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## **Official Report of Debates (Hansard)**

**Wednesday 25 April 2007**

**Standing committee on  
estimates**

Office of the Premier

## **Journal des débats (Hansard)**

**Mercredi 25 avril 2007**

**Comité permanent des  
budgets des dépenses**

Cabinet du premier ministre

Chair: Tim Hudak  
Clerk: Katch Koch

Président : Tim Hudak  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 25 April 2007

Mercredi 25 avril 2007

*The committee met at 1608 in room 228.*

## OFFICE OF THE PREMIER

**The Chair (Mr. Tim Hudak):** Thank you, folks. We're going to call to order the standing committee on estimates. We are resuming the consideration of the estimates of the Office of the Premier. We have a total of six hours and 24 minutes remaining. As you'll remember, those who are tuning in for the second day in a row, we last left on the cliffhanger: The Deputy Premier was about to make his remarks. Deputy Premier, I will remind you that you have 30 minutes of time to use up in your responses to the members' questions.

**Hon. George Smitherman (Deputy Premier, Minister of Health and Long-Term Care):** I think, Mr. Chair, our determination is that we'll allow government members to start on a 30-minute round of questioning.

**The Chair:** You want to use that 30 minutes for Q&A for the government members?

**Hon. Mr. Smitherman:** Yes, just for questions and answers.

**The Chair:** Go ahead. Mrs. Jeffrey, you have 30 minutes of time to use up. If the Deputy Premier wants to do questions and answers, go right ahead.

**Mrs. Linda Jeffrey (Brampton Centre):** Thank you. Minister, yesterday Mr. Ferreira was asking some questions and I was listening, but this question didn't occur to me until today. He was asking some questions about March 15 and about question period and the preparation that the Premier would have gone through on March 15. Obviously, we know that ministers and the Premier receive question period briefings when the Legislature is sitting, but it occurred to me that on March 15, probably we weren't sitting in session. Usually around that time it is March break or constituency week. I don't recall if the Legislature was in session that day and why that was important. Do you happen to recall if we were in session?

**Hon. Mr. Smitherman:** Since yesterday, I went and took a look back at the issue: Why had March—what was this theory that was being advanced yesterday? Best as I could tell was that on March 15 the whole world stopped because there were international news media reports about this situation with Mr. Edmonds. The circumstances upon examination seem a little bit different.

No, the House wasn't sitting on March 15. Indeed, it was about two weeks later on March 29 that the House

resumed. But I thought that because there was so much focus yesterday on this subject of how explosive this news story was and how that most certainly must have obtained a lot of attention from everybody, it would be appropriate to go back and look at some of the issues that were raised when the Legislature did resume.

**Mrs. Jeffrey:** Thank you. Mr. Chair, based on Mr. Ferreira's questions, and because he's new and because although I've been here three years I don't always know what the Premier would be briefed on, I wondered selfishly about Brampton.

Knowing that I've dragged the Premier out to come and look at our new hospital, the 608-bed hospital that's being built—and it's very, very close to completion. When I brought him out, we were looking at the building and it was half-constructed, and it reminded me—thinking back to the preparation. What kind of preparation would a Premier or a minister have—particularly the Premier—prior to going to this event? Because he seemed to be really knowledgeable. Would he get a briefing on something like that when he comes out? He sees so many facilities, so many parts of the province where there's a health care facility. Is there some kind of education that occurs to him beforehand with regard to local issues and what kinds of controversies may be brewing in that community that would be brought to his attention prior to going on a visit?

**Hon. Mr. Smitherman:** I'd say it's a couple of things. Obviously, when your government is involved in the construction of a 608-bed hospital, you feel it. Everybody knows it. In fact, I just had the privilege of a conversation in the hallway with some of Mr. Ferreira's constituents in the area where I was—

**Mr. Paul Ferreira (York South–Weston):** Mr. Sergio's constituents.

**Hon. Mr. Smitherman:** Oh, okay. Sorry—in the catchment area of the Humber River Regional Hospital, where I was born, who have a strong interest in seeing the development, indeed, of a similar scale hospital.

So the Premier's coming to Brampton: Obviously he has been to Brampton before, so he's going to be looking to have an update on files that he might have heard about before and to build on those.

I would say that in the case of the Brampton community, I'm not sure about the nature of the Premier's preparation, but of course there would be an effort to bring to his attention a level of awareness on those issues,

especially those most likely to be raised by the people he's meeting with or raised by the media that are going to be in a position to ask questions of him.

**Mrs. Jeffrey:** Thank you.

**The Chair:** Ms. Smith.

**Ms. Monique M. Smith (Nipissing):** Thank you, Mr. Chair. Deputy Premier, we were talking a lot yesterday about March 15, 2005. You mentioned, I think, in one of your responses, how the Ontario government is a \$90-billion organization and we have over 60,000 employees. I know that doesn't even begin to cover the various boards, agencies and commissions. I sit on the government agencies committee, and we've just finished reviewing six different agencies, and there are thousands of employees within the six that we looked at, and those are arm's-length government agencies. We haven't even started to talk about transfer payment agencies like hospitals, school boards and children's services providers.

You talked a little bit yesterday about how the Premier's office could not be expected to micromanage every single item or issue that arises in the newspaper on any given day, especially when you look at the context of 60,000 employees in direct government service and then all of the others in the various agencies, boards, commissions and transfer payment agencies. I am just wondering if you could put a little context around March 15 and what other issues may have been on the boilerplate or in the news on March 15, 2005. I think you said in response to Ms. Jeffrey, although I was just grabbing my Diet Coke, so I'm not 100% sure I got the answer, that we weren't sitting on March 15, 2005. I apologize, but if you could just clarify that and, if you do know whether or not we were sitting on the 15th, what other issues were out there.

**Hon. Mr. Smitherman:** Actually, what we did do was take a look at when the House resumed, March 29, and we saw that the seismic international event that was mentioned yesterday wasn't so seismic that it became a priority for any question in the Ontario Legislature related to the circumstances of Mr. Edmonds, which go back of course to July 27, 2001. I looked at the issues that the New Democrats, as an example, were bringing to the House at that time. There were focuses on health care and education funding, on child poverty, on card-based certification, on tuition, issues related to the city of Hamilton; for the Conservatives, on financial matters, hospital funding, the greenbelt, the budget, teacher contracts and the like. So I thought that I'd missed this story with international, global reach that was referenced yesterday by the member from the New Democratic Party, but it was odd that this story that had this seismic international context took 18 months before it made it to the floor of the Legislature.

The thing that seems to have triggered its arrival on the floor of the Legislature, I say as a point open to correction, if people would agree, is that as a minister and in the presence of several who have had the privilege as well of serving as a minister, if an issue that is related to you has made it on to *The Fifth Estate*, there is a reason-

able prospect for a question the next day in question period. I've been around a while, and that's exactly the scenario that unfolded. So it did seem to run a little counter to the storyline that we were onto yesterday. To the best of the information that I've had available, Mr. Ferreira's international news story first was raised in the Ontario Legislature 18 months after this modest media coverage that occurred.

The other thing is that if you look at the media coverage that came out at that time, I think one of the stories even referred to it as a kind of a—I don't want to paraphrase here—happy circumstance in the sense that it was about some settlement having been reached. I'll stop there.

**Ms. Smith:** Maybe I could just follow up on that. When Mr. Ferreira was speaking yesterday, he talked about "international headlines"—I think that's where we're getting the notion that this was such a big story. When he went further in his discussion, at one point he said that there were stories in Ontario media and some national media, but I don't remember him ever referencing any international media, even though there was a reference to international headlines. I don't know if you had an opportunity, when you were looking at the circumstances around March 15, but you did refer just now to some media coverage. Did you see any international headlines? Were there newspapers outside of Ontario or Canada that were covering this story that you're aware of?

**Hon. Mr. Smitherman:** Well, we searched USA Today and the Wall Street Journal and the Washington Post and the New York—no, I still haven't seen evidence of this big breaking international news story that I heard about yesterday, but perhaps we'll have an opportunity yet to hear about that.

**Mr. John Wilkinson (Perth—Middlesex):** Thank you, Deputy Premier, for coming in.

**Hon. Mr. Smitherman:** My pleasure.

**Mr. Wilkinson:** Welcome to the Premier's staff and Cabinet Office to help us wade through this. We appreciate it.

My background is as a certified financial planner, so I kind of enjoy looking at numbers. I'm just trying to look at the overall budget of the Office of the Premier and compare the current government versus the previous government. Something really stands out for me, and I'm just trying to get a handle on this. For example, in the year 2001-02, there was an estimate that was brought before this Legislature to spend some \$3.2 million. Some \$2.9 million was spent. They came in at only 91% of budget, which seems pretty prudent. But then the next year, 2002-03—and I remember that year distinctly—there was some \$3.1 million in estimates and the expenditure of some \$3.8 million—\$728,000 more from the taxpayers of Ontario. That's 23% over budget. But then in 2003-04, which is the transition year, there was roughly \$3.1 million budgeted and almost \$5.4 million spent. That is 76% more.

I see from the material that I have here that there were members in the Premier's office supporting the Pre-

mier—not public servants, I might add, but his political staff—who were still on the payroll of the previous government after the fall of that government. That makes me think that perhaps there were some people who had a deal that if they lost their job, they would continue to be on the payroll. I was wondering if you could give me some explanation of that.

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**Hon. Mr. Smitherman:** I can say three things. Firstly, one of the things I had a chance to note yesterday when I first spoke was that I think it's a good sign—I take it as a good sign—that the printed estimates for the Premier's office for this fiscal year of \$2,956,000 continue to be extraordinarily below actuals achieved in the final years of the Conservatives being in government. So I think we've made good progress there.

