



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)**

**Thursday 20 January 2005**

## **Journal des débats (Hansard)**

**Jeudi 20 janvier 2005**

**Standing committee on  
finance and economic affairs**

Pre-budget consultations

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

Consultations prébudgétaires

Chair: Pat Hoy  
Clerk: Trevor Day

Président : Pat Hoy  
Greffier : Trevor Day

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
Salle 500, aile ouest, Édifice du Parlement  
111, rue Wellesley ouest, Queen's Park  
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 AFFAIRSCOMITÉ PERMANENT DES FINANCES  
ET DES AFFAIRES ÉCONOMIQUES

Thursday 20 January 2005

Jeudi 20 janvier 2005

*The committee met at 0900 in the Le Gala Banquet Hall, Whitby.*

## PRE-BUDGET CONSULTATIONS

**The Chair (Mr. Pat Hoy):** The standing committee on finance and economic affairs will now please come to order.

**Mr. Jim Flaherty (Whitby–Ajax):** On a point of order, Mr. Chair: I just want to welcome members of the committee and you, and the Legislative Assembly staff, to Whitby. According to the records of the legislative library, this is the first time in history that a committee of the Legislative Assembly of Ontario has met in Whitby, despite the fact that Whitby is celebrating its 150th anniversary, its sesquicentennial, this year, having been incorporated as a town in 1855 and made the county town of the county of Ontario in 1852, well before Confederation. So I say, welcome to everybody.

Of course, the other important fact that we all need to remember is that Whitby showed the world how to play hockey in 1958, when the Whitby Dunlops won the world hockey championship in Oslo, Norway. So welcome, everyone. Thank you for being here today.

**The Chair:** Thank you very much. It is not a point of order, but it certainly is a point of interest. Indeed, the committee is pleased to be here in Whitby this morning.

CENTRE FOR ADDICTION  
AND MENTAL HEALTH

**The Chair:** I would call on our first presenter, the Centre for Addiction and Mental Health, to please come forward.

**Mr. Glenn Thompson:** Mr. Chair, there are three of us here.

**The Chair:** I have some introductory remarks I give to each presenter. First of all, you have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard. You may begin.

**Mr. Thompson:** My name is Glenn Thompson. I'm the chief executive officer of the Canadian Mental Health Association, Ontario.

**Ms. Joanne Campbell:** I'm Joanne Campbell, vice-president, community relations, at the Centre for Addiction and Mental Health.

**Ms. Nancy Bradley:** I'm Nancy Bradley, executive director of the Jean Tweed Centre, located in Toronto.

**Mr. Thompson:** Mr. Chair, can I just say that the Centre for Addiction and Mental Health, some of you will recollect, was created a few years ago as a result of the convergence of four centres, including the Addiction Research Foundation, the Clarke Institute of Psychiatry, the Queen Street Mental Health Centre and another organization that was in the treatment of addictions area. The Jean Tweed Centre is making a major contribution in service delivery to women and their families with substance abuse problems. The Canadian Mental Health Association: Since we've been around since 1918, many of you probably know us as advocacy, public education and service delivery folks across the province.

Let me set out, first of all, why we think that the committee will be interested in actions needed from a budgetary point of view in the mental health and addictions area. Some of the statistics, I think, will be quite moving to you, as they move us each day in our work: 20% of the general population suffers from a mental illness or addiction problem in their lifetime; 3% suffer profound suffering and persistent disablement. The impact of these statistics is staggering: One out of every eight Canadians will be hospitalized for mental illness at least once in their life, more than are hospitalized for cancer and heart disease. One out of every 10 Canadians aged 15 and over reported symptoms which indicated alcohol or illicit drug dependence. At the moment, then, over 1.5 million Canadians are experiencing clinical depression, a disorder that affects 10% to 15% of Canadians at some point in their lives.

Left undiagnosed or untreated, mental health and addiction problems cause large productivity issues for Ontario society as well. They've been estimated as being amongst the most costly of all health problems for service providers, taxpayers, employers and insurers. Health Canada has reported that lost productivity due to workers being on disability or due to premature death cost more than \$8 billion in 1998 and that mental health disorders were the third-largest source of direct health care costs, at \$4.7 billion. The Addiction Research Foundation, now part of the Centre for Addiction and Mental Health, as I mentioned, has shown that in 1996 the cost of substance abuse to the economy was over \$7 billion.

In addition, there's a fundamental connection between physical health, mental health and addictions

that we should not ignore. According to my own association, 43% of adults suffer adverse health effects from stress, and stress is linked to six leading causes of death: heart disease, cancer, lung ailments, accidents, cirrhosis of the liver and suicide. Health Canada has found that over 30% of lifetime users of illicit drugs other than cannabis report harm to their physical health arising from drug abuse. Some of you will have seen related stories in this morning's paper.

Clearly, providing services that support people living with addictions and mental illness, promote recovery and reduce the episodes of illness is fundamental to the development of a full-spectrum health care system, one that addresses the needs of all Ontarians in all aspects of their lives.

In the 2004-05 budget, we began to see some funding begin to flow after many years of this area being marginalized within the health care system, and that money was desperately needed indeed. However, we'd like to tell you that there's a great deal left to be accomplished.

In 2004-05, the provincial government committed to investing a total of \$463 million in this field, with \$65 million comprising new investment, and a further commitment to grow the total investment to \$583 million by 2007-08. At this time, we understand that approximately \$35 million of the \$65 million is committed in new funding this year and has flowed to mental health and addictions agencies, and we're confident that the much-needed continued investment will carry on. We believe that as a committee you'll see the value in recommending that the government uphold the outstanding commitment to correct the long-standing neglect of communities in Ontario that we serve and that addictions services also become a key part of that commitment. Addictions programs were not included in the 2004-05 commitment. It's essential that the annualized base funding increase be extended to addictions services as well. Therefore, we'd strongly urge that specific funding be provided for services and supports for people with addictions.

We also propose that the existing funding for the mental health and addictions sector be protected; some people call it ring fencing. Over the years, we've been very concerned that when some of these monies have flowed out to various sectors, they seemed to vanish into other areas down the hall. So investment in the community-based sector will help to control the costs of other services and create a true continuum of care from hospital to community. We feel that funding these services is both a fiscal and a moral imperative.

Now Joanne Campbell is going to take you through some of the quite specific recommendations that we have.

**Ms. Campbell:** I'd like to start by saying that we're very encouraged by the government's commitment to transforming the health system to create a better continuum from community through to hospital, because we believe that that continuum, particularly in

the lives of people with mental health and addiction issues, is terribly important. Consumers of mental health and addictions services and their families must be at the centre of that reform and transformation. People with mental illness and addictions have important experience and knowledge that's critical to understanding illness, treatment and care. Because people with mental illness and addictions are particularly vulnerable, it's important that mechanisms for consumer decision-making, choice and participation be protected. So we strongly recommend that the government provide consumers and families with the supports they need to participate in the health reform initiatives.

**0910**

Diversity is a critical feature of Canadian society, and addiction and mental health services and strategies must respond effectively to the different needs of all clients and stakeholders. Ontarians from diverse backgrounds and with diverse experiences must be able to fully access and participate in mental health and addiction planning and service delivery.

Access to appropriate addiction and mental health services in rural and remote communities needs to be improved as well. Issues such as transportation to services, staffing, access to technology and availability of primary care pose unique challenges for rural and remote communities. The specific needs of these communities are often overlooked. Unlike with other illnesses, people live with mental health and addiction illnesses over long periods of time. Therefore access to ongoing services and the availability of those services, and the cultural context in which people receive those services, are fundamental to people's recovery. A continuum of services and supports from community-based to hospital care must be available.

As the tertiary care facility in the system, the Centre for Addiction and Mental Health strongly believes, as do our partners here, that there must be continued investment in community-based services to ensure that there is capacity in the system to reduce hospitalization and meet people's needs in the community, especially with an increased emphasis on addiction providers.

Government efforts to strengthen the continuum of addiction and mental health services should be targeted to increasing funding, including base budget supports, to community-based services so that people have access to a greater range of services for treatment, recovery and prevention, and that those services are maintained as the health care system is transformed; and peer support services and consumer-run initiatives whose outcomes indicate the importance of their role.

**The Chair:** You have about a minute left in your presentation.

**Ms. Campbell:** OK.

Our brief talks about homelessness, which is prominent in the Toronto news these days. In that brief we've given some of our suggestions around the connection between homelessness and mental health and addiction issues. You will recall that the Golden report a

number of years ago stated that approximately 35% of people who are homeless suffer from mental health and addiction issues. So the connection to those issues and the supports are necessary.

The other thing the Golden report focused on, which the Centre for Addiction and Mental Health was in many ways created to enhance, is treatment for people with concurrent disorders, people who suffer from a mental health issue and an addiction issue. I won't go into the details we've given you, but again, the co-morbidity is a hugely important issue and we must have programs that treat people with both mental health and addiction issues.

**The Chair:** We should move to our questioning now.

**Ms. Campbell:** OK. Thank you.

**The Chair:** The questions in this rotation will go to the official opposition.

**Mr. John O'Toole (Durham):** Thank you very much for your presentation. It is the first presentation that I recall, from sitting on this committee, representing the needs of mental health victims and the providers of the service.

This may not be directly related to you, but indirectly: the divestment of the Whitby Mental Health Centre, which was part of a report when we were government: What kind of impact would that have, not just on this community but for the delivery of health care and the funding that may flow into community mental health?

**Ms. Campbell:** The experience of the Centre for Addiction and Mental Health is that of a divested provincial psychiatric hospital. The Queen Street Mental Health Centre was a provincial psychiatric hospital. We believe very strongly that the system has been improved and the delivery of care has been enhanced by virtue of bringing a mental health facility into the broader health community and reinforcing its role as a public hospital. I think in the end the links to community through a board that's accountable back to those communities, the enhanced volunteer participation through our board, through our governance structure, in our organization have made us a stronger institution. It's forced us in many ways to look more carefully at how we are a part of a broader mental health and addiction system—and a broader health system—rather than something that sits outside the network of public hospitals. We strongly support it, and we believe that it enhances links to communities and to community-based resources.

**Mr. O'Toole:** You would know that Jean Achmatowicz-MacLeod was chair of the committee that made those recommendations to the government in their divestment proposals. The one for Whitby has been delayed for a number of years, and I'm not sure what its status is right now; I apologize for that. I see it as putting more and more pressure on Lakeridge Health, which is our board here representing the hospitals. The provision of services within the regular hospital structure will be a challenge when in fact they already have serious challenges in delivering services, not just in institutions or facilities but in the community itself. Would you like to comment on that? That's the concern I have. Lakeridge is

already suffering, I think, about a \$10-million operating deficit and, as such, providing additional services without additional supports of money might be problematic.

**Ms. Campbell:** It's difficult for me to comment on Whitby and Lakeridge, which, frankly, I'm not terribly familiar with. However, I think that one of the things we've tried to do at the Centre for Addiction and Mental Health, for instance, is to better integrate the tertiary care facilities that a place such as ours provides with the hospitals in the area. We're in a process now of working with downtown hospitals in Toronto to have a network of emergency services, for instance, where we will collaborate much more closely as the tertiary facility with downtown hospitals so that the pressure on the general hospital is reduced by virtue of the role we play with those hospitals.

I think that, hospital to hospital, those kinds of negotiations can happen. We can better do what we can do, the community-based service can do what it can do and the general hospitals in communities can play their role more effectively. We actually believe, as a tertiary care facility, that with those networks, those links to other hospitals where we can improve how we work together, there's a possibility to enhance that in this community so that you don't have people sitting in emergency rooms who have mental health or addiction issues when you have heart failure and the more immediate, acutely ill people there. The mental health and addictions people seem to be pushed aside in those circumstances, and it's a big problem.

**Mr. O'Toole:** That's right. I tend to agree.

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

KEVIN McALLISTER

**The Chair:** I would ask Kevin McAllister to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard. You may begin.

**Dr. Kevin McAllister:** Good morning. My name is Kevin McAllister. I'm not here representing any organization. I was looking at the list today, and there seems to be quite an official group that is here. I'm actually a chiropractor from Oshawa, Ontario, and what I'd like to represent today is my patients.

The reason I'm here today is that I'm very concerned about the delivery of health care in Ontario. I'm not here to talk about the delisting of chiropractic services; I feel that would be self-serving. But what I am concerned about is the delisting and the inability of chiropractors to requisition X-rays and diagnostic testing for patients. The issue of delisting non-essential health services, as chiropractors have been included in that with physiotherapy and optometry, is something that's already been dealt with. What's happened as an offshoot of that is that up until recently, chiropractors have been able to requisition

and get X-rays and tests done at hospitals in Ontario. Since the delisting issue has come up, that has been denied to chiropractors and chiropractic patients. I feel that this is an essential issue in diagnosis.

I'd like to just tell a story about a case that happened in my office and what really prompted me to come and speak to you today. There was a patient who presented to us in December, actually last month. The patient presented with low back pain with leg radiation. We evaluated the patient. We did a careful examination, and we determined that the patient needed X-rays and further testing. We went to refer the patient back to their family physician. The family physician is one of those physicians in Oshawa who is overburdened with patients. Between 30,000 and 35,000 people in the Durham region don't have a family physician.

**0920**

Subsequently, the patient was not seen by their physician but was sent to urgent care at the Oshawa Clinic. The Oshawa Clinic doctor who examined the patient spent less than five minutes with the patient and determined the patient did not need an X-ray, any further evaluation or any further testing.

The patient continued to suffer from pain and problems and called me at home on December 26, Boxing Day. I talked to the patient for approximately half an hour on the phone. The patient was told to call Telehealth Ontario to determine if they needed to go to hospital immediately. The patient was taken by ambulance to hospital and was finally X-rayed—diagnostic testing was finally done—and was found to have a condition called osteomyelitis. This is a very destructive and very serious infection of the bone of the patient's back.

Oshawa General was not able to handle the case. The patient was then referred to Western General Hospital in Toronto. This past week, the patient had surgery—has had a fusion. The patient is still in the ICU and may not make it because they did not have the proper testing done early on. If the X-rays had been done early on, the patient probably could have been tested and put on an antibiotic. Number one, the patient would not have suffered so much. Number two, the health care system is under tremendous burden. This patient has now been in hospital for approximately 23 or 24 days. The patient has now had a back operation, which has been at significant cost and risk to the patient and cost to the system.

The next issue is that when I have a patient in the office right now, I cannot get diagnostic testing done, so I have to refer the person to a medical doctor for the testing, such as an X-ray. This is an extra billing to the system that's not required. First of all, I've already spent half an hour with the patient to determine whether an X-ray is needed. We have certain protocols that you look at. We don't take X-rays unless they're absolutely necessary. If I refer the patient to a doctor, there's an extra billing to the OHIP system. That cost to the OHIP system for the evaluation by the doctor, which takes approximately five minutes, is almost equal to the cost of having the X-rays taken in the first place.

The problem is also one of convenience. If a patient is in pain, it's a delay of care to the patient, because the patient has to go from the chiropractor to the medical doctor to the X-ray clinic; reports come back to the medical doctor, and finally back to the chiropractor.

I'd just like an indication here: How many people here at the table have had back pain in their lives? So a very small percentage. Actually, almost 80% of the population will suffer from back pain at some point in their careers.

What I would like to do is ask that the committee, in taking this to the budget committee, consider allowing chiropractors to be given access to hospital X-rays, CT scans and diagnostic testing that we need as front-runners in the health care system.

The other issue, as I'm finding more and more, is an anti-chiropractic sentiment. We had one patient recently who went to their family physician on referral and had the X-rays taken, but before the X-rays would be released to the chiropractor, the patient was charged \$20 as a filing fee. I don't understand how the health care system could pay the doctor to take the X-rays and then charge a chiropractic patient specifically to have those X-rays read by the chiropractor.

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

**Dr. McAllister:** I'm done.

**The Chair:** Excellent. This round of questioning will go to the NDP.

**Ms. Shelley Martel (Nickel Belt):** Thank you, Dr McAllister, for coming in today. I'm just looking at the sheets that you left for us. You said, under cost savings, "I only X-ray about 10% of the patients that come into my office." So you have the capacity to do that in your office?

**Dr. McAllister:** Yes, I do. I have an X-ray machine in the office. The problem with my X-ray machine is that it only has the capacity to take a certain level of X-ray, and when I have a patient that's over about 39 centimetres in diameter, such as a low-back case, I don't feel the X-ray is of diagnostic quality, so I have to refer them out.

**Ms. Martel:** Previous to the delisting, just so I'm clear about this, you could make a direct referral for an X-ray? You could give a patient a direct requisition slip for that?

**Dr. McAllister:** Yes. The Whitby hospital had an arrangement with chiropractors, and the chiropractors could send the patients directly to the Whitby hospital and have X-rays taken.

**Ms. Martel:** Is that common across the province?

**Dr. McAllister:** It's very common. I can't speak across the province; I'm only speaking for myself here in Whitby-Oshawa, but it's very common in this area, and I understand it's common throughout the province as well.

**Ms. Martel:** So what you're telling the committee is that the second result or consequence of delisting is that the Whitby hospital will no longer allow you to do that; they will not accept a requisition slip from a chiropractor to do an X-ray.

**Dr. McAllister:** That's correct.

**Ms. Martel:** I honestly didn't realize that was the second consequence from the delisting. I mean, I understood the problem in terms of people paying out of their own pockets now for the full service, but I didn't realize that a second consequence was this.

In my part of the province, there are about 30,000 people who don't have a family doctor. We are already being affected on the level of people who didn't have a family doctor and would go to their chiropractor for low back pain, and who, if they can't afford to do that now, are going to the emerg or the after-hours clinic, so that's more expensive. I'm going to assume, then, the same scenario is affecting our patients. It hasn't been brought to my attention in my constituency office, I must admit, that now there's an additional cost to the health care system for the requisition because you're having to refer people back, or those people going to the walk-in clinic or the hospital—it's already more costly getting an X-ray there, if that is indeed ordered. In the case you relayed to us, it's not.

I know you didn't want to talk about the delisting, but in terms of your own practice, what changes, if any—maybe it's too soon to tell—have you seen with respect to delisting? Has your patient load changed? Have you lost a number of patients? Are you picking up patients who, to put it mildly, are high-income earners and can afford to cover the whole fee? What change, if any, can you describe to us?

**Dr. McAllister:** The demographics of my practice have changed dramatically. My practice is in downtown Oshawa, perhaps one of the poorest areas of Ontario. The patients who have Ontario Hydro coverage, General Motors coverage and Ministry of Finance coverage are actually in better shape because they don't have to wait until their OHIP has been exhausted before they can use their benefits, so I have a large increase in insurance-based business. The patients who don't have any base of insurance, actually the poor from the downtown area, can't afford to go to chiropractors anymore, so there is a change in our practice.

I haven't had a dramatic drop in numbers. Perhaps we're down 10%. There's a change in the system, but it hasn't been that dramatic to this point.

**Ms. Martel:** The change you're seeing is not in terms of numbers; it's the clientele, in terms of what their income is, essentially.

**Dr. McAllister:** Basically, the rich can afford the services and the poor can't.

**Ms. Martel:** In terms of your broader appeal to us to have chiropractors be able to do diagnostic testing generally, not just X-rays but other diagnostic equipment, that would be something new. My sense is that you could do requisitions, but was that strictly for X-rays? You couldn't requisition for a CT scan or MRI?

**Dr. McAllister:** No. To this point we've only been allowed to ask for X-rays, and that was done on the local level. My feeling is that I wouldn't ask for a CT scan unless there was a real reason for it, and to have the patient go back to the family physician in order to have

the test done is just an extra part of the system. It's a waste of money. Certainly I could diagnose a lot of patients and save the system a lot of money, and that is essential. We have to start diagnosing these patients right off the bat. Going back through the system is a delay of care. And I hate to say this, but in some cases, because I'm a chiropractor and I'm referring the patient back to the doctor—there is some anti-chiropractic sentiment out there, and just because the patient was sent by a chiropractor, sometimes the patient is denied care.

**Ms. Martel:** Thank you very much.

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

**Mr. O'Toole:** Mr. Chair, on a point of order: I think we heard the same presentation in London. I'm wondering, was there a resolution moved with respect to the extra fee for X-rays?

**The Chair:** We can ask research to—

**Mr. O'Toole:** I think we did raise a point of order or a resolution in London on the same issue.

**The Chair:** Was there a motion or a research question asked in London?

*Interjection.*

**The Chair:** I'm informed by the clerk that there was a question put by Mr. O'Toole.

**Mr. O'Toole:** So there was a question put on chiropractic.

**The Chair:** There was a motion moved on chiropractic.

**Mr. Mike Colle (Eglinton-Lawrence):** Just keep track of what you've done.

**Mr. O'Toole:** I just wanted, for the record, to make sure that—

**The Chair:** Order, please. We answered the question that was asked, and that's all that was required.

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

KAGAN SHASTRI, BARRISTERS  
AND SOLICITORS

GREENSPACE CONSULTING ASSOCIATES

**The Chair:** I would ask Kagan Shastri, barristers, to come forward, please.

While you're setting up, I will just remind you that you have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to identify yourselves for the purposes of Hansard. If you're ready, you may begin.

**Mr. Ira Kagan:** Thank you very much. My name is Ira Kagan, and I'm a solicitor. I'm here speaking on behalf of some farmers in Pickering named Hollinger, as well as their companies, Hollinger Farms, as well as some other landowners in Pickering. The reason I'm here to speak is to explain a few very significant provincial initiatives that are going on right now and to explain why they have such far-reaching budget implications and finance implications not only for the government but also for all the residents of Ontario, now and well into the future.

What I've displayed at the top here is a portion only of the provincial greenbelt plan, and I want to focus on these lands here. Just so you'll understand where we are, this is Toronto and this is Markham—

**0930**

**Mr. Colle:** On a point of order, Mr. Chair: If I could just get it clear: Is the solicitor talking on his behalf or on behalf of a client? Could that be made clear?

**Mr. Kagan:** Clients.

**Mr. Colle:** Could you list the clients you're representing, maybe not right now, but later?

**Mr. Kagan:** Sure, by all means.

Just to put it in context, this is Rouge Park. It's green because it's publicly owned. This is north of Rouge Park, and it's green because the vast majority of it is publicly owned or is planned to be publicly owned. This up here is the newly proposed federal airport land. This is Seaton, which is all planned for urban development. These are existing urban areas, and these greys are all existing urban areas.

The area I'm concerned with is right in here, which is called the Duffins-Rouge Agricultural Preserve, and which, until 1999, was publicly owned and is now privately owned as a result of sales to individuals, mostly farmers. In addition to that, the province is undergoing the first ever planning exercise under its powers under the Ontario Planning and Development Act—never done before. Basically stated, it's the province doing the kind of land use planning that cities and regional municipalities typically do. It's the first time they've done that. The last thing is the Places to Grow exercise that the province is doing. The sum total of all these is for the province to decide, on a province-wide basis, where people won't live and where people will live. Put simply, that's what it's all about.

As you know, the federal government, through the Greater Toronto Airports Authority, has now announced that they're planning to build—they're studying and have unveiled plans for a Pickering airport.

Why does any of this matter to the budget committee? I want to explain that. First and foremost is that a lot of these decisions are going to require public money for infrastructure—I'll put up another map now—in order for the province to successfully develop this area for urban uses, which it would like to do. Right now, there are no roads, services or anything. An enormous amount of money is going to have to be put in, much more so than if they were to develop this area where the services are right next to it.

Where's that money going to come from? Either it will come from the provincial coffers or it will come on the backs of homeowners as a result of higher prices, which get passed on when the developers have to pay more in development charges. One way or another, it's going to come out of the taxpayers of Ontario. For every dollar that's wasted servicing land that's more expensive to service, there's one dollar less for health care, for example, or for education or to drive the economy forward. It would be very short-sighted if the government

thought that land use decisions don't have far-reaching financial impacts, because they absolutely do.

One of the main purposes of the greenbelt plan is to make sure that growth is kept away from areas that are inappropriate and directed to areas that are appropriate. One of the main reasons that drive that is that it's more efficient to put people where they ought to be living—near transit and existing services—so that you avoid sprawl. This is the central theme.

As far as I know, the provincial government has never done any cost-benefit analysis or any science whatsoever. Believe me, I've asked for it at every public meeting I've attended, and I've attended almost all of them. There's never been any science or any cost-benefit analysis or any fiscal analysis done to justify why the line is being drawn where it is. To the contrary, the city of Pickering has spent more than two years doing a very detailed analysis of both these areas together—this area and this area—and decided where the urban limit should be on both. It basically goes like this. That makes sense because you want to keep it close to where the people live right now and close to where the existing services are. If you were to look at a more regional map of this area, you'd see that this piece of land is going to be an island of green, surrounded by houses and shopping centres and businesses, in the middle of the GTA. It makes absolutely no sense from a smart growth and fiscally responsible point of view.

Just briefly, another example of how some money is being wasted, in my respectful opinion, is this Ontario Planning and Development Act process. It was begun in a sense by the previous provincial government, but the consultants were only hired by this Liberal government. They're spending money to basically reproduce the study that the city of Pickering has been doing for the last two years. With the greatest respect to the province's consultants, they haven't been given nearly enough money to do the job properly, whereas Pickering has done the job completely. It's a waste of public funds to restudy an issue that has already been studied. They should rely upon the experts that Pickering has already hired.

Before I turn the rest of my time over to Mr. Jim Faught, with whom I'd like to share my time—Mr. Faught, by the way, is formerly of the Central Ontario Smart Growth Panel, the Greenbelt Task Force and the head of Ontario Nature—I just want to stress that these land use planning decisions have far-reaching budgetary and financial impacts. If you're going to draw the line, draw it in the right place and do it based on good science and good fiscal analysis.

**Mr. Jim Faught:** I want to add just one thing to that: I was a director on The Ontario Rural Council for a couple of years as well, so I do have some expertise and some knowledge about what is happening in north Pickering.

I really want to add to what Ira said about the economic realities of this. First, I want to commend the government on not ignoring the report of the Central Ontario Smart Growth Panel. A lot of hard work was done to reach that consensus, and those 44 recommend-

ations coming forward have really been the basis for the Places to Grow report that's come out, so thank you for not ignoring that report and shelving it, as has happened in the past. Long-term-growth planning such as this will allow for strategic government investment in infrastructure to support this growth that's coming.

A relevant recommendation from the Toward a Golden Horseshoe Greenbelt advice was that both these plans—the greenbelt plan and the growth plan—need to happen simultaneously. At this point, we've seen lots of details on the greenbelt plan but we have not seen lots of details on the growth plan. We've seen the first version, but the public consultation has happened and the Ministry of Public Infrastructure Renewal is behind the scenes dealing with that input and revising that. The greenbelt plan is moving forward; however, we need to see some further movement on the other plan.

There were three reports released on Tuesday of this week by the Ministry of Public Infrastructure Renewal. The first one is Growth Outlook for the Greater Golden Horseshoe, a very telling report, a lot of work done by a lot of ministries, a lot of municipalities, a lot of experts, to say that over the next 30 years an additional 3.7 million people are coming to the greater Golden Horseshoe. More importantly, an additional 1.7 million households will be required to house those people. That's on top of the present 2.6 million households—an additional 1.7 million households.

The second report, A Current Assessment of Gross Land Supply in the Greater Golden Horseshoe, shows that there is roughly 174,000 acres of currently designated land for future growth. This is not consistent throughout the region in the greater Golden Horseshoe. Some areas are up against their boundaries and have a limited supply for future growth, and we need to consider that.

What does this mean for the provincial budget being prepared, and for your deliberations? A large number of people are forecast to settle here. This will require expert planning at the regional and municipal levels to accommodate and provide infrastructure and servicing. While there is land designated for future growth, there will need to be additional lands designated for this growth in the next 30 years. Ontario needs to ensure that any new lands designated for urban development follow these smart growth principles. The principles for the expansion of urban growth boundaries are detailed on page 21 of the Places to Grow report. Basically, that's a copy of what the Smart Growth panel recommended to the province.

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

**Mr. Faught:** There are just two more things I'll summarize here. One relevant recommendation from the Central Ontario Smart Growth Panel is: "The priority action is to attract and direct balanced growth (a balance of jobs and people) within existing urban and settlement areas" adjacent to where there is existing infrastructure.

I want to bring to your attention a handout from Mayor Hazel McCallion, chair of the Central Ontario Smart Growth Panel. The second paragraph really high-

lights what I'm talking about here. She says, "I want to make it very clear that the Smart Growth panel strongly recommended to the province that development occur where the infrastructure is either already present or close by and that this should determine which areas should be proceed first."

I'll jump down to the summary in my handout. You can read the other recommendations, but there is an important summary point here: There have been so many planning exercises and changes in north Pickering over the last 30 years—from expropriation of land to the Oak Ridges moraine, the Seaton model community development planning, the Duffins-Rouge Agricultural Preserve work and the land swap in Seaton with Richmond Hill—that what's happened is really a convoluted mess. What needs to happen now, rather than a rush forward to designate these lands as greenbelt lands, is to stop, take a pause and really do a full environmental assessment on this full area. That's really what we're asking for here. You need to take a pause and not designate this greenbelt now, because with the runway alignments that are recommended, there really needs to be a second look at where we're going to do development in this part of the world versus where we're going to have green. I'm still saying that there needs to be a balance of growth, farmland and green natural heritage areas. It needs to have all three, and we can do that balance if we do a proper EA on these lands.

**The Chair:** Thank you. In this rotation, the questioning will go to the government.

**0940**

**Mr. Colle:** Thank you very much. Again, I would like, for this committee's information, just to get a list of your clients, please.

**Mr. Faught:** Yes.

**Mr. Colle:** I know a little bit about this. When you said "mess" or "complexity" here, I agree; it is very complex. I've been somewhat involved in this over the last couple of years, and I've looked at both sides. I can remember the city of Pickering, which is constrained; they actually have nowhere else to go. To the north of them, there is potential for growth. They have done some analysis for future projected growth, and that would seem the area where there would be potential for efficient use of land and resources for future growth in that part of Pickering, to the north of—I guess it's north of the 401, right?

I guess the real dilemma here is that the lands on Duffins Creek are environmentally sensitive. Traditionally, they were farmlands, and there are some agricultural practices still taking place. The question that really puts the government, and I think everybody, between a rock and a hard place is, do you allow development on the Duffins Creek preserve, which is under covenant—it's supposed to remain agricultural; that was part of the covenants that were agreed to in the mortgages—or do you move development to the Seaton lands, which you're saying is going to cost the government huge amounts of money to put in the sewers and roads, where you've

already got the services and the infrastructure for growth there near the Duffins Creek area, which is much closer to where the growth already is? Why expand it out there? Is that, in essence, what you're saying, in terms of cost?

**Mr. Faught:** There are two answers to that. The Seaton lands are just as valuable, from a natural heritage perspective, as the Duffins-Rouge lands, so they both need to be considered as one parcel, not separately, as has happened here. Smart growth principles talk about the built form and how we move out in an orderly fashion. We can't move out into Lake Ontario, so we have to move in a semicircle out from the GTA region. We have to make wise use of the existing services. There already are existing services here. What I'm saying is that the southern part of the Seaton agricultural lands would be best developed, in an appropriate way, with the balance of jobs, employment lands as well as natural heritage protection, but that can be properly done throughout the entire area.

