



ISSN 1180-4327

**Legislative Assembly
of Ontario**

First Session, 40th Parliament

**Assemblée législative
de l'Ontario**

Première session, 40^e législature

**Official Report
of Debates
(Hansard)**

Wednesday 2 May 2012

**Journal
des débats
(Hansard)**

Mercredi 2 mai 2012

**Standing Committee on
Public Accounts**

Special report, Auditor General:
Ornge Air Ambulance and
Related Services

**Comité permanent des
comptes publics**

Rapport spécial, vérificateur
général : Services d'ambulance
aérienne et services connexes
d'Ornge

Chair: Norm Miller
Clerk: William Short

Président : Norm Miller
Greffier : William Short

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



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

COMITÉ PERMANENT DES COMPTES PUBLICS

Wednesday 2 May 2012

Mercredi 2 mai 2012

The committee met at 0819 in room 151.

SUBCOMMITTEE REPORT

The Chair (Mr. Norm Miller): Okay, I'll call this meeting to order. I believe we have a subcommittee report to deal with first and then a number of motions. Our first presenter is to be at 8:45, so at that point, if we can, even if we're not done our motions, move to presenters that would be good.

Mrs. Liz Sandals: Okay. I was just trying to find the subcommittee report here amongst all the paper. So, you would like me to read this?

The Chair (Mr. Norm Miller): Yes, please.

Mrs. Liz Sandals: Your subcommittee met on Monday, April 30, 2012, to consider the method of proceeding on the 2012 Special Report of the Office of the Auditor General on Ornge Air Ambulance and Related Services, and recommends the following:

(1) That the clerk of the committee contact Roger Yachetti to follow up with the Speaker's warrant relating to Dr. Chris Mazza.

(2) That the clerk of the committee revise the public hearing schedule for Wednesday, May 2, 2012, to remove Mr. Skanda Skanthavarathan and Mr. Flavio Volpe; to schedule Mr. Steve Farquhar from 12:30 p.m. to 2 p.m.; and to add Ms. Kelly Long from 2 p.m. to 2:30 p.m.

(3) That the committee clerk, in consultation with the Chair, be authorized, prior to the adoption of the report of the subcommittee, to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

The Chair (Mr. Norm Miller): Any debate? All in agreement? Carried.

SPECIAL REPORT, AUDITOR GENERAL: ORNGE AIR AMBULANCE AND RELATED SERVICES

The Chair (Mr. Norm Miller): Then I guess we're going to start on some motions.

Mr. Frank Klees: Chair, I'm not sure what you have in mind in terms of the order of these. If I might, given the circumstances relating to the motion that I have—if members would agree that we could deal with that as a first item.

Mrs. Liz Sandals: I thought we had agreed that we would deal with the witness motions first.

The Chair (Mr. Norm Miller): If there's not agreement for Mr. Klees's idea, then we'll start with the oldest witness motion and work our way up in historic order.

The first one would be from Mr. Klees. Do you have that motion?

Mr. Frank Klees: Which one do you want to deal with?

The Chair (Mr. Norm Miller): It was tabled April 25, and it's a motion to the Standing Committee on Public Accounts.

Mr. Frank Klees: The appraisal?

The Chair (Mr. Norm Miller): The appraisal.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts direct the clerk to call representatives from the appraisal firm that were involved in the appraisal of the Ornge headquarters as well as other assets related to any security agreement.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

The next one is also one of your motions, Mr. Klees, that was tabled April 25, to do with Toronto Dominion Bank.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts direct the clerk to call representatives from the underwriting firms (Toronto Dominion Bank and Scotiabank) that were involved in the underwriting of the Ornge debt instruments.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

The next one is another motion from Mr. Klees to do with Standard and Poor's.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts direct the clerk to call representatives from the rating agency (Standard and Poor's) who were involved in the rating of the bond issue by Ornge.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

The next motion here is from Mr. Klees, to do with the months of June, July and August.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts ("the committee") formally seek the authorization of the House leaders for each of the recognized political parties in the Legislative Assembly of Ontario so as to permit the committee to sit and

call witnesses at its pleasure during the weeks in which the House is not sitting in June, July and August of 2012 so that the committee may continue its debate and inquiry into the 2012 special report of the Auditor General of Ontario on Ornge Air Ambulance and Related Services.

Chair, if I might, I would be willing to withdraw this, depending on what happens, obviously, on the motion that I have before the committee to expand the mandate of the committee, which I believe would give us this authorization.

The Chair (Mr. Norm Miller): Okay. Well, why don't we just hold on to that one—

Mr. Frank Klees: We could just set this aside.

The Chair (Mr. Norm Miller):—set that aside.

Interjection.

The Chair (Mr. Norm Miller): We can still deal with this. Your other motion that is still to come would trump this one.

Mr. Frank Klees: Fair enough.

The Chair (Mr. Norm Miller): Any comment? All in favour?

Mrs. Liz Sandals: Of what? Deferring?

The Chair (Mr. Norm Miller): No, of voting on this motion.

Mrs. Liz Sandals: Oh, of voting on the motion. Okay.

The Chair (Mr. Norm Miller): Yes. Opposed? Carried.

The next one, Mr. Klees, is to do with an analysis prepared by MOHLTC.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts, pursuant to standing order 110(b), whereby each committee shall have power to send for persons, papers and things, request a copy of the report or analysis carried out by the Ministry of Health and Long-Term Care with respect to a proposal submitted by Ornge on or about January 2011.

The Chair (Mr. Norm Miller): Any discussion on this motion? All in favour? Carried.

