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Official Report of Debates (Hansard)

Wednesday 12 May 2010

Journal des débats (Hansard)

Mercredi 12 mai 2010

**Standing Committee on
Estimates**

Ministry of Government Services

**Comité permanent des
budgets des dépenses**

Ministère des Services
gouvernementaux

Chair: Garfield Dunlop
Clerk pro tem: William Short

Président : Garfield Dunlop
Greffier par intérim: William Short

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 12 May 2010

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The committee met at 1615 in room 151.

ELECTION OF ACTING CHAIR

The Clerk pro tem (Mr. William Short): Good afternoon, honourable members. It's my duty to call upon you to elect an Acting Chair. Are there any nominations? Mr. Mauro.

Mr. Bill Mauro: Mr. Clerk, I would nominate Mr. Ernie Hardeman.

The Clerk pro tem (Mr. William Short): Mr. Hardeman, do you accept the nomination?

Mr. Ernie Hardeman: Yes.

The Clerk pro tem (Mr. William Short): There being no further nominations, I declare the nominations closed and Mr. Hardeman elected Acting Chair of the committee.

The Acting Chair (Mr. Ernie Hardeman): Good afternoon. It's great to be here. First of all, I want to thank the committee members for their great confidence in electing me as Acting Chair.

MINISTRY OF GOVERNMENT SERVICES

The Acting Chair (Mr. Ernie Hardeman): We'd like to welcome the minister. Today we will continue with vote 1801 for the Ministry of Government Services. We'll start with questions from the member from the third party, Mr. Miller.

Mr. Paul Miller: My first line of questioning would be in reference to the green office. I'd like some detailed information on these pilot projects. What is the program? Where is it operating? Who's overseeing it? What are the targets for the program review? And the first one I'd like to discuss is telecommuting.

Hon. Harinder S. Takhar: Thank you very much for asking this question.

Let me just first say I think the OPS has been a leader on the green office side, and that's why they won the Canada's Greenest Employers of 2010 award. This award is a testament to the hard work and dedication of the people who are working to reduce the environmental footprint of the Ontario public service. There are many reasons for selecting the Ontario public service for this award. Let me just outline them; it might answer some of your questions.

The creation of the Ontario public service green office was in September 2008, so it's first in its own right. The

Ontario public service green transformation strategy focused on targeted reduction of the Ontario public service environmental footprint, creating sustainable business practices, and creating a green organization culture in the Ontario public sector. There's a wide range of Ontario public-service-wide and ministry green initiatives, including the diversion of over one million pounds of electronic waste from landfills and creation of the Think Green Internet site to engage and educate employees.

The goal for going green is to shrink the environmental footprint of the Ontario public service by reducing our greenhouse gas emissions and reducing our impact on the environment. The government is reviewing all key areas of consumption, including energy, fuel, printing and the use of electronic devices, as priorities for reducing our environmental footprint.

I'm going to ask the deputy minister to take you through the details to tell you exactly where it is in the ministry and what we have achieved.

1620

Mr. Paul Miller: I really don't need you to describe all the wonderful things about the program. What I need are the answers to the questions I asked. I'm aware of the program and those types of things. What I asked was—and I'll reiterate for you—what is the program? Where is it operating? Who's overseeing it? What are the targets for the program review? I don't believe you touched on any of those in your opening statement, so if you could do that, I'd appreciate it.

Hon. Harinder S. Takhar: Okay. I will ask the deputy to do that.

Mr. Ron McKerlie: Thank you very much. Good afternoon, everyone.

What is the program, where is it operating—I'm sorry, the third question was?

Mr. Paul Miller: Who is overseeing it? What are the targets for program review?

Mr. Ron McKerlie: Thank you very much.

The Acting Chair (Mr. Ernie Hardeman): If I could ask, when we have a new speaker, if you could introduce yourself for Hansard so we know who is speaking.

Mr. Ron McKerlie: Absolutely. My name's Ron McKerlie. I'm the Deputy Minister of Government Services, the associate secretary of cabinet, and the secretary of Management Board.

The Acting Chair (Mr. Ernie Hardeman): Thank you very much.

Mr. Ron McKerlie: The green office is a part of MGS. There are a total of 13 full-time equivalents who work out of 777 Bay—that's where they're located. They have a budget of about \$1.5 million a year to run that entire section. It's overseen by an assistant deputy minister, Neil Sentance, who reports to me. Neil and his team are responsible for the implementation of a multi-year OPS green transformation strategy. This is a strategy that's focused on reducing greenhouse gas emissions from government operations and delivering business improvements that support and align to our broader climate change action plan.

The types of programs, for instance, that they would run, that they would have targets around, would include the reduction of electricity. So one of the programs that we put in place was to have all of the computers automatically go to sleep if they're not used for I think 15 minutes. That saves us 19 million kilowatt hours of electrical power every year, that single program.

Another target they have is around reduction of paper. Currently, the OPS is a big user of paper: 700 million pieces of paper a year. Our goal is to cut that in half. So they implemented things like double-sided printing, making that mandatory. They're reducing the number of printers. They're taking out fax machines and moving to electronic delivery of faxes in the Ontario public service, and moving to scanners and technology that will reduce or eliminate the amount of paper in use.

Mr. Paul Miller: So this basically is salvaging power. That's what this is all about. This particular group is taking care of recycling, salvaging. That's their mandate.

Mr. Ron McKerlie: Part of it is reducing power consumption. Part of it is reducing consumables. Water and paper would be the two of the largest ones.

Mr. Paul Miller: That's a good answer. The next group would be enterprise video conferencing. What are you doing there? The same line of questioning.

Mr. Ron McKerlie: We have a number of programs in place right now for enterprise video conferencing. We work with commercial suppliers putting video conferencing in locations where there's a high likelihood that a video conference facility would reduce travel. For example, right now there's a pilot being run between Thunder Bay and Toronto using gear in both locations. Thunder Bay-Toronto is our number one end-to-end travel destination, so the goal is to reduce the number of air trips between Thunder Bay and Toronto.

We're also testing smaller scale video conferencing that we would use in boardrooms, for example, to try—even within cities—stop people from having to travel from location to location for meetings. The next phase is to test, in some cases, individual video conferencing. These would be the types of webcams, for example, that you might be familiar with in a personal setting. The goal of all of that is to reduce the cost of travel, primarily airfare, but also intercity taxis, car travel and so on.

We also use video conferencing for a number of other uses. Telemedicine would be one that you might be familiar with, which is used primarily in the north and in

communities where it's difficult to get to a doctor. We also use it for justice on demand. We have a number of these video conferencing units that are set up in our detention centres in the province so that, rather than transporting people who are being held awaiting trial in our correctional facilities to the courts, they do the video remand process, which allows us to, obviously, keep vehicles off the road—

Mr. Paul Miller: Thanks. I think I get the drift on that one.

Number 3 would be e-waste disposal, and I guess that also hinges into power management. Maybe you could do them both the same. I'm sure there would be overrides on both for those two.

Mr. Ron McKerlie: Our goal is to divert as much electronic waste as possible to keep it out of the landfill sites. The OPS is a big consumer of technology, PCs, laptops and other machines that would have heavy metals and so on in them. Right now, we are diverting 82% of our waste out of OPS buildings from landfills and we're doing that through waste reduction programs and recycling programs to reduce, reuse, recycle and compost waste materials.

We also have a very specific e-waste program that deals with electronic waste. We use a company that will recycle 100% of the parts of computers, for example, when they come off lease or when we're done with them—when they reach end of life. So far, we've recycled over 500,000 kilos of electronic waste. They take out the precious metals, the heavy metals. They recycle all of those, and then the plastics and the steel and the other parts of those units are recycled as well.

I'm sorry. Could you just remind me—

Mr. Paul Miller: No, that pretty well covers that section. I think you kind of overlapped both, which took in what I wanted to ask.

The next question: What are you doing to reduce the government's carbon footprint by 27% by 2020? Maybe you could give me some details on that program.

Mr. Ron McKerlie: Sure. There are several big areas that contribute to the government's carbon footprint. Buildings would be one, and the HVAC footprint related to running and operating government buildings. The other one would be our fleet of vehicles that the government runs.

The green fleet strategy was approved by our Management Board of Cabinet in 2007 and contains very specific reduction targets to reduce fuel consumption and greenhouse gas emissions. The key aspects of the green fleet strategy include what we call fleet rightsizing targets. This is to eliminate older, less fuel-efficient vehicles and select the right vehicle for the right use.

We have a hybrid vehicle strategy and we also have use of alternative fuels and technologies like E85 fuel and driver education and awareness programs that are targeted at helping people to drive and use less fuel in the process.

As of January 25, 2010, the OPS vehicle fleet consisted of 748 hybrid vehicles, which includes one electric

hybrid vehicle. This places the OPS significantly ahead of the target of 325 hybrids within the fleet by 2012.