In my brief, you'll note that Dr. Wayne Caldwell, an expert in this field, has provided a report saying that these lands are not special for agricultural purposes. Parts of them are, yes, and those should be left not for production agriculture but for urban-supported agriculture. A lot of water has gone under the bridge here, and what we need to do is take a pause and look at the whole area, and not just declare this because of past history and baggage.

The second part here are the covenants and those agricultural easements. They were put in place in favour of holding the land for agriculture until development. There are letters from the lawyers from Green Door Alliance to that effect, saying, "We agree that these agricultural easements are in place, not in perpetuity as conservation easements; these agricultural easements are in place only to hold the land for agricultural purposes until such time as proper, orderly, well-planned development happens."

**The Chair:** Thank you for your presentation this morning. I would also say to you that the list of clients will be given to each and every member of the committee.

**Mr. O'Toole:** On a point of order, Mr. Chair: Could I ask the research people to look into determining what the submission here today said was a planned, orderly growth based on infrastructure. What is the plan between smart growth and the greenbelt legislation that the ministry is currently considering? They're rushing the greenbelt legislation, and a lot of presentations I'm hearing in Durham—

**The Chair:** Your question has been put. We'll have them look into that as best as research can. Please put that in writing, if you would, to ensure that they understand your question.

#### DUFFIN CAPITAL CORP.

**The Chair:** I would ask Duffin Capital Corp. to come forward please.

Good morning, sir. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of Hansard.

**Mr. Mark Flowers:** Good morning, Mr. Chair and members of the committee. My name is Mark Flowers, and I'm a lawyer with Davies Howe Partners. We represent Duffin Capital Corp., which is a member of the West Duffins Landowners Group, and is a landowner in the Cherrywood area of the city of Pickering, sometimes referred to, as you've just discussed, as the Pickering portion of the Duffins-Rouge Agricultural Preserve.

You've just heard from Mr. Kagan and Mr. Faught regarding the potential economic implications of the government's land use planning and growth management decisions. I'd like to build on a couple of those points and specifically discuss the adverse economic implications of the government proceeding with decisions to restrict development in Cherrywood and why the province should in fact reconsider its decisions from an economic perspective.

I think it's fair to say that one thing that everyone can agree on, no matter what side of the table you're on, is that this part of the province is currently experiencing and will continue to experience significant growth pressures in the coming decades. Mr. Faught referred to some reports that were released earlier this week by the greater Golden Horseshoe forecast committee. Just to reiterate, it's expected that by the year 2031, there'll be a population increase of about 3.7 million new residents and 1.7 million new housing units. Here in Durham, the population is expected to almost double by the year 2031, from 530,000 up to just under one million.

So the issue, then, is not whether Durham will experience rapid growth in the coming decades, but rather where in Durham that growth ought to be directed. I think it's fair to say that there's also general agreement that, in order to accommodate that level of growth in a sustainable manner, both from an economic and an environmental perspective, we must seek to develop communities that are more compact, make better use of existing and planned infrastructure and also support the use of public transit where possible. In other words, we must achieve growth patterns that are referred to often—times—and you've heard this term—as smart growth.

Currently, we see smart growth principles embodied in many documents, including various municipal planning documents, the provincial policy statement and, most recently, the province's Places to Grow discussion paper. Places to Grow, for instance, clearly recognizes the economic benefits of ensuring that growth patterns are consistent with smart growth. For example, "By making best use of existing infrastructure, we also reduce the need for large, costly investments and maximize the value of the public investment that has already been made." Similarly, Places to Grow estimates that more than 20% of infrastructure capital costs could be saved over the next 25 years in the GTA alone by moving to more compact and efficient development patterns.

With that in mind, I'd now like to illustrate why allowing development in Cherrywood in the city of Pickering constitutes smart growth and makes good economic sense and, conversely, why restricting Cherrywood to agricultural and related uses in its entirety would be contrary to smart growth and could very well have widespread adverse economic consequences for the province. I'll structure my comments around three separate yet interrelated themes: First, I'll briefly discuss Cherrywood and its non-viability as an agricultural area; second, its location relative to other growth areas; and third, its location relative to existing and planned servicing infrastructure.

First, there's no question that agriculture is an important industry to Ontario's economy, and the GTA has some of the best agricultural lands in the province. Nonetheless, despite being simply labelled as an agricultural preserve, the reality is that this area has no special attributes as an agricultural area, unlike, for instance, the Holland Marsh, the Niagara tender fruit lands and so forth.

In fact, agricultural studies that were recently carried out by experts from both the city of Pickering and the West Duffins Landowners Group came to the same general conclusion, and that is that Cherrywood represents an area of low agricultural viability and, relative to other potential agricultural areas, it is in fact of low priority. These conclusions are the result of a number of factors, including the lack of agricultural support services, fragmentation, declining investment in farm buildings and equipment, isolation from larger agricultural areas and increasing land use conflicts with encroaching urban development.

Meanwhile, the province is proceeding with a plan that proposes to maintain all of these lands as agricultural, suggesting that they could be used for some form of near-urban agricultural uses such as pick-your-owns or roadside stands and agri-tourism. But that ignores the reality that such uses are already permitted in the municipal planning documents and, nonetheless, they have not developed to any great degree. We suggest that the fact that the province's own study team has confirmed that some form of financial support would be required to ensure the viability of the Cherrywood lands for long-term agriculture speaks volumes about the merits of this ill-considered plan.

**0950**

Turning to Cherrywood's location relative to growth areas, I mentioned that among the reasons Cherrywood is not a viable agricultural area is its isolation from other agricultural areas and the impacts of encroachment and development. In fact, if we look at a map that's part of the handout, you'll see the agricultural preserve in the red area. This is the Pickering portion on the east. There is also a smaller Markham portion. You'll see that immediately to the west, just beyond Rouge Park and the Rouge River Valley, is the city of Toronto, and north of that, of course, the town of Markham. These are two of the primary employment areas in all of the GTA.

Immediately south of Cherrywood is south Pickering, and that represents the current built-up portion of the city. So development in Cherrywood would represent a contiguous expansion of the urban area, and that's in fact consistent with the provincial policy statement.

Downtown Pickering, as you may know, has also been identified in Places to Grow as an emerging growth centre. So the additional population that would be accommodated in Cherrywood could in fact support the ability of the city's core to achieve that intended function.

To the north of Cherrywood are the federal airport lands. As many of you know, late last year the GTAA announced plans for the development of a Pickering airport. That would generate thousands of jobs; in fact, it's expected that will become the key employment node here in Durham region. Accommodating development in Cherrywood would support the airport and would also promote the creation of these close live-work relationships that are a key objective of smart growth.

Finally, to the east, you've heard how the provincially owned Seaton lands are currently subject to a provincial planning exercise. According to the draft plans that have been prepared, Seaton could ultimately accommodate a community of as many as 60,000 residents, together with employment lands that are primarily centred along the 407 corridor. Again, having development adjacent in Cherrywood could support those employment lands and could also help to defray the costs associated with development in Seaton.

As mentioned, significant population growth in Durham region is a given, I think it's fair to say. Therefore, to the extent that urban development in Cherrywood is restricted, that population growth does not disappear; rather, it simply is directed elsewhere in Durham region. Given that Cherrywood is located adjacent to the city of Toronto, the town of Markham and the built-up portion of the city of Pickering, that growth is going to be directed to more peripheral locations within the region. Those areas could very well be higher agricultural priority lands, or they could be lands that are far more removed from existing development and services, and therefore would require costly investments in new infrastructure that ultimately everyone has to pay for. In fact, that's exactly what is contemplated by the province in Places to Grow, where Cherrywood is identified as an agricultural preserve, whereas the undeveloped lands in the northern portions of the city of Pickering, the town of Whitby and the city of Oshawa are identified as future growth areas.

On the second map—an excerpt from the regional official plan—the area in white basically east of the federal airport lands is labelled “Alternative Candidate Area,” which our client's planner is identifying could be an alternative candidate area for an agricultural preserve.

The logic of the province's decision to identify that as a future growth area really escapes us, because, as shown on that map, those lands represent a much more contiguous existing agricultural area. They're largely sandwiched between an existing open space to the south and

the Oak Ridges moraine to the north, and they're far more removed from existing built-up areas and servicing infrastructure. Therefore, it's hardly a model of smart growth.

It would be very interesting to know what type of cost-benefit analysis, if any, the province carried out before deciding which areas ought to be designated as future growth areas. We're certainly not aware of any such studies or comparison of servicing costs, and if they have been done, I guess we'd wonder why they haven't been released to the public.

**The Chair:** You have about a minute left in your presentation.

**Mr. Flowers:** Thank you.

That brings me to my final point: the proximity of Cherrywood to existing and planned infrastructure and the serviceability of these lands. The ability to use existing services efficiently and limit the unnecessary expansion of infrastructure is a fundamental principle of smart growth. In that regard, development in Cherrywood does make a great deal of sense, given that it already contains or is adjacent to a number of existing or planned services. Recent servicing studies have confirmed that Cherrywood could easily be serviced by sewers and water; in fact, the York-Durham sanitary system traverses the southern boundary of Cherrywood.

I've also left with you a preliminary servicing analysis for West Duffins lands. This was prepared by the West Duffins Landowners Group's engineering consultant, Stantec. With respect to transportation infrastructure, Cherrywood is very well served by a series of arterial roads, with connections to south Pickering in an east-west fashion, of course. We also have Highway 407 traversing the north portion of Cherrywood.

Likewise, there are also opportunities to develop public transit in Seaton, but those would be greatly enhanced if Seaton and Cherrywood were planned and developed in an integrated fashion. The added population, of course, would provide an additional ridership base, and that would help defray capital and operating costs.

The consulting team retained by the city to carry out its growth management study found that existing roads through Cherrywood would represent the most appropriate transportation and transit corridor into the Seaton community. The city's growth management study also found that Cherrywood is highly conducive to the cost-effective extension of infrastructure and transit in this area, as well as the sharing of services and facilities.

In conclusion, there's no question that development in Cherrywood would constitute smart growth, and that would help ensure that population growth is not directed to more remote locations in Durham region where there would be less opportunity to share existing services.

Rather than making political decisions purely to appease various special interest groups, the province must re-evaluate Cherrywood as a potential growth area to appreciate the obvious economic benefits of allowing development on these lands, and also recognizing the

potential costs if you restrict development there and simply redirect it elsewhere in Durham region.

Thank you for your attention.

**The Chair:** The questioning will go to the official opposition.

**Mr. Flaherty:** Thank you, Mr. Flowers, for your analysis of the issues that arise out of the growth in Durham region and Bill 135. We in the official opposition are very concerned with growth east of Toronto, which is an area that has not been paid a lot of attention to, certainly in the 1980s and more so during the time of our government.

We have a university here now, we have a thriving community college—we're going to hear from them later today—and we have rapid growth, as you've outlined. We're certainly in favour of balanced growth, but we also want to see an economic plan that goes along with an environmental plan, and we want the decisions to be based on intelligent science and on available data, and without waste, which has been referred to by presenters here this morning. So I'm not surprised, and I expect we're going to hear more on this subject today, because we're talking about the future of our part of the province of Ontario.

Some of the issues that have been raised—and I'll ask you about the Cherrywood lands in particular. Could you outline, if you would, where those services are? I've been looking at the chart, and I see one of the lines is the trunk services. If you're able to, I'd appreciate your enlightening the committee with respect to what those trunk services comprise.

**Mr. Flowers:** Certainly. The red dotted line on the first map is in fact the YDSS, the York-Durham sanitary sewer. That sewer serves most of York region and the western portion of Durham region. You'll see that it literally does traverse the southern boundary of the Cherrywood area. Given the elevations, of course, which generally rise from south to north, our client, an engineering consultant, has determined that—and this would also be a cost saving measure—the entire Cherrywood lands could drain to that trunk sewer by gravity alone.

You'll also see blue lines, which represent servicing infrastructure of another point, which is the transportation infrastructure. It represents, on the southern boundary, a rail line. That's a potential GO Transit link. If Seaton is to develop—and obviously the intention would be that it would be transit-friendly—then there could be a GO train line potentially along that route.

North of that, you'll see that the next blue line represents Taunton Road. I'm sure those who are familiar with this area of Durham region will know that Taunton Road is a very busy east-west corridor. Of course, that again traverses this so-called agricultural preserve.

We've also, then, got a dotted line north of that, identified as New Whitevale Road. With the development of Seaton, most of the traffic flow is going to be to the south, southwest and west. So the reality is that there'll be significantly more traffic, again, traversing the

agricultural preserve. The province's own study team has identified that that's going to require transportation improvements in the nature of additional roads through Cherrywood, widened roads and possibly new interchanges with Highway 407 to accommodate that.

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

**Mr. Flaherty:** One of the concerns—and I've been to some of the public meetings, as has my colleague Mr. O'Toole, representing the riding of Durham—has been intelligent planning in an economic plan, and the environmental plan being based on science, one hopes. Have you had the opportunity to ask the government of Ontario ministries involved for the scientific data that give rise to some of the proposed planning reflected in Bill 135?

1000

**Mr. Flowers:** Absolutely. Like Mr. Kagan, who represents other landowners in this area, I've attended a number of meetings, whether it be the Seaton open house meetings, the province's plan under the Ontario Planning and Development Act; I've attended a number of the greenbelt public meetings that were held. On almost all of those occasions, we asked to see the science behind this planning. Unfortunately, we never received anything. We were told, "Well, we're not that far advanced in the process," or "Any documents we have that we've referred to, we'll post on the Web site." We've never seen any of that either.

That's a common theme. I think many in the development industry have requested that. I know UDI has made that request of the Minister of Municipal Affairs and Housing. To my knowledge, we've yet to see any of that science. I know a number of times people have made the comment that a lot of this planning seems to be based on political science rather than actual science.

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

**Mr. O'Toole:** Chair, could we put on the record here that, to follow up from the presentation, we would like as a committee to see the science behind the planning decisions that are being made with respect to Bill 135, and more specifically the Cherrywood lands as well as the Seaton lands, as requested by the presenter.

**The Chair:** Is this a research request or a ministry—

**Mr. O'Toole:** Since there are actually two ministries involved—

**The Chair:** Order, please. Is this a research request?

**Mr. O'Toole:** Yes, it's a research question.

**The Chair:** Very good. Thank you.

#### CANADIAN UNION OF PUBLIC EMPLOYEES, ONTARIO DIVISION

**The Chair:** Now I would call on the Canadian Union of Public Employees, Ontario division, to please come forward.

*Interjections.*

**The Chair:** Order, please. If you want to discuss it during the noon hour, you can.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

**Mr. Sid Ryan:** Good morning, everybody. Welcome to Whitby, my hometown; Jim's as well. I've got Judy Wilkings with me today—she's the legislative liaison for CUPE Ontario—and Antoni Shelton, who is my executive assistant. My name is Sid Ryan. I'm the president of CUPE Ontario.

We represent 200,000 public sector workers in Ontario, tens of thousands of them in Durham region alone. Because of the short time frame you've given us, both to prepare our presentation and to make it here today, I'm simply going to focus in on three basic areas—health, education, and P3s—and make some comments about the fiscal outlook in Ontario.

We believe that the Liberal government is actually suffering from a confusion of direction. For example, McGuinty is shortchanging both hospitals and the patients in them with the \$200-million so-called transitional fund announced earlier this week. Half the money will pay to push hospital workers out the door at a time when our province is still recovering from the SARS crisis, when we have warnings almost daily about superbugs in our hospitals and when patients already feel a lack of human contact and caring. McGuinty and his health minister, George Smitherman, have taken a page from the Tory playbook as they try to distinguish between so-called clinical services and non-clinical services in our hospitals. The Conservatives did it with schools when they tried to separate classroom and non-classroom functions, and we saw what happened there: Students across Ontario paid the price.

Everyone working in the hospital today is involved in patient care, whether it's the laundry workers ensuring bedding is clean and germ-free, the dietary aide preparing nutritious meals or the housekeeper who keeps disease at bay in every corner of the hospital. Just like Mike Harris, the McGuinty Liberals are turning the system upside down and inside out. The \$200 million announced only means that there will be even more layoffs in the future, because it does nothing to address hospital operating deficits, which currently total about \$450 million and are expected to balloon to \$900 million in the fiscal year ending 2006. We believe the finance minister is doing nothing more than repackaging neo-conservative fiscal policies.

CUPE members are under tremendous pressure at the bargaining table as a result of this government's policies. While hospital workers are losing their jobs as we speak, other sectors are facing concession bargaining and long strikes.

In terms of the Ontario fiscal outlook, contrary to the government's claims that it is struggling to meet its budget forecast for a \$2.1-billion deficit in 2004-05, Ontario is actually headed for a very modest deficit this year and could easily run a surplus. According to the Ontario alternative budget, following the script of former

Finance Minister Paul Martin, Sorbara is actively managing budget expectations downwards by underestimating 2004-05 revenues by approximately \$1 billion; overstating expenditures for 2004-05 by maintaining contingency and reserve funds at over \$2 billion, when the drawdown on those funds in the first six months of the year was only \$24 million; substantially overestimating the costs of servicing Ontario's debt over the next four years; increasing the budgetary reserve by \$500 million for fiscal years after 2004-05; and underestimating federal government transfers in 2006-07 and 2007-08.

We believe that the government is not looking at innovative ways to save money. One of those innovative ways to find savings would be through economies of scale across the broader public sector.

CUPE Ontario is calling upon this government—indeed, we're challenging this government—to support a jointly trusted benefit plan with Ontario's hospitals. Employee benefit plans are a significant cost to hospitals. Creating economies of scale can reduce these costs. Some hospitals, however, have benefit plans that cover employees just at that facility.

The joint purchasing approach to benefits has given the stakeholders in British Columbia an opportunity to reduce the cost of benefits by 10%. In Ontario, if the joint purchasing approach to benefits was applied, we estimate that the savings for the hospital sector alone could be as much as \$200 million. That's very simple math. We know you're spending almost \$12 billion in the hospital system alone; 85 cents of every dollar goes into wages and benefits. That's approximately \$2 billion a year we're spending in the hospital sector alone just on long-term-disability plans and benefit plans for employees. A 10% savings, as has been found in British Columbia, will save us at least \$200 million.

The Ontario Hospital Association this very week is telling us that 2,000 hospital workers will be laid off, and 8,700 will be laid off next year, because they can't find the shortfall. We believe that there's \$200 million sitting there.

We are currently at the bargaining table with four of the major unions in Ontario. All of us are asking for the same approach from this government. I have met personally with Greg Sorbara and put this proposal to him and said, "You've got to take a look at this."

If you wanted to extrapolate that idea and take it into the school board sector, where it's exactly the same thing—69 school boards in Ontario have all got different benefits plans with different carriers. If you were to use economies of scale in that sector, we would see massive savings.

If you were to do the same thing in long-term-care facilities, which the provincial government is also funding, we could save upwards of \$1 billion in this province alone just by looking at economies of scale in all the sectors. There would be no need for the Ontario Hospital Association to be out there threatening the health care system by saying that we're going to face an

additional 8,700 layoffs next year, on top of the 2,000 that they're laying off this year.

So I urge this government today, if you listen to us on nothing else, to make sure that you give that mandate to the Ontario Hospital Association, which is sitting at the bargaining table with four of the big unions in this province and negotiating right now. Give us the opportunity to bring these proposals forward and put in jointly trusted plans, just like they have in British Columbia, where the savings are absolutely massive.

In addition to that, we'd like you to take a look at long-term-care facilities. The sector has experienced two colossal changes in the past few years: the removal of the minimum levels of personal and nursing care provided to residents; and the downloading of residents who require more complex care from hospitals.

In October 2004, the government allocated an additional \$191 million to the sector. It was allegedly going to go into replacing staff that had been laid off and making sure that residents received at least two baths per week and that the personal care of all those individuals would actually increase. In institution after institution across this province, we have found that the money is going into the profits of private-sector providers in most instances and very little of it is making its way into the front lines. We've spoken to Monique Smith about this. We've provided you with proof of where this is happening in long-term-care facilities right across the province.

The issue of accountability for public funding given to the operators of these facilities must be addressed. CUPE calls on this government to institute mandatory reporting and auditing processes in the sector instead of the voluntary reporting system that's currently in place. It is simply not working. We demand that we have some rules in place that make these facilities accountable for the taxpayers' dollars that they receive on an annual basis.

#### 1010

In terms of the education sector, from kindergarten to grade 12, CUPE members were pleased to see the Liberal government start off on the right foot in last year's budget by increasing funding for this school year by about \$650 million over the 2003-04 amounts. Unfortunately, along with the good news came signs that this government was not really determined to fix the education system's broken finances. The projected increase for 2005-06 is actually \$300 million less than it was last year. As long as funding increases more slowly than expenses, the school system will remain in crisis. I can tell you, I've been through this province in many communities recently and particularly in Thunder Bay where, astonishingly, they've only got 37 schools and your government is closing 19 of them. That's an absolute disgrace in a small community like Thunder Bay.

Most of the rural schools are closing. The funding formula is not working for rural communities in Ontario. As of last week, the school boards all across northern Ontario banded together to take on your Liberal govern-

ment to say, "This is an absolute disgrace." We cannot allow children to be placed on buses for an hour or an hour and a half across this province simply because you have an agenda of closing down rural schools. For all the angst and criticism the Tory government received in the previous five years for closing schools, I would bet dollars to donuts that your government in the last year has closed more schools, or is about to close more schools, than the Tories did in the previous five. I bet if we take that analysis—CUPE is going to undertake that research to find out just exactly how many schools you are closing across this province.

Finally, I want to talk about public-private partnerships. Again, we've made several presentations to your government on this concept. You appear to be absolutely enamoured of and in love with the idea of public-private partnerships despite the fact that we have provided you with information, particularly with respect to the hospital in Brampton, where we know it has cost the taxpayers an additional \$175 million to go the P3 route as opposed to the normal means of public sector funding of our hospitals. That's just one hospital alone.

This week you're talking about budget shortfalls and you're blindly carrying on funding these public-private partnerships, which are a rip-off of the taxpayers. I ask you again to take a serious look at this whole concept of funding public infrastructure, whether it be schools, hospitals or municipalities. The cancer is beginning to spread right now in our own community. In Oshawa, you've got a city council looking to borrow money to build a private sector sports and entertainment complex using your P3 model again. The direction you're sending out to municipalities is the wrong approach.

I'm glad to see you've got Mike Colle on the committee. He understands about P3s. He knows. He's taken on that 407 fight. If anybody wants to know about P3s, there's just one shining example in this province that we all need to take a look at, and that's Highway 407. That tells everybody precisely what happens when you get the P3. The last one, of course, is SkyDome: \$350 million of taxpayers' money was pumped into SkyDome and just three weeks ago you sold it for \$25 million.

So I ask, be honest with the public, be honest with taxpayers about what you're doing with their precious dollars. Take a serious look at the P3 concept, because we will fight you every step of the way on it. It is a rip-off of taxpayers across this province to be somehow pretending that a P3 is the solution to all the problems facing public sector funding in this province.

That's about all the time I've got. We want to talk about lots of other issues, but you're limiting people's time. That's unfortunate, but thank you for the opportunity to say a few words here today.

**The Chair:** This round of questioning will go to the NDP.

**Ms. Martel:** Thank you, Sid and company, for being here this morning. Let me ask a couple of questions. The minister put \$200 million in as a bailout for hospitals: half to accommodate layoffs, which we don't need in the

hospital system, and the other half to carry over deficits to next year, so the problem next year is going to be even worse. At the same time, the federal government has given this government 825 million new dollars this year and this government has taken in \$1.2 billion through its new regressive health tax, which they promised not to do. Don't you think people are wondering where the money went?

**Mr. Ryan:** I certainly know my members are. We've had literally in excess of 1,000 pink slips that have been handed to our members. In fact, in the Oshawa hospital, the Lakeridge hospital here in this community, three quarters of the maintenance department have received their layoff notices. It's astonishing the impact your fiscal policies are having in the health care sector.

A lot of the folks I represent earn about \$27,000, \$28,000 a year. The health tax was probably the most regressive taxation I've seen in my 20-odd years working in the public sector as a union leader. It has had a devastating impact on families when both of them have had to pay this health premium. Some of them actually argued—their logic was, "Well, if we're giving them the \$300, \$400, \$500 per year, depending what your income is, at least we will help to preserve the system." And this year, of course, they're finding out that the very opposite is happening. That money is obviously not going into health care.

At the same time, you're denigrating the work that the folks who are on the front lines do. Certainly Minister Smitherman has referred to and likens the work of the hospital workers, who are keeping the SARS crisis at bay, who are working with those superbugs and C. difficile on a daily basis, to that of cleaning an office in a bank tower. You're completely demoralizing the front-line workers in the hospital system. At the same time, the thanks they receive for putting their lives in jeopardy in many instances over the past year is a pink slip. That's not acceptable and, believe me, this government has not heard the end by any stretch of the imagination. You've not heard the end, certainly from CUPE or other unions on this front. We're not just going to sit by and allow thousands of members' jobs to go out the door because you're playing politics with the finances of this province.

We sincerely believe that the deficit is not nearly as bad as you're making it out to be. Of course, magically, we all know that when we get into the next election, all kinds of money is going to appear and there will be election goodies handed out all over the place. Meanwhile, our members will have lost their jobs and the public will have lost a good health care system in the process.

**Ms. Martel:** May I ask about long-term care? You said the minister put in \$191 million. I have challenged that and said it's a lot less than that if you look at the actual allocations. You should get the presentation made by the Ontario Long Term Care Association yesterday. They said the allocation was actually \$95.5 million, not the \$191 million that the minister keeps saying has been invested in this sector. So I don't think we're going to see 2,000 new people hired by any stretch of the imagination, since that kind of money didn't go into the system.

My more important concern, though, has to do with regulated standards of care. Your union has had a lobby around regulated minimum standards of care. In the last election the government promised a return to 2.25 hours of care per resident per day, which had been cancelled by the Conservatives. Now the government is saying there's not going to be any regulation at all. What do your front-line workers in long-term-care facilities think about that when they're trying to deal with residents every day in facilities that are grossly underfunded?

**Mr. Ryan:** Actually, I met with George Smitherman within a couple of weeks of his having been elected and reminded him that one of their campaign promises was indeed to restore the minimum hours of nursing care. We brought in some folks with us who collectively had 40 years of experience between them in front-line care. Within two minutes of opening our presentation, the minister interrupted us and basically told us we were full of it, we didn't know what we were talking about and that he understood what the problems were. Even though he'd been on the job two weeks—and I don't believe he'd ever been in a long-term-care facility—he was going to tell us, after we had 40 years of experience with us at the table, what was happening inside those facilities and how the voluntary sector was actually what was needed to come in and fix it.

He gave us an example of the police force in his particular area putting on a Christmas party for residents in the long-term-care facility, and more of that was what was needed in the system. I tried to tell him that the good folks in the police force won't be there at midnights and during the off-hours when people really need help and care.

We were promised that the \$90 million-odd that has gone into the system was to be used to give at least two baths per week to residents. We know that's not happening in many, many facilities across the province. There's only one way to fix the system, and that's to go back to the minimum hours of care. It's absolutely required and needed. Any senior citizen who has put the work into this province and put the time in deserves to be able to retire with dignity. It is an absolute disgrace.

Actually, I think it should be mandatory that every cabinet minister be forced to go into a long-term-care facility, take a look at the conditions, smell the urine inside those facilities, take a look at people in their 80s and 90s who are diapered and take a look at the front-line staff who have to go in and care for those folks on a daily basis. This is a labour of love—believe me. There's no money being made by these folks. They're earning barely minimum wages. I even checked with the Workers' Compensation Board. They will tell you that the incidence of back injuries in long-term-care facilities is higher than that in the mining industry, and for one reason: There is no money there even for lifting equipment. These people are lugging patients out of bed on a daily basis, trying to feed them and dress them, 20 residents at a time, spoon-feeding them in an assembly-line process. Really and truly, I would urge every cabinet

minister to make a trip into a long-term-care facility and then sit around the table and tell us that minimum hours of care are not required.

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

**1020**

**Mr. Colle:** On a point of order: I'd like research to follow up on Mr. Ryan's request here, to make available to the committee a report on the BC example of their jointly trusted benefit plan and the possibility of savings that might be achieved if a similar plan could be adopted by the Ontario Hospital Association.

**The Chair:** Would you put that in writing for the researcher?

**Mr. Colle:** I have.

Second, I would like research to report on the financial lessons learned as a result of the privatization of Highway 407 and how that might guide future government decisions in the area of dealing with public assets.

**The Chair:** Please put that in writing.

**Mr. Flaherty:** I have a point of order: I'd like research to check into the increased cost of the hospital in Brampton because of the delay by the Liberal government in granting the contract to build the hospital. I understand the waste is in excess of \$30 million.

**The Chair:** Thank you. Put the motion in writing as well, Mr. Flaherty.

**Mr. O'Toole:** The highway 407 agreement or contract—

**The Chair:** Do you have a motion?

**Mr. O'Toole:** I have a question for research. Could they follow up on what progress has been made on the Liberal election promise to roll back the tolls on Highway 407?

**The Chair:** Ms. Martel, on a point of order.

**Ms. Martel:** I'd hate to miss this opportunity, since everybody is into it. I'd like research to do some work to tell the committee what the difference is between the Conservative lease and the Liberal mortgage at the P3 hospitals in Brampton and Ottawa.

**The Chair:** That's a statement rather than a question. *Interjections.*

**The Chair:** Order, please. I want to remind the committee that all these requests of research have to be dealt with before we go to the report writing stage. I hope you recognize the significance of your questions and the significant and substantial research to be done. I'd just remind the committee that we are to embark on report writing rather soon this year as opposed to some others.

#### NORTHWOODS COMMUNITY ASSOCIATION

**The Chair:** I would ask Northwoods Community Association to come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to please state your names for the purposes of Hansard. You may begin.

**Mr. Dave Barnett:** Good morning, everyone. I'd first like to introduce the person on my right. This is Mr. Cal Thistle. He's the president of our local community association. My name is Dave Barnett, and I am the secretary-treasurer of the association.

Hopefully in a moment you'll see Northwoods. It's a small community of about 20 cottages—normal cottages, as you would expect—on the south shore of Rice Lake about one kilometre from the village of Hastings in the municipality of Trent Hills, about 14 kilometres west of its largest town, Campbellford, in the county of Northumberland.

We're not here today for a large chunk of money or to require a large hiring of more staff. Really, we're here today to alert you to a crisis that's developing in property assessment and taxes, and we desperately need your help. Let me explain.

Residents last year, and particularly this past summer, were complaining to Cal and I about skyrocketing property taxes. We always thought that taxes paid for services from municipalities. However, we have no garbage pickup, no snowplowing, no summer grading, no water control—in fact, for three months we can't even get access to our own property. Last year, there was no building in our area at all and there were no sales of any cottages.

We approached the treasurer and the councillors of Trent Hills and found out that the tax rate, or the old mill rate as they call it, had only gone up 0.002, but the assessment could have risen as much as \$20,000 or more to our members. When multiplied by that tax rate, I had a 25.5% increase and Mr. Thistle had a 40% increase in the actual tax bill.