The other thing we've got to keep in mind, to answer this question about why the overspend was so enormous and why political staff of the previous administration remained there lingering as cost centres and appearing on sunshine lists, is that it was related to the separation benefits that had been, I guess, negotiated on their part. I'm not sure what of this information it is possible to bring to the public domain beyond that which appears on the sunshine list, but perhaps it would be appropriate for Mr. Dean or for Shelley to offer us just a little bit more information about that.

**Mr. Tony Dean:** I think that's for the most part correct. Any additional information about severance payments or other compensation associated with those individuals could only be disclosed with their permission, so I don't think we're in a position to give you any more information about that. But certainly there is a distinction made between compensation and severance payments on conclusion or termination. Indeed, in some cases, people may elect to spread that compensation over more than one fiscal year.

**Mr. Wilkinson:** I respect that we need to talk about the things that are in the public domain, but my review of the sunshine list that we have in this province for 2004 shows that the chief of staff of the former government had a public sector salary disclosure of some \$179,000. Is that correct?

**Mr. Dean:** I haven't looked at the information, but that is not inconsistent with my recollection. If that is the case, that would reflect a splitting compensation between the two fiscal years.

**Mr. Wilkinson:** We appreciate that, Secretary.

Moving forward, then, and just following up, Deputy Premier, about the years that I know our government has been in charge of prudently looking after the taxpayers' money, I see that in 2004-05, which would be our first full fiscal year in government, we estimated we would spend \$3,059,884, and we actually spent \$3,026,973. That would be a savings of some 1%. Then in the next year, 2005-06—of course, we were busy trying to slay that deficit we inherited—we had estimates that were lower, only \$2,959,884, and we only spent \$2,870,041 in the office. That is 3% below budget. As someone with

my background, I am particularly happy to see that. Then I see in the year that just ended, on March 31, the amount we estimated and the amount we spent were identical, with zero difference.

My question for the Deputy Premier or perhaps for the secretary: We're in a new environment now with the passage of the Fiscal Transparency and Accountability Act, if I recall, and the need for the Auditor General to comment on the report that was just released by the Minister of Finance, the Honourable Greg Sorbara. So could you answer this question: Does this statement, which is to look at all the government expenditures—would the budget of the Office of the Premier of Ontario be caught in that? Are you part of that full disclosure to the voters and taxpayers of Ontario?

**Mr. Dean:** The Auditor General is required to look at all spending and the entire budget in the context of public accounts. So absolutely, yes, he would have oversight of this and offer opinions if he thought that anything was out of line.

**Mr. Wilkinson:** That's right: He is to comment. With your breadth of experience as Secretary of Cabinet, do you feel that the new form of accountability is—I suppose there would be some money involved, or would that be absorbed by the budget of the auditor to do this new work for the people of Ontario? Is that an onerous fiscal burden for us to be able to do that? I'm assuming we had to have audited statements on March 31 anyway.

**Mr. Dean:** Yes. If we take a step back, I think it's important to say that over the last two or three years, there has been somewhat of a shift, a very considerable shift, in fiscal transparency and accountability. If I can just point to two or three things: Of course, the Fiscal Transparency and Accountability Act for the first time actually fulfilled one of the recommendations of the former Provincial Auditor, Erik Peters, in which he urged much greater accountability and fiscal discipline and open government. You'll know that this week, one of the key requirements or recommendations of the former auditor under the new act was the preparation of a pre-election report, so we have that. That was actually tabled this past Monday, on April 23. That provides, certainly in my perception and recollection, an unprecedented degree of transparency right across the system. The AG is now asked to provide an opinion on the reasonableness of the entire budget based on the economic forecasts used, estimates of revenues and expenses, and the ratio of debt to GDP. In addition to that, once these layers of transparency are required, the executive council, of course, has to plan for a balanced budget unless there are extraordinary circumstances, and clearly that's something that's happening in central agencies and the Premier's office. Maintaining debt-to-GDP ratios are important, obviously, and a multi-year fiscal plan in the budget has to be laid before the assembly.

We see some other features that we haven't seen around here for a while: the requirement for a mid-year review, which is, again, without precedent in Ontario. At the two-year mark, between the now fixed elections,

there must be a description of the key issues that must be addressed in the next budget. That, of course, is provided in the form of an economic statement. There you see information about the estimated costs of expenditures that are made through the tax system and details about how people can access budget information.

So there is a considerable degree of transparency and accountability, and we actually have embraced that. I have to say that I'm very proud of the public service in terms of its success in inviting greater transparency and accountability and in working very closely with the auditor and his office to achieve that. I can go on, there's much more to talk about, but I think that probably covers your question.

**Mr. Wilkinson:** Thank you, Secretary. I appreciate that.

Chair, how much time do we have?

**The Chair:** You have 10 minutes left.

**Mr. Wilkinson:** About 10 minutes. Great. Thank you.

Again, I am particularly heartened to see that though this is an election year, there has not been an attempt through estimates to beef up the office and that you are continuing to use prudence in the spending of the public's money in the Office of the Premier and that there's a consistency and a discipline there that perhaps in the past has been lacking and there's less of a cyclical nature of that. I would agree with you: I think it is the new FTAA rules, the new fiscal transfer and accountability, that drive that. In my own personal opinion, talking to many people in the civil service as I have to interact with them because at the moment I happen to be on the government side and dealing with my colleagues at the Ministry of Research and Innovation and, prior to that, the Ministry of the Environment, I think they seem to be much more comfortable knowing that there is this overarching principle that now has been enshrined in law that ensures that there is this transparency.

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One of the questions that I was bedevilled with at the time I was seeking office was about the number of consultants that had been hired. There were many consultants hired through the Office of the Premier by the previous government. I know we had much discussion about that in that last election. My question is: Have we reduced the amount of spending in real terms on consultants through the Office of the Premier? Have there been savings found by that? My own cursory research of this shows that there was some \$225 million that used to be spent on consultants that isn't now.

**Hon. Mr. Smitherman:** If I'm not getting at your question properly, I know that you'll re-pose it. On a government-wide perspective, of course, one of the things that we campaigned on before the last election was efforts to reduce the dependence on consultants. If I could use an example from my very own ministry: The Smart Systems for Health Agency was an organization that's required to provide ongoing, stable leadership in the development of health care information technology infrastructure, but most of the people who worked there

were being paid as consultants. I'm not sure if that was a strategy to keep people off-book in terms of being part and parcel of the Ontario public sector, but we did make initiatives in that area. I believe that in the Smart Systems case, we do that in a fashion that reduces our overall compensation costs associated with it. That strategy was one piece of about \$700 million or \$800 million of savings and efficiencies that have been made across the government landscape.

In my own ministry, with very striking leadership from the Premier's office and as a government-wide focus, we've sought to carve about 10% out of our administrative costs in the Ministry of Health. So these strategies are part and parcel of an effort to try to make sure that the programs we believe in have the resources available and that we spend as little as possible on the administration of government.

**Mr. Wilkinson:** My comment would be, and I'm sure that the members opposite who have been in government—I know Mr. Wilson and Mr. Hudak are here. I think we who come from a business background struggle with government trying—if we come from business, we're used to operating at the speed of business, the efficiency, the productivity of business. I know my friend Mr. Flynn would agree. Then we come to government, which I think is, by nature, somewhat a more cumbersome process. It's harder for them to embrace what the marketplace embraces in business, which then allows us to have those efficiencies without cutting people but instead just getting more efficiency from the people we have.

I'd be interested in the secretary giving some comment about your own personal experience, about how we face that challenge of embracing the modern business tools which are used every day in business and actually getting those productivity tools within government so that we can be more efficient and deliver better government.

**Mr. Dean:** That's a really tremendous question, and I would be delighted to talk to you about that. We of course are around 63,000 in number right now in the Ontario public service, down from over 80,000 in the mid-1990s. We try to, and have tried to, do the very best job we can to provide value for money to the public with those 60,000-odd people.

One of the ways we've done that is to look at our entire organization—I tend to think of it, for business purposes, as a professional services organization. We've looked at the fundamental drivers of modern public sector or business organizations and identified several key features.

The first one is moving to an enterprise approach, moving away from thinking about 27 ministries as islands unto themselves and starting to think about the Ontario public service as an enterprise, as a corporation. We'd like our employees to think that way, and certainly we've started to organize our services that way. We're moving counters that were previously at ministry locations to central OPS counters; we call it Service-Ontario. It means that we're providing one-window ser-

vices to the public—very, very important, an absolutely critical service improvement by lining up ministries behind common counters. We're actually going one step further and we're inviting the federal government and municipal government to line up behind those counters as well. I'd invite members of the committee to visit the ServiceOntario centre in Ottawa, which now houses staff and services from the federal, provincial and municipal governments and provides in one location 150-plus services that previously were only available in separate locations.

We're also using electronic service delivery—very, very important. About 70% of our services now are accessed online. When we put services on line, public satisfaction skyrockets way up, into the 90% range. We want to keep driving that satisfaction, of course, so we're trying to get as much online as we possibly can. It's by using online services that we were able to tackle a huge brand vulnerability for the corporation, which was the big backlog in birth certificates. As you'll now know, we're providing a 15-day money-back guarantee for birth certificates when accessed online. Since 2005, half a million online applications, a 99.75% success rate in meeting that 15-day standard or in fact beating it. The only complaints, by the way, that we have from the public are from those people who will occasionally e-mail or phone and say, "We were hoping that the birth certificate arrived on day 16 because we'd have got our money back." In fact, it arrived on day 7 or 8. That's the kind of complaint that public service organizations want and need: that we delivered the service too quickly.