The next motion is one by Mr. Klees to do with Tom Rothfels and John MacKenzie. Mr. Klees?

Mr. Frank Klees: Yes, and if I could have a copy of that, please.

I move that the Standing Committee on Public Accounts, pursuant to standing order 110(b), whereby each committee shall have power to send for persons, papers and things, call Tom Rothfels, former COO at Ornge, and John MacKenzie to testify before this committee.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

The next motion is one tabled by Mr. Klees to do with Rhoda Beecher. Mr. Klees?

Mr. Frank Klees: I move that the Standing Committee on Public Accounts, pursuant to standing order 110(b), whereby each committee shall have power to send for persons, papers and things, call Rhoda Beecher to testify before this committee.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

The next motion is one tabled by Mr. Klees to do with Robert Blakely.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts, pursuant to standing order 110(b), whereby each committee shall have power to send for persons, papers and things, call Robert Blakely, vice-president and general manager, Canadian Helicopters Ltd., to testify before this committee.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

The next motion is one by Mr. Klees to do with Ontario's Integrity Commissioner. Mr. Klees?

Mr. Frank Klees: I move that the Standing Committee on Public Accounts, pursuant to standing order 110(b), whereby each committee shall have power to send for persons, papers and things, call Lynn Morrison, Ontario's Integrity Commissioner, to testify before this committee.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

Mrs. Liz Sandals: Chair?

The Chair (Mr. Norm Miller): Yes.

Mrs. Liz Sandals: Mr. Klees had a motion that he was going to table. You've got it there?

The Chair (Mr. Norm Miller): I think this may be the one.

Mrs. Liz Sandals: The one that has the committee requesting the clerk to—

The Chair (Mr. Norm Miller): Yes.

The Clerk of the Committee (Mr. William Short): I just didn't put it on everyone's desk because we needed all these ones to be done first.

Mrs. Liz Sandals: Yes. So if we could get that now?

The Clerk of the Committee (Mr. William Short): That's the one there.

Mr. Frank Klees: Oh, yes.

The Chair (Mr. Norm Miller): Mr. Klees.

Mr. Frank Klees: I move that the Standing Committee on Public Accounts request Ornge to provide the committee with the contact information for the following employees: Rick Potter, Tom Lepine, Maria Renzella, Cynthia Heinz, Randy L'Heureux, Rhoda Beecher and Tom Rothfels.

The Chair (Mr. Norm Miller): Any discussion? All in favour? Carried.

Mrs. Liz Sandals: Norm, if we could just note that our understanding is that, given that the committee has now officially asked the clerk to get the contact information from Ornge, they will now be able to provide us with any contact information they have for those people.

The Chair (Mr. Norm Miller): So noted.

Mr. Klees, you now have your motion to do with the terms of reference, I believe it is.

Mr. Frank Klees: Thank you, Chair.

I move that the Standing Committee on Public Accounts request that the House expand the mandate of the committee with respect to its investigation of the 2012 special report of the Office of the Auditor General

of Ontario on Ornge Air Ambulance and Related Services; and

0830

That the committee be additionally authorized to examine and make recommendations on:

(1) the extension of the Freedom of Information and Protection of Privacy Act to all aspects of Ornge;

(2) the extension of the Public Sector Salary Disclosure Act to all aspects of Ornge;

(3) Ornge being subject to the oversight of the Ombudsman;

(4) changes to accountability legislation in order to enhance compliance and enforcement, including whether sanctions should apply prospectively to current or former ministers, ministerial officials, political advisers, lobbyists, consultants, legal counsel and/or external parties; and

That the committee be authorized to meet at the call of the Chair;

That the committee may examine any other matter it deems relevant to its terms of reference; and

That the committee shall report, or if the House is not sitting, shall deposit with the Clerk of the House its report and recommendations as soon as reasonably possible at the conclusion of its investigation.

The Chair (Mr. Norm Miller): Any discussion?

Mr. Frank Klees: Chair, if I might?

The Chair (Mr. Norm Miller): Yes, please, Mr. Klees.

Mr. Frank Klees: Perhaps, just by way of explanation, I think that we've seen, over the last number of weeks since the committee has been sitting, that the very narrow scope within which this committee has been conducting its business has just not been conducive to us being able to adequately question witnesses. Even witnesses who have come forward—I think of Mr. Apps who, in his opening remarks, specifically said that it's difficult, within 30 minutes, to be able to adequately get to the facts of the matter in such an important and complex issue.

I think that there has been a lot of debate in the Legislature. We did have a vote in the Legislature that sent a very strong signal; it called on the government to strike a select committee of the Legislature on this issue. We had agreement from the Minister of Health that she would support that if it was the will of the Legislature. For whatever reasons, we have not been able to convince the government to give us that select committee.

There are still a number of witnesses who would like to come forward but are saying that they feel uncomfortable, given the scope of this committee and the limitations that are here in terms of protection for witnesses. As a result, we have some disruption—without question, we have some disruption in terms of how the business of the House is proceeding.

I believe that based on the comments of the government House leader in the Legislature last Thursday, in which he made it very clear, in response to our challenge about expanding the scope of the committee, that in his

opinion it's up to this committee to determine how we want to proceed with the business of this committee.

I'm taking him at his word, and I'm asking my colleagues in this committee to accept the terms of reference here, within the context of this committee. I'm very satisfied to continue to carry out the work that we have before us, within the context of the public accounts committee, assuming that we're willing to expand the scope as we put it forward.