We learned that there are many other examples, many more horror shows very close to where we are. For instance, the taxes for a car wash in Campbellford had risen from \$17,000 to \$90,000. A farmer in Warkworth had his taxes raised 92%. A lady in Cobourg can't find the extra \$38 a week she will need to pay her taxes, other than from her food allowance.

This is not just a rural problem. At the Association of Municipalities of Ontario last year—last summer, I believe—the city of Ottawa publicly announced that CVA, or current value assessment, wasn't working for them. From talking to London, Ontario, residents, they expect at least a 15% increase.

At the heart of these increases are several issues. The Municipal Property Assessment Corp., known as MPAC, was created, as I understand, to collect money for counties and municipalities by establishing a market value assessment of properties in order to pay for the services downloaded from the province. However, the province probably had no idea of the long-term effects of their creation. The province continues to download, and now it's scaring municipalities as to what's next.

As I understand, taxpayers' salaries—and I'm one of them—are finding it extremely difficult to keep up with these increasing costs in property taxation. Also, as I understand, MPAC had 76,000 complaints last year from

the people of Ontario. The stability in our property tax assessment system seems lost as market values increase extremely rapidly. Even a tax shift has been seen, as those who can pay have to pay more to take care of those who can't pay. If you happen to be on pension, a retiree, a senior, on a fixed income or even a new homebuyer, you're really in trouble.

As I approached Mayor Macmillan of Trent Hills, we found out that he was way ahead of us. Some 225 properties in Trent Hills were up for sale because of inability to pay local property taxes. Two businesses, one of them the largest in town, were also very much in trouble, and these were highly unusual for Campbellford. Mayor Macmillan drafted a letter to other mayors in Ontario—this is the first yellow sheet in the package I gave you, if you'd like to look. It was calling on other mayors, reeves and local councils to speak out about their assessment problems. He could see the impending crisis.

With the help of a local tax awareness group called CAFTA, a resolution was passed by the local council of Trent Hills in Campbellford—it's on the back of that yellow sheet, if you'd like to see the actual resolution. The motion called for the Ontario government to form a conference with the Minister of Finance, the Minister of Municipal Affairs and Housing and all interested stakeholders to develop a fair and balanced property assessment system that will work in Ontario.

I ask you to look at the top of that page, where the "whereas" statements are. Notice the language. The feelings are very strong, illustrating the crisis and how severe it is, not only in Trent Hills but in many places.

This resolution was distributed to all municipalities in Ontario, and within a very short period of time, answers came back. Please look at the blue sheets that follow the yellow one.

The resolution, as I said, was sent to all the municipalities in Ontario, and very quickly—on the two blue sheets—returns came back. We believe this is just the tip of the iceberg. Of the 94 returns, 93 were in favour—and these were all passed by local municipal councils—and only one was not. That means that these people and these councils represent 350,000 residents of Ontario who agree with this resolution. If so many agree that a problem exists, then we feel the Minister of Finance must take action.

Other provinces have also begun to recognize this type of crisis. Last May, the province of Nova Scotia rolled back their assessment to 2001, under Bill 40, and capped any increases.

#### 1030

Why are these increases increasing so rapidly? Some of the reasons—I'm certainly not an accountant and I don't really know. However, things like low interest rates, market behaviour, foreign investment in Ontario, urban sprawl, the Canadian dream of owning your own piece of property, more roads, highways, faster cars and increased money supply could be reasons for these assessments to spike so rapidly based on market values. These increases are bringing hardships like never before on businesses and property owners.

We request that this committee recommend the following to the Minister of Finance:

(1) That the ministry support Trent Hills council's resolution;

(2) That a conference with all interested stakeholders be convened to try to find a better way and avoid the impending property tax crisis; and

(3) That a stable assessment system be developed for the people of Ontario, something we all need and certainly deserve.

**The Chair:** Thank you. In this rotation we'll go to the government.

**Mr. Colle:** Thank you very much for the presentation. In fact, there was supposed to be another group that we were going to get here to talk about the same issue, but they couldn't be fit in. They were essentially waterfront property owners.

**Mr. Barnett:** We are waterfront property owners.

**Mr. Colle:** Yes, and there was another group. I'll let them know that you made basically some of the same points they would have made. I've got their submission in writing.

Sir, I'm familiar with Trent River. What's the relationship with Trent Hills and Trent River?

**Mr. Barnett:** Typically, Rice Lake—I'm sure you know the size of Rice Lake, about 28 miles long. At the far end, the eastern end of Rice Lake, it somewhat narrows to maybe 200 metres wide. As it gets to the bridge in Hastings, that's officially where Rice Lake ends. We're just west of the village of Hastings, the bridge at Hastings, on the south shore.

**Mr. Colle:** I know where you're talking about now. The question is, is there a disparity between the assessments of properties that are offshore in your municipality and those that are on waterfront?

**Mr. Barnett:** I don't believe so, as I meant by the example of the illustration of the farmer. Certainly he doesn't have any waterfront property, and his taxes have gone extremely high. The business in Campbellford, the car wash, is nowhere near the water. It's on a street called Industrial Drive, and somebody thought that Industrial Drive was like the main street of Barrie.

**Mr. Colle:** I'm just wondering whether your municipality has done an analysis to see if there's been a spike in assessment on the non-waterfront properties as opposed to the waterfront.

**Mr. Barnett:** My information is that it's everywhere.

**Mr. Colle:** Even the off-waterfront properties?

**Mr. Barnett:** Even off the waterfront. Exactly how much, I imagine, would vary from property to property, but it's certainly very, very large.

**Mr. Colle:** When the previous government introduced market value assessment, was your municipality on record as opposing it? Did they oppose it, or did they concur in its installation? I know the city of Toronto and other municipalities at that time opposed it, saying that it was going to be punitive etc. Do you recall?

**Mr. Barnett:** Sir, I'm not sure. I can't speak for Trent Hills; only Hector Macmillan could. However, from what

I understand, there isn't a councillor in Ontario who hasn't been beleaguered by members saying, "Why am I paying so much?" That was happening in Trent Hills for many years. The election came about, and Mr. Macmillan was elected; he hadn't been the previous mayor. He became very aware of it because he was also a business owner.

**Mr. Colle:** You don't recall whether they're on record as opposing or trying to block—

**Mr. Barnett:** I don't know, sir, I'm sorry. You'd have to ask the mayor.

**Mr. Colle:** The other comment I'll make is that, as you know, with MPAC what's happened is that this year there is no reassessment.

**Mr. Barnett:** Correct.

**Mr. Colle:** There is an attempt by MPAC to essentially reorganize, because in the last two or three years there's been an inability basically to respond to customer complaints, to get information out to people. So in conjunction with AMO, we've sat down, and the reassessments were not done this year for that purpose. There's a new CEO of MPAC in place right now. There's also a new chairman of MPAC. So there are new people who are trying, let's say, to improve some of the customer relations problems that existed in the last couple of years. That's one thing—

**Mr. Barnett:** Sir, it's not just customer relations; it's accountability. It's getting hold of someone. You can get hold of your councillor quite easily, but you can't get hold of anyone at MPAC face to face.

**Mr. Colle:** I know. I agree, exactly that. But in terms of dealing with customers—and you were having a great deal of trouble. That's why the directions to MPAC, as much as we can direct them—we've told them to basically respond to people, give them information, give them ample time to explain a problem etc. and deal with local municipalities, because local municipalities are making the same complaints that individuals were. So some of those things are in place right now.

**Mr. Barnett:** Market value should not be the basis of setting up your property taxes. It just leads to crisis every time.

**Mr. Colle:** But what would you replace a market-based system with?

**The Chair:** Your time has expired, Mr. Colle, but I'll let you answer that.

**Mr. Barnett:** Again, sir, I'm not an accountant and I can't say for sure. This conference would certainly be the opportunity for many different solutions to be tabled for the experts, as such, to look at.

I would expect something that would look more at the appreciation of the value of a property, or a house, I understand is over 60 years, versus the cost that appreciation—and some kind of calculation for the value of the property. That's the issue, at the moment, of what I've been told may be a way of going. But certainly there would be a lot of people at that table who would come up with the solution, we hope, that would make it better for

people in Ontario, because the way it is now it's a crisis that's got no end.

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

**Mr. O'Toole:** Chair, I have a question for research. I would like a brief background report on the attempt to provide uniform assessment for the province of Ontario by the Peterson Liberals, the Rae NDP government and the CVA by the Harris PC government, and furthermore to explain the difference between assessment and tax rate, because they are separate. When assessment goes up—

**The Chair:** Do you only want to go back as far as Peterson?

**Mr. O'Toole:** Well, it goes back further than that, but those are the three current ones, all of whom had plans, all of whom backed away from it.

**The Chair:** I don't want any more comment about it.

**Mr. O'Toole:** It's just so that we get a history to this and the difference between assessment and tax rate. When the assessment goes up; the tax rate is supposed to go down. Municipalities are actually blaming the province or MPAC when they indeed set the tax rate.

**The Chair:** Put this in writing, Mr. O'Toole.

**Mr. O'Toole:** It's in writing.

**Mr. Colle:** That explanation would be helpful.

**The Chair:** I want to remind the committee—you have gone back through some four or five governments with your requests for information—that research only has a certain amount of time to put together what we have heard across Ontario in a format that we can understand and digest in time for report writing so that we can report to the Minister of Finance. I just remind you, if your questions need to go back over previous governments, to give that some serious thought, particularly when we're going back through some four or five, perhaps.

With that said, I thank you for your presentation this morning.

**Mr. Barnett:** Finally, 350,000 people await your help that they desperately need. Thank you.

ONTARIO SECONDARY SCHOOL  
TEACHERS' FEDERATION,  
DISTRICT 13

**The Chair:** I call on the Ontario Secondary School Teachers' Federation, District 13, to please come forward.

**Mr. Colle:** On a point of order, Mr. Chair: I think, on behalf of the committee, what we're asking research to do is whatever is reasonable. We're not asking for something that they can't do to the best of their ability. We have full confidence that they will be able to do that.

**The Chair:** It would be hard, I would think, for research to know, if someone asked to go back over the history of four or five governments, whether they should stop at three, four or five.

**Mr. O'Toole:** Chair, if you gave me a bit of time, I could probably say that the NDP had a plan and the current government—

**The Chair:** No. You're out of order here.

The Ontario Secondary School Teachers' Federation, District 13, has the floor.

**Mr. Colle:** Just do the best you can.

**The Chair:** I'm going to ask the committee to formulate their questions in the way they want them answered, and not for research to have to second-guess what it is you actually want.

**Mr. Colle:** Sorry. We apologize.

**The Chair:** On this last day we're having great difficulty, and in the previous seven days of hearings across Ontario, the understanding of the questions put was clear. I've asked three times now for the committee to understand that we have a rather quick turnaround time for research. Their job is not to second-guess what it is you want or don't want. Put the question in a form so they can understand it. They do marvellous work on behalf of the committee and on behalf of all parties that ask questions. I respectfully ask you to put the questions in a succinct way so that we can formulate answers for you.

Sirs, welcome to the committee.

1040

**Mr. Peter Tumey:** Thank you, Mr. Chair and committee, for the opportunity to address you.

**The Chair:** You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your name for the purposes of Hansard.

**Mr. Tumey:** My name is Peter Tumey. I'm the president of district 13, OSSTF. With me is Harvey Bischof, our chief negotiator in district 13.

I'm representing the 1,500 public secondary school teachers in district 13, OSSTF, but I'm also here as an advocate for public education. As such, I'm here specifically to ask for adequate funding levels for the public education system in Ontario in general and for Durham in particular.

We believe the starting point for any discussion of education funding in Ontario should be the Rozanski report of 2002. Dr. Rozanski identified, and the Liberal government has concurred, that the educational system was underfunded by \$1.8 billion as of August 2002, and \$1.1 billion was needed just to meet the rising costs since the funding formula was first set in 1998.

This shortfall in education funding was a result of the previous government's failure to keep the funding formula up to date and current. Even the former government conceded the truth of that shortfall by providing the first year of catch-up money in their 2003-04 budget, as prescribed in Rozanski's three-year plan to update the formula. It is imperative that this Liberal government follow up on the Conservative increase with appropriate catch-up money of their own in this budget and, in fact, in next year's budget as well.

Rozanski also recommended that there be yearly updates of the funding formula to address ongoing cost

increases. Benchmark funding levels must be kept current in all areas, and this Liberal government has failed to do so. In fact, only 5% of the foundation grant increase that was recommended by Rozanski has been implemented, and that's the most fundamental of benchmarks. The recommended increase in the teacher qualifications and experience benchmark has been ignored altogether.

The September 8, 2004, Statistics Canada report identified Ontario as the only province where funding for public education has not kept pace with inflation. This should not be the continuing legacy of the McGuinty government. This Liberal government has said that 82% of the dollars required in the Rozanski report have been allocated to Ontario schools. However, much of this, including about \$1.5 million in Durham, is in new programs and not for the catch-up and keep-up that is essential—valuable programs, to be sure, but the Rozanski report basically said the foundation of our educational house was crumbling, and the Liberal government's response seems to be to re-carpet the living room.

A stable and functional education system depends on motivated teachers who feel respected by their employer. The Liberal government has done much to change the negative environment created by the Conservatives in their devaluation of the teaching profession. My members appreciate the changed environment and the real improvements created with measures such as the repeal of the professional learning program. But money talks, and there is a fundamental need for adequate funding of the system as a whole to allow for the successful completion of local teacher negotiations.

Respect and motivation are not engendered by artificially limiting teacher salaries and benefits to levels below other public and private employee groups. My members are not unreasonable in their expectations. The government should not unreasonably expect them to shoulder the burden of financial austerity imposed by a government elected to undo the damage of the previous eight years.

Harvey is going to outline briefly the effects of underfunding on our negotiations.

**Mr. Harvey Bischof:** In order to explain current bargaining conditions, I need very briefly to set the context that helped create the present negotiations environment. In 1997, we lost about 10% of our secondary teaching staff here in Durham. Those numbers have never been fully recovered. Across our 20 high schools, we still stand well over 100 teachers short of what we would have had if previous staffing ratios had remained in place. Of course, as a union, we wish to safeguard jobs, but we are also mindful of the effect on schools and the students in them. Schools are diminished because they have lost the resources these staff would otherwise have provided. Reduced selection in courses and other programs results. Department heads no longer have the periods available to them to mentor beginning teachers especially, and we see that fallout in the fact that one in

three teachers now leaves the profession in his or her first five years. This speaks to a human toll amongst staff, but for students it means being taught by fewer experienced teachers who have been able to develop their skills over many years.

Reduced staffing in schools also results in increased workload, creating a negative environment for both teachers and students. Bill Wilkerson, the co-founder and CEO of the Global Business and Economic Roundtable on Addiction and Mental Health, has spoken about the appallingly high rates of long-term disability caused by mental and nervous conditions—stress-related, in other words—among the teaching profession. He has gone on to say, “The elevated levels of adult job stress which parents and teachers cope with daily create pressures which circulate among our kids at home and school like a form of second-hand smoke.”

Recently we have seen from the government an approach to staffing that is like the approach to funding: small injections for new special projects but no long-term commitment to elevated base staffing levels. Here in Durham we will soon have 20 new teachers dealing with students at risk, but they have been hired for one semester only. This does not address the real issue. We need funding for long-term base staffing increases to begin to address workload issues we have been discussing at the bargaining table since May of last year but have been unable to resolve. Peace and stability in the education sector will rely in good measure on our ability to address these staffing and workload issues.

With regard to salary negotiations, we have heard repeatedly Minister Kennedy's assertion that 2% is an appropriate amount for salary increases, as it nearly matches the current rate of inflation. Again, some context setting is in order. Had teachers' salaries kept pace with inflation over the last dozen years, an experienced teacher would now be earning about \$5,000 more on his or her annual salary. The minister's assertions about the current inflation rate need to be seen in that light.

That said, because of the other financial pressures on school boards created by the failure of the funding benchmarks to catch up and keep up, we have not yet seen an offer of even that aforementioned 2%, despite the fact that we've been, as I mentioned, at the bargaining table since last May. Peace and stability cannot rely solely on our ongoing patience or on some expected willingness of teachers to accept less than the going average in public sector settlements, currently running somewhat over 3%.

We hope to see the next budget reflect respect for teachers and a commitment to the resources that students need through, first, a desperately needed catch-up, and second, stable funding in real, inflation-adjusted dollars over the coming years.

**The Chair:** Thank you very much. This round of questioning will go to the official opposition.

**Mr. O'Toole:** Thank you very much for your presentation. We have heard from the various teacher associations over each of the presentations in the last couple

of weeks. Adequate funding certainly has been the question that you first raise. I think I heard you commend the student-focused funding model and the following Rozanski review, which is helpful.

Just a bit of background, as a simple understanding of this thing: Really, the main thing in the Fair Tax Commission was to look at how public education was funded under assessment, because we knew that if you had a weak assessment base, you couldn't fund education adequately. Durham was one of the poorest funded boards in the province when compared to other larger boards. It was a range of \$2,000 or \$3,000 per student. The Royal Commission on Learning also followed up on that and said that education should be funded provincially.

From that, we implemented, basically, the Cooke commission that looked at that. We actually reviewed the curriculum, as was recommended by the royal commission, and that, agreed, was headed by Pauline Lang, the former director of your board; Pauline Lang and many of the teachers from Durham actually wrote the curriculum. I've met many of them personally. There's been a lot of fine work done here in Durham, and I am listening to what you're saying.

It appears to me that the current Minister of Education, Mr. Kennedy, is micromanaging the ministry. In fact, there's a cabinet shuffle tomorrow, and I expect that he'll be one of those who will be moved along. I would say that his recommendation of 2%—let's put things in perspective. We've had about two weeks of hearings. For each 1% salary increase in education—because that's the biggest part of the school board budget; the school board budget is basically wages and benefits, with a few supplies thrown in. I'm looking at the government's own budget estimates. The cost of 1% of wage or grid increase is \$115 million or more. That does not include the adjustments for benefits and pensions that are triggered because of those base salary increases.

**1050**

Now, the current direction by the ministry is something in the order of 2% to 3%, based on forcing you to take longer contracts, which would be about half a billion dollars. That's what the number is: half a billion dollars. Is that the number you're looking for? We need to present to the parliamentary assistant for finance that you're asking education, I would say, to solve the problem once and for all—not. But what kinds of ways are you looking for?

This is the second part of the question: You said that an average teacher has lost \$5,000. What is the current average salary for a secondary school teacher in the province of Ontario, and what do you think would be a fair salary? We make \$88,000, a fair salary. That's the question.

**Mr. Tumey:** Concerns about micromanagement by the Minister of Education aren't solved by micromanagement by opposition. If you fund our system adequately, we will locally negotiate a fair salary settlement that will meet the needs of our teachers and that will not be

exceeding the ability of the board to pay. We don't think that setting specific targets in public is a way to negotiate a successful settlement at all.

I do appreciate your government's appointment of Dr. Rozanski and the report that he produced. Please don't see that as support for the funding model in its basic structure.

**Mr. O'Toole:** He supported it.

**Mr. Tumey:** Mr. Rozanski is an independent individual, as I am. I appreciate his report very much. I have never supported, nor will I probably ever support, the idea of the funding formula as a structure.

The boards do not need to have their funding so completely prescribed by micromanagement of either the previous government or this government that they lose the flexibility to meet the needs of their large employee groups within them.

**Mr. O'Toole:** You haven't answered the question on salary, but I will ask you—

**Mr. Tumey:** Well, John, I'm not going to give you my baseline for a salary settlement.

**Mr. O'Toole:** What's the average in your board?

**Mr. Colle:** Let's not negotiate here.

**Mr. O'Toole:** We're not negotiating here. He said \$5,000 based on—

**Mr. Tumey:** The average salary for teachers in Ontario varies depending on the age and experience of the teachers in the board and—

**Mr. O'Toole:** You know that they do want more than what Kennedy said.

*Interjection.*

**The Chair:** Order.

**Mr. O'Toole:** Thank you, Chair, for that abrasive interjection by Mr. Colle.

When I look at it, I believe—and I'd like a response to this one—Minister Kennedy, the current minister, is basically trying to negotiate provincially. That's been an issue in the subordinated discussions.

**The Chair:** Come to your question, please.

**Mr. O'Toole:** Do you believe in provincial negotiations for teachers?

**Mr. Tumey:** In district 13, we are very, very supportive of local negotiations and the value that brings to stability in education.

**Mr. O'Toole:** You should be a politician. You're very evasive.

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

**Mr. Tumey:** I'm the president—and I am, actually.

ONTARIO PUBLIC SERVICE  
EMPLOYEES UNION, LOCAL 348

**The Chair:** I would call on the Ontario Public Service Employees Union, Local 348, to please come forward.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning after that. I would ask you to identify yourself for the purposes of Hansard.

**Ms. Patty Rout:** My name is Patty Rout, and I'm vice-president of Local 348, OPSEU, at Lakeridge Health Corp., representing five hospitals. I'm also chair of the Ontario Public Service Employees Union health council, representing a total of 40,000 members. I represent community workers, hospital workers, ambulance workers, long-term care, hospital support care and mental health. I want to thank you for giving me the opportunity to meet with you today.

We feel that we, as workers in the health care system, have a responsibility to meet and discuss with you what we think needs to change in the budget and try to influence the decisions you might make.

"Health is going through major restructuring whether as a result of budget cuts or health restructuring. The Ministry of Health states in many policy documents that the front-line workers are to move with the services to the community; that the ministry has a commitment to ensuring that the valuable skills and expertise of the workers are not lost; that we should not see layoffs of front-line workers; that workers need to be retrained for new jobs."

That was written in October 1994. It sounds like today. Nothing has changed.

To get elected, this government promised they would improve health care in the province of Ontario. Some will argue that we already have put millions back in. My answer to you is that for 10 years you cut and cut all sectors of health care, and now it's time to correct the mistakes you made in the last three governments. Dying patients can't wait longer. There needs to be a moratorium on layoffs.

I have worked for over 30 years in health care as a lab technologist in the pathology department, performing cancer marker testing. My members were—and I stress "were"—proud of the work they do. Now we are weeks behind, delaying cancer treatments, delaying emergency results, delaying patients from leaving the hospital. That is nothing to be proud of.

We've been swimming in a deluge of increased workload created by constant cutbacks by all three governments. It takes will to make a change, and you've been elected to do this. You need to do it right this time. Every time we see words like "modernize," "streamline" and "integrate," the next thing that happens is that the front-line workers lose their jobs. I don't know how that helps patient care.

The new hospital business plan or buy.com or back office transformation is going to receive \$22 million this year in start-up fees. Is this a private company? Who knows? They get that just for the first year. We know the taxpayers will pay for that. Then we're going to see another \$91 million spent for 2,000 workers who lose their jobs. We still haven't put any care on the patients. Surgicals have been increased, but no staff are being added.

P3 hospitals are another broken promise: an extra \$175 million to build the hospital in Brampton. How did this help us?

In the community, the RFP process is costing millions of dollars and gradually driving non-profit agencies bankrupt or forcing them to adopt the negative characteristics seen with for-profit companies. Health care professionals in communities cannot qualify for a mortgage or loan because of the instability of multiple employers. Their quality of work life has deteriorated by being moved into the community.

Mental health services need to be a protected service like cancer care. We need to make sure those dollars go to mental health. Services in mental health were down-loaded a number of years ago, and we know the community never picked them up. It shouldn't take six months for people to get mental health care when they're in a crisis.

We need long-term investment in health care, not experiments in private-public partnerships. We need to invest our dollars in people. We need stability, not chaos. We need funding available to universities and colleges to train and upgrade our professionals.

The government has a responsibility. We know the cupboard is not bare. We're not stupid. This latest fiasco with giving money to hospitals so they can lay off staff who are needed so badly is downright insane. Sending patients home too soon means the patients come back sicker than before, and this costs the health care system more. Moving the work to the private sector, we know, costs more. How does putting a schizophrenic patient in jail improve their health care? How will waiting months for treatment help this person?

Moving physio into the community, where people need to pay, means that the average person will not get their care. Sure, they can go on waiting lists, but it could take several weeks before they get the care they need. Then they're readmitted to the hospital, so now we're paying more.

Now this government has decided that what we should do is move the work into the community from the hospitals. So the direction is to move all ancillary workers out of the hospital if it's cheaper to do it there. How does that improve health care?

There needs to be funding attached to a person, no matter where they are in the health care sector, to ensure proper care, which in turn will save the system money, and whistle-blower legislation for staff and families to advise on the misuse of health care dollars.

What about care? What about the person? How does this new system make it better for that person? Will the list get shorter? We need a continuum of care right through the system that addresses the person's needs.

There should not be profit in health care; and if there is, why shouldn't it be put back into the health care system?

We have seen notices of layoffs: dietitians in Cobourg, social workers in Peterborough, dialysis techs, lab techs in Oshawa, transcriptionists in Scarborough, physiotherapists in Stratford—I can go on and on. Private companies are being financially wooed to build this service in the community, just like the MRIs, and we know what happened there.

1100

There are shortages everywhere. I have said this many times. It's not just doctors and nurses. It takes a team. We have vacancies everywhere in the hospitals. They are not hiring; there's a moratorium on any hiring. CT, ultrasound, mammography, lab etc.: None of the jobs are being filled, so it doesn't look like we have shortages, because they're not replacing.

The latest announcement fills an already weary group of workers with fear and dread for their future. They are looking at other options now, such as retirement, leaving altogether or moving to warmer places where they are indeed valued. The province told us how important we were a year and a half ago, and now we're enemy number one.

We don't need new money in health care; we just need to use the money we already have and do it better. You should be horrified that 8,500 people are going to be laid off in the health care sector. There is no plan. The government is pushing over 100,000 years of health experience out the door: "Here's your hat. What's your hurry?" When I say there is no plan, if you saw McGuinty's ad in the Star today, he said there should be about 600 jobs in the community, and, "You're employable, so we really don't care."

So there appears to be no plan. Hospitals are not sharing their plans. It's a big, dark secret. What do Smitherman and McGuinty have planned, and why are they not sharing it? This government is misleading everyone.

If you look at the Hugh Mackenzie report, he shows there is enough money for health care. We see right now money being wasted on private consultants. I don't know half the people who are wandering around in my hospital right now. They aren't workers and they aren't patients. We have costly administration. We have RFPs that are costing millions of dollars. You saw what happened to Mr. Blue. I don't think Durham region wants to be in that same sort of situation.

My members went into this field to serve patients. Someone several years ago made a decision that we have to have profit, and there's been a spiral downward ever since.

I'm told I need to be more competitive and that I need to create my own business in the community. I just want to deliver health care. We know that as you drive more patients into the community, insurance prices will rise and people will again not be able to afford private insurance.

We need accountability. We need to know where the money is going—the federal tax, the cigarette tax and the health tax—and what happened to the money that went to delisting all the services over the last 10 years.

**The Chair:** You have about a minute left in your presentation.

**Ms. Rout:** Thank you.

Health care is made up of health care workers, and with one less, the rest are slowed down. It's not about doctors and nurses. The lineups are also there because the lab tests can't get done and the X-rays can't get done.

Health care workers from all across the province know what's wrong with the system and want input, but we've had no opportunity to do that. This is my first opportunity. I've given you a list of things that our members have suggested could be done. That's just a very short list, but it could save you millions and millions of dollars.

**The Chair:** This round of questioning will go to the NDP.

**Ms. Martel:** Thanks, Patty, for being here today. We appreciate it. Is there a deficit at Lakeridge Health Corporation?

**Ms. Rout:** Yes, there is, \$84 million.

**Ms. Martel:** How much, \$48 million or \$84 million?

**Ms. Rout:** \$48 million.

*Interjection.*

**Ms. Rout:** Yes, \$10 million this year.

**Ms. Martel:** So \$10 million this year. OK. What are the layoffs that have been proposed to deal with that deficit? Of course, they would have been asked to submit a balanced budget to the ministry or show how they're going to balance it by next year. I'm assuming, out of a \$10-million deficit, that's going to have some impact on staff.

**Ms. Rout:** Yes, absolutely. They keep telling us it's very secretive. I sit on the FAC committee, and we've never been shown a formal budget as to how many people will be laid off. They have plans, but until the ministry approves them, they cannot tell us what they are.

We know the back office transformation or the HBS plan that they have in place will move most support care workers over to a private company. Whether that will be done as a layoff through Bill 136 or whether it will be done under Bill 69, we don't know. What we have seen with technologists is that they are not replacing us. Right now I know of eight vacant positions that have not been replaced, and there are more planned for the department.

People are being told their jobs are going into the community: "Are you willing to go there?" People say, "Can we think about it?" "No, we want to know now. Sign this piece of paper whether you're going to do it or not." There is a date of March 31, 2005, that you now have lost your job.

We're in discussion with the unions, by the way.

**Ms. Martel:** Where are you supposed to go in the community? Where are the positions in the community?

**Ms. Rout:** That's interesting. They aren't there, particularly in Cobourg. We looked there with the dietitians, and the people in the diabetic, dietitian and respiratory area were told their jobs were being moved into the community. We asked, "Where?" Well, they didn't know. "Is it going to be there when my job is gone in five months?"—because we have five months' notice—and they said, "We don't know. We hope it will be there, but we don't know."

It's not there, and our members aren't able to use successor rights to move to those jobs because they're just taking bits and pieces of jobs. So when the job is gone, there's nowhere for us to go. We have a lot of experience, and it's just being put to waste. We're

lobbying the government to bring in a plan that deals with the human resources problem in this province, but we really haven't got any further than words. Nothing more has happened.

The layoffs that I spoke about are in the lab. The microbiology department, where the work has been reduced over time, has gone to the private sector, and the dialysis.

**Ms. Martel:** What has that done for waiting lists in the hospital itself?

**Ms. Rout:** I can tell you the waiting lists are huge in X-ray and lab. In pathology, where I work, we're weeks behind. We used to pride ourselves in that we could do our work in one day, and we would try to stay a few minutes extra if we weren't done. Now it can be two weeks. We're two weeks behind. So when you come in to have surgery, we're weeks behind before we even start. Then a doctor has to look at it, and then they order tests, which we perform. That's why the waiting list is there.

The ambulance driver who brings the patient in does blood work, and the blood work is often picked up by the same person who performs the work. So they'll still be in emergency, taking the blood work, and the blood is sitting up in the lab and the work isn't getting done. So we hold up the system, because we don't have enough people in the system to do the work.

**Ms. Martel:** A lot of the work you do determines the diagnosis in the first place, right?

**Ms. Rout:** That's right.

**Ms. Martel:** Then decisions flow from there. So if that's being delayed, people's potential treatment is being delayed, because a physician won't even know what that diagnosis is and how to deal with it.

**Ms. Rout:** That's right.

**Ms. Martel:** I continue to worry very much about these jobs in the community, as I heard the government and Mr. McGuinty yesterday, and again today, saying some of those nurses who are going to be laid off, and the other health care workers as well, can pick up jobs in the community.

The government has announced that there are going to be 45 new primary health teams, but not one of those has been announced. We had a meeting about that last week with ministerial staff and were told they might be announced, but there's no timeline set in place for their actual implementation. While they may well be announced by the end of March 2005, they couldn't tell us when they'd all be up and running. So don't look to that as an opportunity for jobs.