We're doing exactly the same thing in lining up our internal services. We don't need to duplicate the same financial processing services in 27 places in the Ontario government; we can do that sensibly in a shared services organization. We can increase efficiency, increase standardization of service and, importantly, drive down costs. We are driving down costs, and it's by doing that in the shared services area and in the IT area that we've contributed to this \$800 million in ongoing savings in the OPS, which by the way has not been replicated in any other part of the broader public sector, to my knowledge. It's a tremendous achievement, and it's another testament to two things: (1) how hard our managers and staff work to find efficiencies and value for money; and (2) the leadership that the political administration brings. Because, of course, you can't make these huge breakthroughs in service delivery without having leadership from the political side as well, and we've had that. So I am absolutely, tremendously excited and proud of some of these service breakthroughs.

We've got a longer way to go. We want to do better. We've got satisfaction right up in the 90% range for online services. Until I can come to a committee like this and say that the same satisfaction rates apply for people who are using telephone contact or other forms of access, the job will not be done. You will have gathered that I feel rather passionately about this. I've made this a personal priority of my time as cabinet secretary, and I'm

very fortunate that the Premier and Minister Phillips have made it a priority as well, because we are doing a far better job for the public than we have ever done, and I think as we improve services to the public, we do something that is of value to everybody in this room: We build public trust in public sector institutions and therefore in government. That's something we all share. It crosses political boundaries, and it's an area in which the public service and political administrations should and do work hand in hand.

1640

**The Chair:** Thank you, Mr. Dean, Mr. Wilkinson and Deputy Premier. That concludes that 30-minute segment.

We now go to our 20-minute segments for questions following the traditional rotation: the official opposition, the third party and then the government. So the official opposition and Mrs. Elliott—20 minutes.

**Mrs. Christine Elliott (Whitby–Ajax):** Deputy Premier, I'd like to go back, if I may, to some of the questions we asked yesterday, specifically around the March 2005 time frame with respect to the Edmonds settlement and so on, and just a general question, really, on the emerging issues aspect of the situation and how emerging issues typically are brought to the attention of the Premier's office. I know it can be in a variety of ways, but if you could just explain the process by which that typically happens.

**Hon. Mr. Smitherman:** I think the key point to this, building a little bit on what we spoke about yesterday, is that you've got to take stock of the operation that you're dealing with here, and you've got to be careful not to pretend and create a false impression. I'm not suggesting that you were, but it's a \$90-billion operation, with 63,000 employees in direct employment—OPS—and well above a million people overall through direct and indirect spending that evolves from that. In my own ministry—and Mr. Wilson knows this all too well—there are literally thousands of transfer payment organizations, each of which is capable on a daily basis of creating news, and sometimes challenging news, in their own locale. So obviously, there are a variety of levels where those things are appropriately dealt with.

In the case of my own ministry, as an example, a regional office that is evolving into a local health integration network office is going to be the first part of government that's there to try to address, deal with, be conscious of or aware of things that are going on. So obviously, when you think about where a Premier's office is in that kind of hierarchy, when you think about the fact that there are 60 people in total and a very small number of them overall who are operating in areas like issues management or communication, the number of issues that are top of mind or on the front burner, as I refer to them, is going to be relatively small compared to the overall orbit of issues out there.

We had a lot of questioning yesterday about March 15 and why the world didn't stop, and the question indeed is one well posed to the opposition parties, because no questions were raised for 18 months after that. But when

I had a chance to take a look at the stories—and I have to be very frank: I wasn't particularly familiar with this situation until I, like everyone else, attuned to this when the story broke on *The Fifth Estate*. But when I look at the story that ran in the *National Post* on March 18, it says, "A smiling Mr. Edmonds walked out of Superior Court in Toronto with his family but said little." In my past life as an assistant to politicians, that's not the kind of story that's going to cause me to think that it's worthy of particular elevation. It seemed actually like a story that, for the most part, had run its course, keeping in mind, of course, that it had been ongoing since July 27, 2001.

**Mrs. Elliott:** So just in a general sense, if I understand correctly, the issue would be identified in the ministry involved first. Is that correct?

**Hon. Mr. Smitherman:** I think even in my own ministry, if an issue was a local issue, it might be only the regional office or a local health integration network that's dealing with it. If people thought it was a big concern, they'd then let the branch or head office know. That's still within my ministry. In this circumstance, of course, we're dealing with an agency which is even further removed.

**Mrs. Elliott:** If it was identified and it got to, say, the minister's office, what would happen then? Are there meetings of issues managers for the various ministers? How would it then get from the minister's office to the Office of the Premier?

**Hon. Mr. Smitherman:** When I said that it got to the ministry, I'm talking about the OPS. When I say the ministry, I don't even mean a minister's office.

There is a tremendous range of issues that are coming forward and that are making it to the ministry that we're not informed of. I can remember a few circumstances where something has arisen as an issue that I've never heard of before and my staff have never heard of but that the ministry had awareness of.

I'll give you an example in fairly recent history: the letting of a contract to an organization in Cambridge that got a one-year contract to run the emergency room—a contract, by the way, that is at or near its conclusion. I was like, "What?" But there had been some awareness of that within the ministry for a period of time.

So I have to say, to be honest with you, that given the range of information that's there, it's very hard to lay down an ironclad rule that says, "This is the one that makes it further down the line," or what have you. People are exercising judgment about these things at a wide variety of points through this kind of hierarchy.

**Mrs. Elliott:** If it were identified within the ministry as being something that you should keep on top of, then what would happen to it? It gets to the minister's office, to the issues manager in the minister's office: How does that get communicated upwards from there? Are there meetings? Is it a phone call?

**Hon. Mr. Smitherman:** Again, I think a lot of this stuff is on a case-by-case basis, where people are asked to exercise a human judgment about what's really crucial for people to know about and what's part of just routine

business. Obviously, big organizations have got—you know, I've got 82 lawyers in the Ministry of Health, so obviously today, at a variety of courts in the province of Ontario, there are Ministry of Health lawyers there. I haven't a clue—I don't know about any of them specifically, but my judgment would be that that probably is the case.

The one process point that I do know about, in answer to your question, is that there are opportunities where issues managers would get together and would exchange information. I'm not aware of the frequency of those. I believe that the frequency of those we spoke about yesterday is very likely to be more often in circumstances when the Legislature is in session. Not to say that there are two seasons to the work that we do, but obviously the nature of daily question period does make for a certain focus.

**Mrs. Elliott:** If there are meetings, for example, that happen with whatever regularity they happen, is there an issues manager from the Office of the Premier that would be in attendance to pick up and be part of that judgment call about whether those issues should go forward?

**Hon. Mr. Smitherman:** Obviously, issues managers within ministries are doing the lion's share of their work within their own organizations and involved in that. But yes, I think there are circumstances where issues managers would come together, and issues management responsibility from central agencies would be part and parcel of that.

**Mrs. Elliott:** I understand that the Edmonds story was reported in the *Globe and Mail*, the *Ottawa Citizen* and the *Toronto Sun*—pretty wide circulation. Would you not expect it would be reasonable that a matter that obtained that kind of coverage would be brought forward in a meeting, and perhaps might even be the subject of a special meeting on its own?

**Hon. Mr. Smitherman:** No. I can say, with all appropriate respect to the circumstances of Mr. Edmonds—which the government and OLG themselves have been forthright in apologizing for—if you imagine for a second, putting yourself in the position of responsibility, that you're going to stop the presses and bring together everybody for some kind of klatch every time a matter of that level of urgency or prominence came forward, then what time would be properly left for governing? I didn't read all those stories, I must confess, so you can disabuse me of this if I'm wrong. But if you put on an issues manager hat, if you're reading a story—again, I referenced the one where it referred to a smiling Mr. Edmonds. If that played in every paper, but the nature of the story was, "Gosh almighty, a sad saga has come to an end. A gentleman who got screwed out of his ticket"—I'm sorry, who got seemingly robbed of his appropriate prize—"on July 27, 2001, has now met justice," that's a story to me that's run its course, not a story that's first emerging.

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That's why I think it's appropriate to acknowledge that we all—the collective wisdom of politicians, if you will, analyzing media, of course, is an important part of

determining where we focus our time and energy. No one raised this issue in the Ontario Legislature until they saw it on *The Fifth Estate*. So when you think about the few newspapers that you mentioned, yes, they have a lot of circulation, and then you have *The Fifth Estate*.

**Mrs. Elliott:** Do you have any idea whether those clippings were included in the package that the Premier's office would have received?

**Hon. Mr. Smitherman:** No, I have no idea. I could speculate, if you wish, but I have no idea.

**Mrs. Elliott:** Actually, I was wondering if you could undertake to let us know if those stories were included in the clippings.

**Hon. Mr. Smitherman:** To the very best of my knowledge, I don't know the capability to look back on that information from years and years ago, but we'll most certainly make a note of it and see if there is any opportunity to do that. My instinct, from being around, would be that that's not something that's around. It's sort of like the issue that I spoke about with my House book. One day's House book evolves to the next and you don't keep them around.

**Mrs. Elliott:** So if there is a package that you can identify, you'll provide us with a copy.

**Hon. Mr. Smitherman:** Sure.

**Mrs. Elliott:** Okay.

**Hon. Mr. Smitherman:** We've made a note of it and we'll see if there's any possibility to be of help to the committee.

**Mrs. Elliott:** Can you tell me who in the Premier's office is responsible for dealing with the ministers' offices in terms of issues management?

**Hon. Mr. Smitherman:** The person with the named responsibility for issues management in the Premier's office, as I mentioned at committee yesterday, is Aaron Lazarus.

**Mrs. Elliott:** So if the minister of infrastructure renewal had an issue that he or she wanted to raise, it would be Aaron Lazarus they would be in touch with?

