may begin.

**Mr Gary Seveny:** Good morning. My name is Gary Seveny. I'm president and CEO of CS Co-op. My colleague is Madeleine Brilliant. She's vice-president of corporate affairs at CS Co-op.

I've provided a short document to help keep track of the timelines and leave you with some information at the same time. Perhaps I should open on the basis that we appear before the committee today not for a suggestion or request for where budget funding should be spent in this coming round but concerning items that are typically considerations in the budget that have no cost.

CS Co-op is a unique institution if you look at Ontario. Ontario has responsibility for credit unions. We are the oldest credit union in Ontario, founded in 1908. We hold charter number 1. We're also unique in that we're the only credit union that sits on a provincial boundary, sitting on the Ottawa-to-Gatineau city boundaries, the provincial boundaries, and yet we are chartered under the province of Ontario. We have over 149,000 members and we serve in different communities, including beyond the

national capital region: Toronto, Kingston, North Bay and Pembroke.

We have a long-term goal to converge our current credit union with our subsidiary bank, called Alterna Bank. Alterna Bank was created to help us extend our services beyond the province of Ontario. As a regulated provincial entity, CS Co-op cannot provide services to our members across the river here in our community. Additionally, because we served, originally, federal government employees, many of our members travelled, through decentralization of the federal offices. So we have a problem across the country, not just across a river.

Credit unions in Canada have been quite challenged by the restriction of their provincial regulation as to where they can do business. The creation of Alterna Bank has allowed us to start to move with some of our clients to where they are located. Our difficulty is that we have not yet been able to converge the two entities, the credit union and the bank.

The first obstacle that we come into is the first subject I wish to discuss with you, which is called continuance. In every act for every financial institution in every province, except for credit unions, there is the ability for, as an example, the trust, the loan company, to migrate from a provincial jurisdiction to a federal jurisdiction. There is no such provision in the credit union act to allow us to move from a provincial jurisdiction to a federal jurisdiction. In essence, we have to wind up and re-establish ourselves federally. There are tremendous costs involved.

In order for us to realize what we need to do to serve our membership on a broader basis beyond the province, we had proposed to the prior government continuance legislation. It was accepted and put into the budget. We ask this committee to consider the same material that we had presented previously—this is just a brief synopsis of it—and look forward to seeing it in the next budget of the province.

I also want to address a new issue that is being raised in at least two other provinces—very timely. In April of this year in the province of BC and in a similar time frame in the province of Saskatchewan they will be looking at the credit union legislation as it relates to reciprocity. Reciprocity is when a credit union with favourable reciprocity clauses between provinces is able to cross boundaries to do certain types of business. It has been awkward in the past, almost formidable. However, in the provinces of BC and Saskatchewan they are going to be looking at reciprocity to an even broader degree to allow for mergers between two provincial entities in two different provinces. I think it is appropriate for this government to look at the credit union restrictions legislation to open up to allow for greater opportunity for Ontarians and residents of other provinces to avail themselves of services by the combining or consolidating of credit unions.

I put this one forward on the basis that it is not an immediate need but an emerging need. The other provinces will be putting this before their Legislatures; as an

example, BC in April. I would not like to see Ontario too far behind in bringing this type of legislative change forward to provide an equal or almost level playing field among all parties in the credit union industry.

**1150**

Finally, we have a credit union act that was last updated in 1994 and a commitment by the government of the province to revise that act every five years. The last time, as I say, was 1994. It is time for that act to be rejuvenated. There are a number of areas in the act that require modernization, the detail of which would just cloud your discussions, but I think we need an emphasis coming from the province to encourage the revitalization of that act.

That is my presentation to you today. It's a no-cost presentation other than that it takes resources to accomplish what I have talked about. Your resources, however, have already applied themselves on the first issue, are quite familiar on the second and obviously on the third issue there was a plan to utilize your resources every five years.

**The Chair:** Thank you. We have about four minutes per party and we begin the rotation with the NDP.

**Mr Prue:** I just want to be absolutely sure. My question will be very simple and probably the only one. You are not asking for any budgetary changes, you are not asking for the provincial cabinet to do anything, you are not asking for this committee to recommend anything to the Minister of Finance in terms of how to solve the \$5.6-billion budget, where to find any revenues or anything else. You simply want some changes to your act.

**Mr Seveny:** I'm sure most people who come to you have ways to spend your money.

**Mr Baird:** You're actually the first person I've ever met who hasn't.

**Mr Seveny:** We are a cost-neutral proposition and yet we don't want to be discarded because we don't have our hand out. We think that because our area comes up through finance and your committee reports back to finance, it's been lucrative for us to have these discussions with your committees in the past. That's why we are appearing here before you today.

**Mr Prue:** I would forgo the rest of my time so we can get on to the next deputant.

**Mr Peterson:** The federal government has made it a lot easier to incorporate banks; much smaller capital requirements. You've done that. Is there any conflict between what you're trying to do interprovincially and federal regulations? I would have thought interprovincial trade is a federal issue. Why is it just between provinces?

**Mr Seveny:** I have to be careful here. I sit before you wearing two hats, first as president and CEO of two financial institutions, a provincial and a federal. But I also represent our industry, which is the credit union industry. It's important that that industry not lag behind its competitors; otherwise, it can be ground down. What I'm representing in the two elements that I speak to you about, reciprocity and the credit union act, is primarily for the industry.

On the first element, continuance, at the moment in the province of Ontario, CS Co-op is the only institution prepared to exercise continuance legislation to move to a federal entity. You're absolutely correct; there is a difference of regulation and requirements between the provincial and federal levels. Right now we're being regulated by FSCO and DICO in Ontario and we're being regulated by OSFI and CDIC at the federal level. We've taken on considerable cost and considerable utilization of our resources—to our detriment in cost and resources—in order to try to achieve an outcome that our members seek and that our industry would like to see a leader move forward on. That's my proposition to Ontario.

We have been leaders in the industry. I'd like to see us continue to be leaders. We are not only the first credit union in Ontario, we're the first credit union in Canada. There are eight caisses populaires that occurred in Quebec before us, but as far as credit unions are concerned, you're talking to the number one credit union in Canada. So we are leaders in Ontario. That's what I'm looking to sustain.

Did I answer your question?

**Mr Peterson:** I'm not sure I understand enough about your industry. Do you really want a credit union act for Canada, then?

**Mr Seveny:** It's prohibited at the federal level. We're looking for cooperative banking legislation at the federal level, which is on deferment at the present time until we can get the provincial pieces together. As an example, continuance: The federal level will not allow for continuance of a credit union until the provinces have opened up the gate.

**Mr Peterson:** There is supposed to be a new era of federal-provincial co-operation. It seems to me that if you are asking us to burden you with two levels of administration and reporting structures, that's not a favour to you—

**Mr Seveny:** No.

**Mr Peterson:**—and it's not a favour to the efficiency of our economy. This should be a fairly simple matter of whether you're being regulated in one place, because what you guys do is pretty good stuff.

Maybe you can talk to us. This is a little more detailed and technical than perhaps I understand or this committee can deal with at this point. If you need help in coordinating communication between the province and the feds, to simplify all this for you, I'm certainly personally very interested in hearing more from you and working with you.

**Mr Seveny:** Thank you. I've been working on this particular issue very closely since 1998, but going back to 1974. The federal government listens. We have very intelligent people at all levels, provincial and federal, but then they start protecting their territories. Also, the cost of utilizing resources has been one of the obstacles. If I can enlist any of the people on this committee for future help, I will certainly come back and do so.

**The Chair:** Now we move to the official opposition.

**Mr O'Toole:** I'd like to share some of my time with Mr Yakabuski as well. I was parliamentary assistant to

the Minister of Finance and did the consultations on the merger of FSCO and OSC. I'm quite aware of the liquidity issue that was dealt with and then somehow fell off the table with Credit Union Central merging with BC.

When we were government, we were very supportive of the credit union movement. This continuance issue, as I understand it, was a breakdown at the civil service level, not by political will. I know Minister Flaherty had already committed to do it in a budget. So I'm not sure, but I think it is the right thing to do in the way capital moves today. I just want to put that on the record for Tim and for the parliamentary assistant, because it is a regulatory issue. It's not a bill; it's a regulation. A couple of regulations have to be changed.

Mr Yakabuski may want to make a comment.

**Mr Yakabuski:** Thank you for joining us here today. I certainly do want to comment as well. I'm pleased that the previous government saw and recognized the important and significant role that credit unions and co-ops play in our financial services sector.

I have a number of residents from my riding here today to speak on another issue, but certainly credit unions play an important role in the banking services in my riding. To see that these initiatives go further and allow credit unions the opportunity to continue to provide those options and more of those options to the banking public, I think, is very important, and I hope this current government recognizes that.

**Mr Seveny:** If I could comment, I think we make clear that the merger of the two centrals and our request for a continuance were not at odds anywhere along the way within the civil or the political environment. The bureaucrats supported the continuance 100% and so did the government of the day. As well, we were dealing with our colleagues who at that time were in the opposition, so we had all-party acceptance of it. I think the points that have been raised are correct: There is all-party support for continuance.

**The Chair:** Thank you for your presentation today.  
1200

#### RENFREW COUNTY PRIVATE LANDOWNERS ASSOCIATION

**The Chair:** I call forward the Renfrew County Private Landowners Association. Good afternoon. You have 20 minutes for your presentation. You may allow time within that 20 minutes for questions. I would ask you to identify yourselves for the purposes of Hansard.

**Ms Cheryl Gallant:** My name is Cheryl Gallant. I'm the member of Parliament for Renfrew-Nipissing-Pembroke. To my right is Candice Davidson-Schwan, the chairperson of the Renfrew County Small Sawmill Association, and to my left is Jack Kelly, who is vice-president of the Renfrew County Private Landowners Association. He is also a municipal councillor.

First of all, I'd like to thank you for allowing me and the people I'm representing to be heard today. I understand that it's a rather exceptional request, and it's

greatly appreciated. The reason I wanted to address you is that I feel so strongly about property rights and the threat to rural Canada that we're seeing from a more and more intrusive government. That is really the reason I asked to be a part of your deliberations.

Unlike many of the people who are presenting today, we're approaching the committee from the standpoint that we are the taxpayers who are going to be expected to fund the budget your government is putting forth, and we want you to be aware of the situation here in Renfrew county.

In the year 2003, Renfrew county had a very tough go, between the softwood lumber dispute at the federal level, closing down mills and putting woodlot owners out of work; the crisis surrounding the finding of one cow infected with BSE; the SARS scare—believe it or not, it had a heavy impact, and tourism in some areas was down 60% in Renfrew county. In fact, all of rural Ontario was very hard hit in 2003. Now, with the increases in property taxes that are resulting from higher assessments, we in rural Ontario are truly in a state of crisis.

The people who are here today, as their signs outside show, think it's really time for government to back off. That's the message we want to get through. In the past society in Ontario, the communities were anchored in the rural areas, in the small towns and the villages. What we're finding now is that there is a pending storm that's rising against the government. It's encouraging civil disobedience. That comes from a segment of the population that, until very recently, endured change after change in the regulations. It's got to the point where they just cannot exist, let alone prosper any more. We're here to say that this is over. We're not going to just lie back and take it any more.

This is what's being said in our local newspapers about the assault on rural Canada:

"If the government does not back down on some of its regulations, which seem to be initiated by bureaucrats in urban centres that don't know a sawdust pile from a graham wafer"—that's the real nature of the situation—"this province is in for some very serious civil unrest.

"I saw in the faces of these people, not only anger and disappointment at what's being rammed down their necks, but a clear sense of a mounting frustration that will end God knows where.

"It's the same with the spring bear hunt issue. Despite recommendations to reinstate the hunt, it's not being done because of some animal lover in downtown Toronto. 'This Schad guy doesn't want that warm, cuddly little cub killed. Perhaps he should be in a house here in the valley when a 600-pound bear is trying to break into your home for food.'

"We live in a rural environment, and we need rules and regulations created by those who understand our situation. If those things don't get changed quickly, the lawmakers will see someone show up on their doorstep with firearms, which are likely not registered in the federal gun registry, another big bungle.

"It's time common sense was used in the situation. Let's pray it's done before someone gets hurt."

That is a quote from a newspaper.

Specifically, there are five areas that our delegation wanted to touch upon. The first has to do with assessments, and specifically re-categorization. We have our woodlot owners, who have been classified as agricultural for a number of years, now being reclassified under current market value assessment as residential. What this means is that people here in rural Ontario have been receiving their blue pieces of paper with values of their property that have, in some cases, more than doubled. The woodlot owners haven't received their tax notices yet, but they're here today to let you know there is a very big problem.

We also have, under MPAC, the reassessment of our sugar bush lots. For the most part, these are agricultural producers—maybe wheat or corn, or woodlot owners—who are just trying to make ends meet, and one of the remarkable things they've done is set up little sheds to produce some maple syrup so they can sell it for extra income. These people genuinely live off the land. In terms of assessment, these sugar shack owners are facing recategorization from agricultural to industrial. They have seen their assessments go up 1000%. It's not just on the little shack where they're boiling down the sap; their homes are being assessed at industrial value as well. Some people are reaching retirement age, where they're not into this any more. They want to go into a smaller home, and they can't even sell their homes because they're totally off the mark in terms of what the taxes will cost.

The other thing that concerns our maple syrup producers is the fact that MPAC is demanding of them a full disclosure of their income from maple syrup production. This leads us to be concerned that perhaps the next step along the way in assessment is that it's not just going to be what property they have but that they are going to be assessed based on the income their business produces.

Now we're going to go specifically to the woodlot owners, because they have some specific issues. With the lumber dispute still unresolved, the job situation has been hit very hard all over Ontario, but particularly in Renfrew county, which relies heavily upon the forestry business for jobs. In Renfrew county, jobs are so scarce that every single job is a treasure. We have to look after each one, not just full plant closings. With this softwood lumber dispute, the woodlot owners have lost an entire market to sell to.

Compounding that with the assessment is the fact that even if they could cut down all the trees to have a reassessment without the tree value, the sawmill owners who would take the lumber are in a situation where they may not be able to continue either.

This is where the Ministry of the Environment enters. I'm not sure whether anyone here is aware of it, but we have inspectors coming on to the property without notice, going through the sawmill owner's lots and sending them a letter in the mail indicating they have to have test holes

drilled in their sawdust and woodchip piles to prove they're not toxic. In dollars this sometimes means \$50,000 to \$100,000 for these test holes to prove they're not polluting. These are just small mom-and-pop operations in most cases. They don't have an extra \$50,000 or \$100,000 to drill a test hole to prove they're not polluting anywhere.

#### 1210

This is the same sawdust that the Ontario Ministry of Agriculture is telling our cattle producers to cover the dead carcasses of their animals with, so the animal carcasses don't leach toxins into the soil. It's the same product that is being used in mulch to beautify our grounds and to soften the areas in our playgrounds. So there's a little bit of disconnect. But all this plays in to the ability of sawmill owners to continue on having meaningful work for their employees or to continue on as a business. Of course it's the employees, the incomes, on which they are taxed. That revenue is channelled to provide the different programs that have been requested of you here today.

Another problem the sawmill owners are having is that if they have these wood chip piles on their land, they're now being told, "Have it carted away. Now that you have them, we don't want the risk of any leachate, so get it off your land immediately." They're facing \$60,000 fines in some instances when it's not carted away.

The mill operators don't see the wood chips as waste. In fact, they're product. We have a cogeneration plant in Renfrew county and as soon as there is enough of a pile of the wood chips to fill up a truckload, these wood chips are taken to a local manufacturer and used to produce electricity. It just doesn't make financial sense and it doesn't make sense for the environment to have the truckers going back and forth any more than they need to. I'm certain the people here today understand that there is a shortage of power-producing capacity. This is another way that our sawmill owners are able to contribute to the overall well-being of the province.

There was one other point that was raised by a sawmill owner. He mentioned that there's a certain part of the poplar trees, the fibres, that isn't any good for pulp and what they do is have it sent to a cereal manufacturer. This excess wood material is being used in our cereal. It's made into pellets to feed our cattle, which we in turn eat. It's also used in cosmetics, so we're putting it on our faces. These people are being told that their sawdust is toxic. How can it be toxic if we're eating it and putting it on our faces? There is a gentleman who wanted me to make that point.

All meat producers and poultry producers are also being hit with the Nutrient Management Act. We in eastern Ontario are in a very precarious position because we are along the border with Quebec, and the Quebec government provides huge subsidies, in some cases pays the entire shot, to have the compliance requirements paid for so that they abide by their nutrient management act.

These producers competing against Ontario producers can raise their cattle at a much lower cost, and raise their

dairy cattle for a lot less, than our people on this side of the border can. We've got that disparity. Again, that's \$100,000 in some cases to put the proper cement down so that they are compliant, \$100,000 that they don't have and that they can't borrow because the agriculture industry is in such a downturn that no bank or lending institution wants to lend them money so that they can comply. They do want to comply.

From the beef producers' standpoint, they have that issue, and in Renfrew county many of the beef producers are also woodlot owners, so they're being hit from all sides: nutrient management, the beef crisis and huge assessments. What they can't understand is, although they have these tracts of land in areas that have had no sales for decades, that somehow those particular pieces of land can be given a market value, when there is nothing to compare it to. Each piece of land is unique. There are rock piles, the Canadian Shield in part, trees—there is no rhyme or reason to the way MPAC is evaluating this land.

Tourism is basically all we have left in the area to really make a go of it in terms of jobs and prosperity. We have the campground association. There the owners are not only being taxed on their business property, they are being levied each individual lot, and now they are being assessed based on other people's trailers that are on those lots. As an extra bonus, they are being taxed retroactively. In many cases these people are no longer there. The campground owner is required to pay this huge tax bill, but then they're supposed to pay it for last year. They're told that, yes, they can ask the trailer owners for the money, but here they are, trying to keep costs competitive with the provincial parks, being made into tax collectors with no compensation for their added efforts of having to chase down these people, and in most cases absorb the extra cost. When we force people to do work where they're incurring costs and getting nothing in return, we feel that's slavery. That's what they're telling me. So campgrounds in the area are closing down.

