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**Official Report  
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(Hansard)**

**Thursday 5 April 2012**

**Journal  
des débats  
(Hansard)**

**Jeudi 5 avril 2012**

**Standing Committee on  
Finance and Economic Affairs**

Healthy Homes Renovation  
Tax Credit Act, 2012

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

Loi de 2012 sur le crédit d'impôt  
pour l'aménagement du logement  
axé sur le bien-être

Chair: Bob Delaney  
Clerk: Valerie Quioc Lim

Président : Bob Delaney  
Greffière : Valerie Quioc Lim

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON  
FINANCE AND ECONOMIC AFFAIRS**

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

Thursday 5 April 2012

Jeudi 5 avril 2012

*The committee met at 0845 in room 151.*

**HEALTHY HOMES RENOVATION  
TAX CREDIT ACT, 2012  
LOI DE 2012 SUR LE CRÉDIT D'IMPÔT  
POUR L'AMÉNAGEMENT DU LOGEMENT  
AXÉ SUR LE BIEN-ÊTRE**

Consideration of the following bill:

Bill 2, An Act to amend the Taxation Act, 2007 to implement a healthy homes renovation tax credit / *Projet de loi 2, Loi modifiant la Loi de 2007 sur les impôts en vue de mettre en oeuvre le crédit d'impôt pour l'aménagement du logement axé sur le bien-être.*

**The Chair (Mr. Bob Delaney):** Good morning, everybody. The Standing Committee on Finance and Economic Affairs will please come to order. The Chair will note that in fact it is in order. We're here for public hearings on Bill 2, An Act to amend the Taxation Act, 2007 to implement a healthy homes renovation tax credit.

**MOTION SPECIALTIES**

**The Chair (Mr. Bob Delaney):** I see our first deputant is here. I'd like to welcome Jim Closs of Motion Specialties. Jim, you'll have up to 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the official opposition.

Please state your name for Hansard, and you're on your way.

**Mr. Jim Closs:** Okay. My name is Jim Closs, actually, from Motion Specialties. I'm the vice-president of lifts and elevating and home accessibility. I thank you for your time this morning and for the warm welcome I've received so far. If you don't mind, I'll probably just read from my presentation I put in the folder. I did some memory work and had to do a presentation last night so I'm pretty much maxed out when it comes to memorizing stuff. I'm not as versed as you people in memorizing speeches.

Motion Specialties has been in business since 1985 and has 19 locations throughout the province. Recently we have become part of the Centric health care family, and as such we now represent the MEDiChair home health care family of franchisees. Together we have over 75 locations in every part of the province and 94 across

Canada. That makes us the largest home health care retailer in Canada currently.

The Motion Specialties and MEDiChair combined efforts employ about 800 Ontarians, while Centric Health collectively employs over 1,200 Ontarians, excluding the 800 from the home health care division.

As the vice-president of elevating and home access, I oversee the sales and operations of this product channel in our various locations. I have been involved in this aspect of home care for over 20 years. In that time, I've interacted with thousands of seniors and their families, assisting them with modifying their homes for safety and access. It's not new to me.

From my experience, it's safe to say that for the vast majority of these projects, they are unplanned by the families, and in most cases unwanted, but always necessary. It is not the desire of these seniors or their families to leave their home. The home is the single most important financial investment that they can make over a lifetime, and the prospect of leaving their home is usually overwhelming to most. It's also safe to say that planning for an alteration to a home for wheelchair use or otherwise is certainly not at the top of anyone's priority list. Large-screen TVs and kitchen renovations tend to lead that list; nobody really foresees themselves in a wheelchair.

The current shortage of long-term-care and retirement beds in the province is well documented, as is the cost to catch up with that need. Our business plan reflects this need, and we are planning to increase our staff as the need grows. We estimate, through statistics and market research, that there are, conservatively, currently 40,000 Ontario residents that could benefit from a stair lift installation, and I have provided some information and some stair lift brochures in the package if anyone is not aware of what they are. Stairs have surpassed the bathroom as the number one falling danger in the home.

We estimate another over 100,000 of the population could make use of other lifting devices that we provide, and certainly more could make use of some alteration to their home to make it safer. We also believe that there are thousands of seniors that will benefit from bathroom safety products, including walk-in showers, bathtubs, etc. We base our business plan off the estimates of the \$150 million in emergency care costs that relate to slips and falls in the bathroom.

The proposed healthy home tax credit is a welcome program to those in need and to our industry. The combined market numbers do not come close to the climb in demand. We also deal on a regular basis with those families that have mothers and fathers moving back in with them, families that have a disabled or elderly relative or disabled children and that need to alter their homes to accommodate their special needs. We believe this tax credit should be the first of others that could help alleviate some of the financial burden felt by Ontarians who have to dive into their savings or refinance their home to accommodate these renovations.

**0850**

The addition of this tax credit will help raise awareness as well as increase our need for the hiring of salespeople, management, support staff and technicians. We partner with general contractors, designers, suppliers, manufacturers and all trades to fulfill many of the projects that we deal with, and this plan will certainly increase that financial interaction.

We also believe that the expansion of home improvement projects in general and the success of the 2009 home renovation program has helped raise awareness in homeowners that they should be planning for the future. This forward thinking will generate a new arena of home renovators and specialists, including ourselves, most of which will require additional hiring and training.

Motion Specialties, by our name, was started with the end-user in mind by putting those with the highest need in our province back in motion. As our clientele's needs have expanded, so have our services. We are committed to bring access and safety to our many, many clients—we estimate that we touch over 400,000 Ontarians a year—and we strongly believe that this tax credit program will stimulate our business and assist many Ontarians in need.

That's my two-page dissertation. If there are any questions, please.

**The Chair (Mr. Bob Delaney):** Okay. Mr. Shurman, it's all yours.

**Mr. Peter Shurman:** Good morning, committee members, and good morning, Mr. Closs. Thanks for coming in front of us. I think you're probably aware—before you even walked into the room you were aware—that my party doesn't support this legislation.

**Mr. Jim Closs:** Right.

**Mr. Peter Shurman:** Okay. Do you need me to explain why that is—and I'm not patronizing you in any way—or do you understand why that is?

**Mr. Jim Closs:** No, please explain it.

**Mr. Peter Shurman:** Okay. Well, we have taken the position that in the constraints that our province finds itself, from a financial perspective, taking on new spending and favouring one particular group over another, moreover, a group like seniors, which in this case is not just seniors but seniors with particular disabilities, while very much a needy group—and I've been through this, by the way, with both my parents, so I'm not blowing smoke—is inappropriate in terms of the choices that we could make. So I'm interested in your reaction to that

because, if the government really wanted to spend money on a group that was in some dire straits, it could have looked at seniors as a whole and said, "Let's spread this money around and give everybody an opportunity because there are a lot of people who just can't even feed themselves and are making choices." They could have said, "There are not enough spaces for autistic children." They could have said, "There are not enough long-term-care beds." There are lots of choices to make. We happen to think that, while a worthy group, it's not the only group. I'd like you to react to that.