**Hon. Mr. Smitherman:** I suppose if a minister had an issue to raise, depending on the nature of the issue, they might choose to raise that with a wide range of individuals. But I wouldn't know what the circumstances were, so it's kind of a speculative question. My instinct would be that most members, most ministers are not having so much direct involvement with the Premier's issues manager. I have a little bit more, particularly related to the responsibilities that I have as Deputy Premier in question period on particular days.

**Mrs. Elliott:** But if a minister had an issue that they did want to raise to the Premier's office, that would be the correct channel to follow—

**Hon. Mr. Smitherman:** No, no. Again, I can't—it's a highly speculative question: the correct channel. It's not like when you arrive here, they say, "Well, this is the handbook and this is the flow of course." In the same world in which you operate—you operate on the basis of personal relationships. By and large, as I mentioned yesterday, we enjoy in our government the privilege of gov-

erning from the Premier, which I think people would convey in kind of an historic measurement as relatively arm's length. When I think about—I'm not trying to be pejorative, but when you look to the characterization of the current government in Ottawa, it's a government that has a reputation as kind of a closely controlled, command-and-control style of government, where everything goes through the Prime Minister's office and there is tight control. I believe that the model that is exercised here in Ontario has the Premier offering a greater degree of latitude, confidence and trust in ministers. This is most certainly what I've enjoyed as a Minister of Health, and my daily routine would not be to check in for guidance, approval or other matters with members of the Premier's staff, and most particularly not with the Premier's issues manager, all the respect that I have for him aside.

**Mrs. Elliott:** I can certainly understand that you'd want to be somewhat flexible in your ability to deal with these things and not be too controlled, but similarly, you don't want to be too ad hoc about it. How do you ensure that you don't miss anything, if that's the case, in terms of the way that you're saying it happens in a variety of ways, and some people might speak to some people and other people might speak to other people.

**Hon. Mr. Smitherman:** It's highly hit and miss. Issues management, I would argue from my long experience in politics, is one of the most imprecise parts of the whole machinery. You've got two or three complications: too much information, too few people and a tremendous range of human judgments about what matters and what doesn't.

But I go back to this: 18 months after those newspaper stories that you spoke about, parties in the Ontario Legislature stood in their places and spoke about it. So if your determination on March 29, when the House resumed, or the determination of your party, was that this wasn't an issue worthy of talking about in question period, there is a very strong sense that government made the same judgment. In other words, the opposition party influences, to a very great extent, the kind of information—you know, what you're prepared for. We all go through the same games: "Question period today, March 29: That wasn't an issue that was raised," but each day, we kind of think, "Okay, what might they be asking about?"

To the very best of my knowledge, which would have included a variety of briefings during that 18-month window for my responsibilities in the House, I was never briefed about this issue, and I saw no interest in it from opposition parties until it actually aired on *The Fifth Estate*. Then, of course, everybody is on to it.

**The Chair:** Mr. Wilson, you have three minutes left in this round.

**Mr. Jim Wilson (Simcoe-Grey):** Thank you, Mr. Chair. Minister, I wasn't here yesterday, and so I'm not exactly sure of the line of questioning, but you've had 24 hours now to talk to people in the Premier's office since Mrs. Elliott asked you yesterday about who knew what

and when and what they did about it. Can you enlighten the committee on what you've found in the last 24 hours?

**Hon. Mr. Smitherman:** I've made specific undertakings to Mrs. Elliott and to the Chair that—

**Mr. Wilson:** But you've had 24 hours. You can't play games. You knew exactly this was what the committee was trying to ask you. Did you talk to the Premier in the last 24 hours and say, "When did you actually know about this?"

**Hon. Mr. Smitherman:** No, of course not. No, I didn't.

**Mr. Wilson:** Why wouldn't you do that when you know the committee is trying to get—

**Hon. Mr. Smitherman:** With all due respect, you haven't done a particularly effective job so far of even drawing a link that—you showed no interest in this issue for 18 months, but you want to badger me into acknowledging—

**Mr. Wilson:** We—

**Hon. Mr. Smitherman:** No, excuse me. But you want to badger me into some false acknowledgement?

**Mr. Wilson:** I'm just asking you to do your job.

**Hon. Mr. Smitherman:** For 18 months, you didn't raise this issue in the Legislature—

**Mr. Wilson:** I'm just asking you to do your job.

**The Chair:** One at a time.

**Mr. Wilson:** I'm just asking you, Minister, to do your job. You know what the committee is trying to get at.

**Hon. Mr. Smitherman:** By the completion of estimates, Mr. Chair, on those items where we indicate to you that we're going to work to see what information is available, we most certainly will. That's in keeping with the way that I've done it with this committee before, and we'll do it in as thorough and as timely a fashion as we can, but certainly in recognition that we will have the privilege of being back before this committee for several days yet.

**Mr. Wilson:** I just can't believe, when it has been raised in the House many, many times and it is an issue that your government should have been seized with, that you can't by this time come to the committee and tell us who knew what, when and what they did about it.

**Hon. Mr. Smitherman:** You make the assertion that our government should have been seized with it, but in fact, sir, if you apply that judgment, why don't you apply it to your own party?

**Mr. Wilson:** Because we wouldn't have had briefings on this, inside briefings, directly from the OLG to the minister and directly to the Premier's office. We wouldn't have had those, so for all those months, we wouldn't know that.

**The Chair:** Gentlemen, as opposed to debate, I would like to conduct this as questions from the members of the committee and responses from the Deputy Premier or the delegation. I remind members as well to ensure that this pertains to the estimates that are before the committee. You need to demonstrate, Mr. Wilson, how this is connected to the estimates—

**Mr. Wilson:** Well, we're paying everyone's salary, and we'd like to know what they're doing on behalf of the taxpayers. As you know, Mr. Chair, in that case it's directly related to the estimates.

**Hon. Mr. Smitherman:** And I've been spending quite a bit of time, almost an hour in questioning from Mrs. Elliott, specifically on how the function of issues management works, and it's been interesting that the examination of that—and especially the fact that for 18 months after this international news story broke, neither of Ontario's opposition parties raised this in the Ontario Legislature, but meanwhile expect people to believe that the whole machinery of government was fixated on it. You haven't made that case.

**Mr. Wilson:** We haven't made the case because you haven't been forthcoming, and the Premier is not here to ask.

**Hon. Mr. Smitherman:** Maybe it is that you decided—

**The Chair:** Hold on, folks.

**Hon. Mr. Smitherman:** Maybe you think you should be able to manufacture evidence.

**The Chair:** Deputy Premier—

**Mr. Wilson:** We're just asking you, if the answer—

**The Chair:** Mr. Wilson, I've got the floor.

**Ms. Smith:** Mr. Chair, just on a point of procedure: I've sat in on this committee before, and when one of the deputants has undertaken to provide information, they've been given time to provide fulsome information. I think it's completely inappropriate for Mr. Wilson to be expecting that the Deputy Premier would respond within 24 hours of questions that he received yesterday from Mrs. Elliott. That's not the expectation of anyone else who has appeared before this committee. I've never been before this committee when we've required someone to respond within 24 hours. So I think Mr. Wilson's expectations are a little misplaced.

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**The Chair:** Thank you, Ms. Smith. The Chair has put no such expectation on the Deputy Premier to report back at today's committee. He has time to respond to these questions. If Mr. Wilson wants to ask the same question 100 times in a row, he's free to do so with his time.

**Ms. Smith:** Yes, but he shouldn't be berating the Deputy Premier.

**The Chair:** Let's be clear: The Deputy Premier has made the commitment to get these answers back to committee in the time for estimates. I appreciate that, and he'll respond in due course.

Mr. Wilson, you're down to about 30 seconds.

**Mr. Wilson:** Again, Minister, I just can't believe that you wouldn't have made those inquiries when you know that's the purpose of this committee in terms of the line of questioning here yesterday. If the answer is no, that no one absolutely knew anything, then you should tell us that.

**Hon. Mr. Smitherman:** The honourable member wants to take a look at the way that I responded. There were a variety of questions, some of which I indicated

that—the response I gave was an answer that indicated my instinct, to the best of my knowledge, and indicated that I would work to obtain any further information that might be available. That’s what I’m doing, and I’m going to do that in a fashion that I made in a commitment to the committee yesterday.

**The Chair:** That does conclude this 20-minute round. I want to remind members that if there are interruptions on points of order and such, the clerk is watching the time to ensure that each party does get its whole 20 minutes of questions and answers.

We now move on to the third party. Mr. Ferreira, the floor is yours for 20 minutes.

**Mr. Ferreira:** I must say at the outset that I was impressed that over the past 24 hours, members of the government side took the effort to do some research to be able to answer some of the questions I posed yesterday, so I thank them for that and I thank the minister and the other two witnesses, Mr. Dean and Ms. Gibson, for endeavouring to undertake some of that.

Just for the record, it would appear that the House sat for nine days back in March 2005, and during that month, there were at least—we’re talking about the print media—60 separate stories produced on the issue, but I’ll go back to that a little bit later.

I think we’re all here to determine if the public of Ontario is getting good value for the expenditures of the Premier’s office and specifically the \$2.35 million called for in the 2007-08 estimates. I’m wondering if the Deputy Premier or one of the other two witnesses can tell us what portion of that money that’s to be spent on salaries and wages goes towards issues management.