I think that it should be perceived as a compromise situation that allows us to move forward. If that is the case, certainly, Chair, I can assure you and my colleagues with the government that if this is accepted, we will, in that case, ensure that whatever business is before the House will proceed according to schedule.

Mr. David Zimmer: What, no bells?

Mr. Frank Klees: No bells.

So I leave this with you, Chair, and hope that we can get the agreement of this committee to move forward and if, in fact, there is a motion required to allow us to move forward, that the government House leader and the opposition House leaders will agree, then, to move quickly to present that motion to the Legislature so that we can get on with the business that we know is so important.

The Chair (Mr. Norm Miller): Yes, Ms. Sandals.

Mrs. Liz Sandals: Actually, I'm quite surprised by the direction this motion has taken, because when we were discussing this at subcommittee, I think what Mr. Klees had said previously in the House was to get the committee to adopt the terms of reference which he had proposed originally for a select committee on Ornge—and what we were looking at on Monday, which were the proposed terms of reference for the select committee on Ornge and where we did actually make a few amendments because they didn't seem to make any sense, relevant to what we're doing here at public accounts.

But what has come back as the revised motion bears virtually zero resemblance to the original request for a select committee in the terms of reference that were in the original request for the select committee. The things that were laid out in the motion that you presented to the subcommittee the other day, Mr. Klees, has us examining a number of items that are very closely aligned with what we have been doing, reporting back on the things that we would almost inevitably report back on anyway, given the nature of the testimony that we've had. This seems to be quite a different change in direction.

In particular, I had suggested that if we were going to have a look at this, that we needed to have more direction to your very open-ended suggestion for expanding the dates. In fact, if anything, this has gotten more open-ended than the original timing to which I was objecting, because it's that the committee can be authorized to meet any time at the call of the Chair and examine anything that you would happen to want it to, which seems to me like hardly being terms of reference at all.

So I just put on the record that there are significant problems with the motion that has come back. The other motion had things in it that I thought were useful, but this

one has gotten way far away from where we started. I just put that on the record.

The Chair (Mr. Norm Miller): Thank you for that, France.

M^{me} France Gélinas: Two questions. The first one is, I'd like to have the opinion of the clerk or whoever knows those kinds of things: What we are adding, what Mr. Klees would like us to adopt, are powers that are not included right now within the public accounts' regular doing of business?

The Chair (Mr. Norm Miller): Will, would you like to make a comment?

The Clerk of the Committee (Mr. William Short): First of all, this is a recommendation to the House; it's not anything but that. So the House can do with it what it decides to do with it.

Second, with relation to Mr. Klees's original motion, about 80% of that stuff the committee can do on its own anyway, so it would have almost been redundant for us to put it in another motion, because then you're looking at it and moving a motion in committee asking the committee to do things that it can already do. So if it was voted down, then you would also be voting down stuff that the committee already had within its powers.

The motion that you're seeing in front of you today is outside of what the committee can already do, and that's why they're recommendations to the House—to have the House do with it what it sees fit to do.

M^{me} France Gélinas: All right. That makes it clear to me. That was my first point.

My second point is that I just want to make sure, because I also saw a difference from what was presented to what is presented now, although I understand better that what's presented now are things that we wouldn't be allowed to do unless we get permission. So that's fine, and it's in keeping, I would say, with the spirit of what we wanted the select committee to do.

One thing that was very important for me and that is not there anymore is, in my experience with public accounts, we have never sent out an open invitation for people to come. The reason I bring that forward is that I find the working of public accounts on this particular matter has been very adversarial. We treat everybody coming here as if they were a hostile witness. I've read some of the stuff that Mr. Zimmer wants to put forward, and it's all geared to people who don't want to be here.

In a select committee, you open the door. You let people come forward and bring forward ideas to make things better. I don't see this in our new terms of reference. Is it because it's already there and I didn't know?

0840

The Clerk of the Committee (Mr. William Short): That's correct. If the subcommittee wanted to get together or if the full committee wanted to agree to send out invitations or advertise wherever they wanted or let people know that the hearings were going on, any committee can do that. In fact, when you're doing public hearings on a bill, that happens on a regular basis. It's really up to how the committee wanted to move forward.

In this case, we drafted the original witness list, and we really haven't gone back to that original witness list. It has just been motions that have been coming before committee adding more witnesses to that initial list. If the subcommittee or the full committee wanted to have a discussion about that, that is completely within the powers of the Standing Committee on Public Accounts, under the terms of reference that we currently have.

M^{me} France Gélinas: What we are asking here, to me, is in keeping with what a select committee would have had the pleasure to do, if they so wished. So I think this is a step in the right direction: to respect the wish of the House that has voted on a motion that says that they wish for a select committee to handle this matter. I think this is a good compromise, and I thank you for clarifying that.

The Chair (Mr. Norm Miller): Mr. Klees.

Mr. Frank Klees: Chair, I want to make it very clear that what we have before us here by way of this motion is the result of consulting with the clerk, who I understand consulted with his colleagues at the table as well. We wanted something that would do what the intent was, and that was to expand the scope of the committee to give us, de facto, the same authority that we would have had under a separate select committee.

This does look different than the original motion that I put forward, and the reason is, as the clerk explained, many of the items that we had included in my original motion would have been redundant. It was the advice of the clerk to remove those from the motion. So I find it difficult—and likewise in terms of advertising for witnesses. We already have that authority, and that's why it's not in this motion.

What we have here is what we thought was, first of all, a response to the government House leader's very specific comments, both in and outside of the House last week, saying that he is leaving it up to this committee to determine how they want to conduct its business.