I mentioned earlier, in reference to the newspaper article, the spring bear hunt. One of the people here, a municipal councillor, knows of 12 outfitters in his neck of the woods. The spinoff for his community from the spring bear hunt is huge. In 12 weeks, there are 70 hunters a week who would come for that spring bear hunt. They'd spend money on gasoline—

**The Chair:** I want to inform you that you have two minutes left in your presentation.

**Ms Gallant:** Thank you, Mr Chair. Again, with paying gasoline, there are provincial excise taxes involved. It has been a huge hit to the area.

ANSIs are affecting the ability of the landowners to earn an income, ANSI being an area of natural and scientific interest being put on their deeds without any knowledge on their part. They go to sell their property and find out that there's an ANSI on their deed.

What we're asking here is that the government rein in MPAC. They are making these regulatory decisions without any foundation in fact or science, arbitrarily calling maple sap producers manufacturers or recategorizing

agricultural land to residential land. We cannot afford it. We don't want to be an extra burden on the government rolls. These people don't want to have to collect social assistance, so we're asking you to stop what's going on with MPAC before it's too late. Thank you.

**The Chair:** Thank you very much for your presentation. There are only 30 seconds left. There's not time for a question. This committee is recessed until 1 o'clock.

*The committee recessed from 1218 to 1300.*

**The Chair:** The standing committee on finance and economic affairs will come to order.

## CHILD AND YOUTH FRIENDLY OTTAWA

### OTTAWA : L'AMIE DE LA JEUNESSE

**The Chair:** I would call up Child and Youth Friendly Ottawa. Please come forward. Let me advise you that you have 20 minutes for your presentation. You may leave time for questions within that 20 minutes. I would ask you to identify yourselves for the purposes of Hansard. You may begin.

**Mr Max Keeping:** My name is Max Keeping. I'm vice-president of news at CJOH-TV and a member of the board of Child and Youth Friendly Ottawa. We thank you for the opportunity to appear before you today to allow you to hear some young people's presentations on your pre-budget.

If I may, I have just left some of your provincial and municipal colleagues on the streets of Ottawa today because this is Toque Tuesday, and toques are being sold to bring awareness to the issue of homelessness in our province. I invite you to make a minimum donation of \$10. My colleagues will bring you some toques.

To illustrate the point, here in the city of Ottawa, one of the most prosperous cities in Canada, last night 850 people slept in family shelters, too many of them children. There are 12,000 people on the waiting list for affordable housing in the city of Ottawa. So if in the most prosperous of cities that is the situation, that is the challenge you as legislators face and we as taxpayers face. I use that as the context for introducing you to two of our youth who will present the unique youth view that we are very happy that you are permitting us to present.

To my left is Brett Popplewell, who is a graduate of Merivale High Schools, a young man who implemented one of this community's first student-operated anti-violence and anti-bullying programs and who devotes many hours to community service work. He has just recently published his own anti-bullying comic book; 15,000 have been distributed and there are requests from across Canada and even the United States. He is a board member of Child and Youth Friendly Ottawa.

To his left is Pierre Cyr, who is a volunteer at CAYFO and also a member of the board. He recently worked as a political assistant on Parliament Hill. He is a graduate of the University of Ottawa and, like Brett, Pierre spends many hours committed to building a stronger community for kids.

**Mr Brett Popplewell:** Thank you very much, Max, and thank you very much to all of you for giving kids a voice in the upcoming budget.

The provincial government has not always acted in the best interests of young people, especially those who are marginalized, mistreated and considered to be at risk. Like many governments, children do not rate highly on the priorities list: They do not vote, have no money to fund campaigns and appear to have little currency with politicians. Yet Ontario's children and youth are our future. As such, we think it makes sense to ask politicians at all levels to determine and measure the impact of their decisions and how those decisions affect youth.

We also think it makes sense to ask politicians and policymakers at all levels if what they are doing is good for children. So we ask, is what you are doing good for Ontario's children and youth? And if so, how is this substantiated?

As young people, we ask for an Ontario in which young people are respected as citizens with a valued contribution to make and a voice of their own; where all children are cherished and supported by their families and the wider society; where they enjoy a fulfilling childhood and realize their potential; and where they can have access to mentoring programs, nurture humanitarian values and goodwill and have opportunities to contribute.

Young people of Ontario want to contribute, they want to have opportunities to engage with their provincial government and they want to be consulted on matters that affect them. We feel that this is not too much to ask.

**Mr Pierre Cyr:** We must never lose sight of the role the community has to play in the raising of its children and youth. Governments and professional groups are not parents. It is not their function to raise the children. It is the function of us all. They are all our children. Ils sont tous nos enfants.

Les institutions professionnelles ne peuvent pas, et ne devraient pas être strictement responsables du développement de notre prochaine génération. Ce n'est pas leur responsabilité. Ils n'ont pas nécessairement l'expertise professionnelle, ni les ressources nécessaires, et la majorité ont déjà leurs mains pleines avec leurs maintes responsabilités.

Professionals can only be stretched so thin, and with this there can come a sense of fatigue and frustration about having to dilute the core tasks in favour of doing what was once the responsibility of parents. Kids suffer as a result of this, and yet when there are problems, no one seems to want to ask the kids' opinions.

We should be worried about the impact on children of those parents who are isolated, separated and divorced, those who must struggle with costly child care and those who are stressed and oftentimes overwhelmed by multiple jobs. We worry about the number of Ontario kids who go home after school to an empty house, to watch whatever on television or to engage in computer games and activities that might otherwise horrify their parents. We think the province should be concerned about the number of kids who are not using libraries,

those unable to read nursery rhymes and those without the capacity to complete a job application.

We should be worried about poverty, about students who go to school hungry, those who can't afford community recreation programs, school trips, skates and many basic things so many of us take for granted. We worry that the blame that is sometimes heaped on multicultural families is not a result of their being multicultural but rather a result of their being poor.

Nous oublions parfois que les réalités qu'envisagent nos présentes communautés immigrantes ne sont pas différentes des réalités que plusieurs autres communautés ont envisagées dans leur intégration en Ontario. Comme jeune Franco-Ontarien, je connais bien les difficultés qui accompagnent le fait d'être un enfant minoritaire dans un environnement minoritaire.

Diversity should strengthen society, not break it up. It is something that should be honoured and protected, and yet we worry about a creeping sense of prejudice directed at young people who might be visible minorities and branded as trouble, not because they are bad but because they are living in families where their basic needs are not being met.

**Mr Popplewell:** We worry about the incidence of bullying, violence and victimization and we wonder why students are not encouraged to get involved in the safety and upkeep of their school culture. Are they not capable? Is this the reason?

We worry that not all children have a healthy start in life and healthy role models. A person has to work hard to get a licence to drive, indeed you have to pay fees, but no one seems to care when it comes to having a child. Anyone can have a child but not everyone knows how to care for and raise a child. This might make sense if we were talking about domestic pets.

We worry that youth do not have opportunities to engage at a meaningful level within their communities and the opportunity to develop marketable skills through education and mentoring. What a waste.

We worry because there are still too many kids in Ontario who come into the world, only to find the doors already closed. For too many, their home is the child welfare system and the streets. These kids often experience far too many foster home or group home doors or doorways where they are forced to bed down for the night. We want to ask politicians at all levels and in all provinces why kids have to deal with closed doors. The doors that open to opportunity are often the same doors that welcome adults and yet are closed to kids. Why is that?

We worry that the huge infusion of resources that have been placed into the early schools initiatives in Canada and the provinces have taken away from youth programs. We acknowledge and support these early years services but worry that the adolescent has been somewhat forgotten in this rush to serve the preschool kids. We worry that many people regard early years interventions as being somewhat like inoculations given for smallpox or polio. We fear that it is not this simple, and we worry

that funds allocated to the early years will not alleviate the need for increased youth resources and programs. Why serve one group at the cost of another? It does not make sense.

**Mr Keeping:** We wanted to acknowledge and applaud the Premier's appointment of a minister responsible for children and youth. I will recall the Premier's comment in an interview he did with me immediately after the election in which he said the minister of youth sitting at the cabinet table would be there to comment on every decision that's taken and to give a child's perspective to it. Child and Youth Friendly Ottawa asks that every decision going before the cabinet be vetted first: How does it impact on children and youth?

We still don't know a lot about the new minister and ministry, the portfolio, the mandate, but we do want to caution: Please don't let it be the way that it's happened in the federal system, where children and youth are now served by 17 different ministries, each with their own mandate and with little interdepartmental collaboration. We're asking that you not fragment youth and children's services any more but rather move to a more holistic approach and better coordination. We look to the new minister to see that no child gets lost between departmental cracks.

1310

**Mr Cyr:** We'll end our presentation with a small number of recommendations.

We are concerned that many of the solutions put forward by government are generally quick-fix, piecemeal solutions created to provide a perception that the children are being served. Therefore, we recommend that all legislation brought before the Ontario government pass through a child impact process in which cabinet would ask questions such as: How will this legislation impact the children as they grow to young adulthood; what are the consequences and the costs; will the children be well served by this legislation? These questions are the essence of sustainable development and also of sustainable communities. Decisions made today will impact us most tomorrow. If we're looking at building stronger cities, which was essentially a message yesterday in the speech from the throne federally, I think we should also look at building stronger communities with the young people who will be impacted in the future by decisions today.

We recommend a provincial summit on children to focus on their rights and entitlements. This would hopefully be coordinated in part by youth and attended by youth and key members of cabinet. Themes could include violence prevention, multiculturalism, child welfare, youth engagement, community involvement, and the environment. Recommendations would go to a newly formed provincial youth secretariat mandated to promote youth engagement in civic affairs, youth leadership, community capacity building and volunteer work.

Young people are frequently victims, and sometimes also perpetrators, of violence, be it at home, at school, on the street or at the workplace. We worry that violent

behaviour is all around us in the media and in public life. We would not be surprised at the rising incidence of bullying, cyber abuse and violence in our schools and on our streets. It is for this reason that we recommend new approaches for combating violence through the establishment of a provincial task force on youth and violence, conducted for the first time in the province's history by youth with support from elders.

We recommend that the Ontario Ombudsman's office be demystified and brought to the attention of all children and youth through a major and ongoing marketing campaign. Children and youth need to know whom to go to when their fundamental constitutional rights have been abused. At the moment they may go to teachers, they may go to social welfare, but there is no clear direction on how to exercise their rights.

We recommend increased resources to promote mentoring initiatives that bring young people into contact with adults. The need is particularly great for young people living in disenfranchised circumstances. We particularly endorse e-mentoring and believe that this can be established with minimum costs through partnerships with the private sector.

Finalement, nous recommandons l'établissement d'un secrétariat provincial pour le service aux jeunes. Ce secrétariat aura comme but de promouvoir le bénévolat dans les communautés, ainsi que de développer un réseau provincial d'organismes qui ont des approches par les jeunes, pour les jeunes.

**Mr Keeping:** Recognizing that the recommendations we're making are for the budget, all that we're talking about really does pertain to the budget and the kind of priority that the new government will give to children and youth of the province. We don't have a cost for the specific recommendations we've made to you. However, we view them as being preventive and significant cost savers in the long run. The research has shown—it's very much available—that investment in children and youth nearly always serves to reduce the costs associated with the criminal justice system, child welfare, unemployment and homelessness. A dollar spent on a child in the early years will save you \$7 down the road when that child is 18. Governments have recognized that through the Early Years program but sometimes shut off the funding too soon.

We also advocate the establishment of the first provincial children's fund, which would see the private sector working in tandem with the government to establish a \$25-million endowment fund to promote youth service, mentoring, entrepreneurship and leadership. We believe such a program could be carried out by the underutilized organization currently known as Ontario's Promise.

**Mr Popplewell:** We want to sneak in one last recommendation, and this is to urge you to produce a statement that underscores the need for the provincial government to listen to its children and youth, those unable to vote and often discouraged from participating in the lives of those in their province. We have much to say and a desire to contribute, but above all we wonder why you fail to

ask us. Please listen to us, engage us and seek out our contributions. We might all be the beneficiaries of that.

**The Chair:** Thank you very much. We have two minutes per party, and we begin with the government.

**Mr Crozier:** I want to thank you for your presentation. I am now a grandfather and it's come back to me again, the importance and the vulnerability of youth in our society. I say that because those of us who live rather comfortably tend to forget just what it is like out there for some in our community. Once another generation comes along and they start to associate with other young people, you realize the importance of what you're saying.

I haven't any real questions to ask. I just appreciate the fact that you've come. It's a huge question. There are so many things that happen to vulnerable kids that we don't even know about. I think we have to do what you are urging us to do.

**Mr Keeping:** I thank you for that, Mr Crozier, and would point out that some of the younger people we would like to have been able to speak to you are in school and therefore couldn't appear before a committee such as this during school hours. I would also remind you that in Ontario we have what we call the casualty class of kids, the ones you're talking about, the one in five who gets lost and ends up in the juvenile justice system or the mental health system. We can't afford to lose that many kids.

**The Chair:** We move to the official opposition.

**Mr Robert W. Runciman (Leeds-Grenville):** John may have a question as well.

Thank you again for your contribution to the deliberations. One of the things you referenced in passing in your statement was the empty house syndrome—unlike when Bruce and I were growing up and our mom was at home when we got back after school or on the weekends—and how so many parents are single parents and have a real need to get out and work to generate some income to meet their needs, whether it's housing, food or whatever it might be.

One of the things I'd like to hear your view on—I know it's been talked about at the federal level over the years, and I'm not sure there's been any reference to this provincially by the three different parties that have governed this province for the past 15 or 20 years—is providing some tax relief for a parent—man or woman—who remains in the home and is not required to meet those economic pressures by leaving the children at home alone after school or in the evenings or whenever it might be. I wonder what your view on that might be, because certainly we now see so many families under those economic pressures, plus so many single-parent families—if governments should consider the provision of tax relief to make it much more feasible for a parent to remain in the home and be there when a child or young teenager requires that presence, that assistance and that guidance?

**Mr Cyr:** Being a Liberal, I have had great difficulty looking at tax relief as being the only solution to these problems. I think the work-to-rule programs we had in schools had a drastic impact. Kids would go to empty

homes at 3 o'clock, and if a parent worked till 5 and maybe got home around 6, they'd be alone for three hours. I think we have an opportunity to create recreation programs within our schools and promote community programs after school hours to engage young people positively.

We have a huge obesity problem in this country. Childhood obesity is a plague, so we need to really get kids active in the schoolyards, using the facilities that are there and developing sportsmanship and skills and that kind of stuff in the after-school hours. Until now, many youth have gone to empty homes, looked at TV and eaten poor TV dinners. That's the reality of what's happening.

Tax relief is a good thing. But at the end of the day, we've given a lot of tax relief to people, and \$75 in one pocket might come out of the other as \$150. That's the way I look at it.

**The Chair:** We'll move to the NDP.

**Mr Prue:** I'm from Toronto, and many years ago I developed a youth cabinet. The youth cabinet advises city council on a number of things. One of the things they have advised on is underutilization of schools, and I'd like to go back to the last thing you said. We've heard a lot of debate around here from teachers, educators and school boards that our schools aren't being used properly. They're only being used till 3 o'clock and are being shut down in a great number of places, to the detriment of the community. As a youth, do you see the school as central to communities and to problem-solving, not only of education but of recreation, sports and culture? How do you see the schools fitting into this?

**Mr Cyr:** Personally, I think they are hubs of activity where young people spend seven or eight hours a day, sort of like your workplace. It's an opportunity to greaten the responsibilities as well as the services that are being offered within schools. Culturally, I can tell you that the only cultural animation I had in my community—I'm originally from Midland-Penetanguishene—was in my school and nowhere else. That was an integral role. It was not education; it was cultural animation. It was subsequently cut back, and we wonder why there are assimilation levels of 80% to 90% for young francophones in that region. Yes, there are greater roles for schools, in terms of services that are being offered in communities.

**The Chair:** Thank you for your presentation this afternoon.

**Mr Keeping:** Thank you very much for the opportunity to appear today and for giving some young people—I think the more you can give young people a voice in their province, the better province it will be and the better communities for families.

**The Chair:** I appreciate the comment.

1320

#### CHILDREN'S AID SOCIETY OF OTTAWA

**The Chair:** I would call the Children's Aid Society of Ottawa forward. Good afternoon. You have 20 minutes



for your presentation. You may allow for questions within that time frame. Would you please state your names for the purposes of Hansard.

**Ms Lucya Spencer:** Thank you very much. As you heard, we're from the Children's Aid Society. With me today are two members of the board of directors: Brian McKee, vice-president of the society, and Dennis Nolan, immediate past president of the society and also vice-president of the Ontario Association of Children's Aid Societies. My name is Lucya Spencer, and I am the current president of the Children's Aid Society.

Today we're here to present to you five issues, along with recommendations on the Ontario budget priorities. These recommendations are presented not only from a local perspective, but also from a provincial perspective. We're here not only to speak about the Children's Aid Society, but also to give a voice to the voiceless. The presenters before us talked about that sector of our community: the voiceless, the children of our community and the children of communities across Ontario. We know these children are at risk today because of the failure of successive governments to recognize their real needs. We believe that by putting children first, we're not only saving money, but we may be saving lives. We're talking about investing in the future, and we need to invest today. We need to invest in the future of our kids, because by doing so we are building the social capital of our province.

I'll pause a moment to talk briefly about the CAS in Ottawa, and Brian McKee will continue to tell you some facts about the CAS. The Children's Aid Society of Ottawa is one of 52 child welfare agencies in Ontario that are governed by the Ontario Child and Family Services Act and regulated by the new Ministry of Children's Services. All 52 agencies are part of the umbrella group known as the Ontario Association of Children's Aid Societies. As you will note, we are a very active member of that particular society, because we do have one of the vice-presidents locally in Ottawa.

At this time, I will ask Brian to give you some more facts about the Children's Aid Society here in Ottawa and some of the work we're doing. He will also proceed to address some of the issues we mentioned earlier.