**Hon. Mr. Smitherman:** I’m not sure if you have a breakdown on that basis.

**Ms. Shelley Gibson:** Not specifically by issues management. I don’t have that detailed information with me.

**Mr. Ferreira:** Is there any kind of breakdown on the salaries and wages for this year and the past number of years?

**Ms. Gibson:** No. Salaries and wages is a global budget in the Premier’s office.

**Mr. Ferreira:** So there’s no breakdown amongst departments—

**Ms. Gibson:** No, not by the individual departments.

**Mr. Ferreira:** Is there a way to obtain that information?

**Ms. Gibson:** I’m not sure. I could look into that and get back to you.

**Mr. Ferreira:** Okay. How many staff are employed in the issues management area?

**Ms. Gibson:** What I have done for the committee, and actually in response to the questions that you tabled yesterday—I wanted to get back to you specifically on the staff that are in the Premier’s office so that you could see who is in the Premier’s office and how many are in each of the units that were in question. So I can table for you the phone list I printed off the government website this morning so all members could have the same list.

**Mr. Ferreira:** It seems to me—61 people. It wouldn’t seem like a huge undertaking to count 61 heads. Maybe Mr. Lazarus can answer how many people are in his department?

**Ms. Gibson:** I can certainly count from the list for you.

**Hon. Mr. Smitherman:** The information I can offer is that there are 61 staff in total and three that are focused on the function of issues management. The only information I have about salary would be if there is any disclosure on the sunshine list, but I think that would be a very hopeful circumstance for these three individuals.

**Mr. Ferreira:** The three include Mr. Lazarus?

**Hon. Mr. Smitherman:** Yes. He’s the director.

**Mr. Ferreira:** He’s going to have to ask for a larger department.

Has the number of heads in issues management changed over the course of the past three or four years, or has it been static?

**Ms. Gibson:** I’m sorry, I don’t have information on that.

**Hon. Mr. Smitherman:** We can get you the answer to that, but I don’t have it at hand. My instinct is that it has probably been at or around three most consistently. I couldn’t imagine fewer people doing it.

**Mr. Ferreira:** Just for my benefit, what is the rest of the breakdown, if you’ve got that handy? Could you split up the units and tell us how many in each?

**Ms. Gibson:** There is a policy unit with seven staff; a unit that deals with human resources and public appointments that has approximately five staff in it; there is a member relations unit that has one staff member; there is the chief of staff’s office; and the operations unit that has approximately 13 staff in it.

**Mr. Ferreira:** How many in the chief of staff’s office? I don’t think you gave us—that will leave, by my count, about 35 people.

**Ms. Gibson:** Nine, and I think I might have left off the communications unit. Sorry about that—14. Then, of course, there is the parliamentary assistant’s office and the Premier’s office proper, in terms of his direct support.

**Mr. Ferreira:** How many individuals in that—

**Ms. Gibson:** The parliamentary assistant’s office has an executive assistant to the PA; and the Premier’s direct support, three people.

**Mr. Ferreira:** What does that total give us, including the three in issues management?

**Ms. Gibson:** I didn’t add them up in total, but it’s close to—

**Mr. Ferreira:** Is it 56, 57? I might have missed three there. Again, we want to ensure that we’re getting good value.

There were at least three people working in issues management in March 2005?

**Hon. Mr. Smitherman:** To the best of my knowledge, and we’re going to work to confirm that for you.

**Mr. Ferreira:** I’m going to quote this from Mr. Dean yesterday. Just correct me if the quote is inaccurate. “At every ministry, there will be a scanning facility that

minimally will look at clips that you will probably see every day and look at emerging issues that may be in the media or that may be communicated by stakeholders or MPPs of any particular party, and they'll be assessed, and in some cases, given their relative magnitude, a note may be prepared for the Premier or for senior Premier's office staff." Did they capture that thought correctly in the transcript?

**Mr. Dean:** Just to clarify, I would say that at the ministry level a note or verbal report may be prepared for the minister. At the level of the Premier's office, Premier's issues staff may well prepare a note or advise their minister, the Premier, of issues of significant magnitude.

**Mr. Ferreira:** Would the Premier's office work in the same way as a ministry office?

**Mr. Dean:** Yes, for the most part.

**Mr. Ferreira:** In a case like this, where there are 60 separate stories, some of them carried on by newswires with international reach, and the House sitting nine days of the month, it would seem to me that it would be one of those that would be flagged, given the relative magnitude. Do you care to agree, disagree?

**Hon. Mr. Smitherman:** Well, I disagree, and I think you're in a curious spot to make such an assertion, since your party didn't raise it. If the order of magnitude was such as you're asserting, it should have awakened everyone and they should have stopped what they were doing and called folks together. One wonders why, in the hundreds of opportunities over 18 months when your party stood in the Ontario Legislature during question period, this issue was never raised, not once.

**Mr. Ferreira:** Minister, in your own ministry, and I realize you have one of the larger ministries of the government, if an issue came up—just in the print media; we're not talking about electronic media—60 times over a period of less than a month, would you expect to be briefed on that issue from your staff?

**Hon. Mr. Smitherman:** Firstly, sometimes a story comes up once; like when Eric Dowd or Jamie Wallace writes a story and then it appears in 14 or 16—so I count that once. Just so you know, Minister Wilson would have probably had the same kind of things. On the health front, there is so much information out there. Of the written word about health care in newspapers in Ontario, I probably read less than 1% of it, and I'm informed about some of it. But in the same way that I spoke about when you're travelling into an area or are likely to be involved in conversation with people who have come up, it's much more likely in that circumstance that you might find out a little bit more about it. But there are lots of opportunities every day in the Ontario Legislature for members to rise on issues which have been in the newspaper and which I certainly would have little or no knowledge of.

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**Mr. Ferreira:** With respect, we're talking about what the Premier's office knew or didn't know—

**Hon. Mr. Smitherman:** I think you asked me a health care question.

**Mr. Ferreira:** I asked you if, in your ministry, an issue came up that many times within a fairly condensed period of time, whether you as minister would have or would not have an expectation to be briefed on it.

**Hon. Mr. Smitherman:** What I can tell you is that I haven't looked at those 50 or 60. So if you want me to make an informed judgment, I'd need to go and do that.

**Mr. Ferreira:** I can give you the list.

**Hon. Mr. Smitherman:** If that's 20 of the same story, then I say not necessarily. I think it's a little bit difficult for me to speculate. I can tell you that during that 18-month window when the issue was not raised in the Legislature by any party, I had the privilege of being briefed in there—on I don't know how many, but on a number of occasions—for question period where I had the Premier's book, and until this issue arose on *The Fifth Estate*, it seems that I awoke to awareness of this issue at around the same time as you or your party.

**Mr. Ferreira:** Are you suggesting that unless the opposition asks a question or makes a statement about something in the Legislature, the government pretends it doesn't exist or doesn't consider it worthy of briefing?

**Hon. Mr. Smitherman:** No, to the contrary, but I have been very forthright in explaining to people who might not be used to dealing with the volume of information that's out there, not to pretend their way through this. A \$37.5-billion operation is what I have the privilege of running; the government of Ontario, a \$90-billion operation. I can assure you that there are more issues out there than there is time to manage those issues and, accordingly, there is obviously a funnelling of a hierarchy that's going to mean that relatively few of all of the plethora of issues that are out there are brought to the attention of people in senior roles.

**Mr. Ferreira:** I understand the immense size and complexity of certain ministries, but again we're talking about the Premier's office here, which has a reasonably modest number of staff, 60 or 61 staff, and a reasonably modest budget in the grand scheme of things, less than \$3 million in the estimates. That's what we're referring to. We have a department of three that is responsible for scanning media and emerging issues, and what you're saying is that an issue that generates a considerable amount of media within a fairly condensed period of time, that's not worthy of a briefing?

**Hon. Mr. Smitherman:** No, I didn't say that. Firstly, you yourself have just concluded that the complement of people dealing with this is relatively modest, and then you went on to assert that they do all of this scanning. But Mr. Dean has indicated to you that this is a primary responsibility of those who are out there at the ministerial level. What I'm saying is, it is not possible in the environments in which we operate to have a direct briefing on a daily basis or what have you on every issue that's out there. Sometimes it's your regional tour that picks up a range of issues that heretofore might not have been that popular down here at Queen's Park. I'm not saying no, it's not up to the opposition parties to do these things. I'm just saying if you want to be honest about it,

if you're running a 63,000-employee organization that has indirect employment of more than a million people, you're not going to know every issue—

**Mr. Ferreira:** Let's focus on the 61. The three in issues management, what are their daily tasks? What are they responsible for? What does Mr. Lazarus oversee exactly?

**Hon. Mr. Smitherman:** Mr. Lazarus's responsibilities are to make sure that the most pressing issues in the province of Ontario are brought to the attention of those in leadership roles and that issues—

**Mr. Ferreira:** And who would those in leadership roles be?

**Hon. Mr. Smitherman:** It's obvious—

**Mr. Ferreira:** How does this flow upwards towards—

**Hon. Mr. Smitherman:** Like I said before, the circumstances with this are all about exercising appropriate judgment in the circumstances. You've got lots of different people who are involved in an operation, right from really the grassroots organization where something might have begun into regional offices of ministries into central bureaucracies of ministries, ministers' offices, into perhaps the issues management function in the Premier's office. It's a hierarchy, and I just assert to my friend—

**Mr. Ferreira:** In the case of Mr. Lazarus—we won't personalize it—the head of the issues management unit, whom does that person report to? I think it's a pretty clear-cut question. In the hierarchy of the Premier's office, whom does that person report to?

**Hon. Mr. Smitherman:** I'll certainly get you the answer to the direct report. I'm not sure.

**Mr. Ferreira:** Mr. Chair, I find it hard to believe that in an office structure of 61 people, I can't be told whom the head of issues management reports to.