**Mr. Jim Closs:** Well, I can only speak from my experience, as I deal on a daily basis—we get called into people's homes on a daily basis that are struggling, that have to make these renovations to their homes. There is no choice for them; there is no location for them to go. If they're on a waiting list for a long-term-care bed or a retirement-home bed, the cost of moving, with your land transfer tax, with legal fees, with real estate fees, sometimes is inhibitive for them. If you've gone through it yourself, you understand that.

Many of these people have lived in their neighbourhoods for 40 or 50 years, so they don't want to move. Obviously, there is a point in time at which they cannot remain, regardless of what device we put in for them. But we see, on a daily basis, regardless of some of the programs that are in place for funding—generally they are income-based. By the definition of being a homeowner in Ontario, you have to have a substantial income to maintain your home, pay your taxes, so you disqualify yourself from a lot of the programs, and if you do qualify it's a long process to get.

So this tax credit, be it as it is, that comes back to them would probably stimulate a lot of them to make that final decision. A lot of them hold back—it's beyond the need; they had to do it a year ago or six months ago, and they're only holding back because of financial reasons. So we believe that there would be a stimulus to this.

**Mr. Peter Shurman:** Well, I suspect, at the end of the day, this program is going to go through whether my party favours it or not, so I want to look at the realities. The reality is that, if you're a wealthier senior or you have a family that can help you, then you're in better shape than if you're not as well off or if you don't have anybody around you as a support circle. Would you not agree with that? Just because of the nature of the—

**Mr. Jim Closs:** Yes, the nature of who we see on a regular basis—again, we don't carry statistics; we're not a mature industry or marketplace that would have some of the market research that I could throw at you. I only know from personal experience that the majority of the people that we see are, again, those people who have owned their homes for 40 or 50 years, have paid their mortgage off but are living on whatever pension that they have—

**Mr. Peter Shurman:** It's usually a fixed income or pension or something.

**Mr. Jim Closs:** Correct. So the idea of putting \$20,000 or \$30,000 into their home—the idea of staying

in their home obviously is the motivator, and the idea of becoming safer and being able to access upstairs is certainly what they want to do, but the \$30,000 shocks them. In today's world, a \$30,000 renovation is not a massive thing, but the mindset of somebody who's a senior is that it's an insurmountable amount of money.

Granted, you mentioned the family support. We do deal with that quite a bit. There is a family decision made, obviously.

**Mr. Peter Shurman:** You're a for-profit company, of course?

**Mr. Jim Closs:** Of course.

**Mr. Peter Shurman:** All right. This is not a smarmy comment; obviously, you benefit from this. Do you, in any way, take into consideration the financial circumstances of your customers and their ability to pay?

**Mr. Jim Closs:** Certainly.

**Mr. Peter Shurman:** Okay. Thank you very much.

**The Chair (Mr. Bob Delaney):** Thank you very much for your deputation this morning. Very kind of you to come in.

**Mr. Jim Closs:** Once again, thank you. I enjoyed it.

#### ONTARIO HOME BUILDERS' ASSOCIATION

**The Chair (Mr. Bob Delaney):** Our next presentation is from the Ontario Home Builders' Association. Please make yourself comfortable.

**Ms. Sandra Baldwin:** Good morning.

**The Chair (Mr. Bob Delaney):** Please begin by stating your name for Hansard. You have 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the New Democrats.

**Ms. Sandra Baldwin:** Good morning, Mr. Chair and members of the committee. My name is Sandra Baldwin, and I am the current chair of the Ontario Home Builders' Association renovators council. I am also the president of Lifetime Contractor, a renovation company in Toronto. I also teach in the construction and renovation stream at George Brown College. I chair Enerquality's green renovation committee, which is dedicated to designing courses and curriculum to train renovators in options for green renovations.

I am joined today by Victor Fiume, who is the OHBA past chair and also a member of the Durham home builders' association.

The Ontario Home Builders' Association is the voice of the residential construction industry across Ontario. Our association represents 4,000 member companies organized into 29 local groups around the province. Our sector supports over 334,000 jobs here in Ontario, paying some \$16.9 billion in wages and contributing \$34.4 billion to the provincial economy. The renovation industry in Ontario is actually larger than the new-home construction industry. The renovation sector represents \$21 billion in economic activity annually in Ontario.

OHBA has approximately 600 renovator members across the province. We are very grateful and we thank you for the opportunity to speak today on this very important legislation, Bill 2, the Healthy Homes Renovation Tax Credit Act, 2012. The tax credit proposed in this legislation represents a tremendous opportunity for the government to achieve both social and economic goals.

First, the renovation tax credit will achieve the objective of allowing seniors to age in place. Maintaining health, independence and dignity is a very important objective which the legislation seeks to address. As our society ages, it's very important that policy makers provide seniors the tools to allow them to live a full life. A report by CMHC, Canada Mortgage and Housing, found that 85% of those over 55 years old stated that they wish to remain at home. Even if their health declines, they wish to remain at home as long as possible.

#### 0900

Current academic research demonstrates that aging in place is preferable for seniors to moving into assisted-living situations. Research from U of T, conducted for the Health Services Restructuring Committee, noted that many people who are currently being admitted to long-term-care facilities could receive support in their homes or in a home setting. The Toronto Central Local Health Integration Network seniors council also finds that government priority should be to enable seniors to live independently in the community for as long as possible. In other words, the government can deal with this problem to help address the preferences of seniors and ease the burden of long-term-care facilities on the system.

A second policy objective that is being achieved is the potential cost-savings. Bill 2 complements the findings in the recent Drummond report, which suggests that a shift from costly long-term-care facilities to home care will save a significant amount of money. Although the tax rebate is estimated to cost the province \$60 million annually, this amount needs to be put into context with other supports the government offers seniors.

Currently, the province spends \$3.44 billion in long-term-care homes. Recommendation 5-26 of the Drummond report states that the government should "resist the natural temptation to build many more long-term-care facilities for an aging population until the government can assess what can be done by emphasizing to a greater extent the use of home-based care that is supported by community services. Home-based care is less expensive and should generate greater population satisfaction."

Providing a tax credit to install grab bars, wheelchair ramps and walk-in bathtubs will ensure seniors will be able to stay in their homes longer, which ultimately saves the province money and does not put a strain on expensive long-term-care facilities.

The third important component of this legislation addresses the underground economy. As you're probably very well aware, the underground economy is the top

concern of the renovation industry as we operate, as countless of our jobs—

**The Chair (Mr. Bob Delaney):** I should advise you that you have about two minutes to go.

**Ms. Sandra Baldwin:** Okay. Countless jobs are lost from the legitimate operator, professional contractor, to the underground economy. This compromises safety for the homeowner, when they do an off-contract job, and it hurts the economy.

Apparently, as a result of an Environics survey, 56% of homeowners admit to doing underground cash payments, and 68% responded that, if there was a rebate in place, they would opt to do contracted work.