**Mr Brian McKee:** Thanks, Lucya. I know it's not the best thing to give people facts and figures immediately after lunch; it can put people to sleep. I'll try not to do so. I'll be brief. But I want to remind you that the facts and figures, the numbers I will be talking about, are not just statistics, they're people, they're children, children in need and children in care. That's what we're talking about this afternoon. I was glad to hear that the preceding presentation resonated or echoed some of the points we'll be making as well.

The key point for us is that the Children's Aid Society of Ottawa is the only agency in this community that has the official, legal mandate to receive and investigate reports about child abuse and neglect. We're the only people who can take the appropriate measures. We've been given the legal sanction, the legal right to do so.

It's hard work for our staff and our board. It's also a deep commitment and a never-ending commitment. This is a 24/7 job. Twenty-four hours a day, seven days a week, 365 days a year we offer child protection services. In fact, this year it will be 366 days. The point is that it is a continual and increasing problem for us to meet the needs and demands that are placed on us by the ever-growing number of cases and the workload.

Currently on an annual basis we help about 4,000 children. On a daily basis we service some 900 families in our community—900 families are serviced by the Children's Aid Society on a daily basis. We have about 1,000 children in care, and annually we place about 70 to 80 in adoptive homes, which is actually a pretty good record for a Children's Aid Society anywhere in Ontario.

That's a heck of a lot of work, but we realize there's a lot more that we need to do and have to do. What that work does is demonstrate for us, and I hope for others as well, our commitment to building healthy communities. The linchpin of a healthy community is a health family and healthy children—healthy in all respects. That's what we work to do, day in and day out. We work on that because we believe in putting children first. It's not a cliché, it's not a trite statement; it's something we believe in and work for each day.

What we're pleased to see is that the current government seems to have the same commitment, at least in terms of some of your recent initiatives, including, and most especially, establishment of the Ministry of Children's Services. We think this is an immense step forward—long overdue, but we laud the government for taking this action. However, we need teeth in the action as well. We encourage you to recommend to government that in the upcoming budget sufficient funds be allocated to this new ministry to do the kinds of work it has to do over the coming years.

There is a lot that could be accomplished. I'm just going to give you a few broad recommendations, which my colleagues will elaborate on later, in terms of what the ministry could be up to in the near future, and give you a taste of things to come.

One of things we need to do is review the funding formula. Established in 1997, that formula has not been revisited since. In spite of the commitment of the preceding government to look at the formula three years into its implementation, six years later it still hasn't been looked at. There are immense problems with the formula. Various studies, both by OACAS and other agencies, have shown increased workloads and economic pressures, among other things, mean we need changes to that funding framework.

We're in a code red situation; it's critical. All but two of the 52 associations that Lucya mentioned are currently facing significant deficits. I put it to you that if one or two agencies were having a problem, you might say it's bureaucratic bumbling, misspending or whatever. But when it's 50 of 52, you've got a serious problem and it's not to do with the agencies, it's to do with the funding framework.

The second point: We don't really have funding for prevention and early intervention. It's not really included in terms of the funding we're given. Why the heck do you wait for a problem to become a problem, especially when that problem is kids who are being abused and neglected? That ain't any ordinary sort of problem; that's a real moral issue for us, and I hope for this government. Early intervention and prevention programs work. They work economically. More importantly, they work to safeguard those kids and stop the problem from becoming a problem. We need to start doing more of that.

We need more support for children in care. That includes more resources for foster care, more resources for adoption—I mentioned 70 to 80 adoptions a year in Ottawa, which is quite a record among Ontario associations. That's still pitifully small. We need more funding for that. We need more and adequate funding for crown wards until they are able to support themselves and become fully independent. Currently we don't have any of this.

Finally, and briefly, we need to move to multi-year funding. Can you think of any business in this country that can run, not knowing what its budget is going to be even in the middle of a given fiscal year? For the past couple of years, we haven't known what our budget was going to be until well into the fiscal year.

**1330**

You can't expect anybody to run a show with that kind of incompetence. We need multi-year funding. We need better precision in terms of funding. Again, my colleagues are going to elaborate on those issues later and embellish them, no doubt.

As Lucia pointed out, we are governed by section 15 of the Child and Family Services Act, among other pieces of legislation. What has increasingly happened over the past number of years is that the children's aid societies in Ontario have been tasked or mandated or legislated to do more and more, to do more in terms of provision of services, to do more in terms of community and so on, but unfortunately our funding hasn't kept the pace.

Just let me read to you some of the range of services that we are obligated legally to provide, but unfortunately there doesn't seem to be a legal obligation in terms of funding from our funders.

We have to investigate allegations of abuse and neglect, assess family situations for child safety and risk, counsel families, provide support services, provide children and youth with substitute care such as foster or group homes and, unfortunately all too frequently, go to court to ensure the safety of some children and youth. At a different level, we also have to work with families, community groups, health and social service professionals and organizations to ensure children and youth have the best opportunities for growth and development.

That's really the tip of the iceberg of what we have to do, and even though it only took me 10 seconds to say that, that involves a heck of a lot of work, as I think most

of you can appreciate. That's what we have to do. More and more increasingly, we've been tasked and obligated to do more.

In the past 10 years or so, children's aid societies have come under scrutiny, rightly so in some cases, for some very high-profile deaths of children who were in protection services. The child mortality task force and various provincial coroners' reports have pointed out certain deficiencies in the systems, which were addressed in part by various pieces of legislation implemented in the late 1990s. Unfortunately, what that legislation didn't do is look at such things as addressing activities such as adoption or foster care, prevention and intervention services, which are also desperately needed and, as I say, can stop the problem from becoming a problem.

Because of this increased legislative demand, and because of lack of funding, we have been increasingly forced to limit our interventions to what we call "narrowly defined protection responses." That means that we can't adopt the holistic approach that you need to adopt to better address the problems, issues and concerns of the children in need. We know that adopting the holistic approach makes better economic sense, and most importantly, of course, helps us to protect the children who are in need at the moment.

What I'll do now is pass it on to Dennis Nolan. Dennis is on our provincial association as the vice-president, and he's past president of the Ottawa society. Dennis will discuss in greater detail some of the impact of the legislative changes.

**Mr Dennis Nolan:** Thank you, Brian, and thank you to the committee for hearing us. I say that on behalf of the Ontario association.

As Brian has indicated, we have substantial difficulty doing our job. You know that you and we together collectively are the parents of the young people who are apprehended by the Children's Aid Society and who are therefore in need of services, programs and support. So I'm going to just touch a little bit upon some of the things we do and some of the needs we have.

Brian indicated that we've been undergoing a period of reform. That's about the best way to characterize the last five years. That reform of both legislation and regulation and also the manner in which we do our work has had two profound effects on child protection services. The first effect is that it has enhanced the ability of the children's aid societies to protect children. So we're better able to do that from a legislative and regulatory point of view. It has also increased very dramatically the number of investigations that we have to conduct, and it has increased the number of children who are now in care. The important thing to remember, though, is that these young people are safer, and more young people are safer.

The Ottawa society deals with about 6,000 reports a year that require an activity for us to accomplish to determine whether or not a youngster is at risk. If you look across the province, that number rises to, in the last little while, 82,000 from 56,000, a 46% increase. Again,

this is due to the fact that these legislative reforms have enabled us to bring services to bear to make children safer.

Despite these improvements, however, as Brian indicated, the funding has not kept pace with the legislative requirements, so we find ourselves, as a society, and the 50 agencies that are in the same boat as we are, having to discharge a legal mandate which we must discharge with insufficient funds. We are here today to tell you that we need some help in this regard.

The government of before indicated when these reforms were brought in that they would review the funding formula by the year 2000. As we have indicated, it's 2004 and it hasn't been reviewed yet. Actually, a lot of the leg work has been done; what hasn't been done is any commitment to the outcomes of the review.

As a society, we have to make sure, once a youngster has met the eligibility requirements for protection, that we deliver the service. Each year the gap has been getting bigger and bigger in terms of funding, so provincially a problem that is about \$20 million now becomes, at the end of March, something in the order of \$80 million. In the future, who knows?

We need the funding framework updated. Just to give you a couple of examples, about \$57 million of the problem that our societies are facing this year is in the area of salaries. The salaries that are paid into the benchmarks are 1997 salaries, and we're, of course, in the year 2004. So people have had raises. Even though these raises in the past have been patterned generally on what the provincial government was doing, we need more money to be able to pay these salaries properly. The workplace workload measurement study that we've conducted demonstrates very clearly that the amount of work that it takes to deal with a case has increased rather dramatically in the last several years. When you have a benchmark that says, "If you do the following amount of work, you get this much money," and that is based on 1997 salaries, not 2004, and when it's based on old notions about how much work it takes, how long it takes, how much of a worker's time it takes to deal with a particular kind of issue, and you multiply those two together, you end up with a problem. The problem is about \$57 million across the province. The facts are that right now the amount of work that is required to deal with an ordinary case is up about 50% from when the benchmark was set.

We then have to deal with a variety of kinds of placement opportunities for kids. We find it increasingly difficult to recruit foster parents, for example, and as a consequence of that, we have more kids needing more places, and they end up in group homes, where the cost is dramatically higher than foster placement would be. We need some funds that will help us front-load the foster care situation so that we can have more recruitment. In your materials, you are going to see a thing called Foster the Snowman. You know the tune. We're having a day on Saturday here just to draw public attention in the city to the fact that we have about 1,000 kids needing foster care.

1340

**The Chair:** I want to interrupt and let you know you have about two minutes left in your presentation.

**Mr Nolan:** OK. I'll skip on just to say that we need to upfront foster care. We need some up front support for adoption. We need some support for the legal costs that are going out of sight because in some other services they have reduced their programs and we have to pick up the burden. The same is true in education.

The thing I want to make maybe the strongest point on is this: When you are a young person and you reach 18 or 19 and you are from our area, you are likely going to be a little bit behind in school. So you're just going to be graduating from high school, at which time the services that we provide come to an end. A government ago produced a program called extended care and maintenance, which allows for some money to be given to those kids, if they're still in school or still in a reasonable education program, to continue to get some support from the society. They set that figure at \$663 a month. I would dare say there's nobody here who could live on that, let alone go to school. So we're asking, among other things, that this be increased.

I'd invite you to look at the materials that are in your package for the rest of the information, and I want to turn it back over to Lucy for the final word.

**Ms Spencer:** You have heard from us today. You have heard about the role of CASs across Ontario, and more so in Ottawa. You have heard about the protection that we offer to kids. You have also heard about the need to update the funding framework. But when we look at the mandate of CASs, not only in Ottawa but across Ontario, the problem we have is that we are unable to fulfill our mandate. You may ask why. We are unable to do so because we have to rely on the community services that exist in our respective communities; however, because of the funding cutbacks that these services have experienced, they are unable to provide intervention programs that are needed for these kids.

Yes, you have invested money in the Early Years program, and while we look forward to the long-term impact of this early investment, we are very much concerned about the immediacy of our work. We need to focus on interventions today; however, we cannot do it alone.

I'd like to quote from two well-known child welfare researchers in Canada, Trocme and Cumberland:

"Child protection systems must be able to vary their strategies and effectively collaborate with the legal system, specialized treatment services, and community programs. But whatever the objectives of the intervention plan, child welfare workers can no longer do it alone."

We believe that all sectors in our community must begin to work together. We must work with the legal arm; we must work with the medical services, education resources, community-based organizations. We must recognize the value of partnerships in our community. We believe this will not only ensure the maximum protection for children, but the maximum opportunities

for the optimal development and self-enrichment of the young people in our society. I'll try to provide you quickly three examples so you get a better understanding.

**The Chair:** I'm sorry. Your time has expired. Perhaps you can talk with the members about the points you want to make, or write to the committee. We appreciate your presentation this afternoon.

#### ALLIANCE TO END HOMELESSNESS

**The Chair:** I would call on the Alliance to End Homelessness in Ottawa to come forward. Good afternoon. You have 20 minutes for your presentation. You may allow time within that 20 minutes for questions if you so desire. I would ask you to state your names for the purposes of our recording Hansard.

**Ms Wendy Muckle:** Good afternoon. I'm Wendy Muckle. I'm the director of the Ottawa Inner City Health Project, and I'm here with my colleague Terrie Meehan representing the Alliance to End Homelessness.

The Alliance to End Homelessness is a coalition of community organizations and concerned individuals who are working together to try to end homelessness in Ottawa. As you might expect, our number one priority is affordable housing, but we also recognize that for many people, affordability is only one factor which determines the appropriateness and the viability of housing to their needs.

When government budgets are limited, it's tempting to believe that the supports and services that are provided to people who are at risk of homelessness or who are homeless are a luxury, and that cuts to service will in fact make people less reliant on government handouts. But the past years of government cuts to services and programs at all levels have proven to be a false economy. Homelessness continues to grow, and it's almost impossible today to imagine that we'll ever be able to eliminate it. However, homelessness is not a natural state in our society and it's something that we cannot accept; it's simply too costly for our society to be able to afford. Our citizens cannot participate economically or socially when they are homeless.

The alliance sees a role for all levels of government in housing. We look particularly to the provincial government for its leadership on this issue, and we ask you to mend the gaping holes in our health, social services and housing sectors which have resulted from many years of neglect.

The Liberal government platform clearly recognizes the need to invest in our children, and it's not difficult to understand why we all agree that this is a wise investment for our future. However, in Ottawa, the largest and fastest growing segment of the homeless population are families with young children, so last night, within the thousand or so people who slept in shelters, 30% of them, or about 350, were young children.

The problems experienced by low-income children are well documented in our brief. Poverty robs children of achieving their full potential. Poverty is not something

you can easily just grow out of. I work primarily with homeless adults, and I know that many of them experienced homelessness first as children. The pattern of social disruption, loss and failure which characterizes the loss of housing is a trauma which is not easily overcome and which basically conditions people to live their lives in shelters. Ontario simply cannot afford to raise our children in shelters for the homeless.

The Canada Mortgage and Housing Corp has undertaken a study of homeless families in Canada which is not yet completed. However, the preliminary findings point to a long list of negative impacts of homelessness on children, which include the disruption of their day-to-day patterns, their education, their family relationships, personal development and health, and long-term emotional and behavioural issues. Despite the excellent and necessary work of organizations that help the homeless, nothing can negate the impact of housing loss on a family and its children. Improvements in employment or the larger economy really have only a very marginal impact on the very poor. Until the supply of affordable and appropriate housing is adequate to the needs of our citizens, it is not humanly possible to end homelessness in Ontario.

Between 1991 and 2001, Ontario suffered the loss of 7,413 private rental units. While rental vacancy rates have risen, this has done little to help the homeless because the vacant units are simply not affordable. Average rents in Ottawa have increased 25% in recent years, and recently the Ontario Rental Housing Tribunal received 120 applications for guideline rent increases, covering 12,910 units in Ottawa, which basically means the empty units that we have are getting more and more expensive. Every year, the number of affordable housing units falls further and further behind the number that are needed to house our citizens.

There are basically two things that we would like you to do; there are two ways that this government can create more affordable housing.

The first is obvious. We'd like you to build more affordable housing and to encourage the creation of affordable housing through a range of policies.

The second is simply to provide more funding for shelter allowance for those who rely on financial assistance from the government for their day-to-day needs. It's impossible for a single adult living on Ontario Works to feed and clothe themselves when at least \$490 of their monthly cheque of \$525 goes toward paying rent for a tiny single room in a rooming house. Imagine what it's like to be a family trying to rent a two-bedroom apartment with \$550 per month allowed for shelter in a city where the average rent is \$939. The Alliance to End Homelessness calls for the shelter allowance to be indexed to the CMHC average rent in each municipality.

Not only is helping people solve their housing problems the right thing to do as a caring society, it also makes good economic sense to invest tax dollars in ending homelessness. The consequences of allowing the crisis to deepen are much more expensive in the long run. It would be much more cost-effective to mend the social

safety net now than to continue to try to retrieve people who fall through the holes. Please join the Alliance to End Homelessness in our vision of a society in which each citizen has a home of his or her own choice.

Terrie, I'll turn it over to you.

**1350**

**Ms Terrie Meehan:** Some of you may have noticed the child at the back wearing the "Raising the Roof" hat. He's my son. He's special-needs. The fact that we were in inappropriate housing until the end of October has really affected him. I tend to bring him to various meetings. Phil McNeely probably would recognize him from being on Ottawa city council. It's nice to see you again, Phil.

I'm still waiting for a subsidized unit that's accessible. As I said, I just moved from a second-floor walk-up that needed a lot of repairs, and the landlord didn't feel like doing repairs. I pay \$775 for rent, plus I pay hydro. I only get \$707 on my disability cheque, and I haven't had a raise in somewhere around 10 years. I have seen increases in our health benefits. Moving to our new place, I can get in and out as I please, which I'm sure annoys my fellow alliance members, because I'm the one who doesn't have to go back to an agency to get approval on a decision; I can just go and give them my crazy ideas and have them wonder what I'm coming up with next. I now have more energy to do it. I'd have even more energy, if I wasn't trying to figure out how to pay my rent and feed my kids, to do more advocating for less fortunate people. I'd like to have more energy to annoy people more with my radical ideas about giving poor people dignity. Thank you.

**The Chair:** Does that conclude your presentation?

**Ms Muckle:** It does conclude our presentation.

**The Chair:** We have about four minutes per caucus, and we'll begin with the official opposition.

**Mr Runciman:** I'll pass until Mr Baird comes back. I think he wanted to speak to this.

**The Chair:** We'll go to the NDP.

**Mr Prue:** Thank you for the realistic statistics. We've had people from the home builders' association tell us over and over that they're building affordable housing, they're building rental units, which we know—at least I know—is not true. Could you just go back over those numbers for Ottawa again? You mentioned them, but it was pretty rapid; the number of units that have been taken out of the system.

**Ms Muckle:** The number of units that have been taken out of our system is 7,413.

**Mr Prue:** Is that for Ottawa or is that for all of—

**Ms Muckle:** That's for Ottawa.

**Mr Prue:** That's for Ottawa, 7,413 rental units have been lost. What has happened to those rental units?

**Ms Muckle:** Actually, if you look in our brief, you'll see—

**Mr Prue:** I was trying to, but I was trying to listen to you too.

**Ms Muckle:** I'm just looking for the spot where it is in the brief, just so I don't give you the wrong numbers.

The loss has been due to the results of demolition and conversions of ownership to 24,298 units, at the same time when only 16,855 new units were being built.