In partnership with MTO, the Ministry of Transportation, we've implemented an OPS-wide fleet management system, which contains key fleet information in order to track, monitor and improve GHG emission rates of the OPS fleet and overall fuel efficiency.

In partnership with MTO, we've delivered 48 green driver training courses to over 700 OPS vehicle drivers covering driving actions and habits to help drivers be more responsible in reducing fuel consumption and environmental impact. In addition, the OPS green office is supporting the Ministry of Transportation's pilot of anti-idling technologies in its fleet vehicles.

We also have specific reductions around electricity consumption, to your point. In April 2004, the government of Ontario announced a 2007 target date for a 10% reduction in electricity consumption in the buildings that it owns, and by March 2007, the Ontario Realty Corp. advised that the OPS had exceeded this goal, reducing consumption by 12%. The government has subsequently committed to reduce energy consumption by another 10% by 2012.

1630

We talked a little bit about the OPS power management strategy. That was part of it to reduce the use of electricity through our CPUs, our computers. This has saved, as I mentioned, 19 million kilowatt hours per hour of energy. We've also banned the purchase of incandescent light bulbs for Ontario government facilities. That was done back on April 18, 2007. We're now using the compact fluorescent bulbs, which use approximately 75% less electricity.

Mr. Paul Miller: Okay, thank you. That's good on the electricity savings. I think I understand that fully.

I'd like to move on. Yesterday, I asked specifically about the information and privacy commission's Privacy by Design program, but I didn't get an answer. I'll ask again today, and I'd like a full answer. If you're not able to answer the question, then I would ask that legislative counsel or the legislative researcher provide the answer within the next three business days.

My question is: Who holds the trademark, the copyright, for Privacy by Design?

Mr. Ron McKerlie: I'd like to ask Dr. Mark Vale, who's our chief information and privacy officer, to join me at the table. Dr. Vale is the individual who works with Dr. Ann Cavoukian and her assistants at the information and privacy commission and has some of the details on Privacy by Design. Mark?

Dr. Mark Vale: My name is Mark Vale, chief information and privacy officer for the government of Ontario. Privacy by Design was a concept that was introduced in the mid-1990s. The trademark is actually owned by an individual, Peter Hope-Tindall, who, in those days, was a private sector consultant on privacy issues. The Information and Privacy Commissioner, however, has heavily promoted this concept as a sensible way of ensuring that personal information is protected in program and

systems design. In fact, within the Ontario government, we require every new program and every new system to conduct a privacy impact assessment. The privacy impact assessment is, in fact, the Privacy by Design principle, and we've required that since 1998—

Mr. Paul Miller: Dr. Vale, can I ask you a question? This patent is not owned by the government of Ontario?

Dr. Mark Vale: No.

Mr. Paul Miller: Okay. So this program that has been developed using public money is the copyright property of the commissioner. I think we have a serious problem here. Usually, when a person is working for an organization, any program, invention or other such thing that they develop is the property of the employer. Public money has been used to create and develop this trademark and it is, by my figuring, the property of the government of Ontario.

I ask that the minister take all appropriate action to fully investigate this, have the copyright taken back in-house as the property of the government of Ontario to be used only when the government expenses with prior written permission. I would like to see this done. I feel that this should not be an individual's copyright when we're using government money. I have a problem with—

Interjection.

Mr. Paul Miller: This is my time, thank you.

I'd like some answers on that, if possible.

Hon. Harinder S. Takhar: We will look into that and see when it was done and for what reasons it was copyrighted under their name.

Mr. Paul Miller: I'd appreciate that.

Go ahead, Dr. Vale. Sorry for interrupting you. If you have anything to add to that, or did I hit it on the head?

Dr. Mark Vale: We don't have a Privacy by Design program, and we don't use that terminology. The commissioner promotes that in her speeches around the world on privacy. The Privacy by Design principles are to identify risk and develop appropriate mitigating strategies in both system design and program design. It is a concept that we have used in the Ontario government in our privacy impact assessments and the methodology around those assessments since 1998.

Mr. Paul Miller: Would that funding, required in your programs or your research, have been taxpayers' money?

Dr. Mark Vale: Yes, but not subject to any trademark or copyright on the Privacy by Design trademark, but—

Mr. Paul Miller: Could that individual who had the copyright or trademark working in conjunction with the government utilize some of the material that you developed over the years to enhance their program, to go worldwide and use it under their flag as a copyright?

Hon. Harinder S. Takhar: You are making a good point. We'll look into that and see when this concept was copyrighted, and—

Mr. Paul Miller: This is a serious matter—

Hon. Harinder S. Takhar: No, no.

Mr. Paul Miller: —because this is involving a lot of money.

Hon. Harinder S. Takhar: And who did it and what, if anything, can be done.

Mr. Paul Miller: Thank you, Dr. Vale.

My next question is accountability. Funny I come up with that next, but anyway, I'd like a description, in detail, of the travel, meal and hospitality expenses directive.

I'd also like to ask the minister or deputy ministers: Do you have, in your ministry, any performance bonuses? Do you have any of that in there for executives?

The Acting Chair (Mr. Ernie Hardeman): We are approaching—

Mr. Paul Miller: The deadline?

The Acting Chair (Mr. Ernie Hardeman): About two minutes.

Mr. Paul Miller: Okay. I'm sure they'll be glad to move on.

Hon. Harinder S. Takhar: Well, no.

Interjection.

Mr. Paul Miller: Was that a yes or a no? Do you have any bonus plans in your ministry, performance-enhanced bonuses?

Hon. Harinder S. Takhar: Let me give it to the DM; he can give you details. There are performance incentives for senior management, and he can give you the details. It's for all OPS—not all OPS employees, but the senior OPS employees.

Mr. Paul Miller: I know that you have made some accountability measures with travel, meal and hospitality expenses. I know you've moved in that direction. I'd like to hear a little more about the bonus incentives.

Mr. Ron McKerlie: We've been asked two questions. Which question would you like—

Mr. Paul Miller: Well, you can do either one; I don't care. Go ahead.

Mr. Ron McKerlie: The government did release a revised travel, meal and hospitality expenses directive, effective April 1, which provides a stronger and simpler set of expense rules for employees at ministries, employees and appointees at classified agencies, consultants and contractors to ministries or classified agencies, and designated persons in all organizations prescribed by regulation under the Public Sector Expenses Review Act, 2009. The revised directive is part of the Premier's fall 2009 commitment to implement additional accountability measures to ensure taxpayer dollars are used wisely.

The main changes to the directive include the following: first, the expansion of the scope to include designated persons in all organizations prescribed by regulation under the Public Sector Expenses Review Act, 2009; secondly, the authorization to disclose information about expenses on a public website for designated senior managers in ministries, designated persons prescribed by regulation under the Public Sector Expenses Review Act, and designated persons in designated classified agencies. A change to the approval is required for all ministries, classified agencies and those entities designated under the Public Sector Expenses Review Act. Organizations wishing to serve alcohol, for example, at a hospitality

event must obtain prior written approval from the deputy minister of the relevant ministry. That's now required; that's a new change.

Tighter timelines are put in place as well for submitting claims. The rules have also been clarified to ensure greater understanding and compliance.

So there is prior written approval now required for the service of alcohol at hospitality events and prior written approval required for international travel. There's enhanced information on the exercise of managerial discretion. There's a clarification that prior approval for meals is required when travel is a regular part of the job, so that—

The Acting Chair (Mr. Ernie Hardeman): Thank you very much. That concludes—we've gone considerably over, but I'm sure that question would come up again anyway. Thank you, for the record, that it's there.

We now will go to the government side. Mr. Brownell.

Mr. Jim Brownell: Thank you, Chair. Good afternoon, Minister. This is a great opportunity to investigate and to understand what's going on in your ministry.

I have a couple of questions that relate to something very near and dear to my heart: the Archives of Ontario. Before arriving here at Queen's Park, I had many, many opportunities to work with the archives in their holdings down at 77 Grenville. That address is well etched in my memory, having spent many hours there in university research back in the 1980s.

1640

I do know that the archives have now moved to a new location. I haven't been out to the new location. I understand it's quite a piece out from the downtown, where it was before. But I do want to say, before asking the questions, that the staff at the archives do absolutely wonderful work and I want to congratulate them, through you, for their good work.

In fact, this past year, I had an opportunity of seeing some of the good work. I discovered that my great-great-uncle served here as a member of provincial Parliament for 19 years, through five different elections—he was elected five times—and I had no idea that his portrait was hanging upstairs until I was doing some research and there he was. I discovered that it was the Archives of Ontario that hold all these paintings and pictures and whatnot in their holdings, and they are just basically on loan here, so to speak—on display for sure.

But in moving out to the new location, I'm just wondering, why the move? Why was it necessary? I've heard some things, but I haven't had a full scope of an understanding there. Also, what benefits have been derived from that move? Certainly, as I said, I spent a lot of time down at 77 Grenville and know what the location was like, but I'd like to learn a little bit more, and I think the members of this committee would like to know a little more, about that move, which took place, I think, just last year.