So as I mentioned, that's \$21 billion from our industry, \$14 billion spent through contractor renovations directly. And we know that with underground economy work, as a result of an Altus Group study, about \$5.2 billion, or 37% of all contracted renovations, go underground. It affects the revenues of GST by \$298 million; \$1.6 billion in income tax revenue dollars is lost annually to the underground economy; and \$767 million from other revenues, such as Canada pension, WSIB and insurance premiums, are lost annually to the underground economy.

So we believe that the receipts generated from a tax credit like the eco energy credit, the home renovation tax credit and now the healthy homes tax credit would allow cross-referencing for the Canada Revenue Agency to find the underground operators who don't get permits and who put homeowners at risk.

**The Chair (Mr. Bob Delaney):** Thank you. Our questions for the next five minutes will come from the New Democrats. Mr. Prue?

**Mr. Michael Prue:** I'm most interested in your talk on the underground economy. This is a very small government program. How much can \$60 million do towards stopping an underground economy, considering that you earlier said—what was it, \$3.4 billion or something for home renovation per year? I forget the figure you used.

**Ms. Sandra Baldwin:** Twenty-one billion, for renovations.

**Mr. Michael Prue:** How much can \$60 million influence a \$21-billion industry, with a lot of it underground?

**Mr. Victor Fiume:** Thank you for the question. Clearly, \$60 million, in itself, will not stem the tide. But I think you have to remember as well that one of the things that the home renovation tax credit and the eco energy audit programs, both provincially and federally, demonstrated was that for \$1 of rebate that was given to the homeowners, they spent \$10 out of their own pocket. So we're leveraging \$60 million in rebates to a \$600-million expenditure by homeowners within this province. Clearly, compared to \$21 billion, it is a small percentage of that but certainly a step in the right direction, and we would encourage the government to undertake more of these types of rebates where receipts are required, in order to get hold of the runaway underground cash economy.

**Mr. Michael Prue:** Just a question: Yes, people will want to pay this from their income tax. They're going to get a 15%, approximate, rebate, which is almost exactly the HST. If they paid underground, really they would have a choice—and I acknowledge, I don't want people going underground, because I think it rips the whole system off. But if a senior is looking at this, and a guy comes to the door and says, "I can do this for \$10,000, and if you give me cash, there's no HST, or I can do it for \$10,000 plus HST and you can get a rebate of approximately the same amount," there's not much in this for a senior.

**Mr. Victor Fiume:** The 13% versus 15%—again, not a big spread. That's where we come in, as the Ontario Home Builders' Association, and professional associations such as ours, renovators' councils that we have, RenoMark, which is our renovation branding here in Ontario. This is all part and parcel of dealing with a professional. This is what we talk about to our customers every single day, and I think it legitimizes dealing with a contractor who is professional and knows what they're doing.

**Ms. Sandra Baldwin:** May I also add that if we can use the renovation tax credit as an example, we did see a spike in the jobs for our industry of 18.1% in that year. I think that a lot of that spike was seeing jobs that were happening, but they came above ground. So we think that's very important to note.

**Mr. Michael Prue:** What is the single best thing a government can do to get rid of the underground economy? I think that's the biggest issue.

**Mr. Victor Fiume:** I guess a number of issues: I think there has to be a program in conjunction with the federal government—one, education, and also enforcement. I'm not sure that homeowners appreciate the legal ramifications of dealing with somebody, paying cash, that typically doesn't carry WSIB coverage, for example. We are facing a \$14-billion unfunded liability there in the WSIB, or whatever the amount is. If somebody falls at your house and has a devastating injury and they're not covered by WSIB, they're in trouble.

**The Chair (Mr. Bob Delaney):** I'm going to have to stop you there. Thank you very much for having come in this morning. This concludes your deputation.

**Ms. Sandra Baldwin:** Thank you very much.

#### MARCH OF DIMES CANADA

**The Chair (Mr. Bob Delaney):** Our next deputation will come from March of Dimes Canada. If Jerry Lucas is present, or Steven Christianson, please come forward. Please sit down. Make yourselves comfortable. You'll have up to 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the government. Please state your name for Hansard and then begin.

0910

**Mr. Steven Christianson:** Good morning, Mr. Chair and members of the committee. Thank you for the opportunity to share our thoughts and experiences regarding the healthy homes renovation tax credit. My name is Steven Christianson. I'm the national manager of government relations and advocacy at March of Dimes Canada.

A few introductory remarks, after which Jerry Lucas, our vice-president of programs, will provide a more fulsome discussion of our view of where Bill 2 will be positioned in the landscape of accessibility measures, home renovations and increasing independence for Ontarians with disabilities.

March of Dimes provides community-based rehabilitation services to physically disabled individuals of all ages. Our mission is to assist people with physical disabilities to maximize their independence, personal empowerment and community participation.

When we consider Bill 2, the context of our work in Ontario draws from a number of sources, all of which requires a keen knowledge of the Ontario building code, the Accessibility for Ontarians with Disabilities Act, the home and vehicle modification program, and Ontario Renovates. In serving upwards of 50,000 consumers, we need to be fully aware of how each interacts with the other, and how the sum of these parts works towards achieving greater accessibility in Ontario.

It's interesting to note that, with the scope of our work having a national perspective, we see similar tax credits for accessibility and home renovations being considered in other provinces as we speak. So Bill 2 is certainly consistent with a legislative trend, if you will.

We'll move on to Jerry.

**Mr. Jerry Lucas:** Thank you, and thank you for this opportunity to speak to Bill 2.

March of Dimes has been a leading advocate and service provider in the field of accessibility for over 60 years.

We're passionate about seeing accessibility measures like the healthy homes renovation tax credit implemented. I want to stress that such measures should be seen not in isolation from other programs and services but in conjunction with them. I'll be explaining this shortly.

In the 1970s, Ontario March of Dimes was the first agency to employ barrier-free design architects, the first to employ community development staff to work on local issues such as accessibility and para-transit, and a regular consultant on changes to the Ontario and national building codes. In 1986, March of Dimes was the first recipient of the Premier's Award for Accessibility.

For the past two decades, we have been a consultant to the Ontario Trillium Foundation, reviewing all requests for funding modifications to facilities serving the public, advising on the best and most economical ways to achieve the results prior to any grant being approved. In partnership with Quadrangle Architects Ltd., we operate Accessibility Advantage, which consults with organizations on compliance with AODA regulations.

Since 1999, March of Dimes has operated the home and vehicle modification program, or HVMP, funded by the Ministry of Community and Social Services, which provides grants of up to \$15,000 to individuals in financial need for modifications to their home or vehicle required as a result of their disability. Each year, at least \$9.25 million in grants are awarded. However, three to four times this amount is requested from qualifying individuals. Our barrier-free design consultants review requests, advise on plans, approve pricing and oversee the contract fulfillment to ensure the individual gets the renovation they require completed to their satisfaction.