In my own community, even though we have proposals for community health centres, for example, the government has refused to even deal with the proposals that are in. We can't send any of the nurses, dietitians or social workers there because they're not being approved.

I look at the long-term-care sector, and I had meetings with some of the CUPE staff recently and was told that there are two other facilities and despite the funding that's gone into the system there, there have been no new

hires in either of those two facilities at any level: RNs, PSWs etc. I have some serious concerns; in fact, there's a lot of rhetoric about new positions in the community and they aren't there.

I'm more concerned to hear that your members are being told, "Sign something," to say that you're going to move into the community by March 31 without even knowing where they're going. If those positions aren't there, what are these people supposed to do?

**Ms. Rout:** I don't know what we're supposed to do. That's why I think there should be a moratorium on layoffs until they figure out just what they are going to do.

The previous government said services were going to move into the community. The service was deleted from the hospital, but the service didn't show up in the community, and that's what Mr. Blue is all about. He couldn't get into that service because it wasn't there. We have similar things happening in Durham region that have to be addressed.

The shortage issue: We were cut 30%, just like all health care professionals were. We were never brought back up to the level that nurses were brought back up to, and we just can't handle the work. That's why the lineup in emergency is happening, because we can only do so much work, and until we get more help, we can't do it.

Moving it into the community to have it looked after there—it's still the same people; there are no more of us. We can only do so much. Moving it into the community doesn't mean you're going to find a new labour pool. What needs to happen is there needs to be a way to move the patient all the way through the system, and it doesn't matter whether you work in the community or in long-term care or in a hospital, you all get treated the same and you're working in the field you want to be in and working in the type of health care you want to be in. Right now, there is barrier after barrier. To move into the community means I have to give up my quality of life.

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

1110

#### ANGLICAN DIOCESE OF TORONTO

**The Chair:** I would ask the Anglican Church, diocese of Toronto, to come forward, please.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your names for the purposes of Hansard.

**Rev. Richard Miller:** Thank you, ladies and gentlemen. I'm the Reverend Richard Miller. I'm a parish priest of St Matthew's Anglican Church in Oshawa. I am here today representing Colin Johnson, who is the area bishop of Trent-Durham and also the bishop of Toronto. I would like to thank the committee for this opportunity to be here today.

**Mr Murray MacAdam:** I'm Murray MacAdam, and I'm the social justice and advocacy consultant at the

diocese. I'll just add that the main areas of advocacy work we're concerned with are affordable housing and child poverty.

**Rev. Miller:** The brief from Bishop Johnson that you've received today does focus on affordable housing, child poverty and specifically the need to end the claw-back of the national child benefit supplement and the need for a substantial increase in social assistance rates. These three issues are discussed in detail in the brief, and I ask that you, hopefully, take the time to read that brief.

Murray is now going to talk a little bit more in regard to the social assistance issue within that brief.

**Mr. MacAdam:** As I'm sure you're aware, the previous government reduced the rates for social assistance by 21%, 10 years ago. With inflation, that amounts to 34% today. The minister involved, Sandra Pupatello, has herself acknowledged the need for a substantial increase in the rates, and we're calling for that in our brief.

The urgency of this issue was brought home to me when I took part in a community audit about conditions for the poor and for those who help them, on behalf of the Anglican Church as part of a broader coalition that we're part of. It led to this report, *Lives in the Balance*. I believe all MPPs have received a copy. It has a lot of proposals for action.

I'll just mention briefly a related issue. During this community audit, I took part in local events in Toronto and Kingston, and poor people who told the story of their plight asked me, "So what's going to be the result of these consultations? Is it going to amount to any change for us?" I told them it would result in a report—the one I've shown you—and that we'd urge the government to act on the proposals in it. We believe it's quite important for the government to carry out its promises in these areas. Otherwise, it simply leads to people believing that there's not any point in telling their story or in becoming active in any kind of public action.

**Rev. Miller:** We are grateful for the steps the government has already taken in these areas, which include the \$10 million in rent bank funding to avoid the eviction of tenants who are behind in their rent, the 3% hike in social assistance rates in 2004 and the fact that the 2004 child benefit supplement was not clawed back from the cheques of social assistance recipients. These are signs of progress on the part of the government. Yet much more remains to be done to address the issues of poverty and homelessness in our midst.

In the interest of time, I'm not going to read the brief, and I again encourage you to do so. I would, however, like to offer a few comments from my own experience as a parish priest in the east end of Oshawa.

In Oshawa there are two community ministries in downtown that I would like to mention. One is called St. Vincent's Kitchen, which serves a hot meal to nearly 200 people each day. People line up down the block to get in for that meal, which costs \$1.25. That has just gone up from \$1 recently. Many of those people in that line, however, have had to go to local churches to get a ticket free to be able to get into that meal.

The second is Gate 3:16, which is a storefront ministry. They open their doors daily to the poor and homeless. The Gate offers counselling services; some basic health care, predominantly foot care; literacy programs; and basic personal hygiene opportunities, such as simply having a shower or getting your clothes washed. It was the clients of Gate 3:16 that a municipal councillor referred to not so long ago as the "creepy people" of Oshawa, a comment which, needless to say, generated a great deal of controversy in Oshawa, to the point that the city council, so I have been told, has passed a motion to stop talking about it. Perhaps the motion should be to keep talking about it.

Finally, there is a small church in south Oshawa by the name of St. Peter's. They have taken it upon themselves to help in the task of ensuring that the less fortunate have food, and operate a small food bank out of their church hall. They are not a wealthy church, by any stretch of the imagination, and dwell in a community that is very much affected by poverty and low income. They are trying to supplement the work of three larger food banks in Oshawa, one run by Simcoe Hall, one by the Salvation Army and one by the Seventh Day Adventists and, all together, they still cannot meet the need. It is a sad reality that food banks are necessary in a society that is generally as well off as ours.

To bring that home just a little bit, a single person receiving \$530 in social assistance in Oshawa is required to spend \$400 to \$450 for lodging in a rooming house, where they share a kitchen and bathroom facilities. I can't imagine what that might be like in a centre such as Toronto. Certainly \$400 to \$450 out of \$530 leaves little for food, clothing and basic health care products, even such as an Aspirin.

Members of this consultation, we believe that people should not have to depend on handouts. Again, I would ask that you read our brief. Thank you for listening.

**The Chair:** Thank you very much. This round of questioning goes to the government.

**Mr. John Wilkinson (Perth-Middlesex):** Good morning, Reverend and Murray. Thank you so much for coming; we appreciate that.

First I'd like to say, as you know and as you mentioned, it took years for us to get into this mess in regard to social injustice and it's going to take some time to get ourselves out of it. You're right; there were some good starts made despite the fact that the fiscal house isn't in good order. I can tell you that I think there has been really a sea change in public opinion, a rejection of the idea of ghettoizing people who are suffering. At one time I think they were conveniently kicked politically by previous governments. And I think you're right about the tsunami. The wellspring of goodwill in this province is unbelievable when it's tapped.

I wanted to ask you specifically, because we're going to be making recommendations to the minister and I know your presentation is made by the bishop and you have some specific ideas—plenty of people come to us with the problem; we always like the people who help us

with the solution. You've given two specific solutions in regard to how to raise the money. They are, of course, eliminating the exemption for the employer health tax, which currently doesn't kick in until there's above \$400,000 worth of payroll—I can tell you that some Bay Street types came to see us just recently and said that it should be \$600,000; many have told us to eliminate it—and harmonizing the corporate tax system, which I think the government is making some good progress on with our federal colleagues in Ottawa.

My question is, what was the process whereby the bishop could represent all of the Anglicans who are in his flock to make this statement? I don't want to talk about the politics of it. What's the process? Is it just that he decided to write this? Was it a recommendation? Did it go in front of the synod? Just so we can characterize to the minister the strength of the recommendation, how does that happen?

1120

**Mr. MacAdam:** I could answer that. It was a result of the bishop and myself conferring about the presentation. It grows out of the concerns that we have about these issues overall.

**Mr. Wilkinson:** Great. Thanks. That helps me.

The other question is about the clawback of the national child care benefit. As we work through that—and we were discussing this yesterday. That money is used for other programs, which, I think, are more generic in nature, in a sense. Is it your position that we need to eliminate those so that the clawback is eliminated, or is it that we need to do both; in other words, keep the programs that are already there being funded and just stop the clawback? I think you just have to come up with the other \$270 million a year.

**Mr. MacAdam:** I can answer that as well. For us, the priority is the extra income, as we mentioned in the brief. Actually, in terms of the programs that are being supported now, which you referred to, we'd like to see them continue, although there's some concern about some of the value of the supported programs. For instance, I was at an event yesterday where a person said the monies that the city received were used for a food bank program, not a program which really got at the root causes that were involved.

**Mr. Wilkinson:** That's great.

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

#### GTA/905 HEALTHCARE ALLIANCE

**The Chair:** I would call on the GTA/905 Healthcare Alliance to come forward, please.

You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

**Mr. Tariq Asmi:** My name is Tariq Asmi. I'm the executive director of the GTA/905 Healthcare Alliance.

Thank you, Mr. Chair, and thank you to this committee for providing the GTA/905 Healthcare Alliance with the opportunity to address this important committee.

The alliance is an organization representing the 10 acute care facilities and the one mental health facility providing direct patient care to the residents in the regions of Durham, Halton, Peel and York. These are Ontario's fastest-growing communities.

The goal of the alliance is simple: On behalf of the more than three million residents living in the GTA and 905 regions, we're working to bring care close to home. The regions of Durham, Halton, Peel and York are the top four fastest-growing regions in Ontario. During the last four years, and for the next five, these regions grew and will grow by more than twice the provincial rate of population growth and will welcome and accommodate more than 50% of the province's annual growth in population. Stop and think about that. Each and every year, half the growth of Ontario's population ends up in the GTA/905. Here's another way to think about it: The tremendous population growth in the GTA/905 is like dropping the 90,000 residents of the city of Waterloo into the GTA/905 each and every year. And let's not forget that Waterloo has two hospitals to look after its residents.

Despite being the fastest-growing regions and accommodating much of the provincial growth, when the GTA/905 regions are compared to the average level of age-weighted per capita funding for 36 regions across Ontario—and out of fairness, we exclude northern Ontario and downtown Toronto—the GTA/905 regions currently get 25% less hospital funding. That's a gap of \$545 million in annual funding. We get 23% less funding for community care services like home care. That's a gap of \$60 million in annual funding. There's 30% less funding for total health care. That's a gap of \$866 million in annual funding for health care.

As of today, and based on Monday's announcement of one-time funding for Ontario hospitals, alliance hospitals in the GTA/905 are now facing a collective deficit of \$89 million. By now, I'm sure all of you are aware of the service and staffing implications of hospital underfunding, and I won't dwell on this. Suffice to say that the elimination of these deficits without additional funding will mean service reductions and staff layoffs and will not help reduce wait times for health care services. Without adequate funding in 2005-06, the situation becomes worse and the implications of staff and service reductions are very grim.

The deficits faced by alliance hospitals are due to many factors. One key factor is that while alliance hospitals, like all other hospitals, face very real inflationary pressures of almost 8% per annum, the 2004-05 provincial budget offered only a 4.3% increase in funding.

Another more important factor is that while alliance hospitals must expand care to accommodate 50% of the province's annual growth in population, alliance hospitals were allocated only 12% of the increase in hospital funding: 50% of the population growth and only 12% of

the annual increase in funding. Something doesn't jibe there.

One reason for the funding inequity is that the hospital funding formula, while being a more objective tool for allocating funds—I agree with that—has room for improvement. There is concern that the formula does not accurately capture the true volumes of care being provided by alliance hospitals and doesn't provide significant weight to those increases in volume. A peculiar feature of this funding formula is that it rewards hospitals that have a higher in-hospital mortality rate.

As a result of GTA/905 hospital underfunding, many of the alliance hospitals are facing some very difficult choices. On the one hand, how do you choose between the imperative to balance budgets when, like many other hospitals in Ontario, alliance hospitals are some of the most efficient hospitals in Canada, and, on the other hand, the duty and the responsibility to meet the health care needs of the region's rapidly growing number of residents?

You should know that bringing better health care close to home for GTA/905 residents is a good thing for many reasons.

First and foremost, investments in GTA/905 hospitals mean better access to care for residents who for too long have had to leave their communities when care could actually be provided in their local hospital. The resources are there, if they were just funded. And as many of us know, local access to hospital care means better-coordinated care when we get discharged in terms of home care.

#### 1130

Second, in terms of the provincial government's goal of achieving health system reform and bringing about the transformation, investment in GTA/905 hospitals, which are 20% lower-cost than other GTA hospitals and 30% lower-cost when compared to downtown Toronto teaching hospitals, will help you achieve your goals to reduce wait times at low cost. Further, the GTA/905 communities make up almost half of the communities identified in the government's agenda for growth in terms of the document, Places to Grow. So we are very consistent and we are there to help in achieving your goals.

Finally, in terms of fairness and equity, additional investments in the GTA/905 will begin to address the significant system underfunding in the GTA/905 region that I noted earlier.

You should know that with over three million residents and a rapidly growing population, the GTA/905 residents will contribute more than \$570 million each year to the provincial government through the new health care premium. Given the GTA/905's rapid population growth, we believe ourselves to be pivotal in the government's agenda where you want to have sustained and supported growth. Given the large health system inequities, we wouldn't mind seeing some of that \$570 million.

Alliance hospitals are truly supportive of the government's transformation agenda and goals. Let us help you

to cost-effectively achieve your health system goals and, at the same time, bring care close to home.

In closing, the alliance's recommendation for the government as it prepares its 2005-06 budget is a simple one. We ask that when it comes to setting the health care budget, make sure it's adequate to cover the very real costs of providing high-quality patient care. Ensure that there is funding to support the system so we can successfully transform the system. Equally important, please call for, demand and commit to a more equitable allocation of health care resources across Ontario.

On behalf of the alliance hospitals that provide health care services to the more than three million residents of Ontario's fastest-growing communities and who, like any of us, would like to have care close to home, I want to thank you for your time. I'd be happy to take any questions.

**The Vice-Chair (Mr. Phil McNeely):** Thank you for your presentation. The questions go to the official opposition.

**Mr. Flaherty:** Thank you for the presentation. One of the reasons it's very important—and I thank the committee members for meeting in the 905 area of this province—is because of the more than three million people who live in the 905 who sometimes seem to get forgotten, with the emphasis, of course, on the big city of Toronto and the sizable population there. In your area of expertise, the teaching hospitals and academic centres in the city of Toronto—we don't have those, but we do have substantial hospital requirements, health care centre requirements in the 905, including Durham region.

Just to get some context here, on per capita funding, where does the 905 stand vis-à-vis the other areas of the province, if you can help me on that.

**Mr. Asmi:** On total health care funding, looking at a per capita basis—and we don't compare ourselves to northern Ontario. That's not a fair comparison. We don't compare ourselves to downtown Toronto because we recognize that there are a lot of resources there and a per capita analysis really doesn't work. So comparing ourselves to the 36 other regions in Ontario, where we stand in terms of total health care funding on a per capita basis—using age-rated population, not raw population—we get basically 67% relative to what all other communities get on a per capita basis; that's two thirds.

**Mr. Flaherty:** As I understand this issue over my years as an MPP, first of all, there was chronic underfunding in the 905 so that every time there's an increase, we never really catch up and, secondly, there's not a process in place at the Ministry of Health to take into account the rapid population growth in the 905. The area we're sitting in today is either the fastest-growing area, not only in Ontario but in Canada, or the second-fastest growing area—that is the regional municipality of Durham—in the entire country. On the second point, is there a process in place in the Ministry of Health to take rapid population growth into account?

**Mr. Asmi:** In the past, the ministry did identify growth funding that was targeted to communities that were experiencing rapid growth well above the provincial

average. This was a good thing and certainly helped to fill the gap. That growth funding is no longer there; it's supposedly addressed in a funding formula. We are concerned about this funding formula, because we're not too sure what rate is now being given to the rapid growth in population. So we need to be more explicit, ensuring that the funding formula and any processes to allocate funds recognize the high growth of communities in the GTA/905 area.

**Mr. Flaherty:** The government has expressed, as a goal, reducing waiting times. I realize this is a big question, but what needs to be done in the 905 area to reduce waiting times?

**Mr. Asmi:** As I mentioned in my presentation, the GTA/905 hospitals are some of the most efficient hospitals in Ontario. We can provide those five key wait-time services at up to, on average, a 30% lower cost. So by providing care close to home, by allowing us to help the government reduce the wait times, you will do it at the lowest possible cost and will keep care close to home.

We see ourselves as good investments. We are can-do organizations in recruiting and retaining health care professionals to actually translate your dollars into service, and close to home. As I mentioned earlier, the coordination of care when you're discharged from your local hospital into home care is a lot better; the outcomes are a lot better. So we see ourselves as good investments for you. You just need to recognize that the population growth is another reason to invest in us as well, so we can get care close to home.

**The Vice-Chair:** The time for questions is over. Thank you for your presentation.

**Mr. Asmi:** I have some materials that back up my presentation—the data and evidence.

ONTARIO PUBLIC SERVICE  
EMPLOYEES UNION,  
CENTRAL EMPLOYEE  
RELATIONS COMMITTEE

**The Vice-Chair:** The next presentation is the Ontario Public Service Employees Union. Could you please come forward to make your presentation.

You have 10 minutes. When you start your presentation, please state your name for the purpose of Hansard. There will be up to five minutes for questions afterwards.

**Ms. Marg Simmons:** My name is Marg Simmons. I'm a social worker 2 in the provincial public service and work at the women's jail in Milton, Ontario. I represent OPSEU members working across the public service in each and every ministry. We have 23 ministries and approximately 45,000 members. For the past two years I have been the union co-chair for the central employee relations committee, which is a kind of labour relations committee that meets with the government of Ontario.

Thank you for the opportunity to be part of your pre-budget hearings.

You've already heard from our president, Leah Casselman, about OPSEU's overarching provincial budget concerns, and you've received the Ontario Alternative Budget's analysis of progressive spending and revenue options and how the government can move ahead on the critical task of rebuilding public services, so I'll focus my remarks on the front line and the province's public services.

At the outset, I'm afraid I have to report to you that despite 10 years of taking it on the chin, front-line public service workers are seeing the same pre-budget strategy emerge again; that is, if all else fails, blame public employees. With program cuts and privatization schemes continuing unabated, that's the message we're getting. Unfortunately, that appears to be Premier McGuinty's plan to balance Ontario's books.

I remember October 2, 2003. On election night, the Premier-elect stood and sent a stirring message to public sector workers. He said, "I value your work and I look forward to working with you so we can provide better services to our public." It was a great speech. For eight years, Mike Harris and his caucus demolished public services and slandered our work. The Premier-elect promised to rebuild shattered services, protect the public and treat us fairly. Things were about to get better, so we thought.

In the Ontario public service, plans are underway to dump 7,000 front-line jobs from the workforce—a workforce already cut 40% by Harris and Eves. So, seen from the front lines, the government's first term in office looks an awful lot like a Tory third term.

**1140**

I don't know if you saw the Toronto Star yesterday and Ian Urquhart's column, but it spoke about something apparently affectionately called "the mod squad," some new committee headed up by Sandra Pupatello and three other ministers to once again review ministries. Apparently, they have a bottle of whiteout that allows them to delete ministries from the organizational chart. It's hugely—hugely—concerning to us that there would again be another review.

This is not what the Liberals campaigned on. In March 2004, the Liberal finance minister said, "We were elected to ensure high-quality public services. That's what the election was about. That's what we got elected to do." Weeks later, it was announced that, except for health and education, spending would grow by only 1.9% per year. That's actually a cut, after inflation and population growth.

"I myself ... live in a 2% world," the Minister of Finance said recently. Yet in bargaining with doctors, the McGuinty government offered an average pay hike of 18.6% over four years. The increase doctors rejected in November—just over \$50,725 each, on average—is more than the average annual salary of an OPSEU member, yet 2% is seen as just fine for the people who run our courts, guard convicted criminals, keep our roads safe, help people with disabilities, inspect water plants and so on.

To compound the insult, we're frequently told by the new government that average personal incomes in On-

tario are rising. According to our finance minister, they'll go up by 4.5% this year, 4.8% next year and 4.9% in 2007. Clearly, in the world of the McGuinty government, there are two classes of people: public employees and everybody else. When the province needs money, it's public employees who will pay.

This is no change from the last government, and in fact it's blatantly unfair. Under the Harris-Eves government, public employees who kept their jobs saw their real wages fall due to inflation. A typical clerk in the public service—maybe the one who sent out your OHIP card—now earns \$2,500 a year less in real income than in 1994. Meanwhile, wages in the rest of the economy have surged ahead, and the government notes that they will keep on doing so. But in the McGuinty 2% world, the public service employee who tests water or inspects meat will keep falling behind.

In 2004, more efficient government suddenly made it on to the government's list of priorities. As anyone knows, this is code. It means more cuts. The notions of transformation and horizontality were introduced to us by your bureaucrats. Horizontality is the idea of ministries working together instead of in their own individual silos. Conceptually, it's hard to argue with this. However, there are labour relations impacts of these policy decisions that must be addressed by the government in its role as employer. There are further labour relations discussions required to implement the May 2004 memorandum of understanding with the federal government, which would see an integration of some services provided. I was told by an assistant deputy minister that it's just a change of address or work location. It's much more than that to integrate two groups of workers covered by two different collective agreements which provide different wage rates, different benefits, different hours of work and different lunch hours.

You may know that we are currently in bargaining with the government. Our contract expired on December 31. As the chairperson of that bargaining team, I can tell you that it's a slow process, given the 54-day strike of 2002. Yet I believe it's an opportunity to be creative in operationalizing the rebuilding of public services. For example, our benefits plan is the second-largest in Canada. There are efficiencies and improved services to be realized when the parties implement the tendering of the plan for the first time in well over a decade. As well, the government actually has a surplus of over \$200 million in its half of the pension plan; I think it's actually \$256 million.

**The Vice-Chair:** Your time is up. Could you just use another few seconds?

**Ms. Simmons:** Sure. The surplus has to be spent in the pension plan; it can't be spent anywhere else. It's an opportunity to honour planned early retirements, and, as a result, new employees can be hired. Horizontality can be operationalized.

I want to thank you for your time. I do want to say that we've had enough of the cuts. Together, let's rebuild Ontario's public services.

**The Vice-Chair:** Thank you for your presentation. The questions will go to the NDP.

**Ms. Martel:** Thank you, Marg, for being here today and for making the presentation.

Of the recent hires in the Ontario public service, 89% have been part-time jobs. What's the timeline on that? Is that in the last year, the last two, the last three?

**Ms. Simmons:** That's been in the last several years.

**Ms. Martel:** Do you know what those numbers are in terms of part-time jobs? What's the value of that? Is it 8,000? Is it 5,000?

**Ms. Simmons:** Out of 45,000 members, about 28% to 34% of our membership is part-time, so around 12,000 to 15,000 of our members are part-time.

**Ms. Martel:** Do you have any idea how many people are leaving the public service and coming back as consultants, at a much higher rate of pay, instead of making some of those part-time positions full-time?

**Ms. Simmons:** That happened more significantly under the previous government. The current government issued a policy statement to us within the last six months on ending the practice of using consultants. There is a process slowly getting underway to review the Ontario public service and its use of consultants. The degree to which it is operationalized thus far, I can't tell you.

**Ms. Martel:** OK. So it has been implemented as a policy decision, but we don't know how far down the line it is to actually being in effect.

**Ms. Simmons:** No.

**Ms. Martel:** You mentioned at the start of your presentation, "In the Ontario public service, plans are underway to dump up to 7,000 front-line jobs from the workforce." That's on page 2. Where does that figure come from? Are you hearing that at the negotiation table?

**Ms. Simmons:** We've had many disclosures since the middle of June. There are over 2,000 jobs lost with the closing of the three centres for the developmentally handicapped. There are in the area of 2,000 jobs to be lost with the divestment of the remaining provincial psychiatric hospitals. A couple of days before Christmas, we received another notice of a couple of dozen additional jobs lost in the Ministry of Transportation. There was a project to centralize the finance and benefits department that services employees in the OPS. They were sent to six centres in Ontario. That was a loss of 336 jobs.

**Ms. Martel:** Is that the Shared Services Bureau?

**Ms. Simmons:** Yes. There has been an announcement with the Ministry of Finance as part of the memorandum of settlement with the federal government which will affect over 700 employees. So there have been a number of announcements since the middle of June 2004.

**Ms. Martel:** When you look at the current negotiations—and I wouldn't presume to ask you what's going on there in terms of what's on the table. For the benefit plan that you're talking about, can we ask, though, what you are looking at in terms of what the government is doing to have what I assume would be increased savings in terms of that plan?

1150

**Ms. Simmons:** Given the age of the plan—it has been about 14 years since the plan has been tendered—we still use the horse-and-pony routine of mailing in our claims and getting cheques. There's technology now that allows for the billing to occur from the pharmacy and that allows for a direct deposit system. That will result in administrative efficiencies for the company that gets the tender. That will result in increased improvements for our membership.

**Ms. Martel:** It's not clear to me: Is this going to be put out to tender again?

**Ms. Simmons:** Yes.

**The Vice-Chair:** The time has expired for the questions. Thank you very much for your presentation.

#### SANDI PNIAUSKAS

**The Vice-Chair:** The next presenter is Sandi Pniauskas. Please come forward to present to us. The time limit is 10 minutes. There are five minutes for questions thereafter. When you begin, state your name.

**Mrs. Sandi Pniauskas:** My name is Sandi Pniauskas. I live in Whitby. I am an ovarian cancer survivor and advocate.

Thank you very much for allowing me to present to you today. I think I will probably part company, because I will not be speaking to you as an economist or as an expert of any kind. My intention here is to speak to you as a human being, because that is exactly why you are here. Your budgets do affect your families, your children, your parents.

The issue for me is ovarian cancer in Canada. It is a subject that has not been paid attention to, and that continues. I say that specifically because Cancer Care Ontario just published their plan for 2005-08, and once again we see that in a 246-page document, there are two references to ovarian cancer in the whole 246 pages and they were not of any relevance.

I wanted to give you an idea—and at the end, I will give you a recommendation—as to what has to happen in this province and in this country for ovarian cancer.

Ovarian cancer is actually the most feared women's cancer, contrary to popular belief. The reason for that is that many oncologists equate the path of ovarian cancer to the similar characteristics of pancreatic cancer. That is one of the reasons why it is a disease, a cancer, a women's cancer, which is not often spoken of and therefore not dealt with.

Contrary to popular belief as well, it is not an older woman's disease, and I do believe we've made some progress on that. As a matter of fact, in Durham region last week, there was a 19-year-old young lady diagnosed with epithelial ovarian cancer, and I will tell you that she is not going to make it. Over the five years since I've been involved in ovarian cancer advocacy and support, I can tell you that that's not an isolated example.

Let me tell you that although breast cancer affects one in nine women, in Canada, ovarian cancer affects one in

70. I hope that it does not affect your families. We all know at least 70 people, so somewhere along the line, a friend or a family member of yours is going to be diagnosed with ovarian cancer.

There was a paper published in December 2004 by Cancer Nursing, and I will quote from it because I think that it tells you, in part, exactly why we're in the state of affairs that we're in with ovarian cancer in this country. Ovarian cancer is actually what many would call a throwaway disease. In relative terms, we haven't spent any money on research. We have specialists, which are gynaecological oncologists, but they are overburdened and overstressed. There's absolutely no reason for that if we had taken action and if we would take action; and in fact, we're not doing so. The quote from the nursing journal says, "To date in clinical practice, delays in diagnosis related to ovarian cancer are reported and tolerated rather than examined and eliminated." For the most part, one of the reasons is because we're not speaking to the appropriate parties.

Seventy per cent of breast cancer patients will survive five years; 70% of ovarian cancer patients will not survive five years. In fact, I hate to tell you that it's more like two or two and a half years, and that is an improvement.

The difficulty with the extension of life—I say not survival but, if you can understand, extension of life—is that it is difficult for the public to imagine what that two and a half years is like. Ovarian cancer is a unique disease because it is chemo-resistant, so you may respond to the initial chemotherapy, but after that it will continue to recur, with new chemotherapy treatment, shorter periods of remission, if any, and then you will die. Ovarian cancer is not strictly a matter of the ovaries; it's a matter of the colon, the lung, the bladder, the kidneys, with fluid in the abdomen, fluid in the lungs. It is a distressingly suffering disease. Sometimes I think that, although it was published yesterday that cancer is now the leading cause of death in the US for those under age 85, as opposed to heart disease, I would not tell you the realities of ovarian cancer.

In your package you will see that the Canadian Institute for Health Research has statistics on research dollars per disease site. All you have to do is look at that and recognize the huge disparities. We are spending millions and millions of dollars on cancer sites that have high survival rates. In particular, for the years 1999 to 2005, a five-year poll, we have for pancreatic cancer less than \$900,000, and the five-year survival rate—well, the one-year survival rate—for pancreatic cancer is zero. We have to change our philosophy, and it has to be mandated provincially and federally that, as per the World Health Organization, we need to address the attainment by all peoples of the highest possible level of health care, not just those deemed to be common. We have to look at all of the factors, and we are not doing that.

The problem with ovarian cancer and of course some of the other cancers—I guess I think of lung cancer—is that there are large stigmas. We're responsible for that as

a public. In pancreatic cancer and ovarian cancer there are few survivors; survivors seldom are advocates. The only way to move forward is to have a federal and provincial mandate. The only way to do it effectively is to have it led by surviving cancer support family members and/or those who are intimately involved, because without that, there is no urgency.

In closing, I welcome your questions. I do consider myself, and I am considered, an expert ovarian cancer patient, so I'm sure that if I don't have the answer I can find it for you. But I leave you with the thought that this is a disease that will mostly likely affect you personally. It is, at the moment, a throwaway cancer, and it's going to continue to be that way until we do something effectively for it.

**The Chair:** This round of questioning will go to the government.

**Mrs. Carol Mitchell (Huron-Bruce):** Thank you, Sandi, for your presentation. I just have a couple of questions. Your point number 7 under recommendations: "Recognize that 'healthy lifestyles' are not established risk factors in ovarian cancer...." Could you please expand on that for me so I have a better understanding?

**Mrs. Pniauskas:** Healthy lifestyle relates to, for example, hormone replacement therapy, your eating habits, your smoking habits, your exercise. There are no established lifestyle factors for ovarian cancer as to the cause, and lifestyle factors subsequent to the diagnosis are not a determining factor in survival.

As a matter of fact, this month there was a very good research paper published in the US. It said that we part company on ovarian cancer, because there is no biological reason, at the pathologic level, for us to be able to determine if lifestyle factors play a part in ovarian cancer.

Now, we've been led to believe by the publicity and the advertising that if you eat your veggies and you don't smoke and you exercise, life will be wonderful. That in fact is not true. In cancer in general, irrespective of ovarian cancer, lifestyle factors affect 30% to 50% of the cancers, but as a public, the general public, we seem to lump them all together to mean that's all cancers. That in fact is not true.