Hon. Harinder S. Takhar: Let me just talk a little bit first about what the purpose of the archives is. The archives is responsible for managing, storing, conserving,

arranging, describing and providing access to Ontario's documentary history. It's valued at almost \$41 million. The kinds of record that they keep there are recording births, confirming deaths, verifying divorces, documentation of ownership, detailing cabinet decisions, documenting court proceedings, assisting police investigations, and fulfilling other obligations such as legal and research purposes. And you said your uncle's picture was there; I'm sure your picture is there too.

Mr. Jim Brownell: Actually, it's right across the—

Hon. Harinder S. Takhar: Yeah, all the records are there. The records provide the basis for all historical research, so, you know, maybe two generations later, if somebody wants to see if you were a member of provincial Parliament, they should be able to find it.

They record the development of Ontario in all its diversity and complexity. The archives include the government of Ontario's art collection as well, which dates to the middle of the 19th century and now comprises approximately 2,600 artworks estimated to be worth at least \$16 million, and some of the pictures that you see in the cabinet offices belong to the archives records as well. You can borrow some of those, the paintings from there, for the offices, on loan.

The archives is mandated through ARA to make its collections available to the public. Refusal to grant access is affected by the Freedom of Information and Protection of Privacy Act. Any other legal restrictions are by agreement with the donor of a private collection.

Because it is such an important part of our record and history, we wanted to make sure that it was kept in a place which is adequate from the point of view that you go and search the records, and the space that we had in downtown Toronto was really not adequate. What we have done is we have actually built a building which is basically suited for these kinds of records, so if you go in there, it's a very secure place.

What are some of the advantages? This is situated at York University's Keele campus. It has more empty space; it has improved facilities. The archives now has a much larger reading room, an exhibit gallery, and a classroom space that facilitates a broad variety of educational initiatives. Actually, I had the great opportunity of opening it when we moved up there, and it is a beautiful facility. There were a lot of people who were really using it who were interested in the history of Ontario and so on.

The Archives of Ontario has been collecting, preserving and providing access to the province's history since 1903. As the guardian of Ontario's documented memory, the archives is consistently striving to bring the past to life by promoting excellence in record-keeping and custodial practices. Our customers, our collections, and our ministry's strong commitment to the modernization of government operations were the driving force behind the move to our new home. For the first time in its 107-year history, the archives has a state-of-the-art building equipped to properly protect and showcase our incredible holdings for the benefit of our diverse customer groups, and it's the history that we're trying to preserve.

I'm going to ask the deputy minister to talk a little bit about the functions of the Archives of Ontario and so on.

Mr. Ron McKerlie: As the minister said, we moved into the new facility earlier in 2009, in April, and Miriam McTiernan is the Archivist of Ontario.

It was in 1972 that the archives moved into the former building at 77 Grenville, which you mentioned. They had a relatively small reading room, which served as the access point for all public and government researchers. One of the key purposes of the new building was to get a much larger, state-of-the-art reading room where they could get more people to view the records of Ontario. The physical building at Grenville was outdated. The collection had outgrown the space capacity. This had obviously become a major concern. The aging building defied efforts to bring it into the electronic era. Fire protection was not up to standards and structural issues emerged as the collections continued to grow in both volume and weight. Moreover, after 37 years of storage we found mould accumulating in the ductwork, which is a serious threat to the \$250-million archival collection which is stored in the main facility.

In 2006, there was a consultant's report that confirmed that the inadequate housing was causing a decline in value of \$36,000 a day in the collection's value, so clearly this was a problem. We held a call for proposals to build and to lease back a property over a 25-year term. The winning proposal came from York University—York, of course, Canada's third-largest university, 60,000 students, a big faculty of 5,000 people and lots of use from the university itself to the new archives building.

The proposal was for a central customer service centre to accommodate the most heavily used and valuable records and the employees. A 35-year lease for the building was agreed on and the new purpose-built facility is at 134 Ian Macdonald Boulevard. As I mentioned, we took ownership of it at the end of March and moved in in April.

The entire building was constructed to a silver LEED-certified rating and during construction a number of green measures were implemented with a view to making sustainable choices as individuals, as a business, and as organizations.

The new building is accessible. It has increased the space for customer service in the reading room. Just a few of the features: We have double the public reference space for viewing records, including film and audio recordings, than we had in the former space on Grenville. There are temperature-controlled storage vaults and other environmental measures that provide increased protection for the collections. We have fully implemented security features, including controlled access and closed-circuit television monitoring in the facility. We have new space for exhibiting some of the archives' most valuable collections and making them accessible to wider audiences such as school groups and the York University community. We have a new classroom and education for outreach events. And, of course, we have no mould, which is a big advantage of the new facility.

So, better access and increased learning potential for all Ontarians: Customers have more opportunity to engage with and access the collections than they ever had before. There are new high-resolution screens. There are new digital microfilm readers which give a clearer view of the extensive microfilm collection, and since the microfilm machines convert to digital output, the images can also now be manipulated to suit researchers' printout needs.

It was a tough challenge to move all of the collection to the new facility. There are a number of irreplaceable collections that are stored in the main customer service facility that obviously needed to be properly packaged. These things would include oversized records such as flat maps, plans, glass plate negatives and panorama photographs.

1650

About 25% of the \$16-million government of Ontario art collection was in storage and also needed to be moved. This was a move that took about two years of planning in advance to get ready for. It was brought together and executed to perfection. It was great. There was great support from the team of people who worked on that.

One of the first move projects was to organize all Archives of Ontario records and prepare semi-active paper records for storage at a new information storage and retrieval records centre. This is also a project that started a couple of years in advance.

What else would be of use? I would say the collections department and management unit completed a number of major projects, including packaging nearly 500,000 boxes, volumes and folders of archival records as well as 70,000 library titles that were moved from the old building to the new facility. In addition, over 60,000 containers and items, the bulk of the archives' motion picture film, video, sound and microphone collections, were moved to off-site cool- and cold-storage facilities up in Bolton, Ontario. Together with a large part of the archives' photographic holdings, these special media are now stored in facilities that will better ensure their long-term preservation, which is clearly a priority.

Preservation services staff obviously played a pretty vital move in getting ready for the new facility. It was by far the main focus of their time and energies over the past year leading up to the move. The entire collection had to be physically checked before moving. It had to arrive in the same condition as when it left, so obviously, there was lots of careful planning to get ready for that particular challenge.

One of the most interesting pieces that we moved was the original map of the North-West Territory. It's from 1814 by David Thompson. It was a map that, if you were in the Grenville facility, you might have seen on display just as you went into the reading room area. It was on display at the old building for at least 25 years. It's a 195-year-old map that measures approximately two by three metres. It had to be transported on a stretcher in a special tray, and it had to have a special crate, even, constructed

for its move. It was actually the first object to arrive at the new facility and it arrived weeks before the staff or the collection even made the move. The map is now in permanent vault storage and a reproduction the same size as the original is on display in the reading room.

A large government of Ontario art collection was re-located to one of the purpose-built vaults in the archives' new public service facility. This took place over six days, and the move included over 100 maquettes, which were custom-boxed and crated, close to 400 paintings and works on paper and textiles, and furniture. Most challenging and requiring of particular care were the oversized paintings. Some are more than 10 feet long, so they are truly irreplaceable works of art.

Since it adheres to international archival standards, the new facility offers superior protection for on-site records. Thirteen cutting-edge storage vaults comprise the facility's core, enabling the outer portions of the building to act as energy-efficient temperature controls. Each vault has stringent light and climate requirements. Extremely precise sensing systems detect even the minutest changes in environmental conditions, which greatly reduces any potential risk to the collections. We sample temperatures on a continuous basis and check for contaminants. Particulate contamination is measured in parts per billion, so this truly is a state-of-the-art facility.

The archives are dedicated to offering an extremely high level of service to the public who come to use resources on-site. The public can access material of all formats that are held at the archives in the Alexander Fraser reading room. The reading room features two audiovisual rooms, 12 computer stations with Internet access, 93 microfilm readers, most using digital, Wi-Fi wireless capability, and a client lounge. The reading room also features two kiosks which house our virtual reading room. This is an electronic finding aid to records that replaces the paper finding aids, the old catalogues that you might remember from libraries and so on. The public can enjoy the specially designed montage wall in the reading room. It's a life-size reproduction of the Thompson map, as well as reprints of the Niagara Falls panorama—these would be from 1911, so coming up to 100 years old—that were unexpectedly discovered, actually, in the attic of the Ontario Legislature during its last major renovation.

In order to improve customer service, a new integrated voice recognition system was introduced that fields all the incoming calls and directs them to the appropriate department, ensuring that every call is answered in a timely fashion. In addition, our customer service system will be upgraded to streamline staff responses to customer requests.

In November 2008, the Archives of Ontario launched its first digitization strategy. The strategy addresses efforts to digitize and make available historical documents to the public. This is obviously a strategy to try to make our archives more accessible and the material there more accessible to more people through online services.