Forty-five per cent of the grant recipients of this program are over the age of 65. Many require the modification for health and safety reasons, to get out of hospital early or to stay out of chronic care as their health and mobility deteriorate. This is consistent with the eligibility requirement for the healthy homes renovation tax credit.

Our pre-budget submission last December recommended that the government focus its resources in this manner as a way of reducing acute and long-term-care costs. With an average grant of \$10,000, the government recovers the cost of the grant if it gets a hospital resident back home five days earlier or keeps an individual out of chronic care for as little as two months. We were very pleased that both the Drummond report and the 2012 Ontario budget support the shift of resources from acute care to living and aging at home as centrepieces of their recommendations and of their funding allocation.

We see the healthy homes renovation tax credit as a complementary tool in achieving this goal. The HVMP grants are critical to lower-income individuals who need the cash to make the necessary changes to their home. The tax credit complements this for seniors with more resources, who could benefit from this tax credit and who would not qualify for the HVMP program, which does not fund families with more than \$60,000 in annual income. It's a sliding scale, so most people are under \$20,000.

A key theme of the 2012 Ontario budget is integration and coordination. In fact, these are key themes in most budgets across the country. Recently, the government of Ontario announced the Ontario Renovates program, which is funded through the downloading of the residential rehabilitation assistance program of the government of Canada, known as RRAP. For the past 13 years, HVMP has coordinated funding with RRAP-Disabilities, or RRAP-D, to ensure that all available sources help fund home modification projects which might exceed the scope of our program's funding cap. We had hoped that the RRAP-D program would be integrated with HVMP to better coordinate projects critical for an individual to return to or remain at home, but it is instead being downloaded to the municipalities. We're still awaiting details on exactly how Ontario Renovates will operate.

With the foregoing in mind, we see three recommendations touching mainly on sections 7, 8 and 9 that can help improve the effectiveness of the renovations that Bill 2 is designed to recognize and refund.

First, people who require home modifications may not know the best and most economical way of achieving the required results. For people who have lifelong disabilities, this is less common, due to their years of experience of living with a disability. However, most seniors applying for this tax credit will have lived without a disability and without much thought about accessibility, until aging or a sudden condition such as a stroke changes this. We offer our services and expertise for people who contact us to review plans, or prior to developing plans, for advice before undertaking a renovation.

Second, many contractors do not have the experience with accessibility-related projects. Until we see final approval of the built environment standard of the AODA and how it interacts with the Ontario building code, it is—

**The Chair (Mr. Bob Delaney):** I'd just like to interject at this point, and point out to you that you've got about two minutes to go.

**Mr. Jerry Lucas:** Okay, I will be done in that time—today's reality that only a handful of accessibility-experienced contractors exist. After having overseen more than 10,000 accessibility renovations, March of Dimes currently has a list of contractors who we know from experience have worked successfully on such projects.

Third, while most contractors are ethical, some will use this program to recommend modifications which may be excessive or provide quotes which are much higher than required for the job to be done. In our program, these quotes are caught and not approved. A vulnerable senior, new to such work, may not have someone to act as their advocate or adviser. Quote review is another service that HVMP could provide to these individuals.

In conclusion, the healthy homes renovation tax credit is a needed, complementary measure to help recognize the expenses that will improve accessibility and independence. Governments across the country are considering such measures, a telltale sign that accessibility not only makes good public policy but will increasingly form a cornerstone for the programs and services around aging and disability.

Thank you.

**The Chair (Mr. Bob Delaney):** Thank you for your deputation. There will be up to five minutes of questions from the government. Mr. Naqvi.

**Mr. Yasir Naqvi:** Thank you very much, Chair, and good morning to both of you. Thank you very much for coming to the committee today to speak on Bill 2, the healthy homes renovation tax credit.

I really appreciate your support for the program. I think you speak from experience. As you mentioned, your organization has been doing this for a long time, and I want to commend you and your organization for doing an excellent job in helping members of our communities with disabilities.

I was really intrigued by your comment about the relationship between the HVMP program, that already

exists, that helps seniors with disabilities who are on a lower income, and how this program could be complementary to those seniors who may not qualify for HVMP. Can you talk about some of the requirements that HVMP has and, in your experience, how many people are excluded who may be able to benefit from this particular tax credit?

**0920**

**Mr. Jerry Lucas:** Currently, we can only fund about a quarter of the applicants for the home and vehicle modification program, so financial need is half of the consideration. As I mentioned, we fund on a sliding scale. Even people who qualify and make it through that process, if they're at the \$50,000 or \$60,000 range, they may only qualify for a grant of \$1,000 or \$2,000. Since our average grants are \$10,000, it's an indication that most of our applicants who are being given grants are at the \$10,000 to \$20,000 annual income level.

So there are a large number of people who are seniors who will age in place who haven't had lifelong disabilities but will, all of a sudden, require modifications that won't be eligible for the program as it currently exists. We really see this being complementary.

**Mr. Yasir Naqvi:** In terms of your experience in enhancing the quality of life of seniors who continue to live in their own home, I consistently hear from seniors in my community that the best place they would like to live is their home. Any assistance that could be provided to them to make it accessible—are there any experiences that you can share in that regard as to what you have observed, where folks are not going to a long-term-care or a retirement residence but are being able to modify their homes and have a more fruitful life?

**Mr. Jerry Lucas:** Well, we just went through a two-year program review that was commissioned by the Ministry of Community and Social Services. One of the questions in that review was to ask people who had received grants, "Based on why you asked for the grant, did it meet your needs?" Of the people who needed the grant to either get out of hospital early or to stay in their own homes, 100% of the respondents said that it achieved that objective.

So when you consider the cost of chronic care, literally in less than two months, the \$10,000 grant is repaid. So something similar will occur with a tax credit. At the other end, getting out of hospital three or four days early, you've paid for the grant.

So we're actually approaching some of the LHINs to look at a triage approach. When somebody has a debilitating stroke, should we be getting into their homes right away with a special grant just to get them out of hospital as soon as possible?

**The Chair (Mr. Bob Delaney):** Thank you very much for having come in today and for your thoughtful deputation.

CARP

**The Chair (Mr. Bob Delaney):** Our next deputation will be from CARP. You will have up to 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the official opposition. Please state your name for Hansard and then begin.

**Ms. Susan Eng:** Thank you. Good morning. My name is Susan Eng. I'm vice-president for advocacy at CARP.

CARP is a national, non-profit, non-partisan organization with about 300,000 members across Canada and 50 chapters. Two thirds of our membership are here in Ontario, with about 21 chapters in Ontario.

We have been focusing on a new vision of aging, and one part of that that is extremely important to us is aging at home, the issue that addresses the kinds of needs that people have and their preferences for staying at home as long as possible, regardless of whether they have medical challenges.

Within this new vision of aging at home for CARP, two elements are extremely important. One, that there be an integrated system of continuing care for older Canadians: That includes a navigation system, a guaranteed basic level of home care services across the country, the need to have consistent and high levels of home care standards across the country, integrating the different services that the public and the private sector can provide at home—social services, housing and so on—and of course making sure that there's sustainable funding across the country.