**Mrs. Mitchell:** Is it part of your concern that you feel Cancer Care Ontario's plan should be more encompassing of that, or is it strictly with regard to ovarian cancer? Or is it all part of the attitudes or what we can do to prevent—you know, healthy lifestyles versus choices versus on and on?

**Mrs. Pniauskas:** The only way you can prevent ovarian cancer—and it's not 100%—is to have a radical hysterectomy.

**Mrs. Mitchell:** So your concerns related to Cancer Care Ontario in your conclusion—I'm trying to get a better understanding. I'd just like to say, Sandi, that I don't know a lot about ovarian cancer, but what you have said has been very informative, and I will say to you that I will be doing more research on it, and we can make sure that the Minister of Health is aware of your document as

well. I'm just looking for a better understanding of your concerns directly with regard to Cancer Care Ontario's proposals.

**Mrs. Pniauskas:** Well, if you'll notice—and I'm known to be blunt, because I don't waste a lot of time—

**Mrs. Mitchell:** We'll get along just fine, then.

**Mrs. Pniauskas:** Then let me make it very clear. I'll answer both questions for you. I have been in touch with Mr. Smitherman's office since the spring—dozens of phone calls, dozens of e-mails—wanting to speak with him personally, because Cancer Care Ontario is not paying attention to ovarian cancer in any manner, either support, gynaecologic oncologists or research, period. I wanted Mr. Smitherman to understand the realities of ovarian cancer, because Cancer Care Ontario is not paying attention to ovarian cancer. His office directed me to Cancer Care Ontario. Well, that obviously is not going to do me any good. I finally did get a reply from Mr. Smitherman himself, and the reply was: "Thank you for your e-mail of October 18, 2004, and your offer to discuss ovarian cancer diagnosis and treatment options. Unfortunately, my schedule does not allow me the opportunity to meet...."

I had exactly the same situation with our former health minister, Mr. Clement. No one is interested in talking about ovarian cancer. I am really getting tired of spending half my time in palliative care, with ovarian cancer women and their families, trying to get the message across for ovarian cancer. I'm the only one in the country who presented a paper to the Romanow Commission on ovarian cancer—the only person. I'm including professional organizations. I have no idea what it's going to take.

We need, possibly, a coalition of influential people—and I'm not talking about movie stars; I have no use for that type of thing. I'm talking about people in the government who can actually make decisions but, more importantly than that, want to make decisions and who don't want to wait for another five years or 10 years to do that, because in that time, 10,000 ovarian cancer women—your daughters, your mothers and your wives—will have died.

I am not paid to do this. I gave up my paying job because there's a larger need. I just feel that if I can do this, there has to be somebody in this whole country who can make it happen for us. So far, I haven't found anyone.

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

The committee is now recessed until 1 o'clock this afternoon.

*The committee recessed from 1204 to 1300.*

#### LAKERIDGE HEALTH

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

For our first presentation, I would call on Lakeridge Health to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to state your names for the purposes of Hansard.

**Ms. Anne Wright:** My name is Anne Wright. I'm chair of the board of trustees of Lakeridge Health. I'd like to thank you for the opportunity of speaking to you today. I have with me Mayor Marilyn Pearce of Scugog township. Lakeridge has agreed to share its time with Mayor Pearce in order that you may better understand the community impacts of decisions.

Ladies and gentlemen, I sit before you as a volunteer, angry, disillusioned and frustrated, not for me personally or for my fellow volunteer trustees, but for our patients and the dedicated staff, nurses and physicians who serve them. In the past, Lakeridge Health has appreciated the difficult choices faced by governments of all stripes and has been supportive of the need for health care reform.

We have embraced the need for hospitals to be accountable to patients and to taxpayers, ensuring that we use our scarce health care resources wisely and efficiently. But we received one of the lowest increases of any Ontario hospital in the very years that Lakeridge Health was one of the few hospitals to balance its budget.

We have supported this government's transformation agenda in a move away from expensive hospital care with investments in appropriate community agencies. We have met the government's obligation for a balanced budget plan, quietly outlining the serious negative impacts of balancing our budget by cutting services and triggering significant nurse and staff layoffs. We have made deep cuts in so-called administrative and support services to meet the government's directives. Finally, in the past we have agreed that a complex funding formula took time to refine and perfect, accounting for the many factors involved in hospital care.

The 500,000 residents of Durham, the over three million Ontario residents served by multi-site and rural hospitals, and the thousands and thousands of dedicated staff, nurses and physicians in those hospital systems have been patient and understanding long enough. They now need you to understand and act on the serious and long-standing inequity for funding for rural and multi-site hospitals. Hospitals like Grey-Bruce, Niagara, Quinte and Lakeridge Health cover significant geographic areas. These distances, and the public call for care closer to home, require the operation of multiple sites and satellite offices, often in smaller rural communities. Unfortunately for Lakeridge Health and the others I have just mentioned, the current hospital funding formula fails to recognize the unavoidable additional costs of operating more than one site. The formula compares the cost of hospitals like Lakeridge Health—with four main hospital sites and 21 satellite sites—against those operating on one site, expecting our costs to be equally efficient. It is simply not fair.

Don't take our word for it. The joint policy and planning committee, made up of representatives of the

Ministry of Health and the Ontario Hospital Association, has studied this. They concluded, as a result of their study, that "this shifts the question of 'if' to 'how' a [multi-site] factor should be introduced." They are, in other words, endorsing the validity of the multi-site factor.

The JPPC report concludes that a multi-site adjustment to Lakeridge Health's funding would justify an increase of up to \$8.9 million for this year alone, potentially eliminating the current model's view that Lakeridge Health is a high-cost hospital.

This cumulative penalty imposed on our community over the past several years comes to an astounding \$42 million versus the provincial average. Had Lakeridge Health not been penalized and received just the provincial average, Lakeridge revenues would be \$42 million higher than our current levels, we would have a \$21-million operating surplus rather than the \$19 million deficit and our working capital would be a positive \$39 million instead of our \$48-million deficit.

Multi-site and rural hospital underfunding is real, with inevitable and profound impacts. It is unfair to the over three million residents served by these hospital systems, it is unfair to our patients, it is unfair to our overburdened physicians, nurses and other staff, and it is unfair to taxpayers, whose case costs are 28% lower in the GTA than Toronto teaching hospitals.

Multi-site rural hospitals like Lakeridge, Grey-Bruce, Niagara, Halton, William Osler and others are not looking to you for a handout or a waiver on providing efficient hospital services. We simply want to be evaluated and funded on a level playing field, where the unavoidable costs of operating smaller and multiple sites are recognized not only with words but with real dollars.

Although I do see a faint glimmer of hope with this week's long-awaited funding acknowledgment of rural hospitals, it must be said that these token amounts do little to ease the concern for our patients, staff, nurses, physicians and for our communities.

**Ms. Marilyn Pearce:** Thank you to Anne for allowing me to share her time with you today.

My name is Marilyn Pearce, and I am the mayor of the township of Scugog, which is a small community of about 21,000 people spread over 500 square kilometres of north Durham. The economy of my community is agricultural and tourist, and both of them are significant. We're also a community that's totally within the green-belt area, so it's probably going to stay that way for a long time to come.

The village of Port Perry is the major urban centre and home to a Lakeridge Health rural hospital site. Anne spoke of the need to look at how the funding of GTA hospitals and especially multi-site locations is distributed, as they can't possibly meet the same standards at the same cost as single sites. The same efficiencies are just not there. Then you add in a small rural hospital such as the one in my municipality and it becomes even more complicated.

On Monday, Minister Smitherman did acknowledge the smaller base in which to find efficiencies in rural

hospitals and rural sites of large urban corporations. As well, he committed some one-time funding to rural locations of multi-site hospitals. My purpose today is to suggest to you that the one-time allotment of funds for these rural hospitals in multi-site locations must continue and must be built on as a separate funding envelope for rural hospitals.

Rural hospital sites such as Port Perry serve a large geographical area with a very sparse population that is primarily agricultural, but they are the only reason in many cases that we are able to attract and retain doctors. The Port Perry site is truly unique in that it also serves as a very valued teaching site of the University of Toronto. It teaches rural doctors, and it teaches them fairly close to Toronto. But in order for them to fulfill that role, they must have a complete package of core services, which includes obstetrics. The efficiencies of an accounting exercise, especially for delivering babies, just aren't there, but when you cut these core services you truly cut the heart out of a small community. You jeopardize future doctor training, you jeopardize future doctor recruitment, you jeopardize the work of our foundation to raise money for capital equipment, you put people out of work—the domino effect in a rural community is huge.

I ask that you recognize that multi-site locations face these challenges and that unless there is a dedicated funding package for rural locations, the elimination of services is just inevitable. While the short-term gain will see us with balanced books, it will not be in the best interests of our residents, your residents and the people of rural Ontario.

**1310**

We can live in the GTA and still be rural. We are the areas that produce the food you eat. We are the areas that supply the lakes, the forests and the trails where you want a holiday. We are the areas with the smallest tax base. We are the areas facing huge infrastructure problems with roads, bridges and drinking water. We are also the areas facing the biggest threat to our hospitals, especially as part of this integrated health care system.

In conclusion, I would just like to say that since the balanced budget plans were submitted, I have received well over 300 letters—they're beside me here—from residents explaining to me what their hospital means and why I have to come and speak to you today. A rural community has an attachment to its hospital that is hard to explain. I've never seen anything like it. If you're a member who has a rural hospital in your riding, you probably know what I mean. Rural health care is needed. It's expensive. It can't reach all the efficiencies of large sites. It needs its own funding model so that a full range of core services, including delivering babies, can continue to exist in rural areas of the province.

As a committee, I hope you will recommend that the government consider that the future sustainability of rural hospitals in multi-site urban corporations can only be met through a separate funding envelope.

**The Chair:** This round of questioning will go to the official opposition.

**Mr. Flaherty:** Thank you for the presentations on behalf of and with respect to Lakeridge Health. I want to thank Anne Wright for her volunteer service as chair and for the important work that has been done by Lakeridge Health.

By way of background, those of us who have been involved for some years here know that it was a very difficult thing for Durham region to go from community-based general hospitals to a regional hospital, but we did it in Durham region and we do have Lakeridge Health with its multiple sites, including its satellites. The reward for that appears to have been inadequate funding for our regional hospital because of these multiple sites and the rural nature of a good part of the region of Durham, as the mayor has made clear.

We also heard this morning from the GTA/905 Healthcare Alliance about growth areas. I'd appreciate it, Anne, if you would talk a bit about the growth demands on Lakeridge Health and what that means in terms of the needs of Lakeridge Health.

**Ms. Wright:** The entire 905 area is a high-growth area as far as population is concerned. You only have to look around this area and see the new subdivisions sprouting up just about everywhere to see that Durham is a high-growth area. We want to be able to serve those people in Durham—all of them. The predictions are for the growth to continue at an ever-increasing rate. We support the government's initiatives to have more full-time nurses available to our residents; we just don't see how we're going to be able to do that if we have to balance our budget with the revenue we have been receiving.

**Mr. Flaherty:** You mentioned levelling the playing field for hospitals like Lakeridge Health. What needs to be done, if you can do it succinctly, to level that playing field?

**Ms. Wright:** What needs to be done is a couple of things. One of the things that needs to be recognized, obviously, is the multi-site factor. It is simply impossible to run a hospital as efficiently in a number of sites as it is in one. It would be as if you had three constituency offices as opposed to one. It just simply has to cost more money. So that needs to be recognized. We want to be able to provide services to the people who need them where they need them, and, as Mayor Pearce has stated, people are passionate about this. They feel extremely strongly about their hospitals. So we need that multi-site factor recognized, plus the rural site. These are small hospitals that don't have the critical mass of patients that may fit into the efficiency factors, the cost per case and the other things that the hospital funding formulas base the revenue we get on. Those have to be addressed with some additional funding for hospitals that are in those particular positions.

In addition, hospitals would greatly benefit from multi-site and also multi-year funding. It would certainly improve our ability to plan if we knew ahead of time how much we were going to get, or even if we knew on an annual basis in a timely way how much we were going to get.

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

**Mr. O'Toole:** Chair, I have a motion.

**The Chair:** Yes, Mr. O'Toole.

**Mr. O'Toole:** I, along with Mr. Flaherty, move that the Ministries of Finance and Health consider, in their 2005-06 budget: (1) specific funding for multi-site hospitals such as Lakeridge Health, as well as the consideration of a growth factor adjustment; and (2) furthermore, that the minister consider the teaching programs at Lakeridge Health Port Perry, in affiliation with the University of Toronto, such that medical training programs receive separate and specific funding envelopes.

**The Chair:** Thank you. That will be discussed at report writing time.

### CITY OF PICKERING

**The Chair:** I would ask the city of Pickering to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard.

**Mr. David Ryan:** I'm Mayor David Ryan, city of Pickering, and with me I have the acting CAO, Everett Buntsma. It's a pleasure to be here this afternoon, ladies and gentlemen. We thank you for the opportunity. I have a lengthy presentation, so I'm going to get into it and work through it rather expeditiously and rely on the questions to fill in the gaps, if any.

The Ontario government has introduced a set of visionary programs and legislation that will usher in profound and sweeping changes to the province's economic, social, cultural and environmental landscape. Individual items such as the draft greenbelt plan and the draft Places to Grow Act will determine the future of our great province and our ability to manage future opportunities and challenges. Furthermore, as Ontario is the economic engine of Canada, the prosperity of the entire country also lies in the balance.

Although we are greatly optimistic, we must proceed with a healthy dose of caution. We are standing above an ocean of opportunity. Instead of diving in headfirst, let's take the necessary precautions before we take the plunge. The McGuinty government has already shown us its vision of a strong and healthy Ontario. The city of Pickering applauds this vision and is a strong supporter of the policies that will lead us there. However, we are asking that municipalities become active partners, and this is very key; we must be active partners in the implementation process.

How these policies are implemented will determine their ultimate success. Through genuine consultation and active collaboration with municipalities, the Ontario government will be able to draw upon a larger pool of knowledge and localized expertise to ensure the new legislation is implemented judiciously and effectively.

We need to install the financial structures to support government policy. The Legislative Assembly's standing committee on finance and economic affairs will obviously play a major role in the implementation process and will be the budgetary tie that binds all of the province's programs together.

With respect to the draft greenbelt plan, this plan is a landmark piece of legislation that will establish a permanent green space for the benefit of future generations of Ontarians. Although visionary in nature, the boundary of the greenbelt remains a controversial issue. In its current form, the greenbelt legislation does not allow municipalities to work with its constituent parts to achieve the proper environmental, economic and social balance. For example, the lack of buffering between mandated agricultural and existing residential lands will result in pockets of non-sustainable and non-contiguous farms that won't be supported by agricultural infrastructure and, in time, will atrophy.

The draft greenbelt plan will also result in isolated communities and, in time, due to strangled growth, will become elitist communities. Eventually these communities will be crippled by their infrastructure burden and will be unsustainable, forced to rely on tax pooling from neighbouring municipalities in order to survive.

We're requesting that the province work with each affected municipality. The application of tested economic and scientific modelling with full municipal partnership will lead to a model of efficient and sustainable communities. We need real science to be applied to these initiatives.

Each municipality has its own inherent challenges and will be impacted differently by the location of the boundary. The city of Pickering and most other municipalities have already done that mapping. From a financial standpoint, it doesn't make sense for the province to allocate funds toward duplicate studies. By working with the municipalities on the location of the boundary, the province will be able to utilize the existing financial investments and satisfy the majority of the stakeholders. Most importantly, a coordinated effort will be a money-saving exercise as it will eliminate the need for duplicate research as well as mitigating much of the anticipated litigation associated with a forced boundary implementation.

#### 1320

The 407 assessment status is another issue. When Highway 407 first opened, it was owned and operated by the former provincial government and was understandably given property tax exemption status through the Assessment Act. Shortly after, the province sold off Highway 407 to a private consortium. Since then, it has operated as a private, for-profit enterprise. Accordingly, Highway 407 should be recognized as any other commercial enterprise and pay its fair share of taxes. Highway 407 creates additional cost pressures for the host municipality without any financial compensation. For example, in Pickering, the Brock Road interchange has generated a tremendous amount of traffic and resulting usage on Brock Road and the connecting streets.

The city of Pickering recommends that these lands be assessed as commercial property or characterized in a similar fashion to hydro linear properties. Highway 407 occupies approximately 304 acres of Pickering lands. Based on current hydro linear rates, the 407 would pay \$620,000 in property taxes, with the city receiving \$205,000 as its share. The region of Durham and the provincially funded school boards would receive the remainder. We feel this is a reasonable proposal that would be welcomed by almost every single stakeholder. We are confident that the province will have full public support should it choose to adopt this proposal, as there is a widespread perception that Highway 407 is fleecing its customers with frequent and unjustified toll hikes. More importantly, this initiative would generate revenue for the province through educational levies. All it would require is for an amendment to the Assessment Act to revoke Highway 407's current exemption status.

For the last three years, the city of Pickering has paid over \$1.15 million per annum in provincial sales tax. The province already provides an exemption to the PST to municipalities on salaries and wages and portions of capital projects. However, we're asking the province to amend the Ontario Retail Sales Tax Act by extending this exemption to all municipal payments. This would, in fact, mirror what has been done by the federal level of government. This single action would have a tremendously powerful effect on municipalities' ability to balance their budgets and invest in greater community infrastructure. The province currently provides unconditional and conditional exempt status to a number of existing goods and services. We feel the provision of municipal services is an essential service. Therefore, it would not be unreasonable to make the argument that a municipality should be exempt from making PST payments as it provides services that have a direct impact on the health and safety and quality of life of its residents.

Recognizing the province has inherited a financial deficit, the city of Pickering is recommending an eight-year phase-in period with a 1% reduction in PST payments commencing in 2004. In the first year alone, a 1% reduction in PST payments would equate to approximately \$137,500 in savings that the city could utilize to support and/or expand existing services. That in fact is one half of 1% of the tax increase in the city of Pickering.

Currently the Ontario Realty Corp. has a large number of properties across the province that are either being underutilized or are not utilized at all. We feel the ORC is not actively evaluating its inventory and divesting itself accordingly of suitable properties. A resource not being used effectively is money wasted and opportunity lost. This is a major concern, especially to affected municipalities that may have an active interest in a specific government-owned property. One of the province's mandates is to stimulate economic development. The province can reach this mandate by giving municipalities the opportunity to develop surplus ORC lands.

In Pickering alone, there are valuable MTO lands located at Highway 401 and Liverpool Road that have

been sitting vacant for almost 20 years. We want to obtain these lands and develop them to help revitalize our downtown core. However, our requests to purchase the land from the province have been unsuccessful. Even after several years of lobbying and negotiation, the lands continue to just idly sit there. As you are aware, the draft Places to Grow Act identifies Pickering's downtown as a priority urban centre. Therefore, we are requesting that these lands be released at the earliest opportunity in order to fulfill both the province's and the city of Pickering's similar mandates on economic development and urban intensification.

We are also asking that the Highway 407 lands be made available for commercial development. It is recognized that these lands represent a vast untapped employment corridor. There are many corporations waiting for the green light. Let's facilitate this to encourage greater economic development and develop new employment centres to reduce gridlock and congestion.

Further, the city of Pickering recommends that the ORC sit down with all municipalities to review its current inventory list and determine which property should be retained and which should be sold.

Typically, when the ORC releases a property, and it is first made available to provincial agencies, we recommend that municipalities be placed at the top of the buyers' list and given the first right of refusal to purchase. Our concern is that available lands may be unnecessarily delayed at the provincial level, should they have to be evaluated first by a long list of existing agencies. Consequently, municipalities may be in a more advantageous and responsive position to act quickly on developable lands.

Furthermore, should municipalities identify provincial lands for economic development, infrastructure or urban intensification purposes, we recommend that lands be donated in kind or sold at a substantially discounted rate, as these objections support the promises mandate for healthy and strong communities.

Libraries are in trouble. With the downloading of services from the previous government, many municipalities have had to slash funding in key areas in order to balance their budgets. Unfortunately, municipal libraries were often on the receiving end of these cutbacks.

In addition, library grants from the province were slashed in 1996. That's almost a decade of hardship. Compounding the problem is the population explosion in the GTA. GTA libraries have had to service more patrons, while receiving less funding from the province and their respective municipalities.

**The Chair:** You have about a minute left in your presentation.

**Mr. Ryan:** Thank you.

Using the city of Pickering as an example, our population was 78,000 in 1995 and provincial grants were \$151,000. Twenty years later, with an increase of over 20% in population, we still only receive \$97,000 in funding, which is really a decrease of 35%. We're not unique.

Development charges are a necessary fiscal instrument for municipalities to help offset capital costs. We've been hit hard again with a cutback on them and what we're allowed to spend them on. Today, our hospitals are in the midst of another funding crisis. It's flashed across the front page of the newspapers. We need to find additional sources of funding, and we need to have the flexibility in the development charges to better enhance the infrastructure.

When we build houses, and even when we build businesses, we have to build supporting structures within our municipality. It's not fair to put the balance of those payments on our existing taxpayers. Development has to pay for itself, and the way to do that is through DC, development charges. We know the development industry is going to resist, but we think it's something that's necessary and something that needs to be done.

The greater Golden Horseshoe region has been identified as one of the fastest-growing areas in North America. We need to build strong, prosperous communities with a healthy environment and non-paralleled quality of life. We have an opportunity in Pickering, in the Seaton development, and we are asking that you help us in developing an energy centre of excellence in Seaton. We hope to create a partnership among the stakeholders to develop, implement and promote energy conservation strategies. A new community where we have energy-efficient homes would be a good step in this direction.

The various ministries in the McGuinty government have put together a series of good programs and legislation that will have a profound impact on the quality of life in our province. The major concern is that the ministries will not implement these programs in a cohesive manner. To be successful, the ministries must stop operating as silos, working independently from each other. We need the McGuinty government to pull all the pieces together in a seamless manner so that the legislation and programs complement and enhance each other.

In its current state, the draft Places to Grow Act is encouraging growth, economic development and urban intensification. However, the draft greenbelt plan is limiting our ability to plan for and determine the growth within our borders. Conflicts such as this must be addressed. What we need is a rationalization of the service delivery model. We are asking the province to work with the municipalities to redefine that model.

The McGuinty government has shown it is receptive to doing things differently, as long as it is better. Working with municipalities is a different approach, and it is the better way.

Ladies and gentlemen, we thank you for your attention.

**The Chair:** Thank you, and the questioning will go to the NDP.

**Ms. Martel:** Thank you for being here today and for raising a number of issues that are affecting the municipality. I won't be able to deal with all of them; let me ask about the draft greenbelt plan. In your position as the

mayor of Pickering, can you tell the committee what concerns you might have with respect to the proposed boundary?

**Mr. Ryan:** The proposed boundary has been arbitrarily drawn, from our perspective. We ask to be shown the science that has, in fact, created that boundary. Our municipality, along with other municipalities throughout Ontario—well, in the GTA where the greenbelt is—had invested heavily. In the city of Pickering, it was called a growth management study. We have the science; we can demonstrate it. It is an independent report created with the necessary expertise, and that needs to be given due consideration.

**1330**

**Ms. Martel:** So you've made a request to the province for the science behind the boundaries but also made offers to the province for sharing the information that you have so that, for example, there wouldn't be duplication of a two-year or three-year planning process that you've already undergone.

**Mr. Ryan:** Exactly. The government is currently undertaking their own planning process and virtually ignoring the work that has already been done, and that's an undue extra cost.

**Ms. Martel:** So you've made this offer. Do you have any idea why you're not being taken up on the offer?

**Mr. Ryan:** I think there are some ideologies that are involved, some policy statements that, quite frankly, were initiated with the previous government. We're continuing to feel the adverse effect of that.

**Mr. O'Toole:** Come on, Dave. Get with it.

**Mr. Ryan:** I'm sorry, Mr. O'Toole.

**Ms. Martel:** But there is a new plan and a new government, and if you have made the offer to the new government, I'm wondering why they would feel bound by something that the old government has done. An offer to provide information is not an ideological matter, in my perspective.

**Mr. Ryan:** I'm not going to try to figure out the motivation of either of the governments. I can only tell you the impact it has on our municipality. The impact that it has on our municipality is negative. There's no other way to phrase it. It's a negative impact because it is unfairly and arbitrarily restricting growth in the municipality, in particular with the plan that we currently see coming forward, called the van Nostrand plan. There is a limitation to employment opportunity, significantly, by about 30% less than what our growth management plan provides.

**Ms. Martel:** We've heard this request, I guess, from a couple of sources that information be shared. People are representing all different kinds of interests, so I'm not going to go there, but I think there's a legitimate concern that can be raised or a legitimate request that can be made to the government to say that maybe there are some more opportunities for sharing and we should at least look at that, without getting into who's on what side of that issue.

**Mr. Ryan:** Exactly. The issue isn't what is ultimately the right answer; the issue is how we get there effectively

in terms of the costs associated with it and in terms of the confidence that the general public has in the ultimate outcome. That needs to be demonstrated through an objective sharing of the information and a true reliance on the science that is available.

**Ms. Martel:** I wanted to ask a question about the 407. I think your idea of having the corporation pay tax is a good one, now that the courts have said that Mr. McGuinty can't do what we knew he couldn't, which was deal with the tolls. Maybe it is a good way for some of those drivers who feel like they're getting ripped off—and they are—to feel like they're getting some kind of compensation. Outside of this committee, has a municipality made any formal request to the Ministry of Finance, for example, by letter or by whatever intervention for that to be considered?

**Mr. Ryan:** Not on this particular issue. That's something that, as we're putting out heads together and figuring out what would be meaningful in our presentation today, we will be following up on.

**Ms. Martel:** OK. Thank you very much.

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

#### WHITBY CHAMBER OF COMMERCE

**The Chair:** Would the Whitby Chamber of Commerce please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard.

**Ms. Laura Hammer:** Good afternoon. My name is Laura Hammer, and I have the privilege of serving as the President of the Whitby Chamber of Commerce. First of all, I'd like to thank the members of the Legislative Assembly's standing committee on finance and economic affairs for acknowledging our request to make a presentation during the pre-budget hearing process. We are very pleased that you are here today in Durham region, and it is the hope of the Whitby Chamber of Commerce that you will take to heart the presentations being brought forward.

To provide you with some background on our organization, the Whitby Chamber of Commerce is the largest business organization in Durham region, with over 800 members. Our membership includes businesses and business professionals from Whitby and across Durham region, as well as the greater Toronto area. Having recently celebrated our 75th anniversary, we have a long and proud history of working on behalf of our members and for the community that we serve.

A recent Canadian Business report listed Whitby, along with Oshawa and Clarington, as one of the country's best cities for business. Whitby is situated geographically in the heart of the region, and we are proud to be Durham's business centre. We want to ensure that this status continues, and we are in a position to encourage a business-friendly climate in our community that will see enhanced growth and economic activity.

Having said that, we also know that growth and economic activity do not occur in isolation. Active and aggressive measures need to be taken in partnership with local, provincial and federal governments as well as the existing business community and business advocates to ensure that growth is real and sustainable. Private partnerships and entrepreneurial endeavours are part of that equation, but governments also have a vital role to play to ensure that the economic climate is positioned to encourage economic development, research, investment and innovation.

One item that we feel needs to be addressed during these consultations is tax reductions. The Whitby Chamber of Commerce has gone on record many times, as has the Ontario Chamber of Commerce and the Canadian Chamber of Commerce, with their position on tax reductions and their effect on the economy. Putting more money into the hands of individuals and business people in Ontario in turn puts more money into the economy. It keeps the economic engine going, generates revenue for government and energizes the local economy.

Overall, tax reductions are important, but removal of the corporate capital tax should be a priority. Canada is the only G7 country to levy the corporate capital tax, and that has a significant impact on Ontario's competitiveness and ability to attract new investment. The pre-budget submission from the Association for the Abolition of Capital Taxes states that low levels of investment have been identified as the single most important cause of low productivity in Canada, especially when compared to the United States. Ontario and Canada should be encouraging productivity and investment and promoting our competitiveness, not taxing the business community for productivity. The capital tax is clearly a disincentive for companies looking to expand their operations into Ontario. Eliminating the corporate tax would increase capital investment and increase corporate tax revenues.

In previous budgets, the province of Ontario has stated its commitment to a gradual elimination of corporate tax by 2012, but we feel that this time frame is too slow. We would like to see both the Canadian and the Ontario government fast-track their timetables for elimination of this tax. We urge the government of Ontario to examine the benefits to investment by at least matching the federal government's timetable by removing the capital tax by 2008.

Looking at transportation: Over the next 30 years it is estimated that the number of people living in our province will increase substantially, with the majority of them expected to settle in the Golden Horseshoe area. The greater Toronto area is one of the fastest-growing metropolitan areas in North America and, within that area, Whitby is one of the fastest-growing communities, as noticed by Statistics Canada. A number of challenges come with this kind of growth to our community. Transportation is one of these challenges and an issue of major concern to the Whitby Chamber of Commerce. We are in critical need of an additional east-west corridor to allow for the improved movement of goods and services and people into and out of Durham region.

The Highway 407 extension project needs to be completed to Highway 35/115 as soon as possible. Adequate, reliable and efficient movement of goods and services across Durham would be a definite benefit to existing businesses and an incentive for new business to locate here. The 407 project has been discussed, debated and studied. The timetable for this project needs to be moved ahead to be fast-tracked so that it can eventually proceed. The transportation corridors are, and will continue to be, the economic arteries for our community and for Ontario.

Increased congestion, gridlock and border delays hinder Ontario's economic competitiveness and will continue to do so unless addressed quickly. The growth plan for the greater Golden Horseshoe introduced by Minister Caplan does include a comprehensive transportation strategy, and we are pleased that he has given his priority to transportation issues, but we would like to see it improved immediately.

The Ontario Chamber of Commerce shares our concerns and supports the eastward extension of Highway 407. While we recognize that the province has initiated the environmental assessment for the 407, we request that this be fast-tracked and given the highest of priorities.

#### 1340

Our hospitals and educational centres need to be able to serve our expanding community. Businesses looking to invest or locate in Whitby will be looking to see that their services are available for their needs as well as for their workforce. Lakeridge Health Corp. has been facing budget constraints, as have hospitals across the province. While the recent announcement of additional funding for hospitals made by the Honourable George Smitherman is welcomed, long-term sustainable funding is required. In addition, our community has been designated as an underserved area for physicians. The town of Whitby has launched an aggressive physician recruitment program, and the chamber has agreed to partner on this project to attract more family physicians to Whitby. Stable and adequate funding for hospital services is necessary, and additional funding, increased enrolment and training for new physicians, plus incentives for them to go into family practice, are required at the provincial level.

Whitby is also well served by Canada's newest university, the University of Ontario Institute of Technology. It's imperative, as this university continues to meet the needs and expectations of its ever-growing student body, that funding for this institution remain a priority. The university has provided and will continue to provide tremendous economic benefit to the entire community, Durham region and Ontario. UOIT has already shown that it is a centre for excellence. Their research, innovation and technology will provide the fuel for the economic engine of Durham region and Ontario. Additional funding for capital for the university needs to be made. This is an investment in our future and cannot be overlooked when the budget is being prepared.