**Mr Prue:** They also had to say that rent prices generally were coming down. I'm from Toronto, and I can tell you they are coming down in the \$1,700- to \$2,200-a-month category of apartments and townhomes, but they're not coming down in the stuff that's around \$800, \$900, \$1,000; they're actually going up. Is that the same thing that's happening in Ottawa?

**Ms Muckle:** It's a very similar picture in Ottawa. The higher rental units certainly are coming down, and a lot of them are vacant. If you walk around the streets, you'll see that a lot of the nice apartment buildings have vacancy signs. Unfortunately for people like myself who work in the shelters, we're not really seeing any of that. Theoretically it should trickle down to the lower income levels, but certainly for the lower 4% of the income bracket, which is really where our population is, there's not any relief in sight. In fact, in the rooming houses we're seeing the rents, which used to be around \$400 a month, most of them, for any of the decent rooming houses, are now \$450 to \$480 a month. So for someone who is getting \$525 a month, it's pretty tough to be able to afford to eat on that. In fact, most of those people rely on eating at the various food programs around the city.

**Mr Prue:** Do I still have time?

**The Chair:** Yes.

**Mr Prue:** OK. A couple of days ago one of the Conservative members, Mr Klees, shocked the entire committee, certainly me, in advocating a shelter allowance and that it be pegged for each of the cities in turn, depending on the average cost and saying that that would increase the welfare rates. I invited the Liberals to go ahead and do it. Can you tell me what effect that would have on the homeless population or the marginally housed population in Ottawa?

**Ms Meehan:** First of all, we'd have to recover from the shock of not having to choose between having food in our children's bellies and a roof over our head on a monthly basis. When I look at Ottawa's health department's basket of nutritional food, I could actually follow that for my children and not be wondering what else would fall off the table. If you look at any city's food basket and look at the rates, even on ODSP—I get a little bit more money than my colleagues on welfare—there's no way I could feed at those levels. I happen to have fun being frugal, so I am feeding my kids occasionally. There's no way I could feed my children at the levels I'm supposed to if I follow those guidelines at this point.

**Mr Prue:** The federal government gave Ontario a great deal of money, into the hundreds of millions of dollars last year, to help build affordable housing. I think Ontario stands alone as having built none with that money. What would you advise this government to do with the federal money for housing? I know they've made a commitment to sort of build some. What would you advise them to do, how would you advise them to do it and where, and what kind of housing would you build?

**Ms Muckle:** Keep in mind that I'm the health care piece of the Alliance to End Homelessness, and housing is not my particular area of expertise.

**Ms Meehan:** I would go with what I see in Ottawa, where the city is looking at an Action Ottawa plan that builds real affordable housing. What I have seen in my readings is that the provincial government had been looking at the middle-income housing; that's where they were focusing. Frankly, that's why the rental housing market is creating more openings. The people who qualify for a mortgage are going and getting one. I, as a low-income person, tried to get one. I budgeted it out but couldn't qualify. I budgeted it out, but I'm not rich enough to qualify.

**The Chair:** Mr Baird, you have up to four minutes.

**Mr Baird:** I wanted to go to the part of your presentation that you referred to with respect to supported housing, particularly those who are homeless or are at risk of becoming homeless who might need some sort of supported housing. I'm thinking of an organization in town like Salus, I'm thinking of some basic support that might be offered in a domiciliary hostel, whether it's to an individual who perhaps is an ex-psychiatric patient or even someone with a mild developmental delay or disability. What type of recommendations could we make that would assist the most vulnerable population, where it's not just a socio-economic issue but it's perhaps deeper or greater than that?

**Ms Muckle:** The first thing I'd point out is that all of us live in supportive housing at some level. None of us live in this community without supports. So when people have particular issues, they have to create a different community of support around them. Many of the programs that we have now that provide supported housing—you mentioned Salus as one—are excellent programs and are very well suited for the needs of people who live in those kinds of housing.

The challenge is that not everybody fits into those kinds of things, and there are simply not enough units. For every kind of supportive housing there are long waiting lists. Basically, if you're taking people who are the most vulnerable, you really have to market them to make them look good and promise your first-born child to get them into that kind of housing and to keep them there, because it really is a buyer's market and they can pick and choose people they feel would best fit in there.

The supportive housing systems that we have right now are not necessarily appropriate for people with concurrent disorders, and that's a big challenge in the system. By concurrent disorders, I mean people who have both a psychiatric illness and an addiction. It's well-known in the literature that at any given time about 30% of people with mental illness will have an ongoing addiction problem. Because of the problems that creates in housing, they're not a population that people are lining up, necessarily, to want to house. The previous government put some money into housing for concurrent disorders, but it's the tip of the iceberg. It's a very small proportion of what is really needed. So we have a whole

group of people who are condemned to living out their lives in shelters because there are no other forms of housing for them. People with concurrent disorders are a good example. People with extreme behavioural issues and mental illness are another example.

Another very sad example is the elderly. Although in Ottawa there are empty units in homes for the aged and long-term care, in the shelters there are a lot of elderly people who are, on paper, eligible for those services but in fact are rejected because of the kind of system we have. It is up to the operator to accept or reject people who have made an application to them. We have people who have been waiting for two, three and four years to get into a nursing home or a long-term-care kind of situation and simply will not be accepted by anybody.

**1400**

**The Chair:** We'll move to the government.

**Mr Peterson:** Thank you for bringing home to me that families are now facing this homeless problem. I guess, having grown up in Toronto, I've always thought it was more of a single-person problem because I've seen more homeless people on the street as single people.

What we're doing here today is a great description of what exists. If we try to prevent homelessness, one of the big components is mental health. Is there any way we can do an earlier diagnosis of the problems of our youth with mental health to prevent all the horrific costs later in life?

**Ms Muckle:** Youth is not my area of expertise but I would say that there are a few effective services in place for youth when they start to have mental health problems, and not enough supports for families or for communities to be able to help them effectively. I guess the short answer would be yes.

**Mr Peterson:** If you could help direct me to those areas where we could—I'm thinking of that as part of greater participation in the physical health in our province. I'm part of the department of recreation and we're trying to combine with education, health, youth and children's services to improve the level of physical fitness. I think it would be nice to include a mental health component in that, and the simpler we could make it for that component—it would be interesting. I'd appreciate your help in getting any information I could.

**The Chair:** Thank you for your presentation this afternoon.

#### LEONARD AVRUCH

**The Chair:** I would call on Leonard Avruch. Good afternoon. You have 10 minutes for your presentation. You may allow time within that 10 minutes for questions if you so desire. Please state your name for our recording Hansard.

**Dr Leonard Avruch:** My name is Leonard Avruch. I am a radiologist. I practise at the general campus of the Ottawa Hospital. I want to thank you for giving me these 10 minutes.

You had a presentation this morning by Dr Hammond, talking about radiology equipment in general in eastern

Ontario and the Ottawa Hospital. I want to focus on the problem of MRI waiting lists in this region.

I subspecialize in MRI. I've been doing it for 18 years. I've been dealing with waiting lists for 18 years, and every time I think it's going to get better it only gets worse. Part of the problem is that the population is aging, is getting sicker, with more serious disease. Also, the technology has improved considerably in those 18 years and it's a very versatile diagnostic piece of equipment, so the demand keeps going up for this imaging modality.

Currently at the Ottawa Hospital we have two machines, which is totally inadequate. If you compare our machines per capita in eastern Ontario with the rest of the province, we're way behind the eight ball. We need, right now, at least two additional machines just to catch up with the rest of the province.

I know that machines have recently been approved for the Queensway-Carleton and the Montfort hospitals. This will obviously help the waiting list in the short term, but in a few months or a year from now I can guarantee you that the waiting list will go up again.

Not only do we need a minimum of two additional machines for the Ottawa Hospital for patient care, but we also need them for our other mandates of teaching and research. This is a teaching hospital, it's a tertiary care hospital, it's a cancer hospital, and we need these machines to provide all the services we are mandated to provide.

I did provide a handout for you. I'd just like to point out a comparison that perhaps would bring the point home. If you compare Rochester, New York, to Ottawa, Rochester has a similar population of about one million and it's a tertiary teaching care centre. It has about the same number of radiologists in the department in a similar-size hospital, and yet they have seven MRIs available for their clinical teaching purposes and we have currently two. The situation is totally inadequate.

Are there any questions you'd like to ask?

**The Chair:** We have about nine minutes, three minutes per caucus, and we begin the rotation with the NDP.

**Mr Prue:** The government has a deficit, a big one. The government is looking at several options. One option is to run a deficit, although I don't think they're seriously looking at that one. They could raise taxes, or they could cut programs, and I think that's where they're looking.

Where do you see your need falling into that? The need is great, there's no question. We've had a great many groups coming forward and I'd like you to address to the government where you think they should find the money. Is it from cutting some other service to give it to you? Is it raising taxes? Where do you see it coming from?

**Dr Avruch:** I did think about this and I discussed it with my local MPP, Jim Watson. The most reasonable thing I could come up with for a short term, as a temporary measure until the deficit and the debt are handled, is to actually spread the pain around a bit.

The current operating grant for an MRI machine for one 40-hour shift is \$800,000 a year. It doesn't require

that much money to operate it, so the hospitals are actually getting more than they need for operating the MRI. The hospitals need money for other things, but not all of that is going to operating MRIs.

If you cut that amount down by a quarter, in other words to about \$600,000 per machine, you'll have enough for an operating grant to run the machines that are currently in existence plus money left over to operate another 17 machines in the province, by using no additional operating funds.

You have a short-term solution to that problem, and once the deficit is conquered you can increase the amount back up to the \$800,000 or whatever is deemed necessary. So there is a short-term solution.

**Mr Prue:** Do you think that the hospitals will be willing—

**Dr Avruch:** The hospitals are not going to be happy with that, but you have to spread the pain around. Right now, eastern Ontario is suffering more than any other part of the province.

**Mr Prue:** We also heard this morning from another doctor that there were federal monies made available that really have never been spent. Do you have any—

**Dr Avruch:** Yes, the federal medical equipment fund. My understanding is that it's been distributed to the provinces, but that money is actually for capital costs. The capital cost for MRIs is raised in the community; the Ministry of Health and the Ontario government never see that money. The only outlay that the government spends is for operating grants to the hospital, and of course professional fees to radiologists. So the capital costs are really off the budget.

**Mr Prue:** Your comparison with Rochester is a very interesting one. In any way is this related to their type of medicine, which is not like ours, which I think is inferior to ours, but where you can pay to get yourself to the top of the ladder? The MRIs are there because you can simply go out and pay for them and you can get whatever service you want, just like a hockey player.

**Dr Avruch:** I think most of the costs for MRIs in the States are covered by insurance plans. The employers basically pay for that. It's just that there isn't a single payer and the population in general is more demanding. They expect it, and they expect it to be paid for, and the insurance companies pay for it. There is not a monopoly. You have to come to the fact that in Ontario there is a monopoly on MRI services, and the only place anybody can go to get these services is to the United States if they're not available here. The government has a moral obligation, since it has a monopoly, to provide adequate services.

**Mr Prue:** Well said.

**The Chair:** We'll move to the government.

1410

**Mr McNeely:** I'm glad you're here today because we had a presentation earlier this morning—I didn't get a chance to ask my questions. Information we received last fall—I believe the research was done by one of the local

newspapers—was that we had about 45% of the MRIs per capita that they have in Toronto. I think it was 2.2 compared to one—2.2 there, one here. I'm not sure of the numbers, but it was a per capita basis. We looked at the health dollars for this area, and I don't know how this has happened, but the health expenditure per capita is about 85 cents, compared to \$1 across the rest of the province. I think Kingston was \$1.24. How do you think these inequities get into the system? Why is Ottawa in such a need of fairer spending on health?

**Dr Avruch:** My understanding of it from talking to administrators was that, at least at the Ottawa General Hospital, they used to get part of their funding from Quebec because they served so many Quebec patients. The funding formula was adjusted because of that. The number of Quebec patients has declined significantly since then, and the funding formula, as far as I understand, was not readjusted to account for that loss of income. That's my understanding.

**Mr McNeely:** MRIs—my neighbour went over, but so many people go over. I think for \$700 you can get an MRI in Gatineau within a week. This is not a good situation.

I'd like to ask research, could they supply information on the MRIs per capita in the various parts of Ontario, specifically eastern Ontario compared to other parts? The health dollar too: What is the dollar per capita? Take into consideration, I think the only benefit we're getting from Quebec now is that we can get an MRI by going over there.

I thank you very much.

**The Chair:** We'll go to the official opposition.

**Mr Runciman:** I didn't realize. John was just saying that you can go over to Hull and get an MRI next week for \$700 or \$800. I think the government should be asking the federal government why Quebec is allowed to do that and other provinces would be found in violation of the Canada Health Act.

I think we're going around in circles on this issue. It seems to me what you said, Leonard, with respect to a monopoly is dead on. There's a monopoly situation in this province. It seems to me that it could be addressed rather quickly and easily, although you would have trouble with the entitlement mentality of a lot of Canadians with respect to free health care. But if a hospital setting, for example, was allowed to—the problem is there's an envelope of money that currently is allocated to a given hospital or service and the hospital has to operate within that envelope in terms of the number of procedures, the number of tests that it can do—CAT scan, MRI, whatever it might be.

What if the hospital was allowed, beyond those normal operating hours—the physicians as well—to operate their MRI, to operate their CAT scan, and to allow people to pay that fee beyond the normal operating hours, which would fall within the priority listing for people who come for a test or for orthopaedic surgery, for that matter. That's the way that we're going to address this. You can address these kinds of backlogs and

waiting lists quickly and overnight. People who do not want to get into that stream obviously have that option, but they'll find that their waiting list for a procedure or for diagnostic testing would be reduced dramatically. But of course you run into this brick wall in Canada, especially I think in Ontario, where you can't move in that direction. To me, that's a remedy that could be found very quickly. I'd like to hear your views.

**Dr Avruch:** You're talking basically about two-tier medicine then, and that's a societal and political decision. As many people have said, there's only one taxpayer, there's only one—

**Mr Runciman:** You're going to Quebec to get it, you're going to New York state to get it. That's the reality.

**Dr Avruch:** Yes, you can, absolutely. Again, that's a political decision as to whether you want to allow certain people access by being able to pay privately within Ontario. Certainly if we did it, we could probably provide it cheaper than the private MRI on the Quebec side. Still, that's not really what I'm trying to address here. We're working within the system we have, and we need more machines within the system we have.

**Mr Runciman:** We'll never get a solution. That's the problem.

**The Chair:** Thank you for your presentation this afternoon.

#### TOWN OF SMITHS FALLS

**The Chair:** I would call on the town of Smiths Falls to come forward, please. You have 20 minutes for your presentation. You may allow for questions within that 20 minutes, if you so desire. I would ask you to state your name for the purposes of Hansard.

**Mr Dennis Staples:** Thank you very much. My name is Dennis Staples. I'm the mayor of the town of Smiths Falls.

The town of Smiths Falls expresses its appreciation to the government of Ontario for this opportunity to present some comments and suggestions on the development of the next Ontario budget.

Our submission identifies the following areas for consideration by the standing committee on finance and economic affairs: First is the infrastructure program; secondly, provincial education tax; third, the municipal property assessment system and tax regulations; fourth, provincial-municipal services responsibility; and finally, health care funding.

First of all, I'd like to give you a bit of a profile of the town of Smiths Falls. The following data in your package provides an interesting profile and description of selected demographics for the town of Smiths Falls. The separated town of Smiths Falls is located in Lanark county and currently has a population of 9,140 citizens. That's from the 2001 census data. This represents a 3.3% reduction in population as compared to the 1991 census data.

During the past two decades, the town has seen both an overall reduction in population and a net reduction in



overall employment, mainly due to downsizing at the largest employer in our community, the Rideau Regional Centre, which is operated by the Ministry of Community and Social Services. To date, this has resulted in a reduction of over 1,200 Ontario public sector jobs in our community. Furthermore, it is our understanding that all remaining jobs at the Rideau Regional Centre, which currently are in the range of 600 to 700, will disappear in the foreseeable future.

The separated town of Smiths Falls represents approximately 15% of the Lanark county population and is responsible for over 40% of the county's social services caseload and resulting costs. In addition, Smiths Falls continues to attract a significant number of individuals dependent on social assistance in spite of caseload reduction efforts throughout the province. The average earnings income for Smiths Falls is \$25,763. This is 27% less than the provincial average of \$35,185. That is taken from the 2001 census data.

The town has also been burdened by a high debt load associated with a new waste water treatment plant built in 1992, and is now faced with major capital decisions related to our water treatment plant, arena replacement and some additional capital work now required at the waste water treatment plant.

Infrastructure program: Municipalities require a predictable, responsive and equitably funded infrastructure program, endorsed by the provincial and federal levels of government, to allow responsible capital planning at the local municipal level to address critical systems to meet the needs of our industrial, commercial and residential sectors. Many municipalities throughout Ontario face serious difficulties with respect to aged, deteriorated local infrastructure that is in need of major repair or replacement. This includes water plants, waste water plants, arenas, schools, hospitals etc.

The town of Smiths Falls at this time seeks provincial assistance as well as federal assistance to proceed with the replacement of our water treatment plant, replacement of our arena and an upgrade to our waste water treatment plant. During the past three years we have made several attempts to obtain provincial funding support for these local capital projects but have been unsuccessful to date.

Therefore, our request in connection with the upcoming Ontario budget is that the province will structure an arrangement with the federal government to formally establish and continue the one-third federal, one-third provincial infrastructure funding program to assist municipalities in Ontario with our capital infrastructure requirements.

The next section deals with provincial education tax: Since the year 2000, the town of Smiths Falls has attempted on several occasions to seek resolution on the provincial education tax rate assessed on the commercial sector in Smiths Falls. This rate is the highest of all counties in the province, highest of all separated towns in the province and even higher than some of the larger cities in the province, including Toronto, Windsor, Sud-

bury, and Ottawa. This significant education tax inequity faced by the businesses in Smiths Falls is unfair from a fairness perspective, and we continue to seek provincial support for a resolution to this important matter.