The new facility has improved facilities for a digitization lab and we have a number of current digitization

projects that are underway. We're pleased that we're able to move on time and under budget. The Archives of Ontario's new main public service facility was open to the public, as I mentioned, in April 2009. Concluding two years of planning, the archives successfully completed moving its staff and the most valuable portions of its collections to the new facility. There was minimal disruption to the users during the move and the archives itself was actually only closed to the public for four days during that enormous moving exercise.

The Acting Chair (Mr. Ernie Hardeman): You have about two minutes.

Mr. Jim Brownell: I just want to say that you made comments about easier access and whatnot, and I think I discovered that when I found that picture of Kenneth Chisholm upstairs, and then, lo and behold, in a matter of two weeks, I had an almost full-size reproduction of what's upstairs. I have to say, I was very pleased with the time period, because I never thought I would have that in that period of time.

You said that digitization has increased accessibility. Could anybody in the province of Ontario sit in their home, go online and discover as much as you could by going there? How is that unfolding?

Mr. Ron McKerlie: The process that we're going through is to take the records that are right now in paper format and digitize those records. That's a very long process. There is a great deal of material in paper format that would go back well into the 1800s. It will take many, many years before even a major part of the collection of Ontario would be digitized and available online. The starting point is a website. There is a detail of what the item would be in a descriptor, which would allow you to try to narrow in a little bit, and then over time, as we go through this process of digitization, there will be more and more material that will be available online to Ontarians.

Hon. Harinder S. Takhar: But let me say that if you need any information, you can go to the people who work there and they can provide you with the information. There are about 31,000 requests for information every year and almost 22,000 users per day using the archives, so there is an extensive use of it. If you need any information, you can contact them and they will be able to find that information, collect it for you and give it to you.

The archives' customers basically include students, teachers, journalists, land claim researchers—actually, when I was there, there were a lot of people looking for land claims—lawyers, law enforcement agencies, government officials and commissions of inquiry. So there are a lot of people who actually use that information, and the staff is very, very helpful, a very small group of people who really do a great, outstanding job.

The Acting Chair (Mr. Ernie Hardeman): Thank you very much. Now we'll go to the official opposition. Mr. O'Toole.

Mr. John O'Toole: I'm going to share my time with Ms. MacLeod here, who has some really pressing issues. I just want to get a quick follow-up on that very inter-

esting sort of readout on the Archives of Ontario. I have been there myself, one time. Is there any charge for that service? Is it a cost-recovery thing?

1700

Hon. Harinder S. Takhar: My understanding—Deputy, do you want to answer that question?

Mr. John O'Toole: Is the cost recoverable in any way, for those three hundred and thirty-one—

Mr. Ron McKerlie: There are modest charges if you want to, for instance, take copies of items.

Mr. John O'Toole: If somebody's doing a search on land claims and stuff like that, I would expect there would be charges. It is public information, but it's not free. Nothing is free, and if they're using it for commercial gain, litigation or whatever, they'll be charging their clients to work there, probably \$500 an hour. That's the last question. But anyway, I'd like an answer to that question: What are the fees at the Archives of Ontario?

The real question here comes down to—in your briefing book, the current-year one, on page 44, there's a questionable thing. It's on vote 1807. It's under the "Prior Period Obligations and Actuarial Adjustments, the Financial Administration Act." It's a 14.8% increase, about \$100 million. What is that?

Hon. Harinder S. Takhar: Okay, let me just try it, and we also have the chief administrative officer here, who can provide even more information.

Mr. John O'Toole: Sure, terrific.

Hon. Harinder S. Takhar: Every time any amount of money is sitting in a pension, there is an actuarial evaluation done of that. Last year, there was a decrease in the portfolio. Then you have to bump it up to bring it to the level that is required under the actuarial estimates, and that's what this is all about.

I will ask the chief administrative officer. She can give you more explanation if required.

Mr. John O'Toole: Would that be just the OPS, or would that be right across? All pensions, I get that. They're all down 25%, roughly. Is that what this is?

The Acting Chair (Mr. Ernie Hardeman): If we could have your name?

Ms. Karen Hughes: Karen Hughes. I'm the assistant deputy minister of the corporate services division and the chief administrative officer for the ministry. What you're seeing is just the OPS. There are two different pension plans in the OPS.

Mr. John O'Toole: So it wouldn't be—the province is the employer of record for the teachers' pension plan.

Ms. Karen Hughes: The teachers' pension plan is contained in the estimates of the Ministry of Education.

Mr. John O'Toole: The Ministry of Education, okay. I just wondered. It's kind of a large amount of money. It was under that section that had to deal with benefits and pensions. That explains it, so thanks for the answer. I appreciate that.

Is the term "transformation agenda" attached to your ministry, or is that the general theme—the term "transformation agenda"? I read a report yesterday that's a bit shelf-dated; it was a report in 2001. Is there anything

labelled in your ministry called the “transformation agenda”?

Mr. Ron McKerlie: Well, 2001 would be before my time in the Ontario public service. It’s not terminology that I’m familiar with. We talk about modernizing government services.

Mr. John O’Toole: I’ve looked through the book here, and you use terms close to it. But that solves that problem. I’ll go elsewhere because it is part of another ministry and I just felt—it was across the harmonization of your platforms on IT. Do you know what I mean? It’s transformational from that respect. This is sort of intake case management in some of the other ministries. It’s referred to as the “transformation agenda”—

Hon. Harinder S. Takhar: We refer to it as modernization—

Mr. John O’Toole: Yes, it’s not driven by you. That’s good because other ministries are implementing this stuff. It’s all technology-based.

The next one here is one that’s interesting. Then I’ll be relinquishing—we only get 20 minutes, so it’s very short. This is in appendix I, glamorizing some of the great work you’re doing. Probably you are, by the way, not to be cynical.

It says, “Working with external and educational stakeholders such as the Canadian Coalition for ICT Skills (CCICT), IBM and their Business Technology Management (BTM) degree program, and Durham College.” Could you elaborate on that a bit?

Hon. Harinder S. Takhar: Where are you?

Mr. John O’Toole: I’m on the appendix of your estimates booklet, and it’s on page IV—

Hon. Harinder S. Takhar: What page?

Mr. John O’Toole: It is in the middle of the page. It mentions Durham College, which is in my riding—very important. I’d like to flatter them by saying I noticed it and I asked the minister about it in estimates, and what a great job you’re doing, I hope. I’ll be sending them a copy of Hansard.

Hon. Harinder S. Takhar: Yeah, sure, sure.

Mr. John O’Toole: That’s how it works.

Mr. Ron McKerlie: We have a number of programs with colleges and universities set up. As you may be aware, it’s difficult these days to get IT resources, particularly things like people who know mainframe programming. So we’re working with a number of universities; this is one such program with Durham College. IBM is a business partner for us on this particular training program, and it’s to train potential future employees on particular aspects on I and IT services.

Mr. John O’Toole: Very good; I appreciate that. Ms. MacLeod, go for it.

The Acting Chair (Mr. Ernie Hardeman): Ms. MacLeod.

Ms. Lisa MacLeod: Thanks very much, Mr. Chairman, and thank you, Mr. O’Toole.

Welcome to committee, Mr. Takhar and your colleagues. Just a couple of quick questions for you.

The first one: Earlier today, the Premier said he was open to freedom-of-information requests to be available at hospitals. Last week, I put forward a piece of legislation that would have done just that. You balked at that, voted against it, and actually said that it had already been done. So who’s telling the truth? Has it been done?

Hon. Harinder S. Takhar: The freedom of information really doesn’t come under us. We basically coordinate freedom-of-information requests within the ministry.

Ms. Lisa MacLeod: Who’s right: you or the Premier?

Hon. Harinder S. Takhar: What did I say?

Ms. Lisa MacLeod: You said it had already been done, and the Premier said it wasn’t done today and he’s considering doing it.

Hon. Harinder S. Takhar: No. What I said was that the LHINs have been asked to post their expenses. That’s what I said.

Ms. Lisa MacLeod: Okay, but that’s not freedom of information, and today the Premier has decided he supports the initiative that I put forward last week that you said had already been done.

You’d written a speech or somebody gave it to you and you actually recited it in the Legislature last week. I can find the specific example at the time, but again, it’s wrong. You said the Ontario government has already made the legislation and policy changes to increase transparency and expense disclosure and procurement and to expand freedom of information across the government. Today the Premier has said that you haven’t done that and he’s considering doing it, and last week you said that you did. So I guess—

Hon. Harinder S. Takhar: No, what I was talking about was the expense disclosure that the minister has asked the LHINs to post—

Ms. Lisa MacLeod: Well, in that anyway, you said it was freedom of information, unless Hansard got it wrong and the transcription is wrong.

Hon. Harinder S. Takhar: Let me look into that.

Ms. Lisa MacLeod: Yeah, you should, and you may have to correct the record.

Hon. Harinder S. Takhar: Yeah, I’ll do that.