In addition to looking at the specifics that the health and social services systems can provide, we believe that we have to look at the development of our communities through an age-friendly lens. In that case, we have to look at making sure our building codes, for example, require accessibility standards. If we use uniform standards, universal standards, we are more likely to achieve an age-friendly and accessible community. That perspective is important and it means that as we develop our public services, we continually find out where people are located rather than forcing them to move into institutions for care. So we should be supporting naturally occurring retirement communities, for example, where people tend to grow old together in some places in the community, and we should provide services there, bringing social services to community hubs such as local schools that are perhaps being underutilized, and an opportunity to let people continue to age gracefully, not only in their homes but in their communities.

So against that larger screen of how we believe services to older Canadians should be provided, we believe that Bill 2 will fit in that framework entirely. It's a major part of it. It's not the only part that is necessary, of course, and we were very pleased to see the changes that were proposed in the budget just last week, which tends to focus on the larger, comprehensive system of providing services as well as funding, which we found to be extremely important.

We also take the opportunity to test these kinds of proposals with our membership. As it happens, it is something that we have recommended in the past, both federally and provincially, so it was not a surprise to find that our membership was very supportive of this specific initiative. We issued the poll on Tuesday, and today we have over 2,000 people who have responded to the poll and indicated, according to the questions that we asked them, that more than half would themselves make use of the new home renovation tax credit. More importantly, it would allow them to stay at home if they have medical challenges. Furthermore, on the matter of public policy, they believe that it is a most worthwhile venture in terms of the cost-benefit analysis here.

Speaking to some of those cost-benefits, the benefit of being able to stay in your own home seems quite intuitive, but I think the system needs to be aware of the costs of not making those kinds of changes. There are facts and figures, which I'm sure you have available to you, that some 43% of Canadians over 65 experience some form of chronic condition, compared to about 14% for the rest of the population. When you look at people age 75-plus, the prevalence of chronic diseases jumps to about 56%. When people have inaccessible homes, the cost of falls—that's just one factor here that leads, usually, to hospitalization and, unfortunately, very rapid deterioration thereafter. Falls are the source of 85% of injury hospitalization in Ontario for those 65 and older. Between 25% and 75% of falls can be prevented by making changes to the physical environment.

With a national average cost of about \$15,000 for a hospital admission, you can see—and I'm sure you do care that people live safely in their homes—that the cost to the system is avoidable and totally unnecessary. The annual cost of falls for seniors in Ontario alone is almost a billion dollars: \$962 million.

So I think the point that we're making here is that a lot of people already own their own homes—72% of senior households own their own home—and they would like to stay in those homes as long as they can. The opportunity to do so with an encouragement like this, an incentive, is extremely valuable to them. It will be valuable to the system as a whole. It plays into the larger part of our recommendations, that it's extremely important to keep people in their own homes as long as possible and out of institutions, where they prefer not to be. It is also a place where they will age much more gracefully to the end of their lives.

So I thank you very much for the opportunity to talk about this and to support the principles and the elements of Bill 2.

0930

**The Chair (Mr. Bob Delaney):** Thank you very much. Questions? Mr. Fedeli.

**Mr. Victor Fedeli:** Thank you very much, Chair, and thank you very much, Ms. Eng, for being here today.

Full disclosure, Chair: I am one of the 300,000 members of CARP in Ontario. I have my card.

**Ms. Susan Eng:** Wonderful. Thank you.

**Mr. Victor Fedeli:** I may not look old enough, but trust me, I've been there for a few years.

**Ms. Susan Eng:** Well, thank you for that.

**Mr. Victor Fedeli:** Ms. Eng, thank you for the work that you're doing. It's deeply appreciated across Ontario and across Canada.

In your deputation, you say that this is an important start. I'm most eager to hear what your members are telling you, whether this indeed is a fair enough program for all seniors or whether you see this as strictly divisive in terms of, it favours those who can afford it or those who are somewhat disabled—I think the act actually calls it, “who has an impairment.” Can you give me a comment on that, please?

**Ms. Susan Eng:** Well, absolutely. You're quite correct that there is a need—first of all, you have to afford the \$10,000 to get the maximum amount of support, and that's fair comment.

First of all, full disclosure from me too: I have to declare a conflict of interest. My mother fell at the end of January and cracked two of her vertebrae, which required our family to decide to put in a ground-floor washroom downstairs. Those are the kinds of choices families make every day. Between doing that or not doing that, the choices were obvious, because not doing that meant she would have to move. It was just that simple. So what would be the cost of that? What if she continued to deteriorate or, God forbid, fell again, because she was unstable going up and down her stairs? Then, where does that take us?

Those are choices that people make, even people of modest means. So I take the point that people who don't have the means to make these renovations need public funding, and I would certainly like to see an amendment to your bill to do that. But, in the meantime, for those who will make those choices to make the modifications in their own homes, it is a net benefit to the family, to the individual and, I think, to the health care system.

**Mr. Victor Fedeli:** To your comment about the amendment, then: Are you aware that people who participate in this program may be precluded from other related grants? I would look for your opinion on whether that sounds like a coordinated approach to age-related issues or disability issues, and if that's indeed a comprehensive plan that I presume you favour.

**Ms. Susan Eng:** In fact, as I led off with in my presentation, there is an absolute need to have a comprehensive plan across the country. We are aware that there has been some research across the country to see just where we are, almost a decade after the 2004 health accords, which had declared post-acute home care as the next essential service. So where are we? Do we have a complete system? Do we have gaps? The gaps are, unfortunately, very apparent, and our members tell us about them all the time.

So, absolutely, there's a need for a comprehensive approach. Whether or not those programs are in conflict is not something that we have fully examined to see whether or not there's an absolute bar, but I would cer-

tainly encourage the necessary amendments to make sure that there isn't that contradiction because, of course, that would undermine the purpose of the bill.

**The Chair (Mr. Bob Delaney):** Thank you very much for having come in and for your presentation this morning.

#### ONTARIO REAL ESTATE ASSOCIATION

**The Chair (Mr. Bob Delaney):** Our next deputation is from the Ontario Real Estate Association. If you would kindly come up, be seated and make yourselves comfortable. You'll have up to 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the third party. Please state your name for Hansard, and then you may begin.

**Ms. Patricia Verge:** Thank you, good morning. Thank you, Mr. Chair, and members of this committee. My name is Pat Verge. I'm an Ottawa-area realtor and chair of the Ontario Real Estate Association's government relations committee.

I want to thank you for the opportunity to present our views on Bill 2, the Healthy Homes Renovation Tax Credit Act, 2012. Joining me today is Matthew Thornton, OREA's manager of government relations.

By way of introduction, the Ontario Real Estate Association is one of the province's largest trade associations, with over 56,000 realtor members in 42 real estate boards throughout Ontario.

OREA was founded in 1922 to organize real estate activities and develop common goals across the province, including advocating for higher industry standards, protecting property rights and promoting the value of home ownership.