Furthermore, we wish to again make the province aware that during the past five to six years the separated town of Smiths Falls and the county of Lanark have conducted lengthy and extensive negotiations in connection with the town of Smiths Falls rejoining the county. This restructuring would be of benefit to both parties; however, the most significant impediment continues to be the provincial education tax rates, which are higher in Smiths Falls in comparison to the county of Lanark.

#### 1420

The province has proposed that Lanark county and the town of Smiths Falls blend the commercial education rate. This methodology would increase Lanark county's rate by over 5.5% and the blended rate would be 11% above the provincial average. Approximately \$250,000 of education tax would transfer to Lanark county from the town of Smiths Falls.

This solution is not acceptable to the county of Lanark in that 63% of the county's commercial assessment is in the towns of Perth and Carleton Place. This increased education tax burden would fall directly on the commercial taxpayers in Perth and Carleton Place and the county of Lanark is unwilling to absorb the impact of the blended rate. Thus the efforts of the separated town of Smiths Falls to rejoin county government in Lanark have reached a serious obstacle. Therefore, our request in connection with the upcoming Ontario budget is that the province address and resolve the serious inequity in our education tax rates.

The next section is the municipal property assessment system and tax regulations: The town of Smiths Falls requests that the province undertake a review of the current property tax system in Ontario and introduce a reformed property tax system that more fairly reflects the interests and ability of property owners to maintain their properties and pay the resultant local municipal property tax.

The town of Smiths Falls supports the growing list of municipalities that have requested for a number of years that the capping system on commercial and industrial taxes be revisited, and preferably scrapped, thus eliminating the major discrepancies it continues to cause.

Many businesses in our town, and indeed across the province, continue to carry a share of the tax burden that is higher than their assessment would otherwise dictate, while others pay far less tax than they should. We fail to see why one business should pay another business's taxes. The whole capping concept is in direct contradiction to what market value assessment is intended to accomplish.

Therefore, our request in connection with the upcoming Ontario budget is that the province undertake both a review and reform of the property assessment system.

The next section is provincial-municipal services responsibility: It is our strong belief, along with many

other municipalities, that a number of the earlier decisions to transfer service responsibility from the provincial government to local municipal government have not been beneficial to our citizens, have not been cost-neutral to the local municipality and have resulted in a number of new services that should not be funded from the local property tax base.

In November 2002, an extensive report, entitled *Future Directions*, was prepared by the eastern Ontario wardens' group outlining serious inequities faced in eastern Ontario due to the impact of the local services realignment initiative. This report, as we understand it, was presented to the Minister of Municipal Affairs in late 2002. To date, to the best of our knowledge, there has been little or no response from the province.

Therefore, our request in connection with the upcoming Ontario budget is that the province undertake an immediate review, in consultation with municipalities, of the impact of the local services realignment initiative.

The final section is health care funding: The town of Smiths Falls in the recent past has decided to contribute over \$2 million to the redevelopment of the Smiths Falls site of the Perth and Smiths Falls District Hospital. Our community believes this to be both a critical and priority investment in our local hospital as well as in the ongoing economic health of the town of Smiths Falls.

The capital funding formula established by the province requires that 50% of funding be raised locally to match the 50% provincial capital contribution. Given the serious fiscal pressures already faced by the town and the local demographic makeup of the town—that is, low per capita income, high levels of social assistance, declining population growth and high education taxes—we seek special consideration from the province in this area.

Therefore, our request in connection with the upcoming Ontario budget is that the province provide an increased level of capital funding contribution to assist with the redevelopment of the Smiths Falls site of the Perth and Smiths Falls District Hospital.

Finally, on behalf of the citizens of Smiths Falls and our council, I wish to thank the pre-budget consultation committee for this opportunity to present input and comments. I offer each of you my congratulations for your success in the recent election. Thank you for the good work you do on behalf of the citizens of Ontario.

**The Chair:** We have just a little over three minutes per party. We begin with the government.

**Mr Colle:** Thank you very much, Mayor. I think yours is one of the more precise and well-documented and understandable presentations that we've had, so I want to congratulate you and your staff for this very clear and concise overview of the state of affairs in Smiths Falls. You certainly have your work cut out for you as mayor. I can imagine you're juggling a lot of different responsibilities. Thank you for giving us this opportunity and sharing some of your problems with it. I think you've raised a number of very interesting challenges for us that hopefully we can look at and try to help you with. The one thing—I think announced yesterday—is that there

seems to be a reinstatement of the infrastructure program, so that might be something that might be of help immediately. I guess your biggest problem is this relationship with Lanark county and the education tax rate. Why is there such an anomaly in your commercial rate for education purposes?

**Mr Staples:** My understanding of the history is that at the time when the province took full responsibility for education funding, the amount of money that was being extracted from municipalities throughout the province was based on a calculation. So therefore in the past, if we provided X in terms of education funding from our local tax base, the formula that was established would extract that same amount of money. That's the best answer I can give you. I know there are disparities throughout the province. I have the Hansard here from March of last year which lists all municipalities in the province. I know the residential tax is uniform throughout the province, but on the commercial-industrial side there are discrepancies. I should offer comment on the industrial side. There's a program in place called the business education tax reduction program that's bringing some of those rates down, but I continue to hear regularly from our business sector in terms of why the commercial rate in Smiths Falls is higher than the rest of the county, other counties, the three other separated towns and some of the cities that I've mentioned. That's the best answer I can give you.

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

**Mr Runciman:** Thank you for the presentation. I was just curious as well about a comment you made in your submission—perhaps in the written submission—about the infrastructure project applications that you've made in the last few years which had been unsuccessful. I just wanted a brief history of why they were unsuccessful. Why do you think they might be successful now?

**Mr Staples:** There are a couple of reasons. Programs have been put in place that are meeting the needs. However, sometimes a program would come to an end and we would get the answer at the provincial level, the feds aren't approving more, and we'd get that type of answer. If I can make one point today, it's that some of the infrastructure requirements that we have in this province will not be solved within the two- to three-year time frame; they'll be ongoing for the future. If we can take care of the requirements in our community, you won't hear from Smiths Falls for another 50 years or so until this infrastructure wears out. There's a requirement for us to start putting money away for that eventual replacement. If I can make one point, it is to have a program in place that both levels of government can cooperate on and provide those needed funds at our level to get on with some of the work we have to do.

**Mr Baird:** Thank you very much for your presentation, Your Worship. I certainly share your view on infrastructure, particularly the critical infrastructure with respect to water treatment and waste water treatment. I think too often we can get into arcane debates about who has what money and so forth. Obviously, for a muni-

cipality with your tax base, basic fundamental needs—there are needs and there are wants. Certainly with respect to water treatment and waste water treatment, those are requirements. There is no debate about that. With the particular tax base you face, we have to impose certain realities, not just on you and your citizens but on the government as well. We have to make choices in terms of recommending to the government what choices they might make. I'll certainly take those—particularly those two—back when we are discussing the recommendations, because it is challenge. Those are very well put.

**The Chair:** We'll move to the NDP.

**Mr Prue:** I have a couple of questions, if I can fit them all in. On the closing, or anticipated closing, of the Rideau Regional Centre that's going to take 600 to 700 jobs away, have you approached the government to ask them to reverse that closure?

**Mr Staples:** There have been discussions in terms of the impact of that on our community. I should also add that there have been some efforts made to repatriate some public sector jobs in our community.

**Mr Prue:** That was my next part. Have some come in?

**Mr Staples:** Some of that has occurred, yes.

**Mr Prue:** There is an answer for the town. It's not going to shut it right down.

**Mr Staples:** It's not the total answer, but there is an answer.

1430

**Mr Prue:** You're the first mayor who has come before us—and we've had a number of them—who hasn't talked about the gas tax. I'm just curious about your position on whether or not the government should live up to its promise to give two cents of the gas tax to the towns.

**Mr Staples:** Of course, and there's some mention in the federal throne speech as to getting some of that.

**Mr Baird:** He can pull it out of you. He's pretty sharp. He's a former mayor himself.

**Mr Staples:** I didn't want to put everything in here, but thank you for that.

**Mr Prue:** Since I'm just flying right along here, I also had one other question on your recommendation that the province undertake a review and reform of the property assessment system. We've had a great many people come before us with complaints about MPAC. We had some today from Renfrew. On the day we went to Niagara Falls, there was a meeting in my riding, which I couldn't attend, that drew 200 people in Toronto upset about that. What kind of reform do you want to see? Do you want to see it scrapped and rebuilt? Do you want to see the directors all fired? What exactly are you looking at?

**Mr Staples:** Personally, I'd like to see a system that produces fewer fluctuations that property owners have to deal with. For example, the day the notices were sent out a gentleman came into our town hall—we take all the complaints, of course, as you can well imagine. A property in Smiths Falls was 40 to 50 years old, and

between the last assessment and this assessment it went up \$95,000. This gentleman was saying, "How can I manage an extra \$1,800 of municipal taxes because of this?" He doesn't fully understand the rationale for that.

Basically, the system is probably good, but if we can find a way to have fewer serious fluctuations from one year to the next, this will enable people to manage their finances and stay in their homes.

**Mr Prue:** There are many people who suggest the system doesn't work because it is largely computerized, it's all done on the computer and no one actually goes out and looks at the property or assesses the property; they just look at the square footage, the size of the building, punch a couple of numbers into a computer and up pops your property value.

If we're going to rely on this, should we also be suggesting to MPAC that they need to start doing visual assessments, actually going to look at properties to make sure that the computer is right?

**Mr Colle:** How can you go to four million properties every year?

**Mr Prue:** That's the question.

**Mr Staples:** We're serviced out of the Brockville area. They do make visits from time to time and inspect properties.

**Mr Prue:** Is that upon complaint that they come?

**Mr Staples:** Not to my knowledge, no.

**The Chair:** Thank you for your presentation.

#### OTTAWA AND DISTRICT LABOUR COUNCIL

**The Chair:** I call on the Ottawa Seniors Action Network. I'm sorry; I'm out of order on my list. It should be the Ottawa and District Labour Council first. I apologize.

**Mr Sean McKenny:** That's OK. It happens all the time.

**The Chair:** You have 20 minutes for your presentation. You may leave time within those 20 minutes for questions if you so desire. Please state your names for the purposes of Hansard.

**Mr McKenny:** Sean McKenny, Ottawa and District Labour Council.

**Ms Marlene Rivier:** Marlene Rivier, Ontario Public Service Employees Union, local 479.

**Mr McKenny:** I know the time has started, but I have just a couple of points. I've been here, the same as all of you, since 8 o'clock this morning. I made a couple of notes during the day on two specific issues. I'll just read from those notes. One here says, "It was pointed out that this committee is all male and white." Oh, I made a mistake. It says, "Don't say this." That was something I shouldn't have said.

The other point I wanted to bring up is the Cheryl Gallant fiasco that happened earlier on. I have a problem with that process. I'd certainly put in a suggestion that this committee, in order to make things right, add a day on to the consultations and come back to Ottawa. There

were several organizations here today. There were organizations that couldn't come out here today because, unlike the group from Renfrew that had the money to come out, these people actually don't have the money to be able to come out, yet this committee has the audacity to let them make a presentation—not that I'm opposed to democracy, by any means.

On that note, good afternoon. The Ottawa and District Labour Council is comprised of 90 different local unions representing approximately 40,000 working men and women in the Ottawa area, women and men whose workplaces cover a wide range of areas and sectors, inclusive of health care, education, child care, municipal, provincial and federal security guards, hotel and restaurant workers and on and on.

We thank the standing committee on finance and economic affairs for being here today and listening to those from within our community, and those outside, as you've just heard from the mayor of Smiths Falls. The key word is "listening," and for the last eight years our provincial Tory government knew how to do everything but. It knew how to slash, it knew how to burn. It had very few consultations, and when it did, no matter how loud the voice, it didn't listen. It didn't listen because it couldn't understand, and it couldn't understand because it wouldn't listen.

Interestingly enough, our city is going through a pre-budget consultation itself. Referred to as the universal program review, our citizens in Ottawa are providing input into a process that hopes to determine whether or not approximately \$100 million in cuts can be realized—certainly nothing of the magnitude of a debt in the billions of dollars, thanks to the previous Conservative government's inefficiencies, but an exercise where there is input provided regarding the programs and services in our community.

The one factor that's becoming apparent in Ottawa, in our city, when it comes to our universal program review, is that the ideologies of our city councillors, despite assurances that the public consultations and input provided there would be the determining factor in cuts to programs and services, if any, are becoming the determinant.

Our local newspapers, the Ottawa Citizen, the Ottawa Sun and our community newspapers, have reported that city staff point out that at this stage the majority of those attending the public consultations have clearly indicated that they want no cuts to programs and services, and if that means an increase in our taxes, it's unfortunate, but so be it.

City councillors claim that special interest groups have dominated the meetings and that's why the results are the way they are. Simply put, if the results don't agree with the councillors' individual beliefs or ideals, the results must be skewed.

We have just rid this province of a bad government whose mismanagement is one of the reasons why you're all here and why we're all here. In our city, they're asking us to prioritize, kind of like what some of you are

attempting to do through these consultations. The vast majority of us here are saying you can't. Each program and each service is a priority in itself, is a priority to someone.

Ontario's education minister said just last week that residents will have to decide how high they want to place public education, and they'll have to decide what they will give up to see the province's education system improved the way the Liberal government has promised, such as class sizes, I guess.

It's completely lost upon some of us how we can be expected to put education over health care or health care over education, pit supporters or users of one service against the supporters or users of another.

The people of Ontario voted for an end to tax cuts. The people of Ontario voted for an end to governments whose main mandate is to cut from those in our province who are most vulnerable.

I want to be very clear. I do not advocate for an increase to the taxes we pay, but I am advocating a quality of life for the people of Ontario. How can any government that claims it is acting in the best interests of the people who live and work here strive for anything but? "The people" includes those within the business community.

One of the comments we continue to hear from some governments is that we have to live within our means. If we're living beyond that, that means, then we need to scale back, akin to any family which lives within a budget. If you don't have it, you shouldn't spend it.

Let's go with that for a moment. Let's take a situation where we have a family of four—a mother, a father, a young son and young daughter—and both the children want to play hockey more than anything else, but the money is not there to put both the daughter and the son into a league. The costs of equipment, the cost of the league itself, the getting to the games and practices are all hard costs that this family unfortunately can't afford. So a second job is temporarily taken so the young daughter and the young son can play—something that any and all parents would do in a heartbeat to provide a quality of life for their family.

Sure, no question, as a province we need to live within our means, but a government must also ensure that all within its borders are provided a quality of life. A quality of life is not solely about money.

I want to go back for a moment to our own universal program review taking place in Ottawa, which I referred to earlier, and draw upon a comment made by our board of trade here when reference was made by a few city councillors that our city should be looking at new ways of doing business, inclusive of contracting out, privatization and public-private partnerships; it's all the same. Her first and only comment at the time was that such a direction would be great for the businesses in the community. Of course, how could it not? How could privatization, which includes public-private partnerships, not be something that anyone involved in that specific area through ownership not champion? Quality be damned.

Overall excessive costs, five, 10, 20 years down the road—irrelevant. Human life—unimportant, as with Walkerton.

1440

What a great opportunity, though, for the business community to advocate for holding the line on taxes, because if you hold the line and revenue is needed—which it is—the easiest method of finding revenue, at least short term, or of showing that the books are balanced, even though they may not be, is through contracting out, privatization, which again is inclusive of public-private partnerships. It's win-win, especially if I'm into building hospitals and toll roads, and especially if I'm a government where the bottom line is all that is relevant.

It's not lost upon anyone how the Conservatives decimated this province. It's also not lost upon anyone that it's going to take time to repair the damage that has been done. You can't be looking at an overnight fix. It makes absolutely no sense.

This is your sixth hearing date and, I believe, the fifth city. If the number of today's presenters is any indication—you've heard from approximately 115 to 120 presenters up to this point—by the time Kitchener-Waterloo rolls around, you'll double that number. In addition you will have received written submissions, which may very well end up numbering into the thousands. Labour's message, along with some others, will be close to the same: You need to reinvest in public services. You can't afford to cut. Privatization, which includes public-private partnerships, is a bad idea. Reference will be made to the importance of the Ontario alternative budget.

I noted earlier that I did not advocate an increase to the taxes we pay, but that a quality of life must be a priority with this or any government. If to attain that quality of life a tax must be generated, then it is incumbent upon a government in office to ensure that appropriate steps be taken.

I'm still trying to figure out how we got to this: "The people do not want to see an increase in the taxes they pay." I'm trying to figure out where that came from—certainly not those I've talked to, certainly not those who now find themselves having to pay user fees or finding out that a service that they now require for whatever reason has been scaled back or just simply disappeared.

Back to Ottawa again, where our city councillors here continue to brag about having not increased taxes for the past six years—sound fiscal policy? Acting in the best interests of the constituency here when we now find ourselves in a crisis? If anything, they should be held accountable for acting irresponsible and maybe even liable for such poor decisions based on the wants and desires of so very few.

I've been involved in the labour movement for 25 years. I have and will continue to provide comment at functions such as this. Because I provide comment and opinion, it is incumbent upon me to attempt to read—to listen, John Baird—to understand policies and legislative direction, to attempt to keep current.

I have difficulty with that because certain areas such as finance are so broad and can be so complex. I strongly suggest that if any committee member believes that they have a complete handle on Ontario's finances, they are badly mistaken or incredibly naive.

So if those of us who are involved because of our livelihood have difficulty, how can the average person understand? If I'm promised more disposable income through a tax cut, how can I not be pleased and accepting? If I'm promised that taxes will be frozen so that in addition to an increase to my salary, I will have more disposable income, how can I not be just as pleased?

That's what has happened in Ontario over the last eight years, and it took eight years for everyone to realize that despite assurances and promises, the few extra bucks in the pocket was short-lived, and the cost, inclusive of those few dollars and then some, far outweighed any personal benefit.