The Whitby Chamber of Commerce recently held our business achievement awards, and the Honourable Bob

Rae was our special speaker for the event. The former Premier spoke to the business community in attendance about the need to make substantial investments in education. He acknowledged that there are difficult choices that face all governments, as there is a limited amount of tax funds for existing and new programs and services. However, he passionately declared that the education of our youth is the foundation of our vision for tomorrow. Investments must be made available to ensure that our workforce is ready to compete and excel in a global economy.

One of the investments must be made in the area of skilled trades. We are facing a future shortage of skilled labour and apprentices in Whitby and in Ontario. Funding and/or incentive programs for apprenticeship training should be ongoing and increased. A recent study by the Ontario Chamber of Commerce showed that 52% of all skilled tradespeople are expected to retire in the next 15 years. It also states that 41% of the businesses surveyed were predicting that they will face a shortage of skilled workers within the next five years.

More attention and emphasis must be placed on skilled trades as a viable career option, and that must start with education. Changes to the provincial curriculum need to address this problem more effectively.

**The Chair:** You have about a minute left in your presentation.

**Ms. Hammer:** Thank you.

We do recognize and applaud the province for putting into place tax credits for businesses that hire students enrolled in co-operative education and technology-based programs. We feel that the Ontario youth apprenticeship program is also helpful, but further incentives at both the educational and employment levels need to be made in order to address the shortages we face.

Another item I'd like to bring forward on behalf of the Whitby Chamber of Commerce is our concern about the infrastructure funding that was highlighted in Places to Grow: Better Choices, Brighter Future—A Growth Plan for the Greater Golden Horseshoe report. We are concerned that the proposed designation of priority urban centres within the GTA does not include Whitby. It is our view that Whitby, as part of the Oshawa census metropolitan area, has all the criteria that constitute a priority urban centre. Whitby has been for the past 10 years, and remains today, the fastest-growing municipality within Durham region. In fact, Whitby has attracted over \$2 billion in new investment during the past 10 years. Whitby greatly contributes to the economic growth and progress of Durham region. Whitby is the leader in economic and population growth in Durham. Having the designation of a priority urban centre is vital in order to continue growth at the levels already achieved.

In closing, I would be remiss if I didn't include a plea for the Durham region courthouse. We have lobbied the Attorney General to move forward with this project, as it is long overdue. At the end of December, the minister announced that we would indeed be getting our regional courthouse. We are pleased that he understands the need

for a consolidated courthouse is a priority for Durham region. However, this is the third government and the third political party to make this announcement, so while we're very hopeful, we want to see concrete, decisive action. We would like to have a location chosen and a firm date for construction of this very much needed facility so that we can finally see this project come to fruition.

Thank you for your attention and for permitting the Whitby Chamber of Commerce to go on record with our views. We sincerely appreciate the opportunity to participate in the pre-budget hearings process.

**The Chair:** Thank you. The questioning will go to the government.

**Mr. Wilkinson:** Thank you for coming in. I'm a member myself of the Stratford and District Chamber of Commerce, and I'm a certified financial planner and a small business person.

I've got a question for you, because you have a long, long list here about how you need more money for skilled trades, more money for the university, more money for the college, more money for health. You want to get the 407 extended. You want more money in infrastructure.

**Interjection:** The courthouse.

**Mr. Wilkinson:** The Durham courthouse. I remember an Attorney General who used to come from Whitby-Ajax and didn't have one.

Then you also said, "Yes, but could you cut some taxes?" Now, I'm just a small business person. I've got revenue; I've got expenses. This committee has to give a recommendation to the minister as to which things are more important. Do we cut taxes and forget about all of those investments, or do you think it's better for us to make all those investments in the future so that we have skilled workers and an innovative economy? You can't have it both ways, so I'd like an opinion from Whitby. I remember when one particular party wanted to cut taxes. We ended up with more debt, and that has burdened us now.

**Mr. O'Toole:** No, we didn't.

**Mr. Wilkinson:** Yes, we did. I remember that in 1995 the debt was \$95 billion. It's a lot more today.

What I'm trying to do is get a sense of which thing has a greater priority: all those things you listed that you want money for, or speeding up the elimination of the capital tax.

**Ms. Hammer:** That's really a good question. I would like to bring forward the fact that eliminating taxes doesn't mean we're removing money from the coffers. In fact, in looking at the basic economics, when you lower the corporate tax rates, we end up generating revenues by having people spending. So I don't believe that asking for lower corporate tax rates is going to take away what we need on the other side.

We have our list that we've given you, and you're asking what would be the priority, which is a very good question. Our main priorities are education—we are in a very serious situation when it comes to skilled labour.

We also need to look at post-secondary education: not only the skilled labour, but helping us with the post-secondary. If we're going to look at a sustainable future, we need to have an educated workforce. The next item on the priority list would be the extension of the 407, again to help us with ensuring sustainability, in order to be able to get people in and out of Durham region.

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

#### AJAX-PICKERING BOARD OF TRADE

**The Chair:** I would now call on the Ajax-Pickering Board of Trade to please come forward.

Good afternoon. You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I'd ask you to identify yourself for the purposes of Hansard.

**Ms. Joan Wideman:** I'd be glad to. Thank you for inviting me. I'm representing the Ajax-Pickering Board of Trade. I'm the president. My name is Joan Wideman. I'm also involved in a privately owned company called the Lenbrook Group of Companies in Pickering.

We are not necessarily in conflict mode. We're in encouragement mode today, so that's the way I'm presenting my remarks on behalf of our government relations committee and our board of trade.

We are celebrating 50 years as the voice of business in our community. Our business membership includes representation of every size and sector of business, including large enterprises like OPG, Volkswagen, Hubbell Electronics and other distributors, right down to the small sector and single owner. This board is fully integrated and interactive within the community with all levels of government and community leaders on issues related to business. We encourage business improvement practice and celebrate excellence in our business community.

We appreciate this opportunity. I'm going to list my priorities, but not in priority order. These are priorities determined by our membership through surveys and also through meetings on the subject.

#### 1350

The first one for us is transportation. We encourage this provincial government to have long-term and short-term goals, policies and financing that will ensure the necessary transportation infrastructure in Ajax-Pickering and Durham region that will ease the movement of goods, services and people, both consumers and our employees. Ajax and Pickering are specifically impacted by the slowdown in development and inadequate expansion of the 400 series highways. We need this coming into Durham, and we need it developed quicker. We also have a strong need for GO train services, especially in light of the tremendous growth that is predicted for this area, and in light of the Seaton lands development project and the possibilities of a Pickering airport. That transportation infrastructure is high on our priority list.

Energy: Durham, and specifically Ajax-Pickering, is very energy conservation focused, possibly due to having the Pickering and Darlington nuclear stations in our

midst. We are very conscious of the need to deal with the issues of the current energy grid that will support current and short-term future needs. We encourage this government to continue to review and legislate policies and funding which will educate and encourage energy consumers, both business and residential, toward better energy conservation and funding for Ontario research and development of affordable, environmentally friendly alternative energy resources. We know you would have received strong support for these endeavours from our board, our membership, our municipal government, Durham region and the University of Ontario Institute of Technology.

**Economic development:** Our business community encourages this government to develop policies that encourage and stimulate growth by reducing the corporate tax burden and through policies that make it easier to do business in Ontario. This will attract international companies to our province and will stimulate the birth and development of new businesses and services. This government is encouraged to provide more assistance for business in import and export, not necessarily through direct funding but through provincially driven trade mission work with the business community, fostering international business relationships, providing ease of access to information and, of course, constant review of cross-border issues.

**Health and wellness:** Our business membership is very involved in the community fundraising and financing of the local hospital. We recognize the value of this service to our employees and their families as well as to the business community throughout the work day. We encourage this government to continue to develop these community hospitals so that services continue to be accessible, available and reasonable. The provincial government also needs to keep health care as a high priority, but we encourage you to put funding in place with an emphasis on education regarding preventive strategies and healthy living. Encourage business owners toward this in the workplace with incentives if you can. A healthier group of employees and their families will ultimately assist in the reduction of WSIB costs and allow the focus of health care financing to be on research toward cures for diseases and viruses that are not related necessarily to lifestyle.

**Education:** The board of trade partners with the educators in our community. We encourage this government to continue to develop the University of Ontario Institute of Technology. We need access to post-secondary education for our employees in current technology provided through institutions like this. We also encourage the government to keep employees working. It is unfortunate that we have focused the majority of incentive funding in education toward the unemployed. We need to incent employers to keep employees trained and employable through training. We need to establish policies and funding to bring Ontario's digital information training standards to a higher level and to standardize to a common standard of basic computer training, starting

with post-secondary institutions but heading toward elementary schools, similar to what is being done in New Brunswick and in some of the US states.

**Other infrastructure issues:** Ontario used to be a leader in communication networks and development. Now we're falling behind countries like China in these systems. Our infrastructure communication systems are aging and have not been able to keep up. In order to compete in the global marketplace, the government must support the build-out of new wireless technology throughout the province, not just in sections of urban areas or along 400 highway corridors. We must be able to establish wireless network environments and access to faster, stable communication systems for our businesses on the perimeter of the GTA, both in the workplace and in residences. Our economy will be hurt if we fall further behind, and businesses will move to countries where standards are better and more affordable.

**A couple of issues related to government practices:** Our board of trade continues to recommend that all levels of government regularly look at their business practices, their processes, structure and services to reduce cost, reduce and remove duplication of services between departments and levels of government, and assess their customer service standards to the Ontario public and business sector.

We encourage the government to invest in more communication with the business sector through the Ontario Chamber of Commerce movement and to keep a finger on the pulse of the economy from the perspective of the business owner. This partnership could bring tremendous two-way value to both of us.

That's my summary.

**The Chair:** Thank you very much. This round of questioning will go the official opposition.

**Mr. O'Toole:** Thank you very much for your presentation. We heard many of the comments just made in the presentation from the Whitby chamber, talking about competitiveness in the broader sense, meaning the capital tax; Mr. Wilkinson, as a financial planner, may need to redo that course.

But the question I have concentrates primarily on four items that you've outlined here. One is a current issue. I see the chair of Durham region sitting here; he might want to pay attention to this one: the transportation integration issue before Durham region. In light of all the discussion around smart growth and urban growth and development and the pressures in Durham region, one of the pieces that I'm very supportive of is the extension of the 407 east. With the current battle the government has with the 407, I think you won't see one pail of asphalt in Durham region on the 407 while they're in government because they're fighting with the 407 organization. That's how they'll use that leverage.

Transportation in the broader sense—I'm talking about public transit. There's a big discussion about integration of public transit in Durham region. I'm going to ask you a specific question. On behalf of your organization, would you support an integrated regional transit

system which allowed lower-tier municipalities—Ajax, Pickering, Whitby and Oshawa—that have transit systems to maintain their assets, liabilities and employees and allow the upper tier to be the transportation logistics operator? Integrating a system with GO Transit and inter-regional transit at the GO level—do you understand what I'm saying?—as opposed to having one big transit system.

**Ms. Wideman:** Yes, I do.

**Mr. O'Toole:** Actually, I live here, I pay taxes here and that's the plan I support. Any large transit system that means a transfer of employees, assets and liabilities is going to cost those who live in the country—most of my constituents live in the country—more money, when in fact you're getting the gas tax—there's an opportunity here. What I'm asking is—Ajax and Pickering have some integration going on, Oshawa and Clarington have some integration going on and the ownership issue—

**The Chair:** We have about two minutes.

**Mr. O'Toole:** Two minutes? Oh, that's good.

**Ms. Wideman:** Mr. O'Toole, I might be able to respond in this way: First of all, I'm not allowed to speak on behalf of my association unless I have surveyed them on this particular question, and I would be happy to. What I can say is that before the recent media told us that this regional transit issue has gone to bed, we were very involved in asking our membership about it. In fact, a survey went out last week, which we are just in the middle of receiving returns on. So I can respond as soon as I have finalized that on that level.

We are more concerned in transportation with the fact that many of our companies deal internationally and have huge problems getting to the airport and back with their product and paying tremendous fees for things like that. Then we have the access—

**Mr. O'Toole:** Yes, you want the 407.

**Ms. Wideman:** We do, but we also want access so that we can employ people from Oshawa and then get to Pickering or Ajax without paying huge funds and spending an hour and a half on top of it.

**Mr. O'Toole:** I think they've actually done quite a good job on transit. I just think there is an opportunity here for the province to recognize the work the region of Durham has done. It's a young municipality, in terms of its growth, it's fresh and its transportation infrastructure isn't as permanent as Toronto. There's an opportunity here for the first tier to roll it out as it is and expand on it based on integration with GO Transit.

**Ms. Wideman:** We would welcome that, because many of our employees live in the north and travel to the south and have children who go to educational institutions either in Durham or outside and need transportation. We would welcome those discussions.

**Mr. O'Toole:** I'd like to see the gas tax, and would, for one, like to be on the record as saying that I'm very supportive of all portions of Durham region being part of the gas tax, including the rural part, so we can have the first phase of what I'd call a transit-wide system, which would eventually, as we grow to one-million-plus people,

be fully integrated and include GO Transit rail service right through to the end of Clarington.

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

1400

#### ASSOCIATION OF MUNICIPALITIES OF ONTARIO

**The Chair:** I would call on the Association of Municipalities of Ontario to come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

**Mr. Roger Anderson:** Thank you very much. My name is Roger Anderson. I am president of the Association of Municipalities of Ontario. With me is Pat Vanini, the executive director of the association.

The Association of Municipalities of Ontario is, I believe, well known to the committee members. AMO has been representing the interests of Ontario's municipal governments and advocating on behalf of property taxpayers in this province for more than a century.

Last year, when AMO made its pre-budget submissions, it acknowledged that the province had finally begun to treat municipalities as an order of government rather than as a stakeholder. Over the past year, further progress has been made in forging a provincial-municipal relationship that recognizes that the two orders of government must work together to build strong communities in Ontario. Ontario and its municipalities have also made progress in working with the federal government to advance the interests of communities of all sizes. In fact, the protocol signed this past summer provided the first guarantee in Canada that federal new deal money for municipalities would not be clawed back by the provincial government. This achievement will benefit every single municipality in the province.

There are a number of examples of other important advances, but suffice it to say they recognize that the same voter elects the federal government, the provincial government and the municipal government. They recognize that this one voter has the same expectation of us all, and that is to work together.

In 2004, AMO adopted a vision for Ontario's municipalities: In Ontario's municipalities, people and families can live, thrive and prosper in the communities they call home, and children will have the choice and the opportunity to live and work in the communities where they were raised.

It's an ambitious vision, but we believe it is attainable. We recognize that Ontario's communities have a long way to go, and many barriers have grown over the years that impede our path as we embark on making this vision a reality.

Municipalities deliver and fund a wide range of municipal services that people and businesses in our communities rely on. But as a result of historic anomalies in

financing arrangements and with downloading, Ontario municipalities are in the unique position in Canada of being required to subsidize a wide range of provincial health and social services without the means to pay for their own responsibilities, particularly hard infrastructure like roads, bridges, transit, and sewer and water systems.

The result is that we have the highest property taxes anywhere in Canada and an infrastructure deficit that affects the health and safety of every resident and the economic competitiveness of our communities, which spills over to the province and our nation. It is a situation that affects communities of every size in this province. It reflects systemic problems in the fiscal relationship and bad public policy. Building strong communities in Ontario will require new fiscal arrangements that are rational, sustainable and fairer to property taxpayers.

In the longer term, the only way to address the real fiscal imbalance that municipal governments face is to end the province's reliance on property taxes to fund provincial health and social services and other provincial income redistribution programs that were downloaded in 1998. We need to begin planning now to make these changes, to be in a position to take advantage of an improved provincial fiscal situation as it happens. And we need to be in a state of readiness should the province's fiscal situation happen to worsen. Property taxes should not and cannot bail the province out of any of its fiscal situations.

According to the 2004 budget, Ontario's plan to address its own fiscal deficit will see a balanced budget in 2007-08. A balanced budget for Ontario in 2007-08 will allow the government to finally address the fiscal deficit that successive provincial governments have created for Ontario's municipalities and property taxpayers. While a balanced budget will have to wait until 2007-08, there is much the province can do before then to address the pressing concerns of our municipalities. This submission highlights some of those key areas.

In the 2005-06 budget, action is needed on three fronts: action that improves municipal revenues, action that reduces municipal costs and actions that address non-revenue issues.

Municipalities need immediate access to new revenue tools that will allow them to generate revenue to fund key services in the community.

There is a range of opportunities to dedicate a share of tax revenues to improving municipal sustainability. Municipal property taxes have grown 6% from 1997 to 2002, whereas consumption taxes have grown by more than 22% and income taxes by 15%. So municipal property tax revenues grow more slowly than consumption taxes, for example, especially in periods of strong economic growth, precisely when municipalities face escalating service costs.

There is a broad range of provincial taxes in areas where municipalities sustain costs but receive no revenue. The gas tax is a good example. While municipalities operating transit services are finally receiving a

share of provincial gas revenues, all municipalities in this province face high costs of rehabilitating roads and bridges that likewise serve the movement of people and goods. Extending a share of gas tax revenues to fund construction and maintenance of other parts of our transportation system cannot be ignored. This would be preferable to increasing gas taxes and allocating the additional tax revenue to municipalities for roads and bridges. Similar models could be applied to a variety of so-called "sin" taxes or to other areas of provincial taxation or gaming revenues.

In previous pre-budget submissions, we have requested a surcharge on fines, similar to the surcharge for the victims' justice action fund, to help municipalities with growing costs for their role in the administration of justice. We, as municipalities, provide security for courts and transportation of prisoners.

Municipalities should have the ability to collect fees and charges related to the private use of public rights-of-way. The Ontario Energy Board agreed that gas companies should pay permit fees to municipalities for locating facilities and work on public rights-of-way. Repealing regulation 244/02 would reinstate the OEB's principled decision.

Many communities are struggling with raising capital for hospitals. The Development Charges Act must be amended to reinstate the ability of a municipality to collect growth-related charges for capital costs for the building of our hospitals. The act must also give municipalities the flexibility to determine what other services and levels of contribution new growth brings to transit and other current ineligible or service discounts that were introduced in the mid-1990s. The act must also be reviewed to ensure that it will fully support the costs of new types of development that are consistent with the province's new approach to growth management.

AMO believes that the overall objectives of these programs are laudable. Everyone benefits from sustained agri-business and sustainable forests. But from a public policy perspective, requiring rural property taxpayers to fund these provincial subsidy programs is bizarre and untenable. The province must upload these subsidy programs and fund them through income tax revenues.

I would be remiss if I did not draw the committee's attention to the serious issue relating to the provincial government's community reinvestment fund. The CRF was established by the previous government to offset some of the costs of local services realignment. Since its inception, the government's practice has been to provide year-end settlement of CRF costs to deal with costs that are larger than estimated at the beginning of the year. Many of the downloaded costs do grow yearly by virtue of policy changes of the province, population growth and changes to demographics. As a result, municipalities receiving CRF were anticipating a year-end settlement or reconciliation of 2003 CRF funding by the end of 2004 and reconciliation of 2004 in 2005.

1410

**The Chair:** You have about a minute left in your presentation.

**Mr. Anderson:** Last week, municipalities received a letter from the Minister of Finance and the Minister of Municipal Affairs and Housing indicating that they would receive funding for 2005 that was at least equivalent to unreconciled 2003 CRF, but there was no indication whatsoever that the CRF would be reconciled for 2003. I give you all fair warning that without CRF reconciliation, municipalities in the province of Ontario are going to be hurt, and the only person who's going to be able to fix the hurt is the taxpayer, by raised taxes.

There are 403 municipalities involved, and they're all anxious as they attempt to finalize their 2005 budgets. Because of this uncertainty, many will not be approving their budgets. Here's an example of why: In Sudbury, if there is no reconciliation, they are facing an additional 4.4% increase on top of a constrained budget that is already anticipating an increase in the neighbourhood of 5%. This is but one example.

Our members are facing absolute certainty that another year of subsidizing increasingly expensive provincial programs will result in a property tax increase in every community across this province.

You have copies of what I have to say, Mr. Chairman, and unfortunately the limited amount of time makes it difficult to include. As long as there are questions that don't take more than four minutes to ask, we'll be happy to answer them.

**The Chair:** Thank you, and the questioning in this round will go to the NDP.

**Ms. Martel:** Thank you for being here today. The questions won't take that long.

Let me start on page 6. Actually, I live in a community just north of Sudbury, so I have a fair idea of how the budget process is unfolding in our community, and it's a heck of a mess. Tell me, has AMO been able to get some preliminary numbers of what the funding shortfall will be to municipalities if there is no reconciliation, and then, from that, a sense of what the potential tax increases are going to be at the local level?

**Ms. Pat Vanini:** I can. We're gathering that information, and this is just a quick chart I made before I left that I'd be glad to leave with you, which shows, just on a sample basis, what some of the increase is. It ranges from a low in Elliot Lake of about an additional 1.5% to a high in Iroquois Falls of almost 10%. So we're finding that without that reconciliation, it's actually a pretty significant number.

Across the province for 2003, it's about a \$100-million burden, and when you add the reconciliation for 2004, which is a little harder to get a handle on because the costs for Ontario disability support and those programs significantly increase, it's probably well over \$100 million. So, totally, it's about \$250 million province-wide.

**Ms. Martel:** I haven't seen the letter. Tell me, what kind of reasoning did the letter provide with respect to why the reconciliation wasn't occurring at this time?

**Mr. Anderson:** I don't think the letter gave us a reason. It just didn't mention it. Now, we did meet with

the minister through the MOU process—and the minister was gracious enough to meet with the whole executive of AMO—and he is well aware of our concern.

One of the things we did ask for is that we needed a letter saying how much money we were getting today so that we could finalize our 2005 budgets. Some municipalities have already finalized them. We needed some assurances to at least know how much we were getting in 2005.

**Ms. Martel:** Are you going to get this same letter?

**Ms. Vanini:** We hope so.

**Ms. Martel:** I'm curious: What commitment did he make? I mean, you raised the issue with him; you're supposed to do that as part of the MOU. I hope the government's going to respond. What did he say to (a) Is there going to be a reconciliation or not? and (b) What is he going to provide to municipalities so they can finalize their budgets?

**Mr. Anderson:** The minister advised us that he was well aware of our concern, that he was going to take it back. I would assume it would go back to his staff and, I don't know, maybe cabinet or wherever it goes from him. But the message has been very clearly delivered to him, very clearly delivered to Minister Gerretsen, that reconciliation is an absolute must for municipalities.

**Ms. Martel:** So it was the Minister of Municipal Affairs you met with?

**Mr. Anderson:** No, we met with the Minister of Municipal Affairs and—

**Ms. Martel:** Both of them.

**Mr. Anderson:** Yes.

**Ms. Martel:** Well, it can't get much higher than that, so I don't know who else they're going to go talk to about what to do next. This is a rather bizarre situation for us to find ourselves in, and for you to find yourselves in, if the Minister of Finance can't give you those kinds of assurances and guarantees at the table. I suspect this matter is going to be pursued a whole lot more.

Let me move on from that. There were a number of issues that you highlighted here in terms of actions that you'd like the province to take. If you had to prioritize and pick the top three, what would they be, for the benefit of this committee? Is that a fair question to raise with you?

**Mr. Anderson:** Well, CRF, first and foremost; Bill 92 going through the House and giving the municipalities legislation that says the province wouldn't change rules without consulting with us; and a total 100% rebate on provincial sales tax. I don't know why we have to pay taxes to each other. It doesn't make sense.

**Ms. Martel:** Can I just ask you a question about Bill 92? I have some sense what the legislation says, but I'm also under the impression that there are no penalties anyway if the government decided not to consult with you or to do something that they hadn't promised. How much do you want to put into that, if there are no consequences, I guess is the best word?

**Mr. Anderson:** I don't know if it's a question of consequences, Ms. Martel. I think it's a question of, it'll

be in the legislation. All parties understand the legislation. I don't know any parties that purposely go around legislation to do something. I think if it were enshrined in legislation, the government of Ontario would have to meet with the Association of Municipalities of Ontario. It would be good for (a) the association and (b) all of our municipalities.

The biggest problem municipalities have is when governments make changes and don't understand all of the ramifications that could be impacted. If you change standards on policing or you change standards on meals for prisoners or you change anything, it impacts on municipalities. I think if you knew the impact at the end before you passed the legislation, some legislation might not go through the way it has.

**Ms. Martel:** Can I just make the point that there's supposed to be reconciliation of CRF as well, and you've got no guarantee from two ministers, who should be able to guarantee that, that it's going to happen. That's the point I'm making, right?

*Interjections.*

**Ms. Martel:** That's the issue, and you know it, a policy issue—

**The Chair:** Order, please.

**Mr. Anderson:** Mr. Chairman, I want to thank you for finding the time to allow AMO to appear. I know there was some confusion at the beginning. I would like to suggest that it was our fault for the confusion, but I'm not going to do that. Whosever fault it was, I would certainly like to thank you for finding the time to allow AMO to appear here. I'd like to thank Mr. O'Toole.

The association has been dealing with the provincial government for over 100 years. It's through correspondence and discussions like this that hopefully we can make little baby steps so that soon we can crawl up and actually walk up the steps—or maybe take a regional bus from one end of the region to the other.

**The Chair:** Thank you very much. The committee appreciates your presentation.

DURHAM COLLEGE  
UNIVERSITY OF ONTARIO  
INSTITUTE OF TECHNOLOGY

**The Chair:** I would now call on the Durham College and University of Ontario Institute of Technology to please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard.

**Dr. Gary Polonsky:** I'm Brad Pitt, movie star—

*Interjections.*

**Dr. Polonsky:** —but in my day job, I'm Gary Polonsky, president of Durham College and president and vice-chancellor of the University of Ontario Institute of Technology.

**Dr. Sheldon Levy:** I'm Sheldon Levy, vice-president at both.

**Dr. Polonsky:** Mr. Chair, may I begin?

**The Chair:** Yes.

**Dr. Polonsky:** Thank you very much for this opportunity, and welcome to our community. For members from the communities—in our case the community of Northumberland county and Durham region—and I know one or two of you from before, it's good to see you. I'll always remember, Shelley, that night in the Leg when you and Howard were taking turns babysitting the kids and running in to do service in the House. It's good to see you all.

**1420**

I'm going to make three very quick points and then defer to my colleague, Dr. Levy, for his remarks. One is, I'd like to thank you for just doing what you're doing. There's a cynicism toward politics, as we know, but personally I don't share it, because I'm a first-generation Canadian who is just so pleased to have ended up in Ontario and in Canada in the kind of society that we take for granted. My family fled a society that doesn't even know how to create a community such as Ontario. So thank you for getting into what I think is the toughest job in the world, which is politics.

Second, I'd like to say that we agree with other colleges and universities from which you've been hearing, so we will not take the time to repeat the points you've been hearing from them.

Just about an hour ago I received a fax about what at least some of you probably heard on January 17, when you visited London: the high-tech economy, the shortfall of skilled workers, the apparent and indeed genuine underfunding of colleges and universities, and the training gap. We agree with all of that, so we reinforce the points you've been hearing elsewhere.

In this particular community, as some of you who have visited often in your service of this community will know, there is a skills training centre that is sometimes regarded as one of the finest in the country as well as the finest in Ontario. If any of you would like to visit that on your way home, we could certainly arrange for a personal visit. It's quite an extraordinary resource for the people of Ontario.

I would like to move to the third point, which is unique to the University of Ontario Institute of Technology. Shelley is going to speak to it mostly, but I would just like to introduce it. We just made a recommendation to Premier Rae, in his review, that he consider recommending that there be a policy created for when a new institution is created. As you know, UOIT is the first university to be created from scratch in over 40 years and there has been a certain ad hockery in the way it has been developing. It is doing very well. It has met or exceeded every milestone, but it hasn't been an easy go, as has been widely reported in the Toronto Star and so on. So Shelley is going to describe now how the ad hockery is affecting students. Maybe, if there were such a policy in the future, it would help other new institutions coming down the road to avoid what we have experienced.

**Dr. Levy:** Thank you, Gary. I'll begin by explaining how I got here, in one minute. A number of us at U of T

were asked to lend a hand. I was vice-president at the University of Toronto and the first provost was vice-president at the University of Toronto, and we lent a hand. And the University of Waterloo lent a hand. So lending a hand and then a leg and then a couple of arms, I ended up at the new university.

What I want to describe to you is really a factual statement and just lay it out there. If you went to any ministry, they wouldn't deny that these are the facts. We might debate on the solution, so I will just stay with the facts.

Yesterday, the Ontario Universities' Application Centre issued its first public announcement of the applications for fall 2005, and for the second year in a row the university led the pack, with a total increase of 15.6%. The second-largest increase in the province was 5.6%. I mention that because it defines a continuing need that is being served by the institution and the awareness of students about the university. The university is now about 67% to 70% of the total applications of Trent, for example, and it's now in its fifth term or something like that. So the decision to create the university because of the need of the region is being borne out by the statistics.

If you turned to the headlines on the second page of the Durham weekly newspaper, Business Week, I think it was last week or two weeks ago, there was something about the businesses doing well in this region, and the credit—not all of it but a significant part, because I've got the headline—was to the new university that in the short term was now attracting high-tech industries to the region. So, again, not only for the students but for the general health of the economy, it was a good decision.

To go on to the president's comments, and these are all absolutely factual, the university's total building cost was \$280 million. Of that, the province of Ontario paid \$60 million. The balance of \$220 million is in one way or another having to be borne by the university and the college. I don't know, but I'm willing to bet that no other institution of any shape or form ever started in the province had to bear the capital cost of the construction itself—\$220 million of \$280 million. Where does that \$220 million come from? Well, approximately one third of it comes from the fact that we have to reduce our operating budget to be able to fund the mortgage on the \$220 million. That's equivalent to saying that we're taking it out of the classrooms and the labs and putting it to capital. One third, approximately, is funded by the college. So the college is funding the university by approximately one third. You can understand why the people in the college feel they are treated unfairly. Approximately one third is funded from fundraising, and that, in a sense, you could say is fair. That said, students who want fundraising for bursaries or scholarships might debate that point as well. When you take this amount of money from the university and the college, and it's just in its formative years, you can understand the difficulty that the university and college have in getting along.

This story and this woe are not unknown to the province. The province would say that we signed agreements to this effect, and they are right. The difficulty is, we had

no choice in signing the agreements to this effect and we are struggling to manage. The consequences of it are that if we were not helped with this by the province in at least the next two years, we would risk the accreditation of our engineering program. The consequences of trying to make ends meet would require us to have no full-time additional faculty as we grow, because we could not afford full-time faculty and would have to theoretically—and I say theoretically—find a solution using part-time faculty. You cannot get accreditation of an engineering program if you have a high proportion of part-time, and it's unfair to the students, who deserve a heck of a lot more.

Mr Rae is doing a review of the province. As Gary said and as every university and college president will say, there is underfunding. Well, I wonder what they would say if they knew or tried to manage in engineering on 25% less money than what is the average for universities, and in commerce, 30% less money than Ontario universities. Here I'm excluding the additional funds those universities have through endowments because of age and well-deserved reputation. This is just in fees and grants.