OREA is here today to speak in support of Bill 2. We commend the government for bringing it forward and encourage all parties to vote in favour of its passage.

Ontario realtors support the creation of a healthy homes renovation tax credit for three reasons. First, this tax credit will create jobs. The home renovation sector in Ontario generates over \$20 billion in economic activity every year, employing 195,000 Ontarians. According to the government's estimates, this tax credit will support \$800 million in home renovation activity and create 10,500 jobs each year. Job creation is essential to the health of Ontario's housing market and in our province's ongoing economic recovery.

Second, the proposed tax credit will strongly encourage the use of professional contractors and deter underground economic activity known as the cash deal. Underground renovation activity withholds hundreds of millions of dollars in tax revenues from the provincial government and poses serious health and safety issues for consumers. According to the Ontario Home Builders' Association, the underground activity accounts for 37% of the total output of the residential renovation industry in Ontario, or approximately \$5.2 billion.

Moreover, OHBA estimates that the underground home renovation economy causes the loss of up to \$298 million in GST revenue annually, \$1.6 billion in income tax revenue annually and \$767 million from other revenues, such as CPP, WSIB, employer health tax and employment insurance premiums. A healthy homes renovation tax credit will help recover a portion of these costs by encouraging the use of professional contractors who issue receipts and pay taxes and insurance premiums. Unlike professionals, underground contractors often do not meet health and safety standards for their workers, do not acknowledge or carry out warranties, and homeowners have little to no recourse in the event of shoddy or unsafe workmanship.

Mr. Chair, Ontario is a province of homeowners. Approximately 3.2 million households in this province are owner-occupied, and for good reason. Studies show that home ownership has a significant positive impact on the Ontario economy, civic participation and overall quality of life.

OREA encourages the creation of a healthy homes renovation tax credit because it will help seniors to remain homeowners. In doing so, this tax credit is helping to support stronger people, stronger communities and a stronger Ontario. For example, according to an Ipsos Reid survey commissioned by OREA in 2011, homeowners reported being happier, healthier and enjoying a greater feeling of control over their lives.

With respect to civic engagement, homeowners are significantly more likely to say that they voted in recent elections, donated to charity, volunteered or had written a letter to the editor.

Finally, in 2011, economic spinoffs from the resale housing market generated \$8.1 billion in consumer spending and created over 60,000 jobs, helping to drive Ontario's economy.

So in addition to creating jobs and deterring the underground economy, this tax credit is one we support because helping seniors to remain homeowners is good for people, for communities and for Ontario.

As some of you will recall, organized real estate in Ontario advocated in favour of a home renovation tax rebate for all homeowners during the recent provincial election. Given the current fiscal climate in Ontario, however, OREA regards the proposed healthy homes renovation tax credit as a prudent first step towards a larger rebate program.

In closing, when government supports homeowners, as this tax credit does, it strengthens our economy, creates jobs, builds up the middle class and builds better citizens. For these reasons, we support Bill 2 and the creation of a healthy homes renovation tax credit.

Thank you, and we'd be happy to take your questions.

**The Chair (Mr. Bob Delaney):** Thank you very much. Mr. Prue?

**Mr. Michael Prue:** Thank you. I asked this question of an earlier group, but I'm still curious. The home renovation sector in Ontario generates \$20 billion of economic activity, and here we're talking about \$60 million, or

about one 300th of 1%. What kind of impact is this? This has to be absolutely negligible.

**0940**

**Ms. Patricia Verge:** Well, it may start as being negligible, but as I said, we're hoping that this will be increased. It is a start. It's making a new direction in this direction which we think is absolutely essential.

Matt, have you anything else you'd like to add to that?

**Mr. Matthew Thornton:** Yeah, I think just further to what Pat has said, it's a good first step towards something that we'd like to see expanded as time moves on.

With respect to deterring underground economic activity, it's not going to solve the problem, but it is going to encourage homeowners to use professional contractors who issue receipts, maintain insurance and all those kinds of things. It's a good first step.

**Ms. Patricia Verge:** I think homeowners would really like to use reputable contractors who are with insurance and have all those things and pay GST. I think most people would like to, so if this is an encouragement to do that, I think it's a good idea.

**Mr. Michael Prue:** Well, even reputable contractors, I've had them come to my house, too, and say the same thing. These are guys who will give you a full receipt, and they just look you straight in the eye and say, "If you give me cash, there's no HST." They look me straight in the eye.

**Ms. Patricia Verge:** Well, this way, the homeowner pays the HST and gets 2% extra. It's not perfect, but it's a step.

**Mr. Michael Prue:** Okay, and you said here towards the end that in the last election, "Organized real estate in Ontario advocated in favour of a home renovation tax rebate for all homeowners..."

Some have argued, and in fact in the initial statement I argued, that this was too prescriptive. This was for a small group of seniors with either medical or disability issues. Would you advocate or would you think it would have been better for the government to have brought forward a bill for a larger group even though the money allocated might be smaller per individual? That would open it up to more seniors.

**Ms. Patricia Verge:** I think you have a good point. When I looked at it myself, I thought, "Wow, at my age, there's very little that I'm not old enough for," but this was one of them. But I think, as I've said, we'd like to see the government do more in that regard, and hopefully they will take it further because people who need their houses renovated or changed to accommodate health issues are often younger than the 65 limit. They get sick in their late 50s and stuff like that. Again, there's room to grow.

We would have liked to have seen more, but at least it's a step. It's a start, and it sets a new direction. They're saying this is going to be permanent, so maybe they'll permanently make it a little better as it goes on.

**Mr. Michael Prue:** More time?

**The Chair (Mr. Bob Delaney):** You've got another minute if you want it.

**Mr. Michael Prue:** Okay. Another program which hardly exists anymore was to have homeowners retrofit their homes for energy saving. The government saw fit to kill that, but that would also save a lot of money, as this program would for hospitals, in the energy sector. Why is this a better program than perhaps that one was?

**Mr. Matthew Thornton:** During the recent provincial election, we also advocated in favour of the province re-introducing the home energy retrofit rebate program. We were in support of that. I think both those programs are addressing two separate issues. One is addressing seniors living at home; the other is addressing energy efficiency.

We're in support of both. We think that the province certainly has a role to play on both of those issues. As Pat said, this is a good first step forward on the renovations side. We certainly recognize that the province is facing some fiscal challenges at the present time. It's modest, but it's a good first step.

**The Chair (Mr. Bob Delaney):** And that concludes your deputation and your questions. Thank you very much for having come in this morning.

**Ms. Patricia Verge:** Thanks a lot. Have a great day, everybody.

#### HYDROXYL ENVIRONMENTAL INC.

**The Chair (Mr. Bob Delaney):** I would like to call on Hydroxyl Environmental Inc. Good morning and welcome.

**Mr. Martin Slepko:** Good morning. Thank you very much.

**The Chair (Mr. Bob Delaney):** If you've been here for a little while, you'll know that you'll have up to 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the government. Please state your name for Hansard and then begin.