I just think that what we want to demonstrate to the government is that we're willing to work with them. What we will not do is compromise on what we believe is an effective way for us, and the only way for us, to get to the bottom of this. We want to do so efficiently, and we want the business of the House to carry on as well.

Chair, with that explanation, I would ask that you call the vote, and hopefully we can bring this matter—

The Chair (Mr. Norm Miller): Okay. I'm getting nods from the government side as well, so I assume that means we can have a vote.

All in favour? Opposed? Carried.

We are out of time for motions.

ORNGE

The Chair (Mr. Norm Miller): We have our first presenter here this morning, and that is Patricia Volker, board member of Ornge. Patricia, if you would come forward, please. Good morning.

Ms. Patricia Volker: Good morning.

The Chair (Mr. Norm Miller): Just to confirm, you have read the information for a witness coming before the committee?

Ms. Patricia Volker: Yes, I have.

The Chair (Mr. Norm Miller): Very well. Our clerk has an oath for you.

The Clerk of the Committee (Mr. William Short): You wanted to swear an oath; correct?

Ms. Patricia Volker: Yes.

The Clerk of the Committee (Mr. William Short): The Bible is in front of you there.

Ms. Volker, do you solemnly swear that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth, so help you God?

Ms. Patricia Volker: I do.

The Chair (Mr. Norm Miller): You have up to five minutes for an opening statement, and then there'll be questions by the parties.

Ms. Patricia Volker: I have an opening statement, with copies here.

Good morning. I want to thank the Standing Committee on Public Accounts for the opportunity to speak to you this morning. My name is Patricia Volker, and I am one of the new volunteer members on the Ornge board of directors. I am a chartered accountant and currently the director of public accounting with the Certified Management Accountants of Ontario. I have over 30 years of professional experience, including more than 10 years at the Institute of Chartered Accountants of Ontario, which is the self-regulating body for Ontario's chartered accountants. I held various positions there, including the director of standards enforcement.

Prior to the Institute of Chartered Accountants of Ontario, I acquired financial institution experience at the Bank of Montreal where I worked with the first group to operationally liaise with their wholly owned US subsidiary, Harris Bank. I then became a line banker and left the Bank of Montreal, with the responsibility for the personal and commercial operations of a number of branches and personnel in the west end. I obtained my CA while at Ernst and Young where I provided advice to primarily publicly traded clients and senior personnel on a variety of accounting, assurance and regulatory issues.

I continue to be a strong supporter of my professional and personal communities and was a member of the Canadian Institute of Chartered Accountants task force on the appropriate disclosed basis of accounting. I am an aviation enthusiast, a pilot and past president of the Canadian International Air Show, where I was also a board member for 10 years.

Prior to receiving my CA designation, I graduated from the University of Toronto with a bachelor of science degree in pharmacology and physiology.

I joined the Ornge board in January of this year, and I am the current chair of the finance and audit committee. The finance and audit committee of Ornge has responsibility for the overall financial oversight of the organization. The committee will recommend policies to the

board that maintain and improve the financial health and integrity of the organization, engage in long-range financial planning and monitor the financial performance of Ornge as a whole.

Ornge's annual audited financial statements will be reviewed and approved by the audit committee. The finance and audit committee is also responsible for both internal and external audit functions. The audit committee's mandate also requires the creation of a whistleblowing policy, which is currently in development, and the committee will report to the board regularly on all of these issues.

I am committed to working with my fellow board members and the staff at Ornge to ensure we rebuild trust with all Ontarians and provide the highest-quality patient care. I am happy to take questions.

The Chair (Mr. Norm Miller): Thank you very much for that statement. The first round of questioning goes to the official opposition: Mr. Klees.

Mr. Frank Klees: Ms. Volker, thank you for your attendance here. I understand that your position on the board is a volunteer position. Is that right?

Ms. Patricia Volker: Yes, that is right.

Mr. Frank Klees: So there is no remuneration to you?

Ms. Patricia Volker: No.

Mr. Frank Klees: Why are you doing this?

Ms. Patricia Volker: I do believe in supporting community. I was involved with the Canadian International Air Show, which, the one year that I did check, I spent over 1,000 hours in a volunteer capacity, and I think that Ornge is a very worthy cause and that, from an Ontario perspective, we need to ensure that we're doing the right things for our constituents, and if we can do them fiscally prudently, that's a good thing too.

Mr. Frank Klees: Fiduciary responsibility is the primary responsibility of a director of any board of directors. Would you agree with that?

Ms. Patricia Volker: Yes, it certainly is.

Mr. Frank Klees: To whom are you responsible as a director?

Ms. Patricia Volker: As a director, I would consider my responsibility initially to the board chair, who would speak on behalf of the board. We are responsible, I believe, to the people of Ontario.

Mr. Frank Klees: You're familiar with the CV of the former chair of the board of directors of Ornge, Mr. Beltzner?

Ms. Patricia Volker: No, I am not.

Mr. Frank Klees: Have you familiarized yourself with any of the other board members who were there?

Ms. Patricia Volker: Of the previous board?

Mr. Frank Klees: Yes.

Ms. Patricia Volker: No, I have not.

Mr. Frank Klees: Can I ask—in your position as chair of the finance and audit committee, at the end of the day you will have responsibility to monitor and get to the bottom of issues that the Auditor General of Ontario had a very difficult time getting to—are you familiar with the

performance agreement and the standards that are set for Ornge?

Ms. Patricia Volker: I have read it. I cannot quote it to you, but I have read it, yes.

Mr. Frank Klees: Okay. Have you read the original agreement or the revised agreement?

0850

Ms. Patricia Volker: I have looked at both.