People elect government to office because there is a level of trust. We trust that your decisions will provide us, inclusive of our children, with a better quality of life, not a quality of life void of the necessities brought on because some make the assumption that people here do not want to see an increase in taxes. Understand that no one, including me, wants an increase to the taxes we pay. Also understand that most are prepared to pay that increase if it means a better quality of life.

I do believe that we have a government that is attempting to listen to the people in the province. Whether the government will understand, we'll have to wait and see, but I really do believe that there is some sincerity here.

I just want to work toward a close. Marlene will jump in by speaking briefly about what some of us believe should be more of a focus. That's the whole issue around monies received by the province and municipal governments from the federal government.

I know that over the last week or so, we've seen some indication that the current federal Liberal government is attempting and seems to have a willingness to work closer with the provinces, inclusive of Ontario, toward a fairer and more equitable distribution of monies. It seems to some of us that perhaps this should be a priority with Ontario's government. Perhaps we can attempt to work together, or a little closer on the federal government transfer of money to the provinces issue. At the same time, there need to be discussions between the province and municipal governments. Marlene?

**Ms Rivier:** I want to thank Sean for giving me an opportunity to say a few points with respect to health care. We're being bombarded by the message that we can't afford our public health care system. Well, I'm a front-line hospital professional, and my message to you today is that we can't afford the privatization of our health care system. Americans pay 14.9% of GDP for health spending, and despite that, 43 million Americans are uninsured; that's greater than the population of Canada. Health care costs are a leading cause of personal bankruptcy in the States. Canadians spend only 9.7%, and many of us are very concerned about the drift we're seeing in the direction of an American system.

We're also seeing the importing of business models into health care that stress competition, but in health care what we need is co-operation to ensure that all Ontarians receive service equitably. We need to stop the P3 projects that are unfolding at the Royal Ottawa where I work, and in Brampton. These projects cost more to finance. Any savings that are realized are due to the fact that they build smaller hospitals and reduce services in order to generate profits.

We need to stop the proliferation of private MRI and CT clinics. They do not solve the problem, as Mr Runciman implied earlier today. What they do is they drain off much-needed health professionals from hospitals. We've already seen this in Kingston, where we've lost registered technologists to the private clinic. The wait for critically-needed MRIs in the hospital is now increased because they don't have the staffing. We have a critical shortage of health professionals in this country and in this province, and opening up private services only drains them out of the public system and increases the wait for those who can't afford to pay.

I also wanted to address the issue of the CCACs, many of which have been privatized, and the degree to which this has destabilized care in the community. This is critical when we send people home from the hospitals much sicker than they've ever been. We've destabilized that provision of health care in the community by a process of private sector bidding every two to three years for the opportunity to provide those services. We don't want the responsibility for our health care going to the lowest bidder; we want it going to the best providers.

The other area I wanted to touch on is long-term care. What we've seen in the current funding formula in long-term care, where there's a great promotion of the private sector coming in, is that the funding now favours for-profit providers over non-profit providers. We now have no minimum standards for nursing care in long-term facilities, and we need to restore those standards of care. These are the most vulnerable people in our community who are served there, and with the loss of support through the CCACs they can't be maintained in their homes, which of course would be cheaper. They're also our seniors and they deserve better. Thank you.

**The Chair:** We only have three minutes left for questioning. We'll have questioning from one party, and this rotation goes to the official opposition and Mr Baird.

**Mr Baird:** You get me. Aren't you lucky?

**Mr McKenny:** You bet, John.

1450

**Mr Baird:** Just to thank you for your presentation.

First, perhaps to Marlene: Marlene was a candidate for the Legislature in the other Nepean riding, and she handled herself with a lot of class throughout the campaign. I may have disagreed with her on many issues, but she was a passionate advocate for the positions with which she is strong.

You've certainly indicated that you want to see the government listen. Well, they're prepared to listen, because any promise they made they're quite malleable on

and they're open to considering other things. I will concede that this government will listen like no one. They won't just listen to you, though; they'll listen to other folks.

It's important to differentiate: These guys here are great guys, fantastic people, but there are others in Queen's Park you should be more concerned about. The real fear I have—this is more a comment than a question—is that we were promised more money for health care and education, we were promised no tax increases, we were promised balanced budgets and we were promised no spending cuts. Well, the worst thing that could happen is we could get none. It's not that they'd be choosing (a) or (b) instead of (c) or (d), but we could very well get none, and that is certainly a concern.

I want to congratulate the government for bending one of their promises: the fact that they're keeping, as you called it—and you work at the Royal Ottawa hospital, so I will defer to your good judgment, Marlene—the P3 hospital. I was there to personally lend my support—Mr McNeely will smile; he'll know that I was there—to Dalton McGuinty and the Liberal Party for keeping the privatized hospital. They called it something different, but I was certainly supportive of it. It's an honest disagreement between us, and there's certainly nothing wrong with that.

In fairness to the government members, one of the difficult challenges, as you say, is you can't make priorities, you can't choose between (a) and (b), and that is actually—I think I can speak for all members of the committee—the most difficult. We actually have to do that every day, and one of the most difficult decisions an elected representative and a government can be called upon to make is to create the right balance for children's services, health care, education. There will be a whole lot of people who never come before us. No one is coming before us today to talk about people with developmental disabilities, but each and every one of us will have to think about them. No one is coming up today to talk about services for geriatric care, but that's every bit as important. So that is the challenge we face, and it's difficult. It's much like your members face in their own lives, and that's what we face, so I think it is a challenge for all of us, but we appreciate your thoughts.

**The Chair:** A short reply, if you care. You have about a minute.

**Mr McKenny:** Again, I'm at a loss for words, because I think Mr Baird was trying to agree with me in part, at least in some of what I said, which is just amazing. I guess that's the point that we were trying to make and we continue to make at the city level and we're trying to make to you: that we believe you can't prioritize. We know all about decision-making, John; this is something that all of us as adults have to do each and every day. We're talking about something different; we're talking about prioritizing. Again, we strongly suggest that it can't be done, because each one of those programs and services is just as important as the others.

**The Chair:** Thank you for your presentation.

## OTTAWA SENIORS ACTION NETWORK

**The Chair:** Now I would call on the Ottawa Seniors Action Network. Good afternoon. You have 20 minutes for your presentation. You may leave time within that 20 minutes for questions if you desire. I would ask you to state your names for the recording Hansard.

**Ms Evelyn Shore:** My name is Evelyn Shore. I'm one of the co-chairs of the Ottawa Seniors Action Network, which I will refer to in the rest of this as OSAN. I was going to say, "Good afternoon, ladies and gentlemen"—oh, we do have a lady. Sorry, I didn't see; I thought it was all gentlemen. Thank you for giving me the opportunity to speak to you today. You were all given information packages. You should have one in front of you that is a summary of the changes to the health care system.

There was a workshop that we held for seniors on September 27 last year here in Ottawa. It was organized by OSAN, which has been in existence for 11 years. The goals for the workshop were to inform seniors about the changes to the health care system that affect their lives, to allow participants to voice their concerns and to ask politicians what they were doing to advance health services in Ontario. The approximate number of people attending was 65 seniors and 10 provincial and municipal politicians. The three areas of the system that we focused on were medicare, home care and primary care. These are the three topics that I will be discussing with you this afternoon.

Under medicare, support: People strongly supported medicare because it has provided them with good care and many still could remember life in Canada when care was available to everyone, no matter if they were rich or poor.

Some threats to medicare: Privatization, as the people ahead of me mentioned, was seen as the major threat that would eventually result in a two-tier health system, which would lower the quality of services for many people.

Waiting lists: The shortage of specialists causes waiting lists where some seniors are waiting in pain—I want to repeat—waiting in pain before they are seen, especially in the field of orthotics.

Home care.

Early hospital discharge: A major issue for home care is the increasing amount of acute services being invested for people who are leaving hospital early. This has been estimated to be as high as 50% of a community care access centre's budget. This shift in resources has diminished services for chronic care for seniors and the disabled who are living at home and becoming frail.

One of the services that have been severely cut back is homemaking. However, a study by Hollander regarding home care, entitled *Evaluation of the Maintenance and the Preventive Function of Home Care*, published in 2001, states that this service keeps seniors healthier and out of nursing homes, which saves the government money—and I'm sure we're all trying to save money.

Effects of cutbacks.

Seniors were concerned about the fact that some individuals were getting only one bath per week from the CCAC. Participants felt they would be demoralized by an inability to maintain proper hygiene. At times, a CCAC worker gave a bath but left the bathtub and bathroom dirty or did not follow the protocol/instructions of the care they were supposed to offer.

The following is a brief history of recent cutbacks to CCAC services—I have a bit of knowledge of this, because I was one of the CCAC directors who were fired by the province. In 1995, early hospital discharge was instituted in Ontario. By 1999, early hospital discharge had become a significant percentage of the clients serviced by the CCAC. In the year 2000, a request by the CCAC for an increase in funding to cope with growing numbers of seniors in Ottawa was refused by the provincial government. In 2001, the CCAC closed homemaking services and shifted funds to early hospital discharge to relieve city hospitals of 50 patients who needed to be shifted from hospitals to the patients' living rooms.

One thing the group at this workshop highly recommended was that CCACs should have an elected board of directors once again, with a membership. We had over 350 members. The members were fundamental to helping the staff by establishing and serving on different committees: procurement, finance, communications, whatever.

One bright light occurred in 2002, when the city of Ottawa arranged funds to offer homemaking services to seniors without adequate income.

The Liberal Party promised \$300 million for home care—this was after Romanow. What happened? Also, this \$300 million should not be considered part of the deficit. That was another thing that was recommended.

What people want: We want assurance of significant resources to those requiring chronic care, and establishment of an envelope of funding for these services. This would ensure that resources could not be shifted from chronic care to acute care. Re-establish homemaking services to a level of care above that in the past. Recognize the elderly as contributing members of the community who wish to live independently at home.

### 1500

Primary care.

Primary care means the beginning of seniors' care. They prefer the multidisciplinary team approach. Many feel the community health centres are the best model for primary care. They offer many services, they are accessible, they prevent isolation, they inform and educate, they provide a compassionate environment, they offer more time for a visit with the doctor and they are cost-efficient.

Key issues concerning health centres: There are not enough medical professionals, which is creating long waiting lists; not enough time is given between the primary care providers and the patient; and not enough community health centres.

There's a myth about seniors—I'm sure you've heard this so many times—that they have money and can pay

for services. In reality, most seniors are women who live below the poverty line.

Politicians need to be made aware of seniors' issues. As seniors, we understand and we are active, we are not to be ignored, we are equals in society, we have earned respect, we are taxpayers and we vote. Politicians at each level of government need to take responsibility to ensure funding and implementation of a good primary care system for all seniors.

I want to leave this one message for you and for all politicians: no empty promises, please. You can't fool us.

**The Vice-Chair (Mr John Wilkinson):** Thank you very much. We have time for—

**Ms Shore:** I'm sorry, I meant to introduce Connie Delahanty, the other co-chair.

**Ms Connie Delahanty:** I'm Connie Delahanty. As Evelyn said, I'm co-chair of the Ottawa Seniors Action Network.

These papers were written independently, so there is some overlap. But we feel we can just make the message again.

We'd like to begin by reminding you that seniors' programs have already been cut very severely, to the detriment of many of the people who depend on them.

The reason we asked for this time was because most of the people in our organization fear that the cuts to seniors' programs will result in our ending up in nursing homes because we lack the community support we need to live independently. One of the most serious threats to our ability to remain independent is cuts to home care. When I refer to home care, I'm not talking about a medical model or medical services but about personal and household care. Many older people, as you know, get help from their families or friends, or they're able to pay for services themselves. The problem is that what may have been enough help at one point can change very quickly. Health can deteriorate, money can become short and families can't cope any longer, so we need outside help or home care.

There may be some acceptance that personal care is necessary, but housework, while essential to the individual's ability to stay at home, is a much more contentious issue. The fact that these services are already being cut is only the beginning of the services that will allow us to stay at home. Along with the basic needs of home care, housing and transportation, seniors, like younger people, need social contacts, physiotherapy, exercise, entertainment and all the diverse activities that make life worth living. Without extended community support programs, the limitations to seniors will only get worse.

Speaking of diversity, I use the word "senior" here frequently, but the universal use of this word is unfortunate, because it disguises the increasing diversity of the older Canadian population. Everyone in this room is either a senior or a potential senior. None of us has the same income, health, sexual orientation, family relationship, cultural background, education or housing requirements. We don't even come from the same countries or

go to the same churches. The differences don't change as we get older. Using housing as an example, we need a variety of choices to meet the diversity of seniors' housing needs. We need affordable housing, subsidized housing, co-op housing, assisted living housing, group housing, culturally sensitive housing and retirement housing.

At the September 27 workshop on changes in the health care system at the Sandy Hill Community Health Centre, Ottawa MPP Richard Patten publicly suggested that the provincial government should get back into the business of housing. That housing is a major factor in good health is shown in a very recent study on the connection between health and housing by OCSCO, the Ontario Coalition of Senior Citizens' Organizations. One of the most consistent points made in the focus groups across the province was that seniors who either rented or owned their homes were spending the major part of their income on housing, leaving very little for food, medication and other necessities. This came through repeatedly in every single focus group we did. So much money is spent on housing.

Returning to the issue of the deficit, I remind you again that services to seniors that allow us to stay at home have already been cut. Continued cutting of these services already costs the province more and more money. Seniors have made it perfectly clear through endless surveys, questionnaires—we need say no more—and focus groups that they wish to live independently as long as possible.

By cutting community services, the province's message back to us is also perfectly clear: Go into a nursing home. Even the impact of the 2001 Hollander report has done nothing to end the debate on the cost of prevention versus the cost of institutionalization. The Hollander report proves it is less expensive for older people to stay home with a few supports in place than for them to enter a nursing home. I'm just going to say a few more words about this report, because it is very pointed.

In reference to this study, the *Globe and Mail* of May 26, 2001, stated that the report comes at a time when most home care programs, to save money, are stripping the elderly of the low-level care that allows them to live independently in the community. This refers a lot to housekeeping.

Low-level care means having a homemaker perform simple household chores as little as once a week, also providing stimulus and stability and acting as an early warning system for serious health programs. The research was commissioned by Health Canada and conducted in British Columbia.

In 1994, the policy of cutting services in different places in the province and at different times allowed the researchers to examine the health outcomes of home care clients with and without low-level services. By the second and third year of the study, the cost of caring for those stripped of homemaking services soared and their health outcomes plummeted. In the end, the researchers determined that homemaking services cost the govern-



ment about \$2,500 a year, but basic institutional service, on the other hand, costs more than \$42,000 a year. Furthermore, among those who lost their low-level household help, the death rate was an astonishing 50%. A 50% higher death rate in these circumstances is about all the evidence you'd think you need for immediate implementation of expanded home care programs.

All the services and resources that allow seniors to remain in good health and out of institutions will do the same thing for the rest of the population eventually. We have been lobbying for safer sidewalks, safer road crossings, accessible transportation and affordable housing. While seniors may in some instances be more at risk, the benefits are to everyone. Keep in mind that Ottawa has the second-largest aging population in Canada, next to Victoria, and that the big demographic bulge of baby boomers is just waiting to boost it. Putting resources and services, especially housing and home support services, in place now will lead to lower costs and more efficient administration in the future and can help us achieve a more coherent policy on aging in Ontario.

**The Vice-Chair:** Thank you. We don't have time for questions for everyone, so according to our rotation, I would ask Mr Prue, from the NDP. You have about two minutes.

**Mr Prue:** First of all, I want to commend you. You're saying a lot of home truths here.

I'd like to zero in: You said you were fired from the CCAC. I know a lot of people were fired from CCACs and replaced by political hacks. Can you tell me what has happened to that particular CCAC?

**Ms Shore:** As you know, we were the first and, I'm not sure, maybe the only elected board in Ontario. We were elected by the membership I mentioned before. I guess the provincial government decided we weren't doing a good enough job. We did have a lot of long-range plans in store, which we thought would take care of everything, even after we were refused funding.

What happened was that we were literally thrown out, plus our membership, and the province appointed the directors.

I did mention that one of the things that has happened is that we knew we were going to have to cut back on some of the services, but they have eliminated home-makers' services completely, which is very bad for a lot of seniors.

What's happening right at the moment? I'm sorry to say that the public is not very well informed.

**The Vice-Chair:** Thank you for your presentation.

1510

#### PETER NAGLIK

**The Vice-Chair:** I would call on Peter Naglik, please. The committee welcomes you. I want to let you know that you have 10 minutes for your presentation and that can include questions. We'd ask that you start by sharing with our record your name.

**Mr Peter Naglik:** Right on. My name is Peter Naglik. I'm a resident of Russell, Ontario. I thank you for hearing me today. I thank you also for travelling to Ottawa as you prepare your advice to the government on the coming budget.

I want to offer you two broad points to think about for Ontario's taxing and spending for the next year. I come before you just as a taxpayer and a voter. I represent no one other than myself. I think I'm going to have a couple of things to say that you may not have heard today or elsewhere.

The current governing party spent 13 years in opposition seeking the power they now wield. For eight of those years, those members now in government complained bitterly about the Harris cuts or the Harris-Eves cuts. I ask you, what cuts?

In 1995, when the Ontario PCs took office, the Ontario government was spending \$54.5 billion while collecting \$43.7 billion in revenue. By 1999, when Mike Harris sought a second mandate, the Ontario government was spending \$57.8 billion while taking in revenues of \$55.8 billion. In those four years, the federal Liberal government had cut transfers by almost \$4 billion while Ontario's spending on health care, for example, had increased by over \$2 billion. In that first mandate, the Ontario PCs, who had promised to cut spending by 20% in the Common Sense Revolution, had increased spending by \$3.3 billion.

To the credit of that government, they reduced the deficit by \$9 billion in that period, increased spending on health care while faced with a steep cut in federal transfers from Paul Martin and Jean Chrétien, and generated almost \$12 billion more in revenue. At the same time, Ontario's economy added hundreds of thousands of jobs and reduced the number of people on social assistance.

Throughout this time, opposition MPPs ceaselessly attacked the government of the day for its cuts. That was the mantra: Cuts, cuts, cuts.