1430

**The Chair:** You have about a minute left in your presentation.

**Dr. Levy:** Thank you.

We will soon hear—touch wood, if I could find any—that we will be home of the Beacon project, which is a major effort of General Motors. This will come to the city. It will help Ontario and it will help Canada, and we will be a major player.

I will just leave it at this: There is so much potential for the university to contribute to the province and to the country, and there is so much potential for the college. All that we're asking is that you treat UOIT normally—not specially, just normally. Treat it as you would every other university in the province. Give it nothing extra, but give it nothing less. If you could treat it just normally, then I can assure you that not only would the decision be the right decision, but it would be repeated in other parts of the province because it would have been shown to be successful.

**The Chair:** Thank you. The questioning will go to the government.

**Mr. Colle:** This Beacon project—the Minister of Economic Development, Mr. Cordiano, has spoken to us about the great potential there.

In terms of enrolment, in what area is most of the interest? Is it in the R&D, high-tech area? Is it students coming right out of high school or people who are already in the workforce being directed?

**Dr. Levy:** Do you want to get it, Gary?

*Interjection.*

**Dr. Levy:** OK. First of all, I want to make a very quick comment that we are great partners with Trent University, which does the liberal arts on the Durham campus, which is unique. We're great friends with the great university, Trent. So we avoid duplication in the province. Our focus and our only programs are in job-

related programs, which are engineering, commerce and—

**Dr. Polonsky:** Sciences.

**Dr. Levy:** —the sciences. We are an institute of technology that was created to be jobs- and market-driven. So all of our increase is in that area because we have no other area.

**Mr. Colle:** Where would your typical student come from, especially your new students? That's really what I was getting at.

**Dr. Polonsky:** About 50% of our students are coming from Durham and Northumberland at the moment and 50% from elsewhere, with the majority of that 50% coming from Scarborough and Markham.

**Mr. Colle:** So it's the eastern quadrant of the GTA, essentially.

**Dr. Polonsky:** Yes, that's correct.

**Mr. Colle:** And are they students who have already been in the workforce? That's one of my interests.

**Dr. Polonsky:** Many are. I might just say how the number of 6,500 was derived by the government, in partnership with PricewaterhouseCoopers, who had done the market study. Durham region in particular, more so than Northumberland county, has had a traditionally enormous underparticipation of citizens in university education, principally due to lack of access. Like anybody else, we have our proportion of poor people, as well as people in the middle class. PricewaterhouseCoopers quantified that at 6,500 people, so if UOIT's enrolment grew to that, it would not take one student away from any other university. So here we are, working toward that explicit enrolment target, which we look to achieve, and it seems we will, by about 2010.

**Mr. Colle:** Obviously, your biggest challenge right now is that funding gap, where part of your operating cost is going toward the payment of your capital debt, that 25% you talk about, right?

**Dr. Polonsky:** Yes. The good news story in this is that, by instalments, in our industry, at least, which consumes several billion dollars per year, we're really talking about around there to just get us through the next two years, which would be the final two years of our first four-year cycle. So this is very much a short-term problem in terms of the operating challenge, and we've quantified it to be somewhere between \$4 million and \$4.5 million or so per year for the next two years.

**Dr. Levy:** Which is large money for a brand new baby.

**Dr. Polonsky:** Right. For you it might seem small; for us, it's quite huge.

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

#### ONTARIO VOLUNTEER EMERGENCY RESPONSE TEAM

**The Chair:** Would the Ontario Volunteer Emergency Response Team please come forward.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to identify yourself for the purposes of Hansard.

**Mr. Shane Harbinson:** Shane Harbinson, executive coordinator with OVERT.

On behalf of the Ontario Volunteer Emergency Response Team, OVERT, I'd like to take this time to thank the committee for this opportunity to make a presentation today.

I sit here today as a representative of the most utilized community-based emergency response team in the history of Ontario. No other organization has been used more often by more of the professional services than the OVERT program has. To date, in excess of 80 emergency service agencies, including police, fire, EMS, social services, public health, EMAT, hospitals and local EMOs, are working with or have requested the services of OVERT.

As recently as last week at the CEMC meeting for Peterborough and Peterborough county, it was endorsed unanimously by the CEMCs to recommend to the city of Peterborough and the county of Peterborough to join the OVERT municipal partnership program. Also passed was a motion to have the county send a letter to the province requesting that the Ontario government match the municipal funding being provided by Peterborough and Peterborough county. These motions come on the heels of a similar set of motions in Northumberland county, where the CEMCs there also endorsed joining the OVERT municipal partnership program.

Additionally, although OVERT is absolutely swamped with municipal requests, we are working with other municipalities and cities that are looking to join the program.

I'd like to take a moment to provide the committee with some background information. OVERT is a completely new conceptualization and integration of the community with the front-line emergency services. In 1991, a community review initiative was undertaken in Ontario to analyze why community-based volunteer organizations were not being used operationally during major incidents by the emergency services. As is the current case for 99% of the community-based organizations in Ontario, it is a standard practice by the local emergency services to use community response groups "outside the tape" to support incidents, versus "inside the tape," which requires a higher level of training, experience and professionalism.

The subsequent report filed with a number of emergency response agencies in 1992 identified several reasons why community groups were not being used operationally. The report concluded with several recommendations, including the radical development of a new community-based second-tier response agency or STRA. Fundamentally, this second-tier response initiative would give to the local emergency services what the US national guard gives to the US army.

The report concluded that it was possible to integrate a large number of current and retired emergency services

personnel with carefully selected and highly trained community volunteers. This combination of personnel, as well as a focus on several specialized services, would allow for the first operational multi-community response organization in the history of Ontario.

Furthermore, since the report, it has become apparent that educated professionals within our communities are also a significant untapped resource. Throughout Ontario, every community has educated, experienced professionals from a number of fields who are looking for an opportunity to participate in a professional, community-based response initiative. Until the advent of OVERT, these community professionals did not have a vessel in which to participate, and many individuals have chosen not to join the more traditional organizations.

These members of our community are an untapped resource, as is evident in a report commissioned by Volunteer Canada which shows that 88% of all community volunteers in Canada are either retired or over the age of 45. As the STRA concept eventually became the OVERT program, it has been successful in creating a new community vision for volunteering where 60% of the core volunteer base is between the critical ages of 28 and 45. This age group is critical to the success of any community-based response program as it provides for volunteers who are generally at a stable time in their lives. As a result, this group stays with the program longer, eventually gaining years of response and training, providing a highly trained, qualified and experienced emergency response volunteer.

#### 1440

One of the issues dealt with head-on was the costing of such a program. With that, OVERT has again been innovative, as proven by one of the more interesting facts to come out of the Peterborough flood disaster of 2004. The cost of utilizing OVERT versus our more traditional agencies was 30 times less per day.

In joining the OVERT municipal partnership program, municipalities are ensured that, other than major disasters, they will not receive additional billing other than a yearly association fee of 7.5 cents per resident. Even in the case of major disasters, the fee for OVERT service is strictly limited to direct costs only. Of note is that since its inception, only during SARS, when the OVERT program provided 55 days of service, was there any billing, which in the end worked out to less than \$100 per day or \$2 per volunteer hour. In Peterborough's case, the OVERT bill was zero, yet the program provided almost 1,800 hours of service over a four-day period.

I'm sure that each member of the committee will agree on the importance of volunteerism within their community. Volunteers have been and continue to be an important element of every community. They allow communities as a whole to achieve many things which, without the use of volunteers, would be cost-prohibitive.

Community involvement in emergency operations and incidents is an obvious transition that has occurred in many countries throughout the world. Canada and, in specific, Ontario lack the integration of the community

with front-line emergency services. This ensures that throughout the province we have an untapped resource that could be used to address the lack of surge capacity that our emergency services have to deal with major incidents.

Our emergency services are not blessed with an unlimited budget. During the most recent review by the justice committee on the Ontario emergency management statutes, I had the opportunity to sit on the emergency services panel with the EMS, the OPP, the Ontario fire marshal's office and the Ontario Association of Chiefs of Police. During our presentations, it was noted by all the participants that each one of them lacked significant surge capacity throughout the province. While not the only answer, the OVERT program has been recognized by many of the services as being able to provide critical assistance surge support to all of the emergency services in their time of need.

Unfortunately, although the emergency services budgets are limited and primarily based on day-to-day call volume, major emergencies, disasters and incidents continue to happen in our communities. Emergencies tend to be incredibly expensive to both local and provincial government.

One of the most interesting aspects of the OVERT program is that it has been able to expand and continue to grow and improve itself without the funds necessary to provide the infrastructure necessary to support the volunteers. For this program to continue to grow, and certainly for OVERT to reach its full potential, we need to look at finally providing the infrastructure necessary to support the volunteers.

I think the most telling success of any organization is in the amount of interest it generates, specifically from those looking to incorporate or adopt the program. From this perspective, OVERT has been more than successful. The number of interested municipalities and the interest generated in communities looking to incorporate the program is nothing short of astounding.

From fire departments, EMS, police, social services, EMO, public health, EMAT to our hospitals, we have in OVERT a program that can and, more importantly, does provide them with services when they are overwhelmed and require assistance.

OVERT is revolutionary in many respects. It brings people together from hundreds of communities to help each other. It has the interest and support of both the management of the emergency services and their front-line workers.

I sit here before you today to ask that the Ontario government commit itself to matching the municipal funding OVERT is receiving. Additionally, we're asking the Ontario government to provide a base funding of one cent per Ontario resident to support our province-wide response initiatives.

Again, on behalf of the organization, I'd like to thank the committee for being here today.

**The Chair:** Thank you. This round of questioning will go the official opposition.

**Mr. Jerry J. Ouellette (Oshawa):** It's good to see you again. Thanks for your presentation. I'm not sure everybody's familiar with your organization. Maybe you can just expand a little further. What areas of the province do you specifically cover and/or, more importantly, don't you cover?

**Mr. Harbinson:** Currently, the program's actually expanding into Toronto just next week; we're establishing our first detachment in Toronto. We have a number of different plans, but the local emergency plans we're currently supplying will be Northumberland county, the city of Kawartha Lakes, Peterborough, Peterborough county, Durham region and the city of Toronto. We have interest, my guess would be, from about four or five other regions. Outside of that, in the fall of 2004 we established a partnership with the Ministry of Health's emergency medical assistance team. Through them, we now have a province-wide responsibility to assist them and support them.

**Mr. Ouellette:** Is there provincial certification, training or qualification for each of your members, as recognized by the province?

**Mr. Harbinson:** From the province, there's really not been a lot of leadership in the whole program, so we've been working more with the local authorities to develop a program that everybody is happy with. One of the issues we've certainly run into is that we don't provide a service for any single entity. We're providing service for fire, for police, for the hospitals, for EMS, so we've had to integrate a training program that takes different aspects from each. Even to that degree—the success we've had with the local emergency services—we currently have, in 2005, somewhere in the neighbourhood of 10 different emergency services providing different types of training to the program.

**Mr. Ouellette:** What's the average response time and how does dispatch take place?

**Mr. Harbinson:** It's dispatched much the same way as a volunteer firefighter. It's escalated. We now have surge capacity within the organization. Similar to a fire department, where the fire department has one alarm, two alarms, three alarms, we now do the same thing with our pager system. Response is as quick as five minutes after emergency services have requested us. Of note, the quickest that OVERT has ever been requested by emergency services was nine minutes after 911 was called.

**Mr. Ouellette:** What's your current budget, and where do you report your budget at the end of the year?

**Mr. Harbinson:** With our current budget for this year, we're forecasting that the municipalities are going to provide somewhere in the neighbourhood of \$50,000 to \$75,000, depending on how many join the program. We're hoping that our own fundraising initiatives will likely raise an equal amount this year. We follow all the accounting practices and the policies as per any other non-profit organization.

**Mr. Ouellette:** What would the expected total expenditure be that you're asking for?

**Mr. Harbinson:** What we're hoping for from the provincial government is that at the very least we would like to see the municipal funding matched, which this year I'm hoping will be somewhere between \$50,000 and \$75,000. On top of that, through our provincial response initiatives—again, the Peterborough disaster was a prime example of where we suddenly have a disaster somewhere in the province and the local emergency services are completely overwhelmed. One of the things many people don't realize or didn't take into account about the Peterborough disaster is that the same people locally who were responding to the disaster—police, fire and EMS—after the disaster had to go home and deal with exactly the same thing. In the case of Peterborough, I know it was almost four days after the disaster before the fire-fighters were able to go through a normal break cycle and get some downtime. In that case, the program was more than helpful to them, because we were able to come on scene, provide them with a professional service and, in that particular case, help relieve their staff, who were overwhelmed.

It's a revolutionary concept. We need a provincial response capacity, not just a local response capacity. One of the problems with us going to Peterborough is that we did not, at the time, have an agreement with them. If we were called to come down to assist Port Hope or Toronto or somewhere else, that's where our contractual agreements were. If we can get a provincial response fund established, we'd be able to send a contingent of people to any location and keep them there for a longer period of time.

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

1450

#### PICKERING-AJAX CITIZENS TOGETHER FOR THE ENVIRONMENT

**The Chair:** Pickering-Ajax Citizens Together for the Environment, would you please come forward?

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard.

**Mr. David Steele:** Thank you, Mr. Chairman, and thank you, members of the committee, for allowing me to be here to actually speak to people I can see. That's been very hard in the last few months.

My name is Dave Steele. I live at 966 Timmins Garden in Pickering. I'm chair of PACT and also chair of the Pickering waterfront task force. I have won numerous awards from the federal government and the local municipal government for my volunteer work.

I'm here today to speak about the Pickering growth management study. The city of Pickering council asked for the Pickering growth management study to be put together in 2003. We had a steering committee which consisted of different community associations, different service clubs, city staff and two politicians from Pickering. From that, we put the terms of reference together for

a consultant to help us with the growth management plan for Seaton. The terms of reference were approved by council and by the community associations, and therefore the city went on to endorse it and hired a consultant, Dillon Consulting.

Academics from the University of Toronto and McMaster were brought on for the environmental science part of the study. As some of you are aware, because you have been around as long as I have, the IWA process in Seaton and the landfill sites on the agricultural preserve by the Liberal government—a lot of state-of-the-art groundwater studies were done for those sites, which was the silver lining of those dump searches.

From there on, we completed the Pickering growth management study, and the main findings of the growth management study were that a total of 76,000 additional people could live in north Pickering in that boundary line and Seaton lands can be protected with a sustainable population of about 35,000 to 37,000 people. What do I mean by that? On the Seaton side, which is on the east side of Duffins Creek, we have three large aquifers, one alone being 100 million cubic metres of water which isn't polluted. That's just one. We have three cold streams, the last three in the GTA on the east side of Toronto, which are very active and undisturbed. We have wetlands, and we also have a huge amount of woodlots; about 28.5% is woodlots at that end. We also have Lake Iroquois etc.

We also determined that limited development could occur in the agricultural lands to provide the balance of the population increase desired by the province and the city of Pickering. It was also noted in the study that farming had historically impacted the quality of Petticoat Creek and West Duffins Creek through fertilizer and pesticide runoff.

So what happened was a very comprehensive study of where you could develop in Seaton and where you couldn't. Environmental science was used for the areas where it could be developed and where it couldn't be developed. For example, the three cold streams take about 80% of the groundwater/surface water runoff to keep them active.

Having said all that, the province came along and decided they were going to develop Seaton through the land swap exchange that was done by the previous government. The organization tried to work collectively with the ORC, asking for information. In front of you, you see a letter that I addressed to Mr. Willis, who is a consultant now, asking 48 questions we would like to have feedback on. To date we haven't had one response. Not one question has been answered.

Furthermore I decided, since I wasn't getting anywhere and my organization wasn't getting anywhere, that I would go to the residents of Pickering and Ajax to see if they were really as concerned about it as I was. I went door to door with many other people, and in less than five weeks I collected 3,500 petitions for a full EA, a class D environmental settlement. I sent two letters to the Ministry of the Environment, with a binder. To this day I have had no response to my letters.

I find this very disturbing. We're talking about greenbelt, which I am a very strong supporter of, and we're talking about the principles of the greenbelt, which was aquifers, wetlands, woodlots, streams and creeks, and farmland, which is still being farmed in Seaton. Yet, the province hasn't been able to release any information to us on the environmental science that we're asking for.

I believe that the city of Pickering came up with a state-of-the-art growth management plan. If we could just bang the heads together, let's have a class D environmental assessment of all the land. Pickering has completed the data work. I'm not too confident that the province has completed the environmental science, because they haven't answered one question.

I spoke to Mr. Willis. The ORC is no longer looking after the land transfer and the environmental assessment, which is the class. It has now been passed on to a consultant, and the consultant refuses to answer any of my letters, e-mails or telephone calls. I assume he doesn't want to discuss the issues I'm bringing forth.

So I'm here very humbly, as an ordinary citizen, to request a class D environmental assessment for the development of Seaton so we can, by example, show—and I'm not out to stop growth. I was in development for 30 years; I understand it. I am now at the University of Toronto, and I have very good friends. I'm head of student housing, in the capital and maintenance projects. So I understand development, and I understand environmental science because some of my friends are professors in that language.

What I'm asking of you is to urge the Premier, the Minister of the Environment and Minister Gerry Phillips to please answer their mail. We would like to have a class D environmental assessment for the development of Seaton. I am scared to hear that they're going to say, "We're going to save 60% of the land." Well, you know what? If you're going to have hard water surface runoffs from those buildings, we might end up with 20% in 20 or 30 years down the road. That's what I am asking you for. Thank you.

**The Chair:** Thank you very much. The questioning will go to the NDP.

**Ms. Martel:** Thank you for being here today. I'm not going to pretend that I understand all the issues here. I just want to be up front about that and honest with you.

If I understand you correctly, you were confident in the work that was done by the city of Pickering.

**Mr. Steele:** Very confident. I sat on the steering committee.

**Ms. Martel:** You felt that was a comprehensive plan of where you should or shouldn't be developing in Seaton. Correct?

**Mr. Steele:** That was the state-of-the-art growth management plan, and they did say we could develop in Seaton in a certain area if certain environmental protection is done.

**Ms. Martel:** Now, move from that to the land swap and the provincial proposal. What I'm assuming—and you're going to correct me if I'm wrong here—is that the

provincial proposal is not the same as the comprehensive plan that was put forward by Pickering, which is why you want an EA on the provincial plan.

**Mr. Steele:** Exactly.

**Ms. Martel:** OK. Can you give me some indication of the differences that lead you to the concerns you've expressed to us today and in the request for the EA? What are the differences between what Pickering put forward and what the province is putting forward?

**1500**

**Mr. Steele:** There are two things. One is that the city of Pickering did very state-of-the-art environmental science through McMaster University and the University of Toronto to reach the decisions of where they could possibly develop. They read reports, such as those given to the Minister of Health in 1997, that you couldn't develop too much on Seaton because it would penetrate into the aquifers, because of the fault conditions. That's one thing. To me, the province hasn't done any of this work. They haven't asked for any work done on the environmental science. I haven't had an answer. This has been two years now.

What has turned out as a result of further correspondence from the study is that there is development to happen on the east side and there is some limited development to happen on the west side of Duffins Creek. They call it agricultural preserve land. If you look at the agricultural preserve land, it's not as environmentally sensitive as the Seaton land because they don't have the cold streams, they don't have the woodlots and they don't have the same quantities of aquifers, water, and it goes on. That is a difference.

The province is saying we're going to save that agricultural land for greenbelt. Well, it's not environmentally, scientifically proven that it's feasible. Not only that; it's been proven in the study that it is not feasible to keep it as farmland. That was outlined in the Pickering growth management study. I would urge you to get a copy of that study. It's very good; full public participation. It went on for a year and a half, and there were all sorts of people involved in it.

**Ms. Martel:** If I heard you correctly, the Pickering plan suggested 30,000 to 37,000 people in Seaton for development. The provincial plan assumes what number?

**Mr. Steele:** Well, they haven't told us. The same consultant/architect who tried to do it way back was figuring 97,000 at that time. The last time I spoke to him at a public meeting he said 60,000, so we're getting better, but he hasn't told us where yet. I don't know what it is. I guess we're going to get an announcement, "This is it," but there are no official numbers yet.

**The Chair:** Thank you for your presentation before the committee.

**Mr. Steele:** Thank you very much. Mr. Chair, may I leave this letter with you?

**The Chair:** Yes.

**Mr. Steele:** I have copies of it for you.

**The Chair:** Very good. If you give it to the clerk, he will ensure that everyone has a copy.

## TOWN OF WHITBY

**The Chair:** I would ask the town of Whitby to come forward, please.

Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning after that. I would ask you to identify yourselves for the purposes of Hansard.

**Mr. Marcel Brunelle:** Marcel Brunelle, mayor of the town of Whitby. I'm accompanied by Ken Nix, who is the treasurer of the town of Whitby.

Good afternoon. I would like to welcome all of you to Whitby and thank you for conducting your meeting here. I appreciate the opportunity to present our submission and suggestions and comments to the committee leading up to the next provincial budget for the province of Ontario.

The town of Whitby is located in the heart of Durham region and is growing at a fast rate. We are currently at 110,000 residents and we're growing rapidly.

My mission today is to convince you, the representatives of the various provincial parties, to become collective partners in assisting the council and the staff of municipalities to address the challenges of Whitby and other municipalities in Ontario.

As I said, Whitby is a community experiencing growth and development. As a result, the council of the town of Whitby is facing more and more challenges, most particularly in terms of municipal financing. The challenges of maintaining fiscal responsibility are balanced with the demands placed on the town because of growth, declining infrastructure and more requirements due to the changing and diverse needs of our community. Fiscal responsibility is not only the domain of business executives but of our governments as well.

Since the year 2000, the town has issued more than \$1.5 billion in construction permits. That puts Whitby ahead of any other municipality in Durham and is one of the reasons our community remains Durham's business centre and a community of choice. With a population that now exceeds 110,000 people, the town of Whitby has accounted for one out of every three residential building permits issued in Durham region since the year 2000. With growth come increased demands for service. Whitby is striving to meet these demands, but frankly, like other municipalities, we need help.

Whitby council has not stood still. Council continually investigates alternative methods to deliver service, and partners with other service providers in both the public and private sectors. Innovation in service delivery and revenue sources is continually being investigated and implemented to minimize the impact on the taxpayer.

In response to demands from our growing community, the town of Whitby embarked on an expansion and building of new facilities that this community has not witnessed in its 150 years as a municipal corporation. Despite ongoing pressures, Whitby's tax rate increases have been among the lowest of the lakeshore municipalities in Durham region. Since 1991, inflation has out-

paced property tax increases in Whitby by almost 12%. Like many other municipalities in Ontario, this included a number of years of 0% tax increases. The town's taxes continue to compare very favourably to other urban municipalities in Durham region; however, the pressures are growing. In the last few years, a number of municipalities in Ontario, including some of our neighbours, are struggling to just keep their tax increases below 10%.

Even though senior levels of government have been promoting the fact that they have been reducing tax rates over the past few years, their revenues have grown substantially due to strong economic growth. During good economic times, when people's earnings are higher and they are spending more, the senior levels of government enjoy considerably more revenue. Whitby and other municipalities do not benefit from increased economic activity to the extent of the federal and provincial governments. Municipalities must rely primarily on assessment growth and tax rate increases to significantly impact our revenues. Municipalities can mortgage their future by depleting their reserves, but this is a no-sum game; this is not a sustainable model. We could raise taxes disproportionately, but this would not provide for a competitive community in which to attract residents, businesses and new employment and assessment growth.

Property taxes are the major source of revenue that municipal governments use to pay for services that residents have come to expect from their local government. However, property taxes on businesses are levied whether a business is making a profit or not, and therefore act as a deterrent on economic growth, productivity and innovation. Property taxes on households are vulnerable to economic swings.

Municipalities are faced with a dilemma: While legislated to maintain a balanced budget, municipalities are expected to provide increasing amounts of service, either as legislated by the province or demanded by our residents. The issue is trying to achieve these goals, in addition to the general inflationary increases on our operating budgets, without having to raise property taxes or cut existing services to fund new ones.

While our council tries to limit property tax increases, council is finding it harder and harder to balance our budget. Our roads are deteriorating or not adequate to meet the higher traffic demand as our population grows; our transit system is pushed to the limit; we have demand for more parks, community centres, libraries. I could go on and on. As a municipality, Whitby is facing a huge and growing infrastructure deficit into the future, even though we are much better off financially than most municipalities in Ontario. We simply don't have the operating revenues to pay for the ever-increasing costs, and without a change, the problem will only get worse, not just in our municipality but in all municipalities in Ontario.

Everyone expects growth to pay for itself and make Whitby rich. The reality is that the costs from growth require long payback periods—much longer than would be acceptable in the private sector—and pressures to

provide services to the new taxpayers in Whitby are immediate. The Development Charges Act restricts the ability of a municipality to ensure that growth pays for itself. As a result, the existing taxpayer must pay a portion of infrastructure costs driven by growth. Is it fair that existing taxpayers must pay a share of the capital infrastructure costs required to support growth in our town?

Over 10,000 people chose Whitby as their new home in the last two years. Many of these new residents have high expectations. As a result, additional operating costs for services such as recreational programs, garbage pickup and road maintenance are competing with capital costs required to build the infrastructure of our growing community. These pressures are expected to continue well into the future.

Growth is also creating a doctor shortage for the new citizens of Whitby. Although this is not a traditional municipal issue or role, it is important to our taxpayers and, of course, must be supported by the town. The town of Whitby has been designated by the Ministry of Health and Long-Term Care as underserved by 16 doctors as of December 2003. I have personally taken on the responsibility of striking a task force with a mandate to recruit and retain physicians for the town of Whitby.

#### 1510

In Ontario, we are graduating fewer family physicians than ever before. We have physicians immigrating to Ontario and finding that the paperwork and red tape are huge. We need the provincial government to look at increasing the number of graduates from medical school and getting these students interested in becoming family physicians. They need incentives.

New pressures are facing municipalities. A new awareness of accessibility issues will put even greater strain on our ability to sustain and maintain our infrastructure into the future. The general population of the province is getting older. Expectations will change, required services will change and the ability of people to pay taxes will change when they begin to live on fixed incomes. The town is concerned about seniors who, although not rich, do not qualify for low-income assistance and will have problems paying their taxes in the future. The town of Whitby has begun to address this by providing rebates of \$250 to low-income seniors.

Much has been said in the past about the impact of legislated changes on municipalities. A recent example that will begin affecting municipalities this year, especially those within the GTA, is Bill 124, better known as the BRRAG legislation. The impacts of the BRRAG legislation and the resulting restrictions on the ability to generate revenues will have an estimated impact of at least 1% to as much as 4% on the tax rates for growth municipalities, many of which are within the GTA.

In addition to changes in legislation, many existing pieces of legislation have roadblocks that impede the municipality's ability to manage their efforts.

My comments so far have touched on some of the pressures affecting our municipality and others. We

know the province cannot solve all of the problems and challenges, but here are some suggestions where we think the province can help.

The provincial commitment to provide a portion of gas tax for municipal transit is a positive first step toward dealing with transportation infrastructure, and we thank you. However, I must stress it is only a first step toward addressing the future infrastructure challenges faced by municipalities.

How am I doing for time, Mr. Chairman?

**The Chair:** You have one minute left, if you could sum up.

**Mr. Brunelle:** You have that look on your face.

As everyone knows, municipalities must address all infrastructure needs, including transportation needs related to roads, bridges and other transportation systems.

As issues facing municipalities are resolved and new revenue sources are provided, we can ensure the standard of living that we have come to expect in our great town and province. Proper infrastructure is critical for the movement of goods and services within the province. The movement of goods and services is critical to a prosperous Ontario. A sustainable community fits provincial priorities and contributes to making Ontario a great place to live, work and play. Healthy municipalities play an important role in Canada's infrastructure and, finally, the town of Whitby, along with other municipalities in this province, wants to be partners with the province in moving forward into a prosperous future. Thank you.

**The Vice-Chair:** Thank you for the presentation. We will go to the government side for questions.

**Mr. Wilkinson:** First of all—we've learned from your member—congratulations on your sesquicentennial.

**Mr. Brunelle:** Thank you.

**Mr. Wilkinson:** I'm sure those events are going well. It's something for a community to be able to do that. We've been right across Ontario in the last two weeks, and I was doing this last year. There are communities right across Ontario that would give their eye teeth to be Whitby, because you have a growing community. You're right here, you're on the transportation corridor, you're on the east side of Toronto, you've got that new university, you've got a great college. There are a lot of good things going for Whitby.

**Mr. Brunelle:** There are.

**Mr. Wilkinson:** At the provincial level, of course, we're dealing with communities where they have out-migration, where they have declining property values, where they have all of those, and they don't have relatively new infrastructure like so many great parts of Whitby have because they are relatively new communities.

Historically, what I've heard is that when there was the whole downloading and Who Does What, you had some soft costs, social costs that have been dumped on to the property tax and you've had other things that have been downloaded to you. Given your experience, I was just wondering if you could give me a comment. If there was a new deal with municipalities—and Mr. Anderson

was here previously—and we got those hard costs back to the municipal side again and the soft costs back up to the province, where it's being supported by the income tax, would you be able to sustain that with your tax base, particularly here with a growing tax base, or would you still come back to the province and say, "You're looking after education, looking after hospitals and looking after all the social costs, but we still need you to come and help us with infrastructure"?

**Mr. Brunelle:** I think we'd love that. The problem with the social costs is that they're unpredictable and they continue to go up; it takes a lot of management and it is very difficult in that world to really plan the future. Infrastructure is a hard service, something you can plan and put a program in place for improvement—you just need the dollars—and when you do that, you get into programs into the future to repair them. So, yeah, I think that would be a big move forward for municipalities.

**Mr. Wilkinson:** My follow-up question: Are you availing yourself of the Ontario Strategic Infrastructure Financing Authority that was created in the last budget, which allows low-interest, long-term loans supported by the province of Ontario so that you're not going to commercial, for-profit banks to borrow money short term at higher rates?

**Mr. Brunelle:** The answer is no. Ken's our treasurer; I'll—

**Mr. Wilkinson:** I know many communities that are and seem to be benefiting from it, so I'm just asking that question.

**Mr. Ken Nix:** If I may address that, the rates provided through the Ontario infrastructure loans are higher than we can get through Durham region and the credit rating that exists at the time for Durham region.

**Mr. Wilkinson:** I'd love to get more information on that. And what about the amortizations? Are they shorter or longer?

**Mr. Nix:** The amortizations are more flexible through OSIFA, but we typically do 20 years and under, and we can do that through the traditional markets.

**Mr. Wilkinson:** But you're going through Durham and then going just to regular banks?

**Mr. Nix:** Through regular debentures to the public sector.

**Mr. Wilkinson:** That's great.

**The Vice-Chair:** The time's almost up. Ms. Mitchell, you had one question? You have a minute.

**Mrs. Mitchell:** I just have a fast question. I was just looking to see what your opinion was. Roger Anderson was just here and he placed, from AMO's position, the top three priorities, and I just thought I would ask you if you would concur. They were the adjustment on the CRF, Bill 92 and rebate of the PST.