Mr. Frank Klees: When you read the original agreement, the some 15 pages of covenants that are there, the inspection responsibilities, the reporting responsibilities that Ornge had, would you say that the previous board failed in their responsibilities, in their fiduciary responsibilities?

Ms. Patricia Volker: I really have not spent any time looking back at what happened prior to the creation of this board, so I'm not in a position to answer that question.

Mr. Frank Klees: Have you read the Auditor General's report on Ornge?

Ms. Patricia Volker: Yes.

Mr. Frank Klees: That certainly is quite an in-depth analysis of what happened in the past. You didn't have to look any further than the Auditor General's report. Based just on that, and based on your knowledge of that former performance agreement, would you not agree that the former board failed miserably in their fiduciary responsibilities?

Ms. Patricia Volker: Well, I wouldn't disagree with the comments made in the Auditor General's report.

Mr. Frank Klees: You know, I'm not trying to be difficult. I am trying to get a sense of how important you feel the role of a director is, and I want to get to the heart of what you may think is different when it comes to fiduciary responsibility than the former board, who also was a CA, and I encourage you to look at his CV—members of many boards, many oversight committees of the chartered accountancy profession. He clearly had a very, very distorted view, in my opinion, of what fiduciary responsibility is. I'm hopeful that the new crop of directors at Ornge has a more clear view of fiduciary responsibility.

I'm just going to ask one more time: Based on what the Auditor General has very clearly told us about the direction that Ornge went, about the lack of oversight on the part of the board, the lack of responsibility and accountability, would you agree that the previous board failed in their fiduciary responsibilities?

Ms. Patricia Volker: I certainly agree with the comments that are made in the Auditor General's report, but I—

Mr. Frank Klees: This is disheartening.

Ms. Patricia Volker: I'm hesitant to say that only because I have no—based on the conclusions that were in the Auditor General's report, I can absolutely concur with your line of questioning, but I would like to think, perhaps giving the benefit to others in my profession, that the decisions that they perhaps made and that in their state of mind they believed were right—would I have

made those based on what I've seen in the Auditor General's report? No, and I'm not trying to hedge the question, but—

Mr. Frank Klees: Actually, you know, you are hedging the question, and here's what is disturbing to me about that. The board of directors should not be trying to defend the past. You shouldn't be trying, in my opinion, to defend past directors. I don't think it's your role to play interference on behalf of the government to protect either the minister or anyone else. I'm hoping that you accepted your appointment as a director for the sole purpose of helping to restore confidence in our air ambulance system and to provide proper oversight. I think in order to do that, it's important to know what went wrong so that you know what to fix.

The Chair (Mr. Norm Miller): You have two minutes left.

Ms. Patricia Volker: I would like to assure you that the reason that I am on this board, and I believe everyone is on this board, is for the sole purpose of making sure that the province of Ontario's patient needs are taken care of and their financial resources are used appropriately.

With respect to the actions of the past board, I'm just a little leery to comment as to why they did what they did, because I was not there. Perhaps that's the auditor in me. Unless I've seen something—I want to see before I can make a conclusion.

I can assure you that from my perspective, one might question some of the structuring and things that went on. If the true focus is to maintain patients' need at an efficient perspective, there are simple structures and there are more complex structures. We plan to follow a simple structure and make it easy for everyone who touches Ornge to know what it is we do and how we do it and why we do it.

Mr. Frank Klees: Thank you.

The Chair (Mr. Norm Miller): We'll move to the NDP: Ms. Gélinas.

M^{me} France Gélinas: I think Jagmeet is going to start.

The Chair (Mr. Norm Miller): Okay. Mr. Singh.

Mr. Jagmeet Singh: Good morning. Thank you for being here.

Ms. Patricia Volker: Good morning.

Mr. Jagmeet Singh: I just want to touch on that last line of answers that you provided. With respect to the corporate structure, were you exposed to or did you get a chance to look at the previous corporate structure, and are you aware of that?

Ms. Patricia Volker: I have seen charts that showed the structure, yes.

Mr. Jagmeet Singh: Just based on your experience as an auditor as well as a chartered accountant and your very extensive experience, in terms of a publicly funded institution that provides ambulance care, what's your opinion on the corporate structure and the way it was laid out?

Ms. Patricia Volker: Again, I'm a little reluctant to comment as to why things were done when I was not at the table when decisions were made from a structuring

perspective. If the question is, was this the most efficient and streamlined way to run the air ambulance service in the province of Ontario—because there is a flow chart, because there is a larger piece of paper, one would suggest no. There certainly were other activities that were being conducted, other than the direct provision of patient care.

Mr. Jagmeet Singh: With the current board, you indicated that there are different ways you can structure. There's a complex structure or there's a simple structure. You've indicated the board's desire—and let me just make sure that's correct. Is it the current board's desire to move towards a more simple structure in terms of the corporate layout?

Ms. Patricia Volker: Certainly, those steps are under way. Management has things in place. Certain of those entities no longer exist or are no longer financially viable, so they are being shut down, and we are trying to work with a simpler structure than we inherited.

Mr. Jagmeet Singh: Is the plan to do away with all for-profit entities, or will there be some for-profit entities in Ornge?

Ms. Patricia Volker: I believe that we have, currently, our entities that hold the licences for the fixed-wing and the rotor-wing in two separate companies, which I believe are for-profit companies.

Mr. Jagmeet Singh: Were you aware of the fact that there were some funds that had been unallocated, or, probably more accurately, they're missing funds that the Auditor General was unable to locate where they were? Are you aware of those funds, and are you taking any steps to find out where they are?