**Hon. Mr. Smitherman:** Of course you can be told. I just thought it was appropriate—

**Mr. Ferreira:** You don't have that available?

**Hon. Mr. Smitherman:** Now I do, but I wouldn't want to—

**Mr. Ferreira:** Thank goodness that Mr. Lazarus is here.

**Hon. Mr. Smitherman:** Yes.

**Mr. Ferreira:** Here, grab a chair.

**Hon. Mr. Smitherman:** The Premier's chief of staff is the—

**Mr. Ferreira:** The chief of staff?

**Hon. Mr. Smitherman:** Yes.

**Mr. Ferreira:** Okay. Just to refresh my memory, the chief of staff, back in March 2005 was—

**Hon. Mr. Smitherman:** I believe that was Don Guy.

**Mr. Ferreira:** Does that affect us?

**The Chair:** I don't think so.

**Interjection:** I might affect one of us.

**Mr. Ferreira:** How much time do we have left, Mr. Chair?

**The Chair:** You have five minutes of time.

**Mr. Ferreira:** So we've learned that the head of issues management reports directly to Mr. Guy. Mr. Guy was the chief of staff, and chief of staff was Mr. Guy in

March of 2005. Mr. Guy left the employ of the Premier's office—when?

**Mr. Dean:** In July 2006.

**Mr. Ferreira:** Is it conceivable that the head of issues management would come to the chief of staff on a matter that had conjured up 60 print headlines, at least, and also electronic media? Is it possible that the chief of staff would have decided that's not worthy of the Premier's attention?

**Hon. Mr. Smitherman:** I think that if the opposition parties had concluded that the issue was not worthy of the Premier's attention, it's very likely that the issues manager, if he even knew about this at all, would have made the same conclusion. This was not an issue, by the very reaction of your party, that warranted that level of attention. In retrospect, you seek to create this impression, but you had 18 months of question period and took no advantage of it. So one must conclude that you also, your party, thought it was not worthy of this level of consideration. When we all watched *The Fifth Estate*, our views were reshaped, and many of us hearken back to that day: July 27, 2001.

**Mr. Ferreira:** I want to clarify. Are you saying that you are relying on the opposition to decide what the priorities of the province are?

**Hon. Mr. Smitherman:** I'm saying that the priorities of the province of Ontario are about the work that the Premier does on a proactive agenda to establish—

**Mr. Ferreira:** He wasn't very proactive in this case, Mr. Smitherman.

**Hon. Mr. Smitherman:** The least amount—the responsibilities of leadership are not to focus every ounce of attention on issues management. In fact, when I got to the Ministry of Health, I said that the more efficient we can be in issues management, the more capable we can be of driving an actual agenda forward. That's what our Premier has been doing. That's the work he's involved in. I would offer to you that if your party chose for 18 months not to raise this in question period, that's a very strong indication that it really did not reach the level you would like it to, in retrospect, have reached. Had you asked questions in that time period, your credibility for this line of questioning would probably be more powerful.

**Mr. Ferreira:** It seems to me quite likely that it would have reached the chief of staff if the issues management staff were doing their job and were giving the people of Ontario value for the money that they get paid.

**Hon. Mr. Smitherman:** I think that if people concluded, when they read a story in the *Toronto Star* on Friday, March 18, that said, "Mr. Edmonds and his family are glad to have this over with, said lawyer Alan Rachlin after the surprise announcement. It's been a three-and-a-half-year ordeal"—this is not the fodder of issues management excitement. And the evidence is the NDP question topics of the day: child poverty, labour legislation, tuition, city of Hamilton, health care and education funding. So I think it's appropriate to be as efficient in the distribution of one's time as they can and

focus on moving the agenda on behalf of Ontarians forward. That is the responsibility of the Premier and that's what he was engaged in at that time.

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**Mr. Ferreira:** For the record, there continued to be headlines on this case a week after that settlement was reached.

I want to get back to—

**Hon. Mr. Smitherman:** Did they start with words like "He's a winner at long last"?

**The Chair:** Again, it's not to engage in debate unless the member of committee chooses to do so. The minister or Deputy Premier responds to questions, Mr. Ferreira.

**Mr. Ferreira:** Thank you, Mr. Chair. Mr. Guy left the employ of the Premier's office—

**Mr. Dean:** Early July 2006.

**Mr. Ferreira:** And one of the questions that I asked yesterday, which I believe we are awaiting a response on, pertains to when he received his last paycheque for work he conducted for the office. Have we been able to—

**Ms. Gibson:** I'm looking into getting that answer.

**Mr. Ferreira:** All right. And he's now with the firm Polara. Has Polara received contracts from the government and, if so, which? I understand that the Premier's office cannot engage in contracts, but has Polara received government work since Mr. Guy left?

**Ms. Smith:** On a point of order, Mr. Chair: If Mr. Ferreira is conceding that the Premier's office cannot contract, then I don't understand how asking about contracts on estimates of the Premier's office—

**Mr. Ferreira:** I'm asking about other ministries.

**Ms. Smith:** We're discussing the estimates of the Premier's office.

**The Chair:** Again, I'll ask committee members to ensure that their line of questioning is related to the estimates before the committee. If you're asking about something in a broad context, please demonstrate how that is related to the matter.

**Mr. Ferreira:** Thank you, Mr. Chair, for the clarification.

I want to go back to the services line. We began to get answers on that. Can I get an answer as to which services, exactly, come under that expenditure?

**Hon. Mr. Smitherman:** Some of that was mentioned yesterday.

**Mr. Ferreira:** Yes.

**Ms. Gibson:** Just to reiterate what I mentioned yesterday in terms of the services line, it covers such expenditures as photocopier rentals or fax rentals, vehicle-related costs, maintenance related to fax machines or photocopiers, office equipment, such costs as that.

**Mr. Ferreira:** Those two items—

**Ms. Gibson:** No. Those are just examples of items. As I said, a number of pieces of office equipment—photocopier rentals, fax rentals, vehicle-related costs, different maintenance and service associated to office equipment.

**Mr. Ferreira:** I'm wondering if I can get specifics: what equipment, who the suppliers might be.

**Ms. Gibson:** I can look into that and get back to you.

**Mr. Ferreira:** You don't have that available?

**Ms. Gibson:** No. Sorry, I don't. I have the top-level items from the 2007-08 estimates book.

**The Chair:** That does conclude that 20-minute rotation, Mr. Ferreira. To the government side. I have two: Ms. Smith and then Mr. Wilkinson.

**Ms. Smith:** Just to follow up on some of the issues that Mr. Ferreira was discussing, and you noted that the opposition had not raised this particular issue in the House in March 2005: Perhaps you could just review for us, Deputy Premier, some of the issues that were raised in the House in March of 2005, just to give us some context as to what was being discussed at that time.

**Hon. Mr. Smitherman:** The House wasn't sitting till the 29th. If we review the issues—I've already indicated to the committee that the first mention of Mr. Bob Edmonds in the Ontario Legislature came on October 25, 2006, which is the day after The Fifth Estate story aired. The issues that were in conversation in that March time period, after the broad international exposure to this issue, from the NDP were health care and education funding—I think I remember some of that—child poverty, labour legislation around card-based certification, tuition fees and issues on the city of Hamilton. The Conservative issues at that time were the deficit—I don't know if maybe they were talking about the one they left behind; I'm not sure—hospital funding, greenbelt, budget and teacher contract strikes.

I just conclude that most people—The Fifth Estate story obviously was pretty substantial in terms of bringing this story to the fore in the Ontario Legislature.

**Ms. Smith:** You spoke earlier in response to some of Mr. Ferreira's questions about the nature of the coverage that was in the media in March, which Mr. Ferreira has referred to as international in scope, and he has referred to a number of headlines. But in your response, you indicated that those types of headlines would not have set off alarm bells—maybe I'm paraphrasing for you—for an issues management person in the Premier's office because of the nature of the coverage. I think you referred to Mr. Edmonds having a smile on his face in another headline. Perhaps you could just refer to some of the media coverage as to why it was felt that it wasn't at such a high-pitched level that it required an issues management approach to it at the time.

**Hon. Mr. Smitherman:** For instance, on March 15, the big story on the front page of the Toronto Star was about our government's plans to bring an end to mandatory retirement. That obviously was a big issue. In a Welland newspaper, they were dealing with issues around medical school advances in the Niagara region. So the issues of the day were other than this one. But I guess the real learning that I could offer—and I think people are going to have to make their own judgment on this, and I think they're going to use common sense judgment—is that you have opposition parties attempting to make a case that they weren't prepared to make on hundreds and hundreds and hundreds of question-asking opportunities in the Ontario Legislature. So I think it's

reasonable to say that the instinct of an issues manager is to be well attuned to what opposition parties are up to. The issues management priority, at least in my operation, is: Use as little energy on it as possible because you need to spend as much time as you can actually moving agendas forward.

**The Chair:** Mr. Wilkinson, you have 16 minutes left.

**Mr. Wilkinson:** Just following up on that, we have a uniquely qualified person to answer this question because your career, of course, Minister, had to do with working with ministers of the crown many years ago, and now you are one. Let me just follow this. If you had an issues manager—and I'm sure you do, many, because of your ministry—if they were not to brief you on issues before your ministry that were in the headlines that day, because you can't read every paper in Ontario, which is why you have them, you would say that their first priority, of course, on that day would be to make sure that if you went into the House you had been briefed on the issues in front of the media that day.

**Hon. Mr. Smitherman:** Yes. The thing about this is that it's human judgment left, right and centre. The judgment of the opposition parties was that for 18 months that wasn't a story worthy of investing any of their time and energy in in the Legislature.

**Mr. Wilkinson:** My follow-up question is: Do you find that there's a direct correlation between what happens to be on the front pages of the paper that day and the questions asked by the opposition in the House?