Ms. Lisa MacLeod: In any event, I do have a couple of questions related to certain segments, and I’m just going to list a few pages here you may want your staff to look at.

On page 35, page 38, page 51, page 54, page 63, page 70, page 74, page 77, page 84, page 86, page 88 and page 93, each one of those indicates, in various programs that you’re offering, an HST implementation line, and I’ll read them.

On page 35, ministry administration program, operating costs: the HST implementation cost will be \$146,000.

On page 38: ministry administration program, government services delivery cluster, \$70,000; human resources, HR Ontario, \$698,000; human resources diversity office, \$22,000; enterprise business services program, corporate information—and that’s on page 63—\$219,000.

Page 70, enterprise business services, the business services program: \$1 million. This is what it’s going to cost to implement the HST within that department.

Page 74, enterprise business services, Archives of Ontario: \$75,000 to implement the HST.

Page 77, enterprise business services: the OPS green office will cost \$7,000 to implement the HST.

On page 84 under agencies, boards and commissions, Licence Appeal Tribunal: It will cost Ontarians \$10,000 to implement the HST.

Page 86, agencies, boards and commissions: the ad review panel is \$4,000 to implement the HST.

On page 88, ABCs, Office of the Conflict of Interest Commissioner: It will cost \$2,600.

On page 93, ServiceOntario and registration services: It will cost \$1.9 million to implement the HST.

So, by my count, it will cost about \$4 million to implement the HST, from the documents I have in front of me. Is that correct?

1710

Hon. Harinder S. Takhar: Let me tell you that the HST will now be charged on items at the rate of 13% to anything that we buy, but it is a wash at the end of the day because, on one hand, we will pay it; on the other hand, we will collect it back from the government, so there's no real cost overall in the bigger scheme of things.

Ms. Lisa MacLeod: Okay. So how are you accounting for that in your records here?

Hon. Harinder S. Takhar: We just wanted to make sure that it is properly counted here, what we are paying as the HST, and then—actually, I will ask the CEO for greater clarification, to maybe let her answer this question, and I'll be recording it.

Ms. Karen Hughes: In each of our program areas, the numbers that you're referring to are the reductions that were taken out of each of those program areas, so it's not actually an increase in spending; it's a decrease in spending where our ministry had funding available to pay HST. Under the new model, the way HST works, the Ministry of Finance has actually centralized all the payments that will go towards the new tax, so they—sorry; it's the GST portion that they had removed from where we had that in our allocations. They removed that. The HST will be centralized and paid out of the Ministry of Finance instead of within the individual ministries.

Ms. Lisa MacLeod: Okay. Thanks very much.

There are a couple of other pages I just wanted to go through, Minister, with you. I think I'd like to start at page 60. It really is the entire section on the enterprise business services program.

When you look at the numbers, you see a high inflation in what the 2008-09 actuals were, in some instances, and where the 2009-10 interim actuals are. I've highlighted a few, and one that concerns me, given what we saw with eHealth, is corporate information and information technology. I'm just not sure how it could be that in less than a year, close to \$23 million more is being spent on information technology in your department.

You'll notice the numbers: \$90,199,622, and right now the interim actuals are \$113 million. It looks like that will increase by another \$88 million, for a total of \$141 million. So when you're looking at that, the interim actuals

are over \$23 million more than they were in 2008-09, and then, by the end of this fiscal year, it's going to be about \$51 million. How do you explain that? How did you let that happen?

Hon. Harinder S. Takhar: I think I did explain that yesterday as well, but I'll let the DM now explain it to you, because this question was asked yesterday as well by your party.

Mr. Ron McKerlie: As we described yesterday, \$37 million of that increase relates to the major application portfolio strategy. This is the higher at-risk applications in the government of Ontario, so the Family Responsibility Office, a replacement for the application that produces Ontario Works and ODSP—

Ms. Lisa MacLeod: What's the name of that application?

Mr. Ron McKerlie: SDMT is the short form. I would have to look up what the actual name is.

Ms. Lisa MacLeod: Could you provide that to me, please?

Mr. Ron McKerlie: Sure. And there's the road user safety suite of applications in the Ministry of Transportation. These are applications that were built back in the 1960s. They manage everything from overweight vehicle permits to your personal driver's licence "val tags," things like that—

Ms. Lisa MacLeod: Could you do me a favour? I'd like to request, through the Chair, that we receive all consultants who were hired for these IT projects, and I'd like to see made public through this committee all contracts over \$10,000.

Hon. Harinder S. Takhar: Mr. Chair, we will take that under advisement, and if it's feasible to do it, then we will provide it.

The Acting Chair (Mr. Ernie Hardeman): Thank you very much.

Mr. Ron McKerlie: Some of the other—

Ms. Lisa MacLeod: Right there, that's also just, of course, your operating costs—

The Acting Chair (Mr. Ernie Hardeman): If we could hang on a minute, I think there was a question on that.

Mr. Ron McKerlie: Sorry; you were asking for the rest of the breakdown of that amount. Did you want the rest of the details of why those costs have gone up?

Ms. Lisa MacLeod: My colleague has just sort of whispered in my ear that you gave him that yesterday.

Mr. Ron McKerlie: They are on the record from yesterday.

Ms. Lisa MacLeod: And then I just mentioned that that was just the operating costs, because the corporate capital costs seem to be far greater in inflation than even the operating costs. I'm just wondering how you—\$65 million to now what is at least \$194 million. That's going to be over \$200 million by the end of the year.

Hon. Harinder S. Takhar: Actually, from \$65 million to \$11 million.

Ms. Lisa MacLeod: No, it went from \$65 million to \$194 million, and your estimates for 2009-10 are \$246 million.

Hon. Harinder S. Takhar: Oh, you're talking about the actual, from \$65 million to \$194 million?

Ms. Lisa MacLeod: These are your interim actuals, and then you've got your estimates for 2009-10.

Mr. Ron McKerlie: The bulk of that is for the new Guelph data centre, which has just come online. That was 2009-10, so that's last year. If you look at the number for 2010-11, you'll see it has dropped dramatically. That represents the fact that the Guelph data centre is now built and furnished and will come online this year.

Ms. Lisa MacLeod: What time this year?

Mr. Ron McKerlie: We just got the hand-off of it on St. Patrick's Day, so March 17. We're in the process of starting to transfer over. There will be 400 key applications that are brought over from our Downsview site. It will take the better part of a year to get all 400 applications up and running and stable in the new facility.

Mr. John O'Toole: Building on the same premise as the data centre—I'm sure it's secure, all high-end, accessibility things—would it be able to accommodate some of the Smart Systems for Health or e-health? That was one of the issues they had. They wanted a secure data warehouse. Is this going to be particularly for your ministry, or is it going to be able to accommodate health? The e-health is the future, and health privacy is a very important part of that. But e-health is transformative in terms of efficiencies. Would this data warehouse fit into that scheme, or is it strictly for your own?

Mr. Ron McKerlie: The new data centre is an enterprise data centre, so it's not just Ministry of Government Services applications. We run applications for the justice ministries and all ministries across government. It could accommodate data from some of our large agencies as well. In fact, discussions are already under way with a number of agencies to see if they are interested in partnering with us. That would replace data centres that they pay third parties for.

Mr. John O'Toole: This is all part of harmonization, platforming and system support. Human and technical infrastructure needs to be centralized. It's very important corporately for the government, whatever stripe. I'd like an update, if you could, Minister, on that.

Hon. Harinder S. Takhar: We have moved in that direction for the last few years.

Mr. John O'Toole: I just want to make sure that some of those third party—because the health one is going to be magnificent. Do you understand? They're all calling for it. There are nine modules in health care, under the pharmacies, the labs, the OLA system—all those systems integrate into one to give you the patient record, but you have to have a very, very secure and highly—

The Acting Chair (Mr. Ernie Hardeman): You have about two minutes left.

Mr. John O'Toole: Anyway, a little update on that would be handy.

Hon. Harinder S. Takhar: Okay.

Ms. Lisa MacLeod: I wish I had more time. I apologize that this isn't my ministry, but I certainly have an interest.

I just have a final question on page 63. In a time of restraint when we face record deficits and a record debt, and we're raising taxes, can you explain how, for three years running, salaries and wages could increase as much as they have? If you look at where the actuals were in 2008-09, where the interim actuals were in 2009-10, and then the estimates in 2009-10—today in 2010, they're 7.1% higher than they were last year. We're told of fiscal restraint, we're told that people are finding savings, we're told that people's salaries are being frozen, but when you're looking at the enterprise business service program, the corporate information and information technology operating group is growing. That's unacceptable, Minister. How do you explain that?

Hon. Harinder S. Takhar: I think your question is a very good one. On one hand, day after day in the House, you ask us to reduce consultants. We have reduced consultants from \$650 million to about \$306 million, so by \$350 million. We have made the commitment that if you need the resources, rather than hiring consultants, we will convert 1,415 jobs from consultants to full-time—

1720

Ms. Lisa MacLeod: So you're growing the public service at a time of restraint. This is, I think, the fundamental issue. I just—

Hon. Harinder S. Takhar: Let me—

Ms. Lisa MacLeod: No, let me say this because it's very important.