Ms. Patricia Volker: Certainly, I'm conscious of the comments that were in the report. Since we started at the end of January, our committee has recommended and completed a request for proposal, where we have engaged a new firm of external auditors, and that is certainly one of the things that I expect to discuss with them, and I'm waiting for their full report they started yesterday.

Mr. Jagmeet Singh: Ensuring that Ornge is transparent by allowing our freedom-of-information request regarding salary disclosure, as well as allowing the Ombudsman to have access to oversight of Ornge—what's your opinion on those two pieces?

Ms. Patricia Volker: I'm not familiar with the specific requirements for the freedom-of-information or Ombudsman requests, so I'm not in a position to comment, but certainly as an entity that is using provincial funds on behalf of the taxpayers, that's what I mean by transparency. To the extent that we do things with Ontarians' money, they should know about it.

The Chair (Mr. Norm Miller): Ms. Gélinas.

M^{me} France Gélinas: You ended your written statement by saying, "I am committed to working with my fellow board members and the staff at Ornge to ensure we rebuild trust with all Ontarians and provide the highest-quality patient care." What leads you to believe that trust has been lost? You are an auditor; you need

proof before you make statements. What is some of the proof that led you to put that statement down?

Ms. Patricia Volker: I think it's safe to say that if one is in the Toronto area reading the papers, the press coverage of Ornge in the last few months has been other than positive, for valid reasons, and part of that is what I think causes the general Ontarian to go, "What are we getting for the money that is being allocated to Ornge?" So there is a lack of trust. One reads the paper and sees salaries that are clearly higher than the norm being paid to people and that, I think, makes people question how efficient the previous entity was and if they were really focused on delivering patient care.

0900

M^{me} France Gélinas: So how do you intend to rebuild that trust?

Ms. Patricia Volker: I believe it will be a slow process. You can't turn it around overnight. Certainly getting the right people in the right spots in management, and making sure that there is a culture internally is an important piece of it, as is, I believe, developing a functioning whistle-blowing policy, which our committee has taken on as the challenge.

It will take some time, but the employees and the folks who work at Ornge I've had the privilege to meet are dedicated, they are knowledgeable and they want to continue to do what they do. But they really would like to read some more positive things in the press, rather than the negative. It will take time, but I know we can get there.

The Chair (Mr. Norm Miller): You have two minutes.

M^{me} France Gélinas: So in your role on the board, you still feel confident that you know the people who are doing the operating side? Do you know that they are competent? Usually, the governance and the operation are separated. But you have this assurance that those people are good?

Ms. Patricia Volker: I've had the opportunity to meet some of them. Not that I could tell you, but just in conversation they are dedicated and they truly believe in the service that they provide to the province of Ontario. We have a human resources committee. We have a quality of care committee—and I know you've spoken to him. All of the board members want to make sure that we, as a board, are involved with an entity where every piece is working as well as it can.

M^{me} France Gélinas: How do you communicate with the ministry?

Ms. Patricia Volker: I do not personally communicate with the ministry. My belief is that the chair communicates with the ministry, and management. It would not be appropriate, I don't believe, for me to report.

M^{me} France Gélinas: Okay. Do you know if reporting happens monthly or happens as needed?

Ms. Patricia Volker: I don't know if there's an official timetable.

M^{me} France Gélinas: So the board was never asked to report back to the ministry on anything occurring, any of

its doings, or anything like this? The ministry is letting you go and do your own work?

Ms. Patricia Volker: No, I believe the chair has some reporting relationship, but I don't know the specifics.

M^{me} France Gélinas: It has not been shared with the board that the board has to report back to the ministry on the changes that are being done? So this has nothing—

Ms. Patricia Volker: Certainly management is doing that as well through the performance agreement and making sure that those targets are met.

M^{me} France Gélinas: But there's nothing in there regarding the governance reporting back to the ministry?

Ms. Patricia Volker: I don't recall.

M^{me} France Gélinas: It has not been shared with you?

Ms. Patricia Volker: I don't recall. Sorry.

The Chair (Mr. Norm Miller): And you are out of time. So if we could move to the government, who in the government would like to do the questioning? Mr. Moridi?

Mr. Reza Moridi: Thank you very much, Mr. Chair, and thank you, Ms. Volker, for taking the time and appearing before this committee.

Ms. Volker, you're a respected and highly regarded accountant. When you were appointed to the board of Ornge, what was your impression of the former board of governors and the governance at Ornge, in particular when it relates to the financial accounting at Ornge?

Ms. Patricia Volker: As mentioned, I have not spent more than a moment in looking backwards, because we, as a board and as a committee, have had enough on our plate in looking forward. Knowing that with the March year-end we would be looking at the financial statements as a whole with new external auditors, I'm really waiting to see their conclusions and deal with everything as it pertains to the audited financial statements for the year ending March 31.

I personally have not gone back and looked at any single transactions or the historical financial statements. We, as a committee, have been focused on moving forward—so putting the audit up for tender, developing a whistle-blowing policy and ensuring that we have a mandate that is appropriate on a go-forward basis.

Mr. Bas Balkissoon: Would you think that looking back to the history, one can learn for the future?

Ms. Patricia Volker: Absolutely, and I do look forward to looking at the history for this last 12 months, which certainly have been a period of change, in its entirety and in discussion with the external auditors.

Mr. Reza Moridi: I understand, Ms. Volker, that you have some experience as a pilot and also in aeronautics. How would you think that your experience in those fields will be helpful to carry on your job at Ornge? Would you think that particular area of experience and expertise would be helpful to Ornge?