**Mr. Martin Slepko:** My name is Martin Slepko. I'm a private citizen. I am president of the company referred to by you as Hydroxyl Environmental Inc. I come here with no political motivations, just simply to raise awareness of the possibility of adding something to the bill that might have been overlooked or I might have missed. I deem it worthy of your time, and I thank you for it.

My understanding of the bill itself and the amendment is that it's to help those 65 years of age and older live longer in their own homes safely. Through a personal income tax deduction, you're endeavouring to make their living space more functional. I hope that I have that correct.

The reason why I'm here is to talk about indoor air quality and possibly that it has been overlooked. I'm hoping that through this brief discussion, you might be able to understand the value of considering indoor air quality and the health benefits of it for any population; in particular, the aged. I'm suggesting adding a variety of what is available for improving indoor air quality as a potential solution to be added to the bill.

The main purpose of this interest is the result of what we all might be familiar with as sick building syndrome. How sick building syndrome has come about: As indoor environments have become increasingly closed off from the outdoors, our homes, our workplaces, indoor recreational and travel environments have chronic, unhealthy levels of volatile organic compounds and other pathogens. Biological pollutants are created, such as living organisms, particularly mould, bacteria and dust mites. Chemical pollutants are gases and particulates that come from combustion appliances in the home, tobacco smoke, household and personal care products, cleaning chemicals, and various building materials, such as carpet and wallpaper. Specific pathogens created by poor indoor air quality are formaldehyde, mould, carbon monoxide, nitrogen dioxide, ozone, fine particulate matter, and toluene.

The health effects created by this poor indoor quality of air are acute discomfort; eye, ear and throat irritations; dry cough; dry and itchy skin; and dizziness and nausea. So the impacts on the seniors, or the population in general, as a result of sick building syndrome are increased stress, increased vulnerability, increased health compromise and increased demands on the health care system.

How this impacts the population is vulnerability to the immune system and some medications. It makes seniors more susceptible to infectious diseases such as seasonal influenza, MRSA, C. difficile, West Nile and other health-care-associated infections.

What might be considered as part of an addition to the bill, if that's at all possible, is indoor air quality testing; mould remediation; filtration systems; electronic air cleaning systems; humidifiers; dehumidifiers; what the HVAC industry is selling as heat recovery systems, designed to introduce fresh air into the environment; and, of course, hydroxyl production.

Other than me explaining what hydroxyls are and the role they might play in indoor environments—I don't want to make this a selling exercise, so I'll divert from talking about that particular technology unless you question it and I can explain what that might mean.

**The Chair (Mr. Bob Delaney):** Okay, thank you. Mr. Naqvi?

**Mr. Yasir Naqvi:** Thank you very much, Mr. Slepko. I really appreciate you coming here today and talking about an aspect which you think we may have missed when drafting the bill. Let me sort of go to a basic point. Is my understanding correct that you do support the concept that's being put forward in this bill, that we should have some sort of renovation tax credit, making it easier for seniors to live at home?

**0950**

**Mr. Martin Slepko:** One hundred per cent.

**Mr. Yasir Naqvi:** Okay, thank you. And your contention is that maybe the list of things that are eligible could be expanded to look at more air-quality systems as well.

**Mr. Martin Slepkov:** You said “more air-quality systems”?

**Mr. Yasir Naqvi:** Air-quality systems being included in the list as well.

**Mr. Martin Slepkov:** Yes, that’s correct. There does not seem to be any accommodation for understanding the indoor environment and the impact on seniors in particular.

**Mr. Yasir Naqvi:** Okay. The sick building syndrome that you’re referring to: How many homes or what age of homes usually have that kind of issue?

**Mr. Martin Slepkov:** Unfortunately, it spreads across all homes and all buildings. Due to our efforts to make homes and buildings energy-efficient, we’ve closed off the outdoors. Because of the natural chain reactions that happen indoors with off-gassing from carpets or off-gassing from cleaning chemicals, it contaminates the air. So it makes people who have sensibilities to odours, asthma, breathing and respiratory issues—it impacts them greatly, and the stress on their body will only increase the impact of how this affects their health. At the moment that you compromise their health, you’re introducing the opportunity to increase your health care costs.

**Mr. Yasir Naqvi:** Obviously, we relied on experts in determining the list of things that will be eligible for the healthy homes renovation tax credit and making it easier for seniors to live at home, but I really appreciate your time in raising an issue for us, for our consideration. Thank you very much.

**Mr. Martin Slepkov:** Thank you.

**The Chair (Mr. Bob Delaney):** And thank you very much for your deputation. I swear to God I worked in one of those sick buildings a number of years ago.

**Mr. Mike Colle:** This place here isn’t very good, I’ll tell you. There’s no air. There’s a lot of hot air.

**The Chair (Mr. Bob Delaney):** I know. I’m glad we didn’t even get into cat hair.

Okay, thank you very much, Mr. Slepkov.

**Mr. Martin Slepkov:** Thank you.

#### ALZHEIMER SOCIETY OF ONTARIO

**The Chair (Mr. Bob Delaney):** I’d like to call upon the Alzheimer Society of Ontario to please come and join us. As you sit down and make yourselves comfortable, you’ll have up to 10 minutes for your presentation. After that, there could be up to five minutes of questions from the committee. This round of questions will come from the official opposition. Please state your name for Hansard and begin.

**Ms. Jacquelyn Micallef:** Thank you. Jacquelyn Micallef, on behalf of the Alzheimer Society of Ontario.

**Mr. David Harvey:** And David Harvey.

**Ms. Jacquelyn Micallef:** Mr. Chair, members of the committee, ladies and gentlemen, thank you for giving the Alzheimer Society of Ontario the opportunity to present to the Standing Committee on Finance and Economic Affairs on Bill 2, the healthy homes renovation tax credit.

The Alzheimer Society of Ontario is a long-standing organization that is dedicated to improving quality of life for Ontarians living with Alzheimer’s disease and other dementias and advancing the search for a cause and a cure. With our province-wide network of 38 local societies, we improve service and care, fund and advance research, educate communities, and create awareness and mobilize support for the disease.

Local Alzheimer societies offer a range of services including group supports, counselling, information, public awareness and dementia-specific education for front-line health service providers, those diagnosed with the disease and their families and caregivers. The ASO and the local societies work in partnership with many individuals and organizations across a variety of sectors and settings.

The word “dementia” is a general term that refers to many different diseases. Different types of dementia are caused by different physical changes to the brain. Symptoms of dementia can include progressive deterioration of memory, judgment and reasoning, and can lead to changes in mood, behaviour and communication abilities. These symptoms affect a person’s ability to function at work, in social relationships and in activities of daily living.

Alzheimer’s disease, the most common form of dementia, is a progressive, degenerative disease of the brain which causes thinking and memory to become seriously impaired. Vascular dementia, which is most often attributed to stroke, is the second leading cause of dementia.