Hon. Harinder S. Takhar: But let me just answer the question.

Ms. Lisa MacLeod: It's public sector reality. It's not—

The Acting Chair (Mr. Ernie Hardeman): Excuse me. I think we'll have to do this in the next round. We have finished the time for this round. The government—

Interjections.

The Chair (Mr. Ernie Hardeman): Do you have any further questions?

Mr. Kim Craitor: Do we have time? Have we got time for more questions?

The Acting Chair (Mr. Ernie Hardeman): Yes. It's your rotation. Presently we don't have a third party member here, so the rotation goes to the government side.

Mr. Kim Craitor: Then, I have a question, Mr. Chair. Minister?

Hon. Harinder S. Takhar: Yes.

Mr. Kim Craitor: Are you ready?

Hon. Harinder S. Takhar: Yes, go ahead.

Mr. Kim Craitor: First, before I ask the question, I should say, Minister, that I'm looking forward—I think you're coming down to my riding of Niagara Falls—Niagara-on-the-Lake and Fort Erie—in a couple of weeks with a really good announcement about the amalgamation of services for drivers' licences and health cards. I want to thank you for taking the time out of your schedule. That is exciting news for our community, so thank you very much.

The question I have is pretty simple. In my riding, as I said, in Niagara Falls, Niagara-on-the-Lake and Fort Erie, just like everywhere else across the province the heart and soul of our community is small businesses. That's the heart and soul right across Ontario.

I just want you maybe to share with me and the people watching and for the record some of the things that you've been doing to eliminate and reduce red tape to help small businesses go forward or individuals who are looking at starting up a business for the first time.

Hon. Harinder S. Takhar: Let me just say that I used to be Minister of Small Business and Entrepreneurship and then Minister of Small Business and Consumer Services. Small businesses are the backbone of our economy. If you look at it, almost all 90-person-plus businesses fall into the category of small and medium-sized businesses. They generate about \$230-billion worth of activity in our province. And 50-person-plus jobs and most of the new job creation actually come from this sector.

As a government, we have taken a very systematic approach to making the environment more business friendly over the last number of years.

When I was Minister of Small Business, I think in the first year we reduced 25% of all the forms that small and medium-sized businesses had to fill out. Then we took a very systematic approach, in fact, not only to reduce paperwork but to also automate it, so they don't have to put that information again and again in the information they provide every year.

One of the complaints that I used to get all the time from small and medium-sized businesses was how difficult it is to sell to the government sometimes. So what we're doing on the procurement side is, we are making it easier for small businesses to sell. We are going out there in a very open forum and actually telling the small and medium-sized businesses, "This is the kind of service that the government really needs and this is the process that is required for you to sell to the government." That is making it a little bit easier for them to sell to the government now as well.

But let me just talk about a few more issues. One is, we have a toll-free 1-888 line now for businesses. We have introduced this new toll-free business information line, which means that the entrepreneurs and the business owners need to make only one call to access information and expertise now. The 1-888 business line information is a collaboration between ServiceOntario and Industry Canada and was launched on February 3, 2010, at the Economic Developers Council of Ontario's 53rd annual conference. That is also going to make their life easy.

Businesses now only have to remember one telephone number which provides access to many government business programs. The number, just for the record, is 1-888-745-8888. If businesses call this number, they will receive the information on federal, provincial and municipal government services. In addition to pre-recorded information and seamless connections to 12 high-demand business-related programs, agents will connect businesses with an additional 70 programs as well.

The second change that we have made is one business identifier, which means that now businesses can use the same number that they use with the federal government to identify with the provincial ministries as well. The single business number makes it easier for businesses to manage their multiple program accounts with the government and is the key to a seamless integrated service delivery. Our commitment is to increase the adoption of the single business number so that businesses are able to use this one single number to identify themselves to government. Businesses can use the single number now with six provincial programs, and I'm happy to say that we have increased the expected number of programs to adopt the number.

Under Ontario's Open for Business strategy, the following government programs will adopt the single user number: employee health tax; retail sales tax, which is in effect right now; fuel tax; gas tax; tobacco tax; and beer and wine tax. The other information about the Ministry of Labour and the Ministry of the Environment—they can get on this as well.

We also have the My Biz account. I'm sure the deputy minister will talk a little bit more about it. We're also working and developing a new online service called My Biz account. This will offer to Ontario business electronic, one-stop shopping, enabling them to have easy research access on multiple sources of information.

The other is the service location finder, launched in April 2009. ServiceOntario service location finder is an online search tool, again, for businesses. If they are planning to locate a certain location, then they can go to this and they can actually find all the information about that one particular location.

Helping business through the ServiceOntario-at-libraries program: I'm sure the deputy minister wants to talk about that as well and give you a little bit more information on that.

We have BizPaL, which is actually a program that is in co-operation with the municipalities and the federal government. Again, the idea is, if you want to start a business or want to grow your business, you can go to this site and it will provide you with the information: what is required to start the business and what kind of licences are required.

We have the electronic master business licence with service guarantee. Businesses in Ontario can register a new business online and receive a master business licence by email in two business days or their money back, guaranteed.

But these are not the only things we have done. In addition to that, we have reduced income taxes, we have reduced the capital taxes; we have moved on a lot of fronts. Actually, I was at a meeting—not a meeting actually; a web cast. I was participating in information technology issues, and there were some senior businesses, people from Dell and ADP. They basically said that this issue is not an issue for businesses anymore. We have made it so easy for businesses to do business with our government. Not only that, actually; we have made the

environment very, very competitive in North America, and that's why we are attracting a lot of businesses that are now coming to Ontario.

I will ask the deputy minister to give you a little bit more details on this issue.

Mr. Bob Stark: I'm Bob Stark, deputy minister and chief executive officer of ServiceOntario. Thank you, Minister.

I'd just like to add a couple of things to what the minister said. First of all, in ServiceOntario, we are focused on working with business. In fact, we have an advisory group that we work with to find ways to streamline services to business to not only improve the services from a government perspective but more importantly, to improve services for business to reduce their time and cost.

The minister mentioned the 1-888 number that we launched earlier this year. I might add that that's a number that consolidates roughly 160 different telephone lines across the federal, provincial and municipal levels of government. So it takes much of the confusion out of the situation for businesses when they want to access government, making it easier.

As the minister touched upon, probably our flagship offering is our money-back service guarantee around the enhanced business or the electronic master business licence, which is the starting position; an entrepreneur must get that number to open up bank accounts and basically start his business. So we have had that service guarantee in place since January 2007 and have met our commitment 100% of the time.

There are a couple of other programs I'd just like to touch upon. The minister mentioned the libraries program at ServiceOntario. This is a program where we run through roughly 400 libraries across the province, particularly in rural and more remote locations, where we've trained librarians in various aspects of the ServiceOntario business and where they can help clients to get access online to our various services. In particular, we've trained them on the services to business, so we now have roughly 400 locations across the province in libraries and First Nations band offices and their libraries as well, where entrepreneurs can get help in starting up their businesses.

The minister also touched briefly upon our location finder, which we upgraded this year to include the small business enterprise centres. This allows businesses to go online and search for locations. There are roughly 57 of these small business enterprise offices that are part of the Ministry of Economic Development and Trade, so we've made it easier for businesses to find local offices where they can get personal help with starting up their business.

The minister also touched briefly upon the work that we're doing around creating My Biz accounts for businesses. This is being launched in September and it is a secure way that businesses can connect with government and see the status of all of the interactions they have with business. This probably is similar to online banking in nature, in that it's a secure and private way that business

can interact with government across various ministries and the various programs that support business in the province.

This has a number of features associated with it. It will allow businesses to do searches on information that they're looking for and those searches will be tailored to the specific business needs of the business that they're engaged in. It will allow them to electronically fill out forms that need to be submitted to government, thus eliminating the process of printing out forms, filling them out and mailing them in. Eventually, this will be a conduit for businesses to be able to interact in an electronic fashion with government.

From a ServiceOntario perspective, it is a large undertaking for us to make improvements as the gateway, if you will, to government services for business across a number of ministries. We're making great progress this year on a number of steps that will make it easier for businesses.

The Acting Chair (Mr. Ernie Hardeman): Mr. Levac.

Mr. Dave Levac: Did you have more, Minister?

Hon. Harinder S. Takhar: Yes. I just actually want to correct one of the previous records. Lisa MacLeod was saying that I said that hospitals already have it; let me just quote from Hansard in the House. I said: "Let me just about talk about a few areas. For the expenses, Bill 39 seeks the disclosure of travel and hospitality expenses from public bodies, but as you know, Speaker, this government has just recently passed legislation which addresses that very issue in a comprehensive and an effective manner." Later on, I said, "Ontario hospitals are accessible under their own freedom of information and privacy legislation." I did not say what she actually implied, so I just wanted to put that on the record.