Ms. Patricia Volker: Minimally. My plane is not in the same league as the assets held by Ornge. I do own an air ambulance, but it's from 1942. Certainly, I'm sitting

on this board with my CA hat on and not my pilot headset.

Mr. Reza Moridi: As you know, the board has enormous responsibility. Every board has lots of responsibilities—as a director sitting on the board of a corporation. Given the Ornge situation, what steps is the board going to take to make sure that there will be more effective control in the spending of public dollars at Ornge?

Ms. Patricia Volker: Certainly, the corporate structure will be streamlined, as it has been. The profit/not-for-profit splits that used to exist no longer exist.

Ornge has not had, to date, an internal audit function, and that is something that we are in the process of changing. I think it's our committee's responsibility to ensure that we do have an internal control mandate and that we do have the right person spearheading that. And the controls are more than just financial. The controls relate to every aspect of the organization—maintenance records, all sorts of things.

I think it's important that everyone at Ornge understands that an entity has risk and we need to identify those risks as it pertains to every area within the company and make sure the controls are in place and are working.

Mr. Reza Moridi: As you know, the government has signed a new performance agreement with Ornge. We had one in the past which wasn't effective; we have a new one. How do you think that this new performance agreement with Ornge is going to increase the government's oversight and also the relationship between Ornge and the government?

Ms. Patricia Volker: Speaking as a member of the new board, we are conscious of what that new performance agreement contains, and we will do our best to ensure that we adhere to each and every aspect within the agreement. There are some tight things within that agreement. There's a significant amount of disclosure that needs to be made within a relatively short time frame, and I know that management and the board are committed to trying to do that.

Mr. Reza Moridi: Would you think that this new performance agreement with Ornge is going to strengthen the financial reporting by Ornge to the ministry?

Ms. Patricia Volker: I don't think the timing of the reporting was an issue so much as what was being reported, because of the various accounting things that were being dealt with. What I think we're looking towards is making sure that we meet the timing and that we have a simple structure that's easy to understand.

Mr. Reza Moridi: In terms of accountability and transparency of Ornge, how do you think this new performance agreement will affect those two processes in relation to the ministry?

Ms. Patricia Volker: I believe the performance agreement—and I'd have to look at it and go through it line by line—was designed with the intent of providing the ministry with information that both parties felt was required and including content that was appropriate and on a timely basis.

The Chair (Mr. Norm Miller): You have two minutes left.

Mr. Reza Moridi: Thank you. In the past, Ms. Volker, the data which Ornge reported to the government and to the ministry, in some cases, wasn't accurate. Would you think that based, again, on this new performance agreement between the government and Ornge—how the transfer of data and reporting will be affected by this new performance agreement?

0910

Ms. Patricia Volker: Again, I can't comment on inaccuracies in the past, but what I would hope is that, on a go-forward basis from a financial perspective, we have designed systems that make sure that we, as Ornge management and as Ornge board, have the right information, in the right timeline, that we can make our decisions with, and one of those would be to share it with the ministry. I'm not sure if that's answering your question.

Mr. Reza Moridi: What would you think your role is as a member of the board in relation to the operational matters of Ornge and also on reporting to the government on accountability and transparency?

Ms. Patricia Volker: From an operational—

Mr. Reza Moridi: Yes, your role as a board member.

Ms. Patricia Volker: Sorry. As to the role of the—

Mr. Reza Moridi: How would you see your role as a board member at Ornge in terms of transparency and accountability of this organization?

Ms. Patricia Volker: Again, as mentioned, I believe that one of the things that we need to do as a board and as management is make sure that there is open dialogue between Ornge, the entity, and our funder, the Ministry of Health. Some of that comes through the performance agreement, with mandated checks and balances for financial and operational data. We as a board need to make sure that those systems are in place to get that information to management, because they need to make the decisions, and also to the ministry.

The Chair (Mr. Norm Miller): We are out of time. Thank you very much for coming before the committee today and presenting.

Ms. Patricia Volker: Thank you

MR. DAVID CAPLAN

The Chair (Mr. Norm Miller): And our next presenter is Mr. David Caplan from Global Public Affairs. Welcome.

Mr. David Caplan: Thank you, Mr. Chair.

The Chair (Mr. Norm Miller): And just to confirm that you've read the information, the letter for a witness appearing before the committee?

Mr. David Caplan: Yes.

The Chair (Mr. Norm Miller): Very good. Then our clerk has an oath.

The Clerk of the Committee (Mr. William Short): The Bible's in front of you there, Mr. Caplan. Do you solemnly swear that the evidence you shall give to this committee touching the subject of the present inquiry

shall be truth, the whole truth and nothing but the truth, so help you God?

Mr. David Caplan: I do.

The Clerk of the Committee (Mr. William Short): Thank you.

The Chair (Mr. Norm Miller): You have five minutes for an opening presentation, and then we'll go to questions.

Mr. David Caplan: Thank you, Mr. Chair. I may go a little bit over, but I'd like to complete my statement.

The Chair (Mr. Norm Miller): Sure.

Mr. David Caplan: Thank you very much. I'm here today, and I'm pleased to attend hearings and answer any questions you may have.

I'd like to take the opportunity to give you some context and clarity about my role as MPP for Don Valley East for 14 years, my role as Minister of Public Infrastructure Renewal and as Minister of Health and Long-Term Care.

I've been involved in politics since my earliest memories. I have campaign stories, insights into government and even a scar or two. I also have lifelong friends from all walks of life and from parties on all sides of the House. Having served as deputy House leader and deputy whip, I respect the traditions and roles of all parties in serving the people of Ontario.