**Hon. Mr. Smitherman:** It's not always direct, but obviously sometimes it is that you're chasing—sometimes a news outlet demonstrating an interest in an issue. The opposition makes the calculation that they should stick with that issue because there's some life and energy in it or what have you. These folks obviously concluded that this issue wasn't on that level. Again, I can see why, because if I'm reading a story—I was an opposition guy too, right?—that starts with words like, "He's a winner at long last," this does not get my back up. This says, "Okay, that seems to have been resolved."

**Mr. Wilkinson:** That's kind of the point that I was making, I say as a backbencher, and a proud one, I might add, with my colleagues here. We sometimes look at the clippings during the day and kind of predict as to what would be the questions from the opposition that day. There seems to be, to me, in my experience, only being here for three and a half years, a pretty direct correlation between the issues of the media and the ones that are asked by the opposition and the ones that are addressed to our ministers.

But I'd like to get back to the discussion I was having with the secretary, if you don't mind, and that has to do with the ability to contain cost. Another issue that I know we've been making some great strides on is the question of government advertising and ensuring that government advertising serves the public purpose, because there had been, I think reasonably, political discourse about—I remember seeing those particular ads that featured former Premiers and former ministers. So I'd like your com-

ments about that. I had asked you about the reduction of consultants—but this issue of advertising and the changes that have happened.

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**Mr. Dean:** There has been a very significant change in the government's approach to advertising. As you know, early on in its mandate, this government introduced requirements that advertising was to be of a strictly non-partisan nature. This caused a very significant change in the approach to advertising right across the system. Any advertising now has to be submitted to independent review. It's a much tighter, public-service-oriented approach to marketing government initiatives. That has been quite a sea change, I must say. It requires ministries to bring a very, very different scrutiny to the process of marketing and public communications. Almost entirely, to my knowledge, a very pristine approach has been brought to that. Quite a sea change, actually.

**Mr. Wilkinson:** I was just wondering, because there seems to be a line of questioning on this and because we seem to have been able to hold the costs in the Office of the Premier, and it is important that the Premier sets the tone. As I was mentioning before, if the Premier's office itself exceeds their estimates by some 76%, that has to send a pretty interesting message to all the other ministries that somehow money is flowing freely. I want to say thank you on behalf of all of us in the Legislature that you're doing a good job of actually managing those costs and resisting the constant pressure to spend more, because you're driving this issue of efficiency. I believe that the service, as you've said, is improving.

Could you give me some other examples of areas where you're using modern business techniques? In my position as parliamentary assistant to the Minister of Research and Innovation, who happens to be the Premier, I was at an awards ceremony about six months ago where our OPS actually received two national awards because of the tremendous work that they are doing embracing modern business tools to effectively promote public policy by the government. I just want to, first of all, commend you because I know that all of those people ultimately report to you. I'd be interested in hearing your approach as to how you're able to manage that.

**Mr. Dean:** Two things: I will say, first of all, that over the last three or four years on the fiscal management front, this is an administration that, more than others I have worked with, has built budgets around priorities and actually quite a small number of priorities. They're the priorities that the Premier brought in really early in the mandate, and I won't restate those—they're well-known, mostly in the health, education and economy areas.

We have seen, over the last three or four years, budgets structured around those priorities. That means that, for the most part, the lion's share of ministries have been flatlined in terms of spending. That means that any salary increases have to be absorbed by those ministries. It means that they have to become more and more efficient. I see lots of references across governments and jurisdictions to zero-based budgeting, but I have not seen

many examples where that has actually worked in practice. It certainly has been working here in the last three or four years.

To get back to the business of modernizing government and creating more efficiency, I've talked about the fundamentals: A front-facing, vibrant and responsive counter service; Internet service that provides relevant and timely services to the public; back-office services that are connected and that support that outward-facing service strategy; and information technology that supports, at an enterprise level, efficient and effective service delivery. Supply chain management: something that we learned from the private sector. We've been selective, I would say, in learning from the private sector. We test, and some things that work well in a public-sector context, we embrace. Certainly supply chain management is one of them.

When we looked out across government at the amount of money we were spending on procurement, globally we spend about \$3.5 billion a year. We can obviously hugely leverage that spending if we centralize purchasing. We've done that, to great effect, and saved an enormous amount of money. We've actually taken that learning and driven it out to the broader public sector, and we've now supported the health and education sector to develop consortia in terms of purchasing organizations, and they are learning from us in that regard.

I talked about money-back guarantees driven through online channels. We talked about birth certificates. We've now followed the birth certificate guarantee with money-back guarantees for marriage and death certificates, and also, importantly, thinking about this from a business perspective, online applications for master business licences. I don't need to tell you how hugely popular this is with the business community. It builds on a number of initiatives that have been focused on, in particular, small business by this administration. Again, just like birth certificates, they are delivered on time 99%-plus of the time, and service quality and customer satisfaction are going up.

A really neat thing that I'm really, really proud of, and that a lot of people worked very hard on, is that any parent who has had to apply for key pieces of information, certificates, on the birth of a child will know that previously one had to go to the municipality for birth registration, to the province for a birth certificate, and to the federal government for a social insurance number. That means, generally speaking, three long lineups and maybe going to the wrong office two or three times and told that that responsibility is at another level of government. We're saying that that isn't good enough any more. We have partnered now with the federal government and municipalities and are providing to the new parent, in many cases at the hospital level, online applications for those three pieces of certification through one application form.

That tends to be pretty popular with second- and third-time parents. If parents have gone the three-government approach, they really love the ability to get all of that done in one place at one time. I don't need to tell you how much cost saving is wrapped up in that. That means

that all three levels of government can reinvest those savings in public priorities. By the way, if you're a first-time parent and you're able to make that application at one time in one place, it probably just makes common sense to you that that's the sensible way to do it. If you're a second-time parent and you've tried it the old way, it's a revolution, and we're getting a lot of positive feedback from that.

We're taking the enterprise approach as well to the area of human resources. If there's one area that governments—not just in Canada, not just in Ontario, but globally—have not invested appropriately in, it's the area of human resources. You cannot build modern, efficient public sector organizations without getting the right human resources framework in place. Again, it involves looking at what's appropriately done at the ministry level and what's appropriately done at the enterprise level.

You will all know that we are engaged in fierce competition for new talent with other public sector organizations and with private sector organizations. We have to do a better job, and we are doing a better job. We have a young professionals secretariat now that is involved not only in the business of recruiting the best talent from our universities but in keeping them here once they get here. In somewhat of a breakthrough, not just in Ontario but I think internationally, we've staffed that young professionals secretariat with young people, and we're getting remarkably fresh perspectives from them and really good advice.

We're following that approach through the human resources chain, not just on recruitment. We're putting a new emphasis on talent management, identifying where the hot talent is in the organization. We have a terrifically diverse workforce, by the way, in the Ontario public service, but you won't be surprised to know that a lot of that diverse talent is clustered around the low and middle part of the organization. And one of the things that we want to do is identify the leaders of the future and elevate that talent through the organization as quickly as we can. So we're getting serious about talent management.

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We are getting serious about performance management, because obviously, like other leading-edge organizations, we cannot tolerate mediocrity and poor performance, and we're not going to tolerate mediocrity and poor performance. That means getting serious about performance management. It means tying compensation to results. We have, certainly for our entire management cadre now, an approach that ties money to performance, and that's very important.

If we again look out to the broader public sector, as I say, we're working with our partners to extend what we're learning out to them.

Lastly, I'd like to say that none of this is possible—you cannot drive service delivery improvements without partnerships with the broader public sector, the federal government and municipalities. If there's one thing I've learned over the last 17 or 18 years in government, there is nothing that government can really do well in a

significant way in service delivery on big policy, on big implementation, on its own. It increasingly demands effective partnerships with other public sector organizations, voluntary organizations, our community organizations and the private sector, and we're endeavouring to do that. We wouldn't have a new labour market development agreement now and the new Employment Ontario, where we have about a billion dollars invested in training, without that kind of co-operation. We likely wouldn't have a new immigration agreement, we wouldn't have the kind of service collaboration we have with our federal and municipal partners without public servants, with political permission and encouragement, joining hands with our colleagues across jurisdictions.

**The Chair:** Mr. Dean, thank you. That does conclude our time.

**Mr. Wilkinson:** Thank you, Mr. Chair. I know the secretary is able to prove that you can be a public servant and passionate at the same time. We appreciate what you're doing.

**The Chair:** We do have time for one last-minute 20-minute rotation today from the official opposition.

**Mrs. Elliott:** I would like to address my first question to Mr. Dean again, if I may. Going back to the 2004-05 time frame, given the fact that the Ombudsman's report indicates that there were escalating concerns with respect to insider fraud within the OLG, can you tell me when this became an issue, or when your office first became aware of it, and then how you treated it and what you did about it?

**Mr. Dean:** Certainly. I would have personally become aware of this issue sometime around the middle of October 2006, so just around the time when it was hitting the airwaves in a significant way. It would usually be my practice to check in with the deputy minister responsible and to ensure that the deputy minister had, if you like, turned the lights on appropriately in the ministry, if they weren't on already, to this issue, and was looking into it, was working actively with the agency.

Generally speaking, I think as the Deputy Premier said earlier, my style is somewhat reflective of the Premier's, in the sense that I tend to recommend to the Premier for appointment the best deputy minister talent that I can find, and then I expect them to do their jobs. I don't micromanage; I don't look over the shoulders of 27 deputy ministers. But usually when an issue of significant magnitude arises, I will, from time to time, have conversations and check in and see how things are going.

**Mrs. Elliott:** So prior to October 2006, this hadn't really gotten onto the radar screen for you or anyone else in your office?