Today, more than 181,000 people in Ontario have dementia. In 10 short years, this number is expected to increase 40%, to 255,000 people. Dementia is the leading cause of disability in Ontarians over 60, causing more years lived with disability than stroke, cardiovascular disease and all forms of cancer.

The annual total economic burden of dementia is expected to increase from \$7.1 billion in 2010 to \$19 billion in 2020. The number includes direct costs of health care services, the opportunity costs that are impacted by a caregiver having to leave the workforce, and the indirect costs of that lost productivity and lost wages. Direct costs of dementia in the health care system are projected to increase by \$440 million each year through 2020. With partnership from the Ontario government, we have the opportunity to curtail these costs to ensure that investments are effective and multi-purposed.

The ASO congratulates the government for taking a step forward in helping seniors to stay in their homes longer. Seniors want to remain in their homes for as long as possible, but they need to be supported. Small things matter for a person to remain in their home. Instrumental activities of daily living are driving long-term-care home wait-lists. Hospitals have become a default for people with dementia who do not have appropriate supports in their homes. Seniors with complex needs go to the emergency room and get admitted to hospital more

frequently than other seniors, and stay for longer periods of time.

New evidence has emerged that shows 57% of hospitalizations with a main diagnosis of dementia had alternate level of care days and 25% of hospitalizations with dementia as a comorbidity had alternate level of care days. Seniors in ALC with dementia are more likely to be waiting for long-term-care or residential-care placement compared to younger people waiting for in-patient rehab or to go home with supports. Hospital care is expensive and does not provide positive health outcomes for those who do not require that type of care.

Dementia is a major cause of falls. Falls are a leading cause of hospitalization. Safe, well-adapted homes are a major step forward for falls prevention.

Bill 2, the Healthy Homes Renovation Tax Credit Act, offers one type of support to facilitate a senior remaining safe and comfortable in their home or in that of their caregivers. This bill will also help caregivers to make their home more responsive to the needs of a person they are caring for by offsetting the cost of home renovations. This is established in the inclusion of the individual with a qualifying relation to the senior.

In a study of caregiver needs, it was found that financial issues are a concern. One major reason for that is that the additional expenses related to providing care for a person with dementia include costs for home modification. In particular, caregivers have asked for tax credits to help offset that financial burden. The support offered in Bill 2 responds directly to that need that caregivers have expressed.

Another important inclusion that the ASO recognizes is found in section (7)(1)(i)A under “Listed improvements,” which is the inclusion of renovations that will assist with individuals being “functional” within their homes, and not just mobile. It is our hope that “functional” would include safety modifications that would prevent against negative outcomes related to the behaviour of wandering.

Overall, the ASO is in support of this bill and sees that it will help seniors remain in their homes longer and will improve health outcomes and lessen the burden on our health care system. Thank you.

**The Chair (Mr. Bob Delaney):** Thank you very much. Mr. Shurman.

**Mr. Peter Shurman:** Good morning, Ms. Micallef and Mr. Harvey. Thank you very much for coming to talk to us.

Again, I can relate on a personal level to what happens as dementia takes hold and what some of the constraints are within the home. Our party’s stance in not supporting Bill 2 has nothing to do with the issue that besets people who are in that condition; we just think that there are better approaches for it, and I wanted to put that on the record before putting some questions to you.

You finished your presentation by saying that this bill—I’m paraphrasing—goes a long way towards addressing some of the issues that you’ve underscored in your presentation. But I would have to put the proviso

on—and what I’m doing is doing so so you can react to it—“some seniors,” because it doesn’t help all seniors. When I say some seniors, we’re talking about some seniors who are beset by dementia, because some seniors who are beset by dementia, like some seniors who are not, have the means to do things, and others don’t. We’re talking here about deductibility of an investment that, first of all, to get the deductibility, you have to make.

Our objection has very much to do with the broadness of scope—or, more correctly, the narrowness of scope—envisioned by this bill. Don’t you think there could be another approach that would achieve the same results without saying, “If you’re rich, you get it, and if you’re not, you don’t”?

**Mr. David Harvey:** If I might respond, there were programs at one point—the residential rehabilitation assistance program, for example—that had a forgivable loan process, if I recall correctly, that was maybe of more use to seniors on limited incomes. So this is not the total solution, but it is an advance from where we are now and where we were a couple of years ago.

Adding programs such as a forgivable loan approach certainly has merit, and that would be the kind of thing that we’ll continue to advocate for. We don’t see this as a total solution, but it’s a partial advance.

**Mr. Peter Shurman:** I think that you’ve just focused on our concerns. We don’t see it as a total solution, and so when you add something, most people—and you’re clearly, along with a lot of other presenters today, representative of a group that’s like this: “Well, you know, they’re giving us something. Let’s take this, because I’d rather help some people than help no people.” I can understand that perspective, but I also am partial to a perspective that is holistic and says, “Look, we’ve got a dementia problem, we have a mobility problem, we have a problem of people wanting to age in their homes who are losing homes because there was a recession and their savings were decimated in a time where they could ill afford it.” There are just a myriad of problems that have not been addressed in an overall way.

Are you aware, for example, that this program is only available to people who are not already supported on some other program that’s sponsored by government? I’m seeing a nod. Is that a yes?

**Ms. Jacquelyn Micallef:** Yes, we are aware.

**Mr. Peter Shurman:** So maybe you could comment on that, because in operating the Alzheimer Society, or any other society that deals with age-related issues, you’re going to have to make choices, or you’re telling your seniors, “You’re going to have to make choices.” Because if you have something coming in that’s under, I don’t know, ODSP, or some age-related program—right now I can’t name one off the top of my head—you don’t get this. How do you feel about that?

**Mr. David Harvey:** This is a technical piece that I can’t really comment on that much. A senior is not eligible for ODSP.

**Mr. Peter Shurman:** Well, then I used the wrong example. My point, however, is that there are a number

of government programs that put money or tax credits into the hands of seniors, and the way this bill is structured, if you're on any of them, you don't get this. And I'm asking you to react to that, because I see that as an underscoring of my holistic issue.

**Mr. David Harvey:** I think we're going to avoid comment. The stacking of tax credits or other kinds of income supports, I think, is beyond our competence or certainly our preparation for our presentation today.

**Mr. Peter Shurman:** That's fine, and I respect the answer.

**The Chair (Mr. Bob Delaney):** You may be pleasantly surprised to know that you're out of time.

I want to thank everyone for having come in this morning to share their thoughts and opinions on Bill 2 and, of course, our respective parties for their insights.

I want to point out that this concludes our business for today. Please recall that any proposed amendments to the bill should be filed with the committee clerk by 4 p.m. on Monday, April 16, 2012. Please contact legislative counsel for assistance in drafting amendments. The contact information has been provided to all sides.

This committee is adjourned until 9 a.m. on April 19, 2012, when we will meet for clause-by-clause consideration of Bill 2. Thank you one and all.

*The committee adjourned at 1004.*

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