From the beginning of my time in politics, I've learned from example that the role of elected officials is to serve and represent the public interest, not personal interests, not corporate interests, but the interests of all constituents, indeed all Ontarians. I've kept that lesson in mind throughout my career as an MPP and as a cabinet minister.

In opposition, I knew full well that my job was to hold the government to account. I understand that that is the role of many of you on this committee, and I commend you for it.

As Minister of Public Infrastructure Renewal, I'm proud of my accomplishments. I was able to plan, manage and deliver the construction of hospitals, schools, courthouses, transit, indeed a renaissance of construction that has touched every corner of our province. I led the creation of a progressive and coordinated growth plan, garnering international attention and support. I was involved in creating innovative initiatives like Ontario's deposit-return system for beverage alcohol.

I had the privilege to serve as Minister of Health and Long-Term Care from the end of June 2008 until the beginning of October 2009. I was responsible for overseeing a ministry with a budget of almost \$47 billion, over a quarter of a million direct and indirect dedicated health care workers, over 5,000 agencies, boards, commissions, transfer payments partners and contractors.

During my brief time as minister, I introduced and passed expanded scope-of-practice legislation, supported by all parties; legislation to protect the public by expanding the powers of the College of Physicians and Surgeons of Ontario, supported and passed by all parties; steps toward badly needed reform of our mental health

system and introduced legislation that, while it did not pass, was supported by all parties. I introduced Canada's first system for tracking and lowering hospital-acquired infection. I led our efforts to prepare for the H1N1 pandemic. I negotiated a widely supported collective agreement with Ontario's physicians, to name a few highlights.

Now, I anticipate you have some questions regarding one of those transfer payment agencies, Ornge, so let me be clear on a few issues.

When I became minister, I took the opportunity to review the 2007 Auditor General's report; in it, Mr. McCarter dedicated a section to Ornge. It was a follow-up to his 2005 annual review which looked at Ontario's air ambulance services. The report states: "Responsibility for coordinating all aspects of Ontario's air ambulance system was transferred to Ornge (formerly the Ontario Air Ambulance Services Co.), a non-profit body accountable to the government through a performance agreement. The transfer was completed in January 2006...." The report went on to outline a number of operational ways that Ornge could be improved, including decisions on cancelling calls, operator service reviews, location of air bases and aircraft, lines of authority, patient billings and an integration of air information systems. Nowhere in the Auditor General's 2007 report were concerns raised about Ornge's then non-profit status or its corporate structure, nor about its performance agreement with the ministry.

During my time as Minister of Health and Long-Term Care, I met with Ornge CEO Dr. Chris Mazza on one occasion in 2008. I do not recall who else was present, but I am certain that members of my staff and ministry staff were there too. We were, of course, focused on discussing Ornge's operational issues. For example, Ornge indicated that it had taken the 2007 report to heart and had implemented or was implementing all of the recommendations. At no time before, during or after that meeting were issues discussed about Ornge's plans to develop for-profit entities, nor were there discussions around executive compensation. During my 15 months as Minister of Health and Long-Term Care, I was never approached by anyone either at Ornge, in the ministry, in the media, by the opposition, or anyone else, for that matter, indicating those kinds of concerns about Ornge.

I have reviewed the Auditor General's 2012 special report on Ornge Air Ambulance and Related Services and want to bring to your attention a few issues regarding oversight of Ornge.

The report confirms that, one, monitoring of Ornge's performance occurred both in appearances before the Standing Committee on Public Accounts and in submissions to the Management Board of Cabinet for approval to outsource air ambulance services. The ministry committed to establishing performance standards and monitoring the performance of an external service provider against those standards. In outlining its plans for Ornge to the Standing Committee on Public Accounts in February 2006, the ministry committed to set standards

and monitor performance against those standards to ensure that, "The end result will be improved care, improved ... service, increasing effectiveness and efficiency of the delivery of service, and the assurance of greater fiscal and medical accountability." However, the auditor notes that the corporate entities created by Ornge and signed off by its board were not covered by the performance agreement.

Secondly, in 2008 the ministry contracted, through its internal auditor, to have a special review done to determine whether Ornge was complying with several aspects of the performance agreement and had adequate administrative processes in place. The review covered the period from Ornge's commencement of air ambulance operation to November 2008. It focused on the 12-month period ending March 31, 2008. The results were issued in September 2010, after I served as Minister of Health. One of the outcomes of the review was that the ministry needed to obtain more comfort regarding Ornge's corporate structure and its impact on delivery of air ambulance service in Ontario.

I want to bring this to your attention because I want to set the record straight that, to my knowledge, the Ministry of Health and Long-Term Care was providing oversight of Ornge during the period that I was there.

What went wrong with Ornge and who was responsible—

The Chair (Mr. Norm Miller): If you could wrap up. We're a couple of minutes overdue.

Mr. David Caplan: I'm just at the end here.

What went wrong with Ornge and who was responsible is certainly the purview of this committee.

I believe Ornge can best be described as a rogue agency. The Ornge management quietly attempted to restructure the not-for-profit Ornge into a for-profit corporate entity that would serve their interests and obscure the lines of accountability and the flow of money. The board of directors became complicit with Ornge management in making this happen. I believe that both management and the board of directors of Ornge failed in serving the interests of the people of Ontario.

The auditor's March 2012 report indicated that between 2006 and 2010, Ornge began creating a number of organizations, and the boards of directors of these organizations were composed entirely of the individuals who comprised Ornge's board.

The report goes on to say that by 2011, almost all of Ornge's senior management became employees