**Mr. Dean:** That is correct. I heard about it in relation to the fact that it was going to be the subject of a television program, and if I can provide some broader context to that, again, I'll return to something that the Deputy Premier was saying. Things have changed an awful lot in governments—municipal, provincial, and obviously federal—over the last 15 or 20 years. One of the things that has changed is that—we heard about the world of the global and international earlier—we live in a

global economy. We deal with global issues. We are interested in global investment attraction. There is much, much more interest, in the world of government in the Premier's office and my office, in the international climate than there might have been 15 or 20 years ago. There is much more interest in the national and inter-governmental than there would have been five, 10, 15 years ago.

For example, consider that in the time period that you're talking about there was a very, very significant fiscal gap issue that was consuming certainly a lot of my attention and I think a lot of the attention of the people in the Premier's office. We are scanning the economic environment; we're looking at what's happening with jobs, with economic forecasts. So there is a significant economic component to the operating environment that we operate in. There is a big policy component to the world that we are operating in. We're worried about health sustainability; we're worried about public health; we're worried about education. There are issues that are raised by the opposition, and those come onto the radar screen. There are internal management and human resource issues. And somewhere in that universe, in that large and thorny and complex environment that I and my political and Premier's office colleagues occupy, there are things that are happening in the media; there are things that are happening in the 300-some agencies out there associated with government; there are things that are happening out there in the broader public sector—in hospitals, in schools, in universities.

I ask you to think about the fact that in that global, international, national, intergovernmental economic context, we find that something that's happening in one of our agencies is the subject of a television program. It's important, yes, but it sits in a massive—massive—and complex operating environment in which we deal. If that had been the only issue that day that arrived in my environment, I imagine that I would have given it probably a bit more importance, and it would have been given more importance in our universe. But I can tell you with a great deal of certainty that that would not have been the only issue on the radar screen that day. There was much more to worry about and be concerned about. But if something is going into the national media, it certainly attracts my attention and I take whatever due diligence is necessary to ensure that people with appropriate responsibility are looking into that and are preparing to deal with it.

**Mrs. Elliott:** If I may ask specifically how this issue came to your attention, was it as a result of a memo from someone else, or was it just your own knowledge of this television program?

**Mr. Dean:** I heard about this directly from the deputy minister responsible.

**Mrs. Elliott:** Of infrastructure renewal?

**Mr. Dean:** Yes.

**Mrs. Elliott:** Was this in response to the television program coming up; he just told you that you could expect to see this?

**Mr. Dean:** That's correct.

**Mrs. Elliott:** Can you tell me what your response was to that? Were you concerned that you hadn't known about this before?

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**Mr. Dean:** As I would normally do, as would my colleagues across government and my colleagues in political office—this is a world in which the unexpected is happening all the time. One deals with these things soberly and thoughtfully. My initial reaction would have been to ask for more information: What is the subject of the inquiry? What is the news organization interested in? What can we expect to see and hear in that show? What are we doing to figure out whether or not this has resonance? What lies behind it? Let's get some of the facts on the table. That would have been my first reaction. The initial reaction would be, naturally, an inquisitive one: What's all this about? What am I likely to hear? What issues are going to be raised, and are you, as the deputy minister, in a position to prepare your minister to respond to them? That would have been my reaction.

**Mrs. Elliott:** In this particular instance, do you recall whether the deputy minister had more specific knowledge and had some background information, or was well aware that this was happening, or did you ask him about his degree of knowledge about it?

**Mr. Dean:** Carol Layton is the deputy minister. My sense at that time was that the deputy minister had fairly limited knowledge. That was the sense; that's my recollection right now. So my recollection is that she undertook to find out as much information as she could and to report back to me.

**Mrs. Elliott:** I guess the next step would be, what, then, came back to you as a result of the inquiries that the deputy minister made?

**Mr. Dean:** The next level of information, quite honestly, that I recall—the next level of information that came to me was that this related to some issues related to Mr. Edmonds's case and some concerns around the efficacy, if you like, of the lottery process. So really, no more than I then saw on the television program itself.

**Mrs. Elliott:** Were there any memos or briefings or anything specifically prepared for you on this point?

**Mr. Dean:** At the time I learned about this, I was actually out of the country, so this was mostly for the purpose of keeping me up to date on what was happening back at home. So it mostly would have been quick telephone briefings.

**Mrs. Elliott:** Were there any subsequent briefings prepared for you?

**Mr. Dean:** I have since that time kept in touch with the deputy minister, and from time to time, yes, we've had updates on work in progress and, if you like, the government's response to the television program—and, of course, subsequently mostly to the Ombudsman's report and the KPMG study, because obviously, albeit that agencies are at arm's length, one's professional instinct in situations of this sort is that once an independent body is looking at it, one turns the attention of the organization to supporting that review and, once the review is com-

pleted, getting on with the job of implementing recommendations. For the most part, that has been a perspective that I've taken, and I think that has been the perspective of the deputy minister as well. I think we've made considerable progress in doing that, quite honestly.

**Mrs. Elliott:** I hope you understand that this is also my first appearance before the estimates committee, so my next question—I'm not sure whether you're allowed to produce this. Are you in a position to produce for the committee any of the materials, any briefings, notes, memos or anything of that sort that was prepared for your office with respect to the whole issue, I guess commencing from October—well, prepared for you after you became aware of it that may have related to the whole issue generally?

**Mr. Dean:** I am happy to check my files, and to the extent that I have briefing materials, I will make them available to you, yes.

**Mrs. Elliott:** Thank you. I have just one other question. Was any further action taken by your office after you became aware of the Ombudsman's office becoming involved other than simply facilitating information that may have been requested? Was there anything else that proactively your department—were there any steps you took with respect to this matter?

**Mr. Dean:** I think the main thing is that once an independent reviewer, the Ombudsman—we're familiar with his meticulous approach to these things. It's an all-hands-on-deck situation to get information to the Ombudsman, because once that process is under way, obviously we want to harness our resources and get as much information to the Ombudsman as we possibly can.

**Mrs. Elliott:** Thank you, Mr. Dean. I believe Mr. Wilson has a few questions.

**The Chair:** Just over four minutes.

**Mr. Wilson:** Thank you, Mr. Chair. Mr. Dean, along the same lines: You became aware in October 2006, shortly before The Fifth Estate story, I guess, as the deputy informed you. To the best of your knowledge, we're not going to find anything that goes back to 2004 or 2005 or prior to October 2006 in terms of the cabinet office giving any memos at all to the Premier's office, a heads-up on this issue, memos from the OLG to the cabinet office? Have you done a thorough search?

**Mr. Dean:** I can tell you that, to the very best of my knowledge, my office was not aware of this issue until it was raised in the context of the forthcoming Fifth Estate program; I certainly wasn't.

**Mr. Wilson:** Okay. We're asking in terms of there being no policy change request. Certainly you're saying there was no media heads-up prior to October 2006.

**Mr. Dean:** That's correct.

**Mr. Wilson:** Should there have been—

**Mr. Dean:** Should there have been?

**Mr. Wilson:**—given that the auditor says that in 2005 and 2006 activity was escalating and complaints were going up?

**Mr. Dean:** In retrospect, I might have expected that I would have learned about something like this a little bit sooner. But placing that in context and thinking about,

again, the magnitude of issues that we deal with, when we create arm's-length agencies, we place a high degree of reliance on a fairly continual chain of communication from those agencies. The further away, if you like, from my office the issue is, in some cases, the longer it takes to bring that issue to the attention of government and my office. I'm just speculating.

I would have thought certainly that if The Fifth Estate was involved, I might have had a little bit of an earlier heads-up. So I was a tiny bit caught off guard, yes, to be very honest about it.

**Mr. Wilson:** Were you disappointed that the deputy—the deputy at the ministry should have known. You can answer that or not answer that, I suppose.

Just give us your overview of the relationship between the so-called arm's-length agency—I know on the books it's arm's length, but it seems to me the government appoints the board members, the government appoints the chair, and the chair and the board are directly reportable to the minister. Something broke down somewhere if no one knew anything about these issues until The Fifth Estate calls.

**Mr. Dean:** First of all, I think it's very important to say that I wasn't disappointed with the deputy minister. The deputy minister is somebody I have tremendous faith in. My sense was, as I mentioned to Mrs. Elliott, that the deputy minister had received this information fairly recently. I will say that the deputy minister has worked tirelessly over the last several months in supporting the government on this issue.

We do have accountability relationships, of course, with our agencies, and again, maybe I'll just remind you that there are about 300 or so—in fact 309—classified

agencies, so one might call that a whole bunch of agencies out there. Obviously, there are accountability directives that set up accountability relationships with those organizations. We ordinarily require a memorandum of understanding that sets out those accountability relationships, and those are in place. A business plan has to be submitted annually, for example, by the agency for approval by the minister, and it has to include an overview of the agency's activities and performance measures. Every three years, the business plan has to be submitted to Management Board for approval. There's an annual report provided by our agencies to the minister, who in turn tables it with the Legislative Assembly; and that, as a minimum, must contain a description of the agency's performance relative to targets and financial statements. A process is also required for responding to complaints about the quality of services. There is a requirement that certain agencies must have an annual audit. There can be periodic reviews. So the accountability requirements are quite tight. One, of course, relies upon the senior management of those agencies to establish a culture in which, if I can put it this way, oxygen is supplied to those accountability directives. So agency by agency, one does see some variability.

**The Chair:** Mr. Dean, we'll leave it at that. Thank you very much.

Folks, that does conclude that segment by the official opposition. We will have, at the conclusion of that, four hours and 34 minutes remaining when we resume on Tuesday, May 1. This committee is adjourned until Tuesday, May 1, right after orders of the day. Thank you very much. Have a good evening.

*The committee adjourned at 1803.*

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