**Mr. Brunelle:** The rebate of PST would be my number one. I think—

**Mrs. Mitchell:** You don't have to agree with him.

**Mr. Brunelle:** No, it's just that we all have our own—I have a conflict: I'm also chairman of public works for the region of Durham, so I understand their issues and I

certainly have some sympathy, because I wear that hat too. So I can't disagree with the regional chairman. Municipalities are interrelated, so what benefits one helps the other; one hand washes the other.

**Mrs. Mitchell:** I was just curious—

**The Vice-Chair:** The time is up; I think we have to stop there. Thank you for the presentation.

ONTARIO PUBLIC SERVICE  
EMPLOYEES UNION,  
COLLEGE SUPPORT STAFF DIVISION

**The Vice-Chair:** The next presentation is the Ontario Public Service Employees Union, college support staff division. Come forward to make your presentation. You have 10 minutes for your presentation. Please state your name for the purposes of Hansard.

**Ms. Janice Hagan:** I'm Janice Hagan from the Ontario Public Service Employees Union. I'm a community college support staff worker and have been for 17 years under a Liberal, NDP, Conservative and now Liberal government again. I have lost my job five times due to provincial budget cuts, so I have a good understanding sometimes of what's going on at this table.

I'm currently an English tutor with Seneca College, and I work with Ontario's most challenging students: a lot of new Canadians and refugees, students for whom English is a second language. That's a group that used to make about two people in a class of 25. Now, at our college, we get about 30 to 35 in a classroom that should hold 25.

**1520**

I work with a lot of older students who are coming back to school due to downsizing in their workplace. A couple of years ago, Seneca could have filled its entire first-year semester with mature students and not let in a single high school graduate. That's how many people are coming back to school.

I also work with students with physical disabilities, learning disabilities and mental illnesses, students who may not even have shown their face in our college 10 or 15 years ago, but now—victims of our own success—are coming in expecting to be accommodated and expecting, of course, what every other citizen of Ontario has the right to.

It's my job to take people out of the red in your books and help put them into the black so that they're productive members of society. I can take a student who's very insecure because they've gone from speaking about poetry to not being sure how to ask where the washroom is, and that's a big blow to their confidence. I've taken students like that, and with seven hours of one-on-one or small group tutoring, helped them get jobs on Bay Street. So I'm very confident in the services that we provide.

In my spare time, I chair our division: right now, 6,710 support staff workers across Ontario. I remember a time when we were almost 8,000. I can go through the whole alphabet: We're airplane mechanics, biotechnologists, co-op coordinators; I only have 10 minutes—it

goes up to Zamboni drivers—but it's a very diverse work group.

We need more money. I guess that's why I'm here. Our computer and technical labs—which are the heart of a college, because we offer hands-on training, which is very different from what universities offer. Hands-on training requires small classes and good lab set-ups and technicians to help students through. Our daycare facilities across the province have been closing down due to funding, at a time when more and more mature students and single parents are coming to college. We're also very concerned about the possible closures of some of our northern colleges, which have been in severe deficit positions for a number of years now. Students like to go to school close to home.

You hear a lot about the rising cost of tuition. Tuition is not the highest cost associated with education. It's the food and rent when you have to move away from home to go to school. We need to keep our communities in Ontario accessible to higher education. You can't go to night school when you have a full-time job if the college or university is too far away.

We are becoming increasingly dependent on contingent workers, as the president from Durham university was telling you as well. This becomes a problem. The work we do requires a great deal of experience when you're working with students that have so many needs.

Our students cannot afford to pay more tuition. I think those of us who work as support staff know that more than anyone. We're the ones who hand out the financial aid loans, who listen to the stories, who fill out the withdraw slips when a student cannot stay in school. Some of the students who come to me for help with time management are working full-time, probably a midnight shift, and then attending classes full-time during the day. It's heartbreaking. Of course, we want to do everything we can to support somebody who wants to work that hard, but we can't see tuitions rise any more.

As far as we can tell, there's only one alternative, and that is to put public money back into post-secondary education. We've heard a lot of talk about education at the elementary level, at the secondary level, but education to the age of 17 is not enough in our very complex society. We consider our colleges and our universities extensions of that public education that's becoming quite necessary to get any job that will pay a living wage.

Further cuts will have drastic consequences. That's not possible. The status quo is not possible, and we're asking you to please listen to our management—and this is a union person talking. We do agree on this. I like their numbers. I'm sure they've made several presentations to you. They're telling the truth: We need this extra money so that we are able to keep the economic engine of this province going by providing the skilled workers and providing the people of Ontario with a chance to be all they can be.

**The Vice-Chair:** Thank you very much for your presentation. The questions go to the official opposition.

**Mr. O'Toole:** Thank you very much for your presentation and also for the work you do in trying to get people re-engaged in their lives and in the workforce. I know that it's important and it must be challenging work, so I thank you for that as well.

This is the fourth presentation that we've had from the Ontario Public Service Employees Union just today, which is surprising because in many cases these very truncated hearings have not allowed key stakeholder groups to make presentations.

We have had lots of presentations across the province, of course, at most communities, right from Sault Ste. Marie, Sudbury, Ottawa, Kingston—all of them. The universities and colleges have presented. There has been a very consistent message.

You're primarily talking about a group whose work has become redundant or whatever in many cases and they're trying to re-enter the workforce. That's probably an issue where the government, as opposed to just increasing the welfare rolls—I would think that empowerment of the individual is more than money; it's dignity.

We've heard lots of scripted messages. I'm sure the universities as well as the colleges have got that big number out there—about \$1 billion—that they need to recover. What message would you like to leave with this committee and the members of the government who are listening? There are two of them still at the table. What would you like to put on the record as initiatives they could take that are unique to address the returning mature student?

I'll tell you why. The high school and elementary presenters are also valued members of society. For every 1% of wage increase, it's about \$125 million—every 1%. The current requests are something in the order of half a billion dollars. That's either going to come from new taxes or it's going to have to come from other ministries. I wouldn't say that isn't worth it, but that's what you're up against: those who are already in positions that are pretty much at the table and central to their program.

What do the students and the faculty members like yourself need to make the job easier and to create access for those people trying to return to the workforce?

**Ms. Hagan:** I think the biggest thing in education isn't the technology or the things we need to teach. It's not the things; it's the people. We need to have full-time, dedicated, experienced staff working with people. I have worked with no budget, but because of my personality and my desire to help students, it's amazing what you can get done with very few resources.

So the first thing I would do is maintain jobs for these dedicated employees instead of hiring people on three-month contracts who then disappear. We have a lot of good ideas, but without the follow-through, that can't be helped.

Some of the great ideas I've heard of are more trade-specific language training, which we're now doing in our biotechnology and our mathematics areas, because in a standard ESL program you don't learn words like "denominator" or "aperture" or "cyan" or "magenta"—very specific technology terms.

We also need to take some of that token money we have for disabled students and expand programs for computer technology that helps people who are blind or who have learning disabilities to read textbooks. This technology is complicated when a student with second-language problems tries to use it, because it doesn't always pick up your voice when you have a strong accent.

So there's a lot of innovation, and there are a lot of workers doing small projects to increase this. We need to have long-term funding on some of these projects instead of short-term goals and short-term staffing so that we can carry through past the innovation into implementation.

**The Vice-Chair:** That's the time for questions. Thank you for the presentation.

#### GREATER OSHAWA CHAMBER OF COMMERCE

**The Vice-Chair:** The next presenter is the Greater Oshawa Chamber of Commerce. Please come forward.

Welcome to the committee. You have 10 minutes for your presentation. There will be five minutes for questions. When you start your presentation, state your name for the purposes of Hansard.

**Mr. Bob Malcolmson:** I'm Bob Malcolmson, the chief executive officer of the Greater Oshawa Chamber of Commerce. We're pleased to be here today and to have this opportunity to make our submission to your committee.

**1530**

The Greater Oshawa Chamber of Commerce, to put it in context, has 990 entrepreneurs, senior managers and executives of 764 businesses employing 50,000 people in the greater Oshawa area. Also, we are proud to say that Oshawa is the home of Ontario's newest university, the University of Ontario Institute of Technology, located in the north of Oshawa on Simcoe Street. We're also going to be the home of what will be the newest cancer centre in Ontario, at Lakeridge Health centre, again in Oshawa.

The chamber has put together several policy issues that we have been following over the years, and we would like to discuss them briefly with you today. They range from economic development and the Beacon project to transportation and infrastructure, the courthouse for Durham region, health care and education.

In the area of transportation and infrastructure, the chamber submits that highway safety and the easing of traffic congestion in Durham require increased transportation capabilities. Two areas of major impact in Durham region are the Stevenson Road interchange in Oshawa and the Highway 407 extension across Durham region from Brock Road in Pickering to Clarington.

The chamber recognizes that for improved safety and economic development, the interchange at Stevenson Road and Highway 401 must be completed. It is disconcerting to the residents of the greater Oshawa area that a project committed to in 1998 by then-minister

Tony Clement is now two years away from completion. It was supposed to have been completed in 2001.

The chamber recommends strongly and urges your government to continue the commitment and move expeditiously to complete the interchange upgrade. Failure to do so will only add to highway safety concern, gridlock and transportation congestion on the 401.

The Highway 407 extension eastward: The Greater Oshawa Chamber of Commerce does not wish to see any projects like the Highway 407 extension unduly delayed if environmental concerns can be mitigated through proper design. As the business community, we expect due diligence and adherence to proper processes in the area of environmental safety and other concerns. May we stress to you the importance of projects like the Highway 407 extension in ensuring public safety and in meeting the transportation needs of those individuals and families living and working east of Toronto. The economic impact to the greater Oshawa area and Durham region by not completing these projects is real. Our businesses are telling us it is real.

We recommend that you set a deadline of December 31, 2005, for the commencement of construction for the Highway 407 extension all the way through to Clarington.

The consolidated courthouse for Durham region, close to 10 years in the making: Bob Rae, then Premier, in 1995 announced that the courthouse would be built in Oshawa. Based on agreements with the government of the day and staff, millions of dollars have been spent by General Motors of Canada Ltd. and the city of Oshawa to prepare the site. In November 1998, we wrote Premier Michael Harris and asked them to proceed with the construction of the new consolidated courthouse. Unfortunately, a promise made was not a promise kept.

In December 2004, Attorney General Michael Bryant, on the front page of our newspaper, announced that the courthouse has been a long time coming and said it would be built in Durham, but not until 2008-09, with no site set. The Oshawa site is on previously reclaimed brownland. It is the best location to serve Durham region; it has the necessary infrastructure and support services. Durham region's official plan recognizes Oshawa as the central business district. Clearly, putting the courthouse in any location other than the central business district of the region would have an economic impact.

On pages 13 and 14 of your government's own report, Places to Grow, the government has recognized Oshawa, and in particular the downtown core, as one of the 11 priority urban centres. According to your report, the urban centres are identified as a key focus for infrastructure investment. The province has an opportunity here to demonstrate its commitment to the growth plan outlined in the Places to Grow report by making its site selection decision the Oshawa site. Any decision after 10 years to change the site may be looked upon as purely for political gain and would be viewed as a betrayal by the taxpayers of Oshawa, its business community and its residents.

The courthouse can play a key role in the redevelopment of our downtown core. The Oshawa site offers to the government a prime example of your Places To Grow statements: brownfield land rejuvenation; transit—both Go Transit and municipal; infrastructure of roads, hydro, sewers and water; parking garage; private sector funding; and a well-trained labour force.

Our recommendation: We encourage your government to fulfill failed commitments by two previous governments, demonstrate its commitment to the Places to Grow plan and build the courthouse in Oshawa.

How is my time?

**The Vice-Chair:** You have four minutes left.

**Mr. Malcolmson:** The Canadian automotive industry, under the Beacon project, is poised to benefit the Ontario economy with a huge investment of dollars. The Beacon project will invest \$2 billion to \$3 billion in facilities in Oshawa, St. Catharines and Ingersoll. Should a partnership be achieved, GM Canada has proposed a bold new initiative based on co-operation between federal and provincial governments, in conjunction with Canadian educational institutions and automotive suppliers. This is an amazing opportunity for Ontario. The Beacon project, as I said, would sustain 10,000 automotive manufacturing jobs, add new employment, introduce leading-edge flex manufacturing, create more than 150 senior research and development positions and train more than 6,000 Canadian engineering students. It would deliver new environmental benefits and technologies and innovation in engineering, and increase the competitive global automotive industry.

To go on with this project, it needs the partnership of the Canadian and provincial governments. General Motors provides more than half of all annual auto supply purchases in Canada, and you can read the figures in the report I've submitted to you. They are prepared to reinvest \$130 million in new support to help train the next generation of Canadian automotive engineers, and they're prepared to invest in several universities right across Canada.

Our recommendation, and I know it is currently supported by your government, is that the major investment by General Motors of Canada Ltd. is dependent on a partnership with the Canadian and Ontario governments. We encourage you to fulfill this partnership and financially support General Motors' Beacon project.

Another area is the regional health care centre. It's critical to Durham region that the cancer centre and the major redevelopment of the emergency wing and critical care unit continue. We encourage you to continue with what you're doing and get that completed, not only for the benefit of residents of Durham region but of all the residents who live just outside that area who would use the facility.

Education: We would recommend strongly that the government continue its commitment to the University of Ontario Institute of Technology and its progressive expansion over the next 10 years. To fail to do so would deprive our residents in Durham region and the greater

Oshawa area of the options available to so many in other communities.

I thank you very much for the opportunity to be here today.

**The Vice-Chair:** Thank you very much for your presentation. The questioning goes to the NDP.

**Ms. Martel:** Thank you for being here today. Let me ask about the courthouse. You say at the bottom of page 2 that after our government made the announcement in 1995, “work to prepare the site was undertaken,” and that millions of dollars were spent by GM and the city to prepare the site.

**Mr. Malcolmson:** That’s correct.

**Ms. Martel:** What does the site look like now, and has all that work gone down the drain?

**Mr. Malcolmson:** It is a beautifully landscaped, level piece of land sitting beside the YMCA, right on Bond Street. The infrastructure around it, the road structure, is there. There’s a six- or eight-storey parking garage just about 50 feet from the site. It’s ready to go. It could be developed and construction started tomorrow.

**Ms. Martel:** So the Attorney General comes to town with MPP Wayne Arthurs in December 2004 and says there’s going to be a courthouse but it wouldn’t be built until 2008-09. The site is ready; the parking garage is there. Any idea why there’s going to be a delay of three or four years? Were they asked that question by the media?

**Mr. Malcolmson:** Three or four years? How about 10 years? The courthouse delay goes back—time and time again they’ve said, “Let’s take a look at it. Let’s do some more studies. Let’s go out and ask for RFPs.” I think we’ve been RFP’d to death trying to get this project underway. There are supposedly three sites within Durham region that are up for tender. They are now looking at these three sites and are going through the process one more time to determine where it should be.

Not knowing exactly where the other two sites are, I’ve given you the criteria for what’s available in Oshawa, not to mention the vibrant downtown business community. All of our major banks have their regional head offices there. We have multiple fine-dining restaurants. We have a labour force. We have empty high-rise office buildings where we could bring in the lawyers and any support organizations that would need the courthouse. The police station headquarters currently are about a football field’s length away from the courthouse site, and there is a nice YMCA, with physical fitness and an indoor pool, right next door.

If this site was anywhere else in Durham region with the capabilities of what’s available, we would be saying, “Put it there.” If it was in Pickering, Ajax, Clarington, Brock, and they had all the criteria and all the benefits according to the Places to Grow report—it says this is the site it should go in. It will act as a catalyst for redevelopment and economic input in the downtown core, which again goes to the heart of the government’s Places to Grow. This is a win-win for everybody, at any level and in any government. This is an opportunity to create

employment and economic development and to move forward.

**Ms. Martel:** What’s your understanding of the government’s commitment? Is it through a traditional capital grant, or is the government looking now at a lease-back option or a P3 model?

**Mr. Malcolmson:** I’m not sure exactly what the proposal is. I understand there is a public sector/private sector partnership, and again it goes to the heart of what’s said in this report by the government. There have been so many different changes in what the government wants over the last 10 years—I would suggest, let’s pick a day of the week and we could determine what it might be. But this is key: I know money is important to the government and I know you have to pay for it somehow. This is providing the opportunities. Our chamber firmly believes in it and our business community is committed to it.

**The Chair:** Thank you for your submission before the committee.

**Mr. O’Toole:** Chair, I have a motion.

I move that the Minister of Finance and the Minister of Training, Colleges and Universities seriously consider during the budget deliberations the Durham College and UOIT request for special capital funding as presented on January 20 in Whitby. This new university and college needs medium-term funding of \$4.5 million annually to build the capital infrastructure necessary to educate the workforce for the future of Oshawa and Ontario.

**The Chair:** Mr O’Toole, would you put that in writing.

For the committee, I’m advised that the next presenter has not arrived. We will recess until they arrive or until five minutes to 4, whichever is first.

*The committee recessed from 1542 to 1544.*

#### ELEMENTARY TEACHERS’ FEDERATION OF ONTARIO, DURHAM LOCAL

**The Chair:** The standing committee on finance and economic affairs will now reconvene. We have our next presentation before us, the Elementary Teachers’ Federation of Ontario, Durham local.

Good afternoon. You have 10 minutes for your presentation. There may be five minutes of questioning following that. I would ask you to identify yourselves for the purposes of Hansard. You may begin.

**Ms. Rachel Gencey:** Thank you. My name is Rachel Gencey. I am the president of the Elementary Teachers’ Federation of Ontario, Durham teachers’ local. To my left is first vice-president Anna Huston, and to my right is Gerard O’Neill, executive member, political action.

We would like to begin by thanking you for the opportunity to speak with you this afternoon. We appreciate that after eight days of hearings, some of the recommendations we will make will not be new to you. However, we wish to reiterate the importance of investing in quality public education in Ontario, and to inform you of the inequities in the education system. In particular, we wish to illustrate how these inequities

negatively affect both teachers and students in the public elementary schools in Durham.

We are members of the Elementary Teachers' Federation of Ontario, Durham teachers' local, and we represent 2,500 teachers in Durham region's public elementary schools. Our members teach the 45,000 elementary school students of the Durham District School Board.

We are encouraged by the many opportunities for dialogue and the respect shown for the teaching profession since this government was elected. One tangible demonstration of this respect was the cancellation of the ill-conceived professional learning program. We are also encouraged by a number of the steps this government has already taken to improve and invest in our public education system, such as increasing funding for rural schools, primary class sizes, special education and at-risk students. However, there is still work to be done.

Our recommendations are as follows.

**Ms. Anna Huston:** Preparation time: Legislation provides for 200 minutes of preparation time per week for elementary teachers in Ontario. In Durham and in most other ETFO locals, elementary teachers receive only 150 minutes of preparation time per week to perform essential tasks such as preparing lessons, evaluating student work, communicating with parents and with other colleagues, obtaining resource materials, preparing report cards and individual education plans (IEPs), booking field trips and performing numerous other tasks associated with elementary teaching. One hundred and fifty minutes of preparation time per week is simply not enough time to get the job done.

By contrast, our secondary colleagues in Durham receive 375 minutes of preparation time per week—75 minutes per day compared to our 30 minutes. The funding formula currently funds only 137 minutes of preparation time per week for elementary teachers, compared to 250 minutes for our secondary counterparts. In Durham, the shortfall between what is currently funded, 137 minutes, and what we actually receive per week, 150 minutes, is often provided by eroding the school's library program by the use of the school's teacher-librarian to provide the additional preparation time.

For instance, a school with a student population of 500 students would have an allocation of a 0.8 full-time-equivalent teacher-librarian. However, this 80% allocation is only on paper. In reality, the teacher-librarian is likely available to keep the school library open for only half the day or less. The remainder of his or her library allocation is spent providing preparation coverage for other teachers. If we are sincere about improving the literacy skills of our students, this erosion of school library programs is shameful indeed.

Our recommendation is that the funding formula be changed to fund 200 minutes of preparation time per week for elementary teachers, as allowed in the legislation. This would provide a tangible way to demonstrate respect for the work that elementary teachers do.

**Mr. Gerard O'Neill:** Specialist teachers and programs: Although we have been fortunate in Durham

because we have not lost all of our specialist teachers and programs, we have certainly experienced the loss of a number of valuable programs over the past 10 years. While we continue to have instrumental music teachers and teacher-librarians in our schools, we have lost industrial arts, family studies, art, science and design and technology programs across our system.

**1550**

We have also witnessed a very serious reduction in special education programs. At one time, every elementary school in Durham had a learning strategies class, where students with learning difficulties could receive additional support in a small group setting from qualified special education teachers. The number of these classes has greatly diminished. We have also experienced a dramatic loss in the number of self-contained classes for students with behavioural exceptionalities.

Classroom teachers have had to make up for these shortfalls in all these areas and must attempt to compensate for the loss of these specialist teachers and programs in their own classrooms and programming, often without adequate training, resources and support. Students' needs are not being met. This creates additional workload and pressure for teachers and makes doing a good job even more difficult. Hiring more teachers by increasing preparation time provides an excellent opportunity to restore these important specialist programs in our schools and improve the range and quality of educational services available to children.

The value of an elementary school student versus a secondary school student: The foundation grant funds an elementary student at \$811 less than a secondary student. This shortfall in per student funding has far-reaching effects in the elementary schools. Elementary class sizes are larger than those in secondary schools. There is significantly less money for classroom supplies, for libraries and guidance programs—guidance programs are non-existent in elementary schools in Durham—for professional and paraprofessional services, for teacher preparation time, for textbooks and learning materials, and the list goes on. There is no justification for this funding shortfall. One of the most effective and immediate ways that our provincial government can demonstrate respect for elementary teachers and for the students they teach is to eliminate the gap in funding between elementary and secondary per pupil funding.

**Ms. Gencey:** Supports to help new teachers succeed: More than 200 elementary teachers have been hired by the Durham District School Board this school year. This amount of hiring has remained at approximately the same level over the last several years. The majority of these newly hired teachers are new to the profession. New teachers consistently identify the following concerns and areas of need during their first years of teaching: a lack of resources and equipment, maintaining student discipline, organizing and managing their classrooms, managing their time and work, diagnosing student needs, and assessing and evaluating student progress. These concerns and needs can be addressed by providing additional

classroom resources and materials, additional preparation time, well-planned induction and mentoring programs, and additional professional development and networking opportunities. One simple and no-cost way in which to provide professional development would be to reinstate even a few of the five professional development days that were eliminated by the previous government in 1997. Investing in new teachers is an investment in the future and is a cost-saving measure for this province.

In conclusion, while we have presented several different issues to you today, we are suggesting that these issues could be addressed by only two recommendations regarding the budget: (1) providing additional funding for elementary teacher preparation time; and (2) eliminating the \$811 gap in funding for the foundation grant for elementary and secondary students.

We can all agree that our students deserve the very best. Some of the work has begun to rebuild the public education system in Ontario. As teachers, we know that student needs are not being met, and we know that teachers are suffering from a workload that is far from reasonable. This is simply not an acceptable state of affairs in our province.

We thank you for your time and your consideration of our recommendations.

**The Chair:** Thank you. In this rotation, the questions will go to the government.

**Mr. Colle:** Thank you very much for rushing over to be here. We've had a number of presentations from the secondary and elementary panel all across Ontario. Some of those recommendations have been put forth before, so they're very clear, I think, in most of our minds by now.

What's happening in terms of Durham and population growth in the public board? Toronto, surprisingly, has lost 8% in the last two years, I think. I wonder if there's an increase eastward in Durham in terms of population.

**Ms. Gencey:** Not necessarily in the elementary panel. We have seen it actually fairly stable the last several years. The number of hirings has a lot to do with the number of retirements as well.

**Mr. Colle:** So as you've said, it's remained constant: about 200 new hires?

**Ms. Gencey:** Yes. Our membership has remained about the same for several years now. So there hasn't been an increase in the teachers; that's for sure.

**Mr. Colle:** I guess the other challenge we're trying to come to grips with, whether it's this committee or this government, is that there are obviously improvements that need to be undertaken. We talked about the prep time, which seems to be the number one issue, and I know there's a lot of reference about this 2%; the negotiations are upcoming. I don't know how you can separate them, but I guess if we were to take a look at the negotiations, as far as the elementary teachers in Durham are concerned, the main thing you would say is, "Fix the prep time problem." That's creating the greatest amount of pressure in your schools.

**Ms. Gencey:** I wouldn't want to pick just one thing, but certainly preparation time is one of the main working condition problems that we have.

**Mr. Colle:** Because that trickles all the way through.

**Ms. Gencey:** That's right, and we mentioned the fact that it has far-reaching effects. It certainly has effects for our new teachers. We're seeing a lot of teacher burnout, a lot of stress. The expectations on a teacher's workload do not diminish. In fact, they've increased over the years. Both Anna and myself were in the union office currently, but Gerard can certainly attest to that; he's in a classroom at Sir John A. Macdonald in Pickering right now. Certainly the workload has greatly increased, and yet the preparation time is just not there for teachers to do their jobs.

**Mr. Colle:** One of the recommendations we had in, I think, London was about this mentoring program for new teachers. What they do is that their association has been underwriting some of the mentoring for new teachers and they are seeking, perhaps, matching funds from the board. Or this might be something we could recommend to the Minister of Education: that an association would be partners with the Ministry of Education to mentor new teachers, because they essentially need that kind of time with experienced teachers so they know class management skills etc. That's one of the suggestions that I know was made by, I think, the secondary panel, the OSSTF.

Again, I'm not trying to underestimate the other concerns you've raised, but on prep time—and there are 45,000—

**Ms. Gencey:** Students in the elementary system.

**Mr. Colle:** That's quite amazing. Are new schools still going up in—

**Ms. Gencey:** Yes. Four new schools in September this year.

**Mr. Colle:** So there's new capital there, and starting up new schools is always challenging.

I guess those are my comments. Again, I want to thank you and pass on that we are trying to do our best. We have a lot more work to do, and we continue to ask for your advice and direction to push us along, but we realize there's still a lot of hard, hard slugging to do as we get public education back to where it should be and where the Ontario public deserves it to be. Thank you very much for coming here today.

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

**Mr. O'Toole:** Chair, first of all, I have a request for research. I'd like to have the research people, before the considerations on pre-budget are completed, provide the members of the committee with the cost of implementation of the prep time equity issue between primary elementary teachers and the secondary school teachers' group, as requested in the province's meetings over the last two weeks.

**The Chair:** If you could provide that in writing, I'd appreciate it.

**Mr. O'Toole:** Yes.

Also, I want to move that the Ministry of Finance, along with the Ministry of Agriculture and Food, and rural affairs, respond to the serious challenges facing

Ontario agriculture and rural communities in Ontario today. The BSE crisis, the Nutrient Management Act and source water protection, along with other pressures, are destroying the fabric of rural Ontario communities. The CAIS program does not adequately respond to all commodity groups.

I respectfully request that the minister respond in the 2005-06 budget by increasing funding for agriculture to offset the decrease in last year's budget.

Further, on behalf of the Ontario Corn Producers' Association, OCPA, I request that the minister (1) meet

with them before this year's planting season, and (2) commit to a review of the market revenue program that was so successful in the past. Thank you.

**The Chair:** If you'll provide that in writing, we'd appreciate it.

I want to take this opportunity to thank all the support staff on our tour and during the two days we were in Toronto. Thank you very much.

This meeting is adjourned.

*The committee adjourned at 1559.*







*Continued from overleaf*

Pickering-Ajax Citizens Together for the Environment .....	F-1500
Mr. David Steele	
Town of Whitby .....	F-1502
Mr. Marcel Brunelle	
Mr. Ken Nix	
Ontario Public Service Employees Union, college support staff division .....	F-1505
Ms. Janice Hagan	
Greater Oshawa Chamber of Commerce .....	F-1506
Mr. Bob Malcolmson	
Elementary Teachers' Federation of Ontario, Durham local .....	F-1508
Ms. Rachel Gencey	
Ms. Anna Huston	
Mr. Gerard O'Neill	

## **STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS**

### **Chair / Président**

Mr. Pat Hoy (Chatham–Kent Essex L)

### **Vice-Chair / Vice-Président**

Mr. Phil McNeely (Ottawa–Orléans L)

Mr. Toby Barrett (Haldimand–Norfolk–Brant PC)

Mr. Mike Colle (Eglinton–Lawrence L)

Mr. Pat Hoy (Chatham–Kent Essex L)

Ms. Judy Marsales (Hamilton West / Hamilton-Ouest L)

Mr. Phil McNeely (Ottawa–Orléans L)

Mrs. Carol Mitchell (Huron–Bruce L)

Mr. John O'Toole (Durham PC)

Mr. Michael Prue (Beaches–East York / Beaches–York-Est ND)

Mr. John Wilkinson (Perth–Middlesex L)

### **Substitutions / Membres remplaçants**

Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge L)

Mr. Jim Flaherty (Whitby–Ajax PC)

Ms. Shelley Martel (Nickel Belt ND)

Mr. Lou Rinaldi (Northumberland L)

### **Also taking part / Autres participants et participantes**

Mr. Jerry J. Ouellette (Oshawa PC)

### **Clerk / Greffier**

Mr. Trevor Day

### **Staff / Personnel**

Ms. Anne Marzalik, research officer  
Research and Information Services

# CONTENTS

Thursday 20 January 2005

<b>Pre-budget consultations</b> .....	F-1455
Centre for Addiction and Mental Health.....	F-1455
Mr. Glenn Thompson	
Ms. Joanne Campbell	
Ms. Nancy Bradley	
Dr. Kevin McAllister.....	F-1457
Kagan Shastri, Barristers and Solicitors; Greenspace Consulting Associates.....	F-1459
Mr. Ira Kagan	
Mr. Jim Faught	
Duffin Capital Corp. ....	F-1462
Mr. Mark Flowers	
Canadian Union of Public Employees, Ontario division.....	F-1465
Mr. Sid Ryan	
Northwoods Community Association .....	F-1468
Mr. Dave Barnett	
Ontario Secondary School Teachers' Federation, District 13 .....	F-1471
Mr. Peter Tumey	
Mr. Harvey Bischof	
Ontario Public Service Employees Union, Local 348 .....	F-1473
Ms. Patty Rout	
Anglican Diocese of Toronto.....	F-1476
Rev. Richard Miller	
Mr Murray MacAdam	
GTA/905 Healthcare Alliance .....	F-1478
Mr. Tariq Asmi	
Ontario Public Service Employees Union, central employee relations committee .....	F-1480
Ms. Marg Simmons	
Mrs. Sandi Pniauskas .....	F-1482
Lakeridge Health.....	F-1483
Ms. Anne Wright	
Ms. Marilyn Pearce	
City of Pickering .....	F-1486
Mr. David Ryan	
Whitby Chamber of Commerce .....	F-1489
Ms. Laura Hammer	
Ajax-Pickering Board of Trade .....	F-1491
Ms. Joan Wideman	
Association of Municipalities of Ontario.....	F-1493
Mr. Roger Anderson	
Ms. Pat Vanini	
Durham College; University of Ontario Institute of Technology .....	F-1496
Dr. Gary Polonsky	
Dr. Sheldon Levy	
Ontario Volunteer Emergency Response Team .....	F-1498
Mr. Shane Harbinson	

*Continued overleaf*