The Acting Chair (Mr. Ernie Hardeman): Thank you very much.

Mr. Dave Levac: Time, Mr. Chairman?

The Acting Chair (Mr. Ernie Hardeman): You have about six minutes.

Mr. Dave Levac: Thank you.

This question is based on ServiceOntario, Minister. It was a healthy review that you just gave us about the enormous amount of work that you're doing across the entire government in various ministries.

Could you give us an idea of the projected savings that this could actually accomplish for us if we were to get the end story of what the proposal is? More specifically, how would each riding benefit from a ServiceOntario centre that provides one-stop shopping for the constituents—and also for the ministry staff who have to pull together all of these various locations and services that are being offered by the government in Ontario?

I, for one, am excited about what the proposal is. The potential is even higher, but I think there's a practical side to this, and that is that we wouldn't do it if there wasn't a perceived savings and we wouldn't do it if there wasn't a perceived service improvement. Could you go over that a little bit for us?

Hon. Harinder S. Takhar: Absolutely. I am very proud of what is happening on the ServiceOntario side. I think we're going to take the service level to an entirely different level. We're going to put all of those services under one roof, we're going to have 300 offices that will be delivering these services, and we're going to completely modernize and streamline our processes. Not only that, I think we already have taken the service to a very different level. We are providing service guarantees on a lot of the services that we provide.

Definitely, when we have good systems in place, when we have good services in place, it's going to generate some savings. The deputy minister can talk a little bit more about some of the savings.

The strategy will contribute savings to the government's bottom line, starting with about \$3 million in fiscal 2011-12. Beyond that, savings are projected to grow to more than about \$6 million per year as well.

I think the key here is that more services will be available to people in more locations—and in one location. For example, just the health cards alone: Right now, we're offering 27 locations. It's going to go to 300 locations. It will be more available in the rural areas. It will be more available in northern Ontario. It will be more available in southwestern Ontario.

It is about improving service, but if it can generate savings at the same time, I think we'll accomplish both objectives.

Deputy?

Mr. Bob Stark: I would certainly reiterate what the minister said. Our primary focus is around improving the quality of service to citizens and businesses in the province. Through that process, we have also found ways to become more efficient.

The minister has shared with you some of the expectations of efficiency within government. I'll also share with you, on the services-to-business part, what we're providing and the improvements that we're making. Businesses have validated our estimates that they will save in the order of slightly over \$600 million in expenses every year within businesses. That's just through the streamlining of services, the way they get serviced by government: cutting out administrative processes, multiple telephone calls and the confusion around how to access government services by business. By simplifying all of that, they will see significant savings.

Mr. Dave Levac: I can keep this next one right down inside of the time frame, Mr. Chairman.

I want to reinforce that and ask the final question that actually dovetails into that. Will that also reduce wait times for people looking for health cards? One of the concerns that was raised to me on an ongoing basis was an appointment they could get, but it was past the due date of their health card. Is it the wish of this design to do two things for the constituent and for the businesses: get them service when they need it, and on time?

Hon. Harinder S. Takhar: Absolutely. There's no question about it. Not only will we reduce the wait times, but we'll also save them money going forward. Right

now, you have to take two trips: one to get your health card and one to renew your driver's licence. Our problem right now is that we have these systems—one health card system and one driver's licence system. Eventually we want to move to one system, and that's why we are making the investments that we are making in the information systems as well, so that when you go in there, both things expire at the same time. You go in there, you take one picture, you sign once, and hopefully you will get both the health card and the driver's licence at the same time. So you'll save on trips, as well. We are also making sure that all the services are available in a 10-kilometre radius. We are providing service guarantees to our business people as well.

1740

The Acting Chair (Mr. Ernie Hardeman): Thank you very much, and that concludes our time.

Mr. Dave Levac: Mr. Chairman, I wanted to get it done.

The Acting Chair (Mr. Ernie Hardeman): Yes, and you had seconds to spare, so thank you very much for that.

With that, we will go back because we did miss the third party in the rotation. We'll go back to the third party. Mr. Miller.

Mr. Paul Miller: I'd like to go back to—you made a statement yesterday that you would like to see your reduction with consultants to \$304 million from \$656 million. My question is, I guess you signed contracts with consultants. What are you going to do if the consultants—I don't know if you have performance bonds or whatever you have. What are you going to do to achieve your \$304-million goal if the consulting arrangement goes further than you thought, takes longer than you thought, and they're under contract? Are you going to cancel their contract if they don't meet your objectives? Are you going to have contract language in the contracts you've signed with consultants that says that they will fulfill their mandate within a given amount of time?

Frankly, Minister, I don't think you can quote numbers like that if they don't achieve the timelines and the guidelines that you're quoting. It's almost like the 600,000 jobs I'm still waiting for.

Hon. Harinder S. Takhar: Let me tell the member that we are already down from \$650 million to \$304 million; we are already there. This is already achieved. But let me just talk a little bit about what we are planning to do going forward. One is, we are converting consultant positions to full-time positions, and I talked about that; 1,415 IT consultants will be converted to full-time. That is going to save \$58 million when that project is fully implemented—\$58 million. We are also consolidating our acquisition of consulting services within the government, so we have these vendors of record of our consultants, where we can negotiate better deals with them.

The other thing that we are also doing in the IT area is we are creating a specialized group that will move from one place to another and provide the kinds of services that the consultants are providing right now.

All these changes will eventually reduce our consultant costs. The DM maybe has a few more things to share with you.

Mr. Ron McKerlie: Sure. There are a couple of ways that we would hire consultants. IT consultants could be hired on a task base—

Mr. Paul Miller: Could be or would be?

Mr. Ron McKerlie: There are several ways they could be hired. They could be hired on task-based consulting, so they come in with a specific set of deliverables and they're bidding on delivering those deliverables. They could be hired on a time-and-materials basis, where we just hire them as staff to work with us, and it's really up to us as managers of that staff to make sure that those deliverables are met, that we deliver the commitments of the government, and we're using resources that are not government of Ontario employees but rather are consultants that we're paying a fee for to deliver.

When we would hire them to do a project—for instance, the diabetes registry, which is something that is out in the marketplace now through Infrastructure Ontario—there is a very specific set of deliverables related to that project, including acceptance testing and sign-off. Payment flows from acceptance testing of the end product. If it doesn't meet those deliverables, then they don't get paid. That would be an example of a very specific project where the project is bid on by a number of consortia. Those consortia have to deliver that. Until the government signs off, accepting the outcome, the payment wouldn't flow to them.

But many of the consultants who the minister talked about, the 1,415 positions, the consultants who are in the IT source that we talked about—those are the 167 full-time people growing to 275—are people who we hired who would work alongside our staff. They wouldn't be our employees, but we would pay them a fee. Our goal is to replace those—which we've done with the 167 and which we're working on doing with the 1,415—with real employees. That's why our salary and wages line in I&IT goes up. That's why the cost savings are real. We're down to \$304 million, as the minister mentioned. It's not a target; we're actually there from the \$656 million back in 2001-02. Those savings come by replacing employees at the prices that we pay or the salaries that we pay for consultants.

Mr. Paul Miller: Thank you. I guess my next question is that, obviously, several ministries have taken criticism and public outrage about consultants' fees and how much it has cost each ministry, depending on the ministry. After this situation, the eHealth scandal and things like that that have happened, what steps will your ministry and agencies take to ensure an open, transparent, competitive process to acquire consulting services? What do you plan to do? There has been some criticism you've taken about certain party-friendly groups that have been mentioned in the House, about favouritism. Are you going to do as a municipality does and put out a tender and have open, competitive bids put in to do the consulting work that you require to lessen your fees? I believe that's the direction you want to take.

Hon. Harinder S. Takhar: Let me talk a little bit about those issues first. The government has tightened its policies on the acquisition and use of consultants. We are tightening the policies—

Mr. Paul Miller: No, I'm talking about competitiveness.

Hon. Harinder S. Takhar: No, let me just get to that—to ensure greater accountability and transparency in its procurement policies and processes. I also said that we now have consultants as vendors of record. When we have consultants as vendors of record, then you can consolidate some of the activity that is happening across the government, which means then you can actually get better rates and better service from them—

Mr. Paul Miller: So bulk buying? Is that what you're kind of insinuating?

Hon. Harinder S. Takhar: Well, maybe the DM can go a little bit more into detail.

Mr. Ron McKerlie: The minister spoke about the change in policies. Of course we've done that. We also now require ministries to conduct a competitive process when they're acquiring consulting services regardless of the procurement value. Under very limited circumstances, ministries may acquire external consultants without competition but must also obtain prior approval from both the deputy minister and the minister—

Mr. Paul Miller: Can I interject there?

Mr. Ron McKerlie: Sure.

Mr. Paul Miller: Did I hear you correctly, that the deputy minister and minister can interject into the process, and it doesn't have to be competitive bidding? Did you say that?