In the last public accounts presented by Madam Ecker, the former Minister of Finance in the Eves government, Ontarians learned that provincial spending had reached \$63.4 billion, an increase of almost \$10 billion in seven and a half years. In the ill-fated Magna budget of March 2003, Mr Eves and Mrs Ecker announced plans to spend \$70.6 billion.

I hope I have not clouded your heads with too many numbers, but just a quick recap: When Bob Rae and the NDP left office, Ontario was spending \$54.5 billion. At the end of Mr Eves's time in government, he was planning to spend \$70.6 billion. That's an increase of \$16.1 billion in eight years, and at the same time eliminating what he started out with, an \$11-billion deficit. That's a roughly 30% increase in spending over 1995, and this is an increase that came from leadership that promised to cut spending, not increase it. This increase came in the face of dogged opposition that repeated relentlessly that the so-called cuts were destroying our public services.

Politicians then in opposition talked about health care cuts. Health care spending rose from \$17 billion per year

to almost \$29 billion. Health care spending almost doubled under Mike Harris and Ernie Eves. All the while, the federal Liberals here on Parliament Hill cut transfers for health care.

With respect to Mr Eves, the former Premier, he begrudgingly, in my estimate, acknowledged there was a problem. In its campaign platform released last year, his party said, "We have worked hard to get spending under control, to reduce the size of the bureaucracy and to eliminate waste in government, but there is still more to do."

In that platform the Ontario PC Party offered a handful of modest proposals: cut spending by 1% or \$700 million; freeze the Ontario public service; establish a tip line for reports on government waste; and establish a special commission to identify waste.

There is still more to do.

I know that only a tiny minority of the people you will hear from do not fully agree with Mr Peters and his estimate of Ontario's finances. But I am not here to quarrel with those numbers. The message of October 2 was a call for change. No one can argue with that, and regardless of how close Ontario is to balancing its books, I believe the province is spending too much.

I know the Minister of the Finance and the Premier have mused about revenue enhancements—some mix of tax hikes and asset sales. The government has already increased taxes or, if you want to parse it, cancelled previously announced tax cuts and credits. The government has already sought and received increased transfers from the federal government. Just last week, the first ministers reached an agreement with respect to health care transfers. Yesterday, the federal government indicated in the speech from the throne that there will be fiscal changes, such as the planned new deal for cities that could spell some relief for the provincial coffers. I contend that these measures are not sufficient. The government of Ontario is still spending too much.

I ask you to offer the government some advice in this area. Tax increases, asset sales and increased federal transfers are not enough to get this province's finances on the right track. I would suggest two efforts. One, in areas of government spending outside of health care, the government needs a full, all-party operational review and to follow that by setting a sustainable target for spending reductions. There are inefficiencies and waste in every ministry, in every agency, board or commission. There are inefficiencies and waste among Ontario's major transfer partners: colleges, universities, school boards and municipalities. They all need to be addressed.

Secondly, there needs to be a separate review or approach to health care spending. In the past election, the Ontario Liberals spoke of reforming primary care, for example. Properly executed, Ontario may be able to realize some savings by changing primary care. Obviously, health care continues to dominate the public imagination as voters consistently tell pollsters that health care is their top priority. This government needs to take real steps, out in the open, to ensure that our health care dollars are driven to the front line of patient care.

Regardless of your political stripe or philosophical bent, there is no defence for waste and inefficiency. The Premier has said that his mission in office is to make government more relevant and connected with Ontarians. He said he wants to transform government so it provides the important public services Ontarians need. A laudable goal, but if the government does not root out waste, excess and inefficiency, there will be fewer dollars for important services.

Surely, there are programs that can no longer be sustained. Surely, there are policies that are costing too much. Surely, there are ways that this government can do business better. Ontarians will support any effort to spend their hard-earned tax dollars wisely. The budget needs to send a strong signal that this government is committed to spending within its means. That would translate into stopping the endless increase in public spending.

In addition to spending controls, as I said, the budget needs to do more for Ontario's bottom line than increase taxes and rely on asset sales to balance the books. There are other ways to enhance revenue and generate jobs and growth.

Ontario has an opportunity to stop the leakage of disposable income to Quebec and to bring more jobs and greater investment to eastern Ontario. When the Minister of Finance appeared before this committee on January 26, he hailed the net creation of jobs in Ontario as a positive sign. The same jobs data he cited shows that in the last quarter of 2003, there was a net job loss in eastern Ontario.

It is obvious that the national capital region lacks the diversified economy that Ontario has in the greater Toronto area. For that matter, Ottawa does not have as diverse an economy as Hamilton-Niagara or Kitchener-Waterloo. As I am sure your eastern colleagues will tell you, the public sector—chiefly the federal government—the tech sector and agriculture make up most of eastern Ontario's economic activity. Eastern Ontario needs a better deal. We need a more diverse economy. From my perspective, there are only a handful of ways in which the Ontario government can help make this regional economy more diverse.

In July 2003, then-Attorney General Norman Sterling asked the Alcohol and Gaming Commission of Ontario to extend the moratorium on the expansion of gaming while it conducts a review of how cross-border competition in gaming is affecting this province. The government then said it would examine the expansion of gaming at the end of that 12-month period. Regardless of that review, the fruits of gaming are obvious and manifest. Last year, gaming revenues accounted for about \$2.4 billion for Ontario.

Through the Ontario Trillium Foundation, Ontario's gaming revenues have been invested in an amazing array of volunteer, recreational and charitable endeavours. Through Ontario's partnership with host communities, municipalities have received helpful transfers that ensured that local taxpayers face a less onerous burden. Our health care system has benefited from gaming revenues.

Our province's casinos have added thousands of direct and indirect jobs. According to the 2003 budget papers, the province estimated that commercial casinos have added 27,000 jobs to Ontario.

The expansion of gaming within the city of Ottawa would help create thousands of jobs and bring great economic spin-offs to this region. The province's own Ottawa Congress Centre or the Rideau Carleton Raceway offer excellent potential sites for expanding gaming. It won't take expert studies to show that disposable income is flowing out of Ontario and into Quebec's provincial coffers through Le Casino du Lac-Leamy. A full-service commercial casino, along the model of Casino Niagara, here in the nation's capital would be a huge economic boost.

The Rideau Carleton site offers a number of advantages. It is already the site of a slot machine operation, in addition to horse racing. There is much room for expansion. A casino, a trade centre, a hotel and lots of parking could all be accommodated at the Rideau Carleton site.

Those from outside Ottawa may not be aware, but this city's annual summer fair, the Central Canada Exhibition, is moving from its historic location in the city's centre to a property across the street from the Rideau Carleton Raceway. This area is ripe for investment. For Ontario to make it happen, all it would need to do, essentially, is to license a casino there. You have ready-made partners and a site that is pregnant with possibilities.

I have offered you two broad suggestions. First, keep an eye on spending. Despite the overheated rhetoric of opposition, provincial spending has never been higher. You need to take steps to root out waste and inefficiency. Ontario's spending needs to be reined in. Second, invest in eastern Ontario by licensing a commercial casino in Ottawa. This will enhance Ontario's revenues without hiking taxes, stop the flow of disposable income across the Ottawa River, and bring more jobs to this corner of the province.

Thank you very much.

**The Vice-Chair:** Thank you for your presentation, which was exactly 10 minutes. There will be no questions.

1520

ASSOCIATION DES ENSEIGNANTES  
ET DES ENSEIGNANTS  
FRANCO-ONTARIENS

**The Vice-Chair:** Now I'd like to call on the Association des enseignantes et des enseignants franco-ontariens. Bonjour et bienvenue. The committee welcomes you. You have 20 minutes for your presentation, and that includes questions. We would ask that you begin by stating your name for the record. For the members present, there is simultaneous translation.

**M<sup>me</sup> Lise Routhier Boudreau:** Merci. Bonjour. Je suis Lise Routhier Boudreau, la présidente de l'Association des enseignantes et des enseignants franco-

ontariens. Je suis accompagnée aujourd'hui de M. Bernard Éthier, le directeur adjoint de notre organisation.

L'AEFO représente l'ensemble des enseignantes et des enseignants francophones qui travaillent dans les écoles élémentaires et secondaires tant au secteur public que catholique des conseils scolaires de langue française en Ontario.

L'automne dernier, tous nos espoirs étaient fondés sur la plate-forme électorale—

*Failure of interpretation equipment.*

**M<sup>me</sup> Routhier Boudreau:** Is this counting in the 20 minutes?

**The Vice-Chair:** I believe that we can commence, and we've added some time, so go ahead.

**M<sup>me</sup> Routhier Boudreau:** Merci. Alors, je disais qu'en automne dernier on a fondé tous nos espoirs sur la plate-forme du Parti libéral qui proposait, évidemment, un changement important, qui proposait de réinvestir dans les services publics en Ontario.

Lorsque le gouvernement libéral a été élu, nous nous en sommes réjouis. Après huit ans sous les politiques gouvernementales conservatrices, qui ont été marquées par des compressions budgétaires importantes et des réductions dans les services publics, l'arrivée d'un gouvernement qui proposait un investissement dans les services publics et un changement nous apparaissait comme étant la solution.

On a choisi de faire dos à l'idéologie de Mike Harris pour adopter la vision qui a été proposée par le chef Dalton McGuinty. Alors, cinq mois après l'arrivée de ce gouvernement, nous croyons toujours qu'il faut respecter les promesses qui nous avaient été élaborées. Il faut investir dans le changement qui s'impose.

Évidemment, nous comprenons très bien l'ampleur du déficit et nous comprenons que ça place le gouvernement libéral dans une position difficile. Malgré ça, on n'a pas élu le gouvernement libéral pour poursuivre le programme des Conservateurs. Nous avons élu le gouvernement libéral pour mettre en place le changement qu'ils proposaient.

Évidemment, les promesses qui ont été faites pour le secteur de l'éducation nous interpellent au premier plan. On se souvient très bien des propos du premier ministre qui disait qu'il voulait être reconnu comme le premier ministre de l'éducation. Nous allons lui porter hommage, ça va nous faire plaisir de lui rendre hommage si, effectivement, il tient cette promesse-là.

Vous savez que sous les Conservateurs on a bâti un déficit social des plus importants. Ça s'est fait en réductions d'impôts, en compressions budgétaires et sur le dos des personnes les plus démunies et des composantes qui sont les plus vulnérables dans notre société, notamment les enfants et les femmes.

Alors, nous croyons que si le gouvernement libéral ne met pas en place les changements qui s'imposent, non seulement ce déficit social va-t-il se poursuivre, mais il va s'aggraver de façon importante. Nous croyons que

cela va être beaucoup plus néfaste que le déficit budgétaire.

Nos élèves aujourd'hui dans nos écoles : nous pouvons illustrer clairement les impacts qu'occasionnaient les compressions budgétaires du gouvernement précédent. Nous avons pendant huit ans été la cible de réformes malmenées, mal pensées, mal réfléchies, imposées en même temps que des compressions budgétaires qui ont fait en sorte que nous n'avons pas eu les ressources nécessaires pour mettre en place les réformes qui étaient avancées.

D'ailleurs, on n'est pas les seuls à le dire. Le docteur Rozanski, lors de son rapport en 2002, a témoigné de façon très vive l'importance et la nécessité d'investir plus de \$2 milliards dans le système d'éducation si on voulait répondre de façon adéquate aux besoins de nos élèves.

Ces problèmes de financement évidemment sont encore plus aigus dans le système des écoles francophones, puisque la formule de financement qui est présentement mise en place par le gouvernement précédent ne prévoit pas les sommes nécessaires pour affronter les coûts additionnels de l'éducation de langue française.

Alors, on se retrouve avec des carences importantes au niveau du système. Nos enfants qui ont des besoins particuliers n'ont pas accès à des services en français. Nos enseignantes et nos enseignants sont obligés d'enseigner des matières pour lesquelles ils ne sont pas spécialisés. Nos classes dépassent largement la moyenne systémique qui a été imposée par le gouvernement précédent. Des classes à niveaux multiples sont maintenant la norme dans les écoles de langue française. C'est un phénomène qu'on retrouve maintenant au secondaire, ce qui n'était pas vu avant. Nos spécialistes pour les différentes matières spécialisées ne sont pas présents. Soixante pour cent de nos écoles après six ans de la réforme, n'ont pas encore les manuels pour enseigner, ou travaillent avec des manuels qui sont désuets, et nos bibliothèques sont fermées et sans livres. Alors, on ne fait que commencer à mesurer les impacts de ces réformes, et les constats sont alarmants.

#### 1530

D'ailleurs, le tout récent rapport King nous dit clairement que 40 000 de nos élèves risquent de ne pas obtenir de diplôme d'école secondaire. Évidemment, on ne peut pas attendre que le gouvernement présent redresse la situation financière avant de régler la situation de nos écoles et ce déficit social important. Sinon, ça va coûter de plus en plus cher en services sociaux, en services médicaux et on ne pourra pas rétablir la situation.

Non seulement dans nos écoles est-ce qu'on a une carence importante au niveau des services, mais on a une carence importante au niveau du personnel enseignant. On ne peut pas recruter, on ne peut pas retenir dans les écoles de langue française parce que, d'abord, il y a des écarts de salaire importants entre les anglophones et les francophones, compte tenu de la formule de financement. Les ressources pédagogiques ne sont à peu près pas existantes. Alors, les jeunes enseignantes et enseignants préfèrent choisir des écoles différentes, avec plus de ressources.

Le stress au niveau de la profession n'a jamais été aussi élevé. Le taux d'utilisation, par exemple, des congés d'invalidité dus au stress est alarmant. Ce sont, évidemment, des coûts importants au système.

Les mesures qui sont en place présentement ne favorisent pas le recrutement des jeunes dans la profession. Selon un récent sondage que nous venons de faire, 16 % de nos enseignantes et de nos enseignants qui sont présentement en poste veulent quitter l'enseignement pour d'autres raisons que la retraite.

Pour nous en éducation de langue française, l'heure n'est pas aux compressions, mais l'heure est au rattrapage. Ça presse. Les impacts sur nos jeunes sont alarmants et très préoccupants.

Des remarques circulent aussi que le gouvernement libéral explore la possibilité de privatiser TFO. TFO, pour l'éducation de langue française, est une mine de ressources desquelles on ne peut pas se passer. Cette télévision éducative nous fournit l'occasion d'offrir à nos élèves des ressources de qualité qui reflètent réellement leur situation franco-ontarienne, et c'est une vitrine aussi sur la francophonie en général. Alors, pour nous il est important que le gouvernement puisse continuer son appui pour TFO.

Vous savez que l'heure est aux tests standardisés, et cela est peut-être une suggestion d'économies possibles. Le système actuel fait en sorte que les tests sont administrés à chaque année, et c'est un processus qui est extrêmement coûteux à la province. Même si ces tests standardisés peuvent nous donner des données importantes, il faut ensuite avoir les ressources nécessaires pour, une fois l'analyse faite, apporter les correctifs nécessaires. On ne peut pas faire ça à chaque année, compte tenu des ressources limitées. Alors, il y a des épargnes possibles si le gouvernement considérait faire un échantillonnage au niveau des tests standardisés ou d'administrer les tests aux trois ans plutôt qu'à chaque année. Je vous encourage à regarder cette option.

En terminant, j'aimerais vous ramener au niveau de nos élèves, notre raison d'être pour nous, les enseignantes et les enseignants. Vous savez, un élève de quatre ans, qui a commencé l'école en même temps que l'arrivée du gouvernement conservateur en 1995, a passé tout son élémentaire sous des compressions budgétaires et on ne fait que commencer à mesurer l'impact de ça. On le voit avec les 40 mille élèves qui risquent de ne pas compléter leur secondaire aujourd'hui. Si le gouvernement libéral n'entreprend pas les changements qu'il a proposés, tous ses mêmes élèves auront à traverser leur secondaire de la même façon. C'est toute une génération qui risque d'être pénalisée.

Pour nous, mesdames et messieurs, ce qu'on vous dit c'est que la lutte au déficit social est beaucoup plus importante que la lutte au déficit budgétaire et beaucoup plus importante qu'une signature sur la Taxpayers Coalition. Alors on vous enjoint, messieurs, de bien entendre notre message, parce que nos élèves en paient les frais. Nos routes n'ont jamais été aussi peuplées de démunis et de gens malades, et ce sont les parents de nos élèves.

Je vous remercie pour ce temps et je suis disponible à répondre à vos questions.

**The Vice-Chair:** Merci. We have about two minutes for each of the caucuses. The rotation goes to the government to begin, and I would ask Mr McNeely.

**M. McNeely:** Merci, madame Routhier Boudreau. J'ai lu le rapport Rozanski, mais c'était à Noël et je ne me souviens pas de toutes les recommandations pour votre association en particulier. Est-ce que les recommandations de Rozanski incluent les changements dont vous avez parlés aujourd'hui? Est-ce que c'est surtout cela que vous demandez, ce qui est dans le rapport?

**M<sup>me</sup> Routhier Boudreau:** Oui, le docteur Rozanski avait signalé très clairement qu'il y avait des besoins particuliers pour l'éducation de langue française et que l'éducation nécessitait un investissement important.

Je dois dire que votre gouvernement a commencé à mettre en place des mesures qui sont encourageantes, puisqu'ils ont formé un comité d'étude, dans lequel nous participons, pour étudier les besoins au niveau du financement. Maintenant il est clair que ça ne peut pas attendre quatre ans. Les dégâts sont déjà importants et nous espérons que dès cette année nous pourrions voir des changements à ce niveau-là.

**Mr Runciman:** Thank you for your contribution to our deliberations. I think a couple of things would be helpful. I understand the position you've taken, and other presenters, with respect to promises made by the Liberal Party in the election campaign. They've sort of put themselves in a difficult position, to say the least. I would suggest that it would be helpful as well, for a variety of presenters, if they also addressed the issue of where abuse is occurring. In virtually every system or organization there's some waste, there's some duplication, there's some abuse. I don't know how many school boards are in the Ottawa area; I think it's something like six or more. It seems to me that's a sort of dicey issue that governments of whatever political stripe are reluctant to take a look at: consolidation of boards, so we don't have this duplication of administrations and all the costs and paraphernalia associated with that kind of a mess, in my view.