Mr. Ron McKerlie: I did say that there is an exception process, which has to be approved by both the deputy and the minister—

Mr. Paul Miller: So there is no process, then? If the deputy minister and the minister can step in if they don't like whoever's been picked, they can override it. Is that what you're telling me?

Mr. Ron McKerlie: Normally, what ministries or agencies would do is they would either do an open, fully competitive procurement process, or they would use the vendor-of-record process. The vendor-of-record process is already done, a first stage—

Mr. Paul Miller: Wait a minute. Maybe you can help me with this. The vendor of record is already done? What do you mean? He's already been pre-approved, or he did it before and he's going to get it automatically?

Mr. Ron McKerlie: In the vendor-of-record process, we go through a first-stage selection process for a number of vendors. Vendors can compete for that, and they get scored on a point-score basis. We talked about that the other day. A number of vendors, usually the ones that pass, that have the higher point scores, would be included as vendors of record. That means there is a task-based vendor of record for consulting services, for example. If I was looking to procure consulting resources for IT task-based work, I could go to our vendor of record. In there would be list of a number of firms that have already

passed the first stage, which means they are qualified to work for the government, that we've checked their references and that they have pricing that gave them a high enough score that they were included in that—

Mr. Paul Miller: Can I ask a question? Sorry to interrupt. Let me get this straight. There's a point system. There are past performance records. Do you feel, potentially, that with that system it could create a monopoly for past performance? And not only could it create a monopoly; I'm under the impression, now that you've given me this statement, that the deputy minister or the minister could override. I think that's what you're telling me, that if they don't like what they see, they can override it and be more lenient or favourable to another organization, whether they be old or new, based on the performance of those past records that you have.

1750

So if a new company wanted to come in that is unproven in your eyes but may have had an overseas record or a better track record, so to speak, than the groups that you are dealing with in your ministry, and they may be favourable—not that I would say there would be favouritism from the deputy minister and minister; it could happen if companies had been there for a long time. Are you saying that the new companies could be overruled because they don't fall within your points system or your past performance system? Really, this is very foggy.

Hon. Harinder S. Takhar: Let me answer this. I think all ministries and all agencies—let's get this right—

Mr. Paul Miller: Oh, I'll get it right.

Hon. Harinder S. Takhar: —must use a competitive procurement process for the acquisition of all consulting services and offer value, with very limited allowable exceptions only in the case of emergencies.

Mr. Paul Miller: Emergencies? Define “emergency.”

Hon. Harinder S. Takhar: Yes, let me just define emergency. Emergencies will be where you need to protect public health or safety, or to maintain certain confidentiality. Those are the only issues where any exception can take place, and in those exceptions the deputy minister and the minister need to sign it. And those are very small amounts. But for all the large amounts, all the ministries and agencies must use a competitive procurement process.

For example, let's just talk about consultants.

Mr. Paul Miller: With due respect to you, Minister, this appears to me to be a very grey area and there's lots of flexibility for the deputy minister and minister. This is very foggy. I'm quite concerned about this answer.

Hon. Harinder S. Takhar: But let's just look at it. In the case of IT, if you're hiring an IT consultant, you already have certain qualified people who are going to be the IT consultants from certain firms who can provide certain kinds of skills.

Mr. Paul Miller: From your points system?

Hon. Harinder S. Takhar: For certain kinds of skills. Of course, you have to take into account what you're looking for. You need to say what your requirements are

for certain projects; based on that, you'd qualify your vendors of record. When the job comes in, you call up the four or five people from the vendors of record and say, “This is the job. Who's going to provide the comparative”—

Mr. Paul Miller: Can I interject for one minute?

Hon. Harinder S. Takhar: Sure, go ahead.

Mr. Paul Miller: The thing I'm concerned about here is that you have a points system and you have vendors of record that you've dealt with in the past; you might have dealt with them for 10 years, 15 years. They've built up a rapport with your ministry; they've made friends in the ministry. They may not have been the best firm or may not have had the best production—and that's fine, if it's reviewed and you come back with another firm that may do a better job or whatever. But I'm a little concerned about the ability of the deputy minister and the minister to overrule in the procurement program if they favour—heaven forbid—another organization that has been there long-term. That's where the word that I have comes from, “monopoly,” or “same old same old.” I think that you've left the door open for some abuses, potential abuses, by leaving it up to the deputy or minister.

I don't care what agency it is or what ministry it is; none of them should operate like that. When I sat on council in the city I'm from, we would put out tenders, we would take the lowest bid, and unless this person had an atrocious past performance, where they didn't pave the roads right, they've got a terrible record in Ontario—I really think that this is a very grey area that has to be looked at. I think favouritism could slip through the door here with the ability of the minister and the deputy minister to override a decision made by the bureaucrats under them.

Hon. Harinder S. Takhar: The vendors of record, the people who are vendors of record, are constantly updated. So there are new people always added to the people who on are vendors of record.

Mr. Paul Miller: But you told me that if they're not on the points system, they are not a vendor of record.

Hon. Harinder S. Takhar: No—

Mr. Paul Miller: How do I get on your points system and prove to you—if I'm a new company that's doing whatever, paving a road or whatever I'm doing, how do I get on your points system for performance and how do I avoid monopolies? How do I do that?

Hon. Harinder S. Takhar: I'll let the deputy answer this.

Mr. Ron McKerlie: Let me invite to the table Marian Macdonald, who is our ADM of supply chain management. She and her team actually work on the vendor-of-record process all the time. Maybe I could just ask Marian to explain how you become a vendor of record and how frequently that system is opened up.

Ms. Marian Macdonald: Thanks very much. Marian Macdonald, assistant deputy minister of supply chain management division.

The supply chain management division of the Ontario government runs what we call an “enterprise vendor of

record” program. This is a program we use where there are common goods and services that are used across many ministries. Consulting services is one of those commodities. We have, currently, over 70 enterprise vendors of record that we manage. Five of those are for consulting services.

We issue an open, competitive tender through our electronic service provider approximately every three years, asking for interested vendors who wish to be on the vendor-of-record list. They must qualify through that open, competitive process. We evaluate at that time their experience, ability and knowledge, as well as the pricing structure they want to put forward to us. The successful vendors are what we call our vendor-of-record list.

When a ministry has—

Mr. Paul Miller: Can I ask you a question? Can I interject for a minute? I appreciate that statement; that’s very good. That’s exactly what I’m after and I like that process. But where I’m concerned is, and correct me if I’m wrong, once you’ve made a decision and it’s passed up the ladder to the deputy minister and the minister, from what they’ve told me, they could override that decision and decide to go with an alternate company. Is that a fair statement?

Ms. Marian Macdonald: The consulting services vendor-of-record program has what we call a second-stage selection process. The second-stage selection process is where ministry buyers have a specific deliverable; they have a specific job or task that they want assistance to do. Depending on the value, they must go back in to those qualified vendors—vendors we’ve already qualified in that first-stage competitive process—and select a number of qualified vendors and issue what we call a request for services. In essence, it’s a secondary competitive process designed to make sure that we do get the best consultant and the best price. That is a competitive process as well; it does bind the ministry. The ministries will evaluate that, much in the same manner as they have done in the first place, and that is the recommended consultant that goes forward.

Typically, that authority to act is within the ministry delegations of authority. It is only where a ministry is not wishing to use an enterprise vendor of record or where they are not issuing an open, competitive procurement process—it is where they are wishing to use a non-competitive process to select consulting services. Our procurement directive has acknowledged that there are places and times where it may be appropriate to use a non-competitive process, as the minister said, in cases of urgency—

The Acting Chair (Mr. Ernie Hardeman): I think we’ll leave it there and let you have the last word, at least for this part of the program.

Interjection.

The Acting Chair (Mr. Ernie Hardeman): Thank you. Your time is up.

Mr. John O’Toole: Chair, I have a point of order. I want to table with the minister—I’ll give it to him personally—four questions which summarize the specific questions I was asking, so that it’s not ambiguous. I’ll table it with him and I have a copy for research staff.

The Acting Chair (Mr. Ernie Hardeman): If you want to do that, it would also be helpful to table it with the clerk so the committee would know what was going on.

Mr. John O’Toole: It’s on the record.

Hon. Harinder S. Takhar: Mr. Chair, I have to say you are very organized today.

The Acting Chair (Mr. Ernie Hardeman): Thank you very much. I want to thank the minister and all the ministry staff who were here today to help this along and thank all the committee members for taking the time this afternoon. I want to say that the next meeting to conclude, I would presume—maybe conclude or at least to proceed with—these estimates will be Tuesday, May 18, at 9 a.m. We look forward to seeing the minister, the ministry staff and the committee members here to review the estimates.

The committee adjourned at 1758.

CONTENTS

Wednesday 12 May 2010

Election of Acting Chair.....	E-35
Ministry of Government Services.....	E-35
Hon. Harinder S. Takhar	
Mr. Ron McKerlie	
Dr. Mark Vale	
Ms. Karen Hughes	
Mr. Bob Stark	
Ms. Marian Macdonald	

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