You talked about French immersion, and I would also like to know your view. Rather than having French immersion in the public or separate systems, why do we not stream all the children into the French-language system rather than having a variety of options for French-language training?

You also mentioned TFO and, again, I find it difficult to support two stand-alone public networks in the province of Ontario with two administrations. Why can we not dedicate specific programming time on TVO for French-language programming? That was the case in the past, until the federal government came along a few years ago with a carrot to entice Ontario into establishing a separate public network. I just wanted to get those all on the record.

1540

**Mr Bernard Éthier:** Dealing with the question of French-language school boards, I want to draw to your

attention that French-language school boards were not created and do not exist to provide French immersion programs. They are there to provide language instruction in the first language for first-language Ontarians.

On the question of French-language school boards, I want to draw to your attention that there are only 12 of them in Ontario. When we talk about problems, the size of those school boards is a problem. I draw your attention to the public school board in southern Ontario that covers an area from Penetang to Windsor.

**Mr Runciman:** We need more boards instead of fewer?

**Mr Éthier:** We're saying that there are particular problems in the sense of the largeness of the boards and that there need to be special factors in the grants to address the distance issues because when you talk about communication and you talk about distances, for a school board of that size there need to be special factors in the formula which presently are not sufficient to address part of the problem in terms of transportation and French-language services.

**Mr Prue:** Congratulations. That was a wonderful presentation. I wish my French was better to ask the question. I want to make sure I ask it right.

I'm certainly in disagreement with Mr Runciman. I think TFO is a marvellous education tool. Can you tell me how often it's used in the classroom? You said it was an amazing resource—and I know it is. How often is it used in the classroom per week?

**Ms Routhier Boudreau:** TFO is used every day in most of our classrooms. The programming corresponds exactly to the curriculum, so that is about the only tool that we have right now that really answers to the francophone needs of the curriculum because it reflects the reality of the minority population. It's a very useful resource.

**Mr Prue:** To have just a few hours to share with TVO is not going to work.

**Ms Routhier Boudreau:** It's not going to work. The other problem that we have right now in sharing it with TVO is: TVO's objectives are placed for the needs of the majority, which is fine. We don't have a problem with that, but certainly the needs are different for us. For example, TVO specialized in on-line education. Our schools are not even equipped for that kind of resource yet, so we need to do things differently.

**The Chair:** Thank you for your presentation this afternoon.

#### NEPEAN COMMUNITY RESOURCE CENTRE

**The Chair:** I call upon the Nepean Community Resource Centre. Good afternoon. You have 20 minutes for your presentation. You may allow for questions within that 20 minutes, if you so choose. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

**Ms Connie Higginson-Murray:** Thank you. There's something to be said for being last. Maybe you're all

relieved that we're close to the end. Honourable members, special guests, hello. My name is Connie Higginson-Murray. I am the public relations director for the Nepean Community Resource Centre. I'm joined today by one of our agency's program managers, Bob Grantier, who will be speaking to you in a few minutes as well. I want to thank you for inviting us here today to talk to you about establishing a community or district health centre to complement and enhance the services offered by the Nepean Community Resource Centre.

The name Nepean Community Resource Centre is a little misleading. NCRC or the Nepean Community Resource Centre serves a large section of Ottawa west and south. Our catchment area serves the largest population—160,000 people—and the largest physical territory of all of Ottawa's community resource centres.

We provide a large variety of social services from crisis counselling to seniors', family, youth and children's educational, social and health programming; multicultural and immigrant support services; and mature workers' employment programming.

For many of our clients, the current health care system is simply not working. In every sense of the word, we are a front-line agency and we daily experience the reality behind the statistics.

We regularly encounter the frustration—and even the despair—of people who cannot access the health services they need, who are part of the long lines waiting for health care. For these people, timely health care is an unfamiliar experience.

Many of our clients cannot find a family doctor—this is a point I will return to in a moment—and they make up a good portion of the population who use the local hospital emergency department as a walk-in health clinic. I don't need to tell you how this escalates our health care costs, but our clients have no alternative.

We serve a particularly high level of seniors and immigrants. NCRC workers are used to hearing stories of anxiety and discomfort as these people try to sort out a complex system they find difficult to understand and make use of.

Through no fault of their own, many of our clients fall into the categories considered to be negative determinants of the quality of health. They are marginalized. They are low-income with inadequate education, or are socially isolated because they are elderly or newcomers to Canadian society. Cultural, linguistic, economic or class barriers make it difficult for them to access appropriate health services. Collectively, and again through no fault of their own, they represent a body that exerts enormous pressure on our fragile health system.

One of the most common misperceptions we encounter is that primary health care is equated only with being seen by a doctor. If we were to succeed in establishing a district health centre, this costly misunderstanding could be eradicated.

In a combined health and resource centre, primary care workers work together and care is integrated. The most appropriate worker of the team sees the client first—and this may not necessarily be a doctor. It could

be a crisis counsellor partnering with a doctor to provide holistic care. It could be a seniors' home care support worker. It could be a home-loss prevention worker or an employment counsellor partnering with other counsellors, nurse practitioners or doctors. It means treating the whole person, including mental and social factors, rather than just symptoms of disease.

Thus, the appropriate services that address the client's exact needs are delivered locally in a more cost-effective and efficient manner through an integrated network of care.

Recent research also confirms that many family doctors are eager to join district health centres. Doctors, especially those who have recently graduated, indicate that there are distinct advantages in partnering in a centre with an infrastructure already in place. Partnering with a community health centre can cut the cost of start-up significantly.

In summary, a community or district health centre goes back to square one in health care delivery to effectively address the issues of quality, access and economics in health care delivery. A community health care centre focuses on prevention as well as treatment and cure. A community health centre concentrates health care in the community rather than in the institution.

At this point, I am going to turn to Bob to elaborate more on the huge partnering potential offered by community health centres.

**1550**

**Mr Bob Grantier:** Thank you, Connie. Good afternoon, honourable members. This blue folder contains a summary of our proposal. Our actual proposal went to the Ministry of Health and Long-Term Care three years ago, so I did not copy this for your information package. This is a project that has been addressed for three years now, and we're appealing to you for consideration in this round of budgeting.

In this blue folder is my presentation here. You may wish to follow along with it. I'm not going to read the whole thing word for word.

In the beginning of the proposal you'll find a map of the Ottawa area. That's this map here. Just for your information, what used to be called Nepean and the area served by the Nepean Community Resource Centre actually now includes the townships of Osgoode and Rideau. It's quite huge. Nearly a third of the Ottawa area is our catchment area. We began as a resource centre in 1989, and our mandate is to deliver social services as effectively as possible.

A community health centre, in the event that you didn't know, is a community-based service. It's run by a voluntary board of directors and offers a supportive, welcoming environment. There are already 55 of these in Ontario, so the community health centre is a concept that's already proven to be viable. We have six of them here in Ottawa, serving an overall population of nearly a million people.

The principles of a community health centre have already been referred to by Connie and Evelyn. When they spoke of primary care, they spoke of one of the first

principles of a community health centre, and that is that it's the first point of contact for a lot of the health care that people receive. The community health centre provides health education, community development; it builds healthy public policy; it is based on a coordinated system of care; it's accessible, affordable; it provides appropriate health services and advocacy to ensure equitable access to health services.

The service delivery model: There are two charts in your package that are quite interesting. Our service delivery model in which the health care centre would be embedded provides integrated services. It works in partnership with other services to offer a range of programs, and it focuses on prevention and health promotion, as Connie has alluded to. It ensures accessibility with regard to time, geography and free services.

This chart is the delivery model. This is already in place. There's an extensive system of community resource centres. There are multi-purpose centres in Ottawa and in other parts of the province. The piece that's missing with us is the health care centre. That's the black chunk there.

Connie has also alluded to the cost-effectiveness of such centres. They typically include a salaried physician and nurse practitioners. There's a demonstrated effect on the reduction of emergency room visits. They invest heavily in prevention and health promotion. There is a lot of research on the reduction of emergency room demands, and the effect is quite substantial. Finally, there is a leverage on volunteer involvement. They are governed by non-paid, private volunteer governors.

Why is our proposal germane and important now? The Ministry of Health and Long-Term Care already has made a commitment to primary care reform. So the term "primary care reform" used by our colleagues Connie and Evelyn is already a concept which is extant and viable in health care.

The Ministry of Health and Long-Term Care is aware of the utility of community health care programs, so included in our blue brochure is a report on that very subject which you will find and may read at your leisure. Also supportive of this concept is the release of the Kirby and Romanow reports, which I'm sure you're aware of.

Finally, we feel that we work in an underserved area of Ottawa. I will allude to that briefly, shortly.

We cover urban, suburban and rural communities. The catchment area is huge, with two huge rural areas. We have a higher population right now—160,000—than any of the other communities served by the six community health care centres in Ottawa. The growth in south Nepean is formidable. We expect another 100,000 people by 2020.

Finally, echoing what Connie and Evelyn said, we have the highest concentration of seniors in Canada, with the exception of Victoria. In 1996 there were 17,000 seniors.

Our community is extremely culturally diverse. There are more than 55 nationalities present. South Nepean has the highest employment insurance transfer rate in Canada. There's a high number of sole-income parents

residing in Nepean, and the rural communities surrounding us require services that they don't have now.

The Liberals have made a commitment to community health care centres. They funded CHCs from 1985 to 1990. They have called for CHC upgrades and expansion since 1996. Recently Premier McGuinty has stated, "CHCs are an important ... model and we fully support their expansion," and "Many Ontario communities have already developed plans to open a CHC ... and I"—that is, Premier McGuinty—"will work with these communities to ensure their plans become a reality."

Thank you very much. We would welcome any questions.

**The Chair:** We have about three minutes per party and we'll begin with the official opposition.

**Ms Higginson-Murray:** Can I just—

**The Chair:** I'm sorry, were you not finished?

**Ms Higginson-Murray:** I'm sorry, no. Can I just conclude?

**The Chair:** Go ahead. I'm sorry, I thought you were finished.

**Ms Higginson-Murray:** Polls tell us that health care is the number one concern of most Canadians. Polls also tell us that Canadians value their health care system and want to maintain a high quality of health service.

It's not a stretch to say that in Canada the health care system has an emblematic quality. People equate good health care with our national identity. In fact, the Canadian national identity is firmly tied to good health care. It lies at the heart of what it means to be a Canadian. For this reason, I see we share a common motive. Responding to the current crisis in health care needs is as much a priority for you as a political body as for us as a service provider.

In October of last year, George Smitherman made a point of thanking the present district health centres for their hard work and urged them to "try even harder to put the heat on us, so as to restore confidence in Ontario's public health system."

People are suffering in the system the way it is now. Our failure to secure health care reform is impacting on the public enormously.

We don't have a community of understanding with the public—that is, a common understanding—of what is really needed. I think we could work together to remedy that. We hear regularly from people who think the health care system is collapsing, when in reality we have a health care system that has the potential to be one of the best in the world. If today we have at least come closer to sharing a sense of not only what the realities are but also what the alternatives are, then I think we've taken a big step forward. Again, to quote Mr Smitherman, "Community dialogue makes a difference." We want "to take responsibility back, where it belongs—at the local level."

We join with you in understanding that health care is a national priority. We are ready to partner with you in keeping our Canadian communities vital and healthy. We are ready to join with you in making the old adage "a stitch in time" a welcome reality in Canadian health care. Our goals are inseparable.

Thank you for your time.

**The Chair:** We have about two minutes per party and we'll begin with Mr O'Toole.

**Mr O'Toole:** I had the privilege of working with CHCs when I was the assistant to the Minister of Health, so I'm fairly familiar with the structure. I would just bring to your attention a couple of initiatives on which I'm not sure what direction the current government will take.

In primary care reform there are a lot of different models of integrating all the health care providers. We were moving very aggressively forward with the family health networks, which was a collaborative health model and was in some respects similar to the CHCs. There was a moratorium on CHC expansion, kind of pinning the outcome on trying to roster doctors. That's basically the same model you have.

There is other expansion in health care as well: tele-health, telemedicine, Smart Systems for Health Agency, as well as the NORTH Network. These are all new models of distributing health resources.

I guess my question to you is, are you prepared to modify the current document you have on file, the application you've made for three years? I know the new government is looking at the collaborative model. They're not going to call it family health networks for obvious reasons, but I'm sure they'll go forward with a rostered model, phased in because all doctors aren't rostering—but a lot of doctors are moving to salaried positions as hospitalists and other kinds of things.

This is a huge change, but at the same time I'm wondering what your position is. Do you provide seven-day-a-week, 24-hour access for your patients? That's the model that will take the pressure off hospitals. I've spoken a lot, but I'd ask you to respond.

**Ms Higginson-Murray:** First things first: The family health care network is definitely not the same model as this one, although there is nothing saying it can't collaborate. I live in West Carleton, and we have one in West Carleton. It's excellent; however, it is all doctors and it's not integrated at this point with the kinds of services—

**Mr O'Toole:** That's the goal, though.

**Ms Higginson-Murray:** It may be. I'm not active, but my understanding is they've had a lot of problems getting doctors to sign up for it, and I know that for a fact.

I'm not saying, though, that one necessarily means the other can't go forward. I just want to make sure you understand that they are not the same thing.

**The Chair:** We'll move to Mr Prue, of the NDP.

**Mr Prue:** We have a community health centre in Beaches-East York. It's been there for a long time and has recently expanded and moved to new facilities, and it's absolutely wonderful. I commend what you're doing. We need them across the province.

My question is, what has been the stumbling block—it's three years? Why wouldn't this be approved when obviously it works?

**Ms Higginson-Murray:** We don't know. We were hoping, actually, in the spring. We've been waiting on

tenterhooks. Our community resource centre had to make some decisions about expanding. We were having such a huge demand for programs that we had to expand. We were waiting and waiting, hoping to hear that we were going to get the money for start-up. That did not come down the pike. Your guess is as good as mine. We're back again waiting and asking and hoping that we will indeed get the money.

**Mr Prue:** If you get the money, I understand—and I hope these guys understand—that you're going to be able to save them money in terms of hospitals. If they're looking for ways not to cut but to economize, this is absolutely one that would save them money in very short order.

**Ms Higginson-Murray:** Part of the problem, in my understanding, is that of course we all know the health care system is extremely complicated, and new services often are not in replacement of old services, they are additions. It just happens to be the way the health system bureaucracy works. We keep adding on and not subtracting. In this sense, we have to find money for it. It does work, without a doubt. It would save money, and it would be more efficient and effective for people.

We're here to ask you today, why not? We're ready to partner.

**The Chair:** We'll move to the government.

**Mr Colle:** I just want to say that I have two community health centres in my riding, and I'm a great fan of them, as Mr Prue is. As parliamentary assistant to the Minister of Finance, I think it's a great way for the government to deliver more direct health services at a lower price, more efficiently and more effectively. The real problem is that there is no public awareness of community health centres. What has to be done is to make the decision-makers, along with the public, understand that these are the way of the future and a way out of our financial shortcomings in health. So I'm certainly going to do what I can.

I suggest that you also contact other community health centres across Ontario to start to give—I know you're busy enough with everything you're doing, but we need the public to understand this is one of the ways out of the mess we're in. So I certainly will let you know that I will do what I can to propose that we look at this model as a way of getting us out of the financial mess we're in. This is one of the solutions.

**Ms Higginson-Murray:** Thank you. My business card is in there, and I'll gladly hear from you at any time.

**Mr Colle:** I may call you.

**Ms Higginson-Murray:** That would be very welcome.

**Mr Colle:** As I said, I have two that I'm working with on this.

**Ms Higginson-Murray:** Just quickly, we do agree that education is something that has to happen too, and we're ready to do that.

**The Chair:** The meeting is adjourned.

*The committee adjourned at 1604.*







*Continued from overleaf*

Ottawa Seniors Action Network .....	F-417
Ms Evelyn Shore	
Ms Connie Delahanty	
Mr Peter Naglik .....	F-419
Association des enseignantes et des enseignants franco-ontariens.....	F-421
M <sup>me</sup> Lise Routhier Boudreau	
Mr Bernard Éthier	
Nepean Community Resource Centre.....	F-423
Ms Connie Higginson-Murray	
Mr Bob Grantier	

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## CONTENTS

Tuesday 3 February 2004

<b>Pre-budget consultations</b> .....	F-373
Ottawa-Carleton District School Board .....	F-373
Ms Lynn Graham	
Mr Michael Clarke	
Canadian Forum for Crime Prevention.....	F-376
Dr Irvin Waller	
Ottawa-Carleton Elementary Teachers' Federation.....	F-379
Mr David Wildman	
Mr Paul Dewar	
Ottawa-Carleton Catholic District School Board.....	F-381
Ms June Flynn-Turner	
Mr James McCracken	
Railway Association of Canada.....	F-384
Mr Bruce Burrows	
Mr James Allen	
Mr Chris Jones	
Canadian Union of Public Employees, local 2204.....	F-387
Ms Jo-Ann Hightower	
Ms Shellie Bird	
Ottawa-Carleton Home Builders' Association .....	F-389
Mr John Herbert	
Ontario Association of Radiologists .....	F-392
Dr Ian Hammond	
Mr Raymond Foley	
CS Co-op .....	F-395
Mr Gary Seveny	
Renfrew County Private Landowners Association.....	F-397
Ms Cheryl Gallant	
Child and Youth Friendly Ottawa / Ottawa : l'Amie de la jeunesse .....	F-399
Mr Max Keeping	
Mr Brett Popplewell	
Mr Pierre Cyr	
Children's Aid Society of Ottawa.....	F-402
Ms Lucya Spencer	
Mr Brian McKee	
Mr Dennis Nolan	
Alliance to End Homelessness .....	F-406
Ms Wendy Muckle	
Ms Terrie Meehan	
Dr Leonard Avruch.....	F-408
Town of Smiths Falls .....	F-410
Mr Dennis Staples	
Ottawa and District Labour Council.....	F-413
Mr Sean McKenny	
Ms Marlene Rivier	

*Continued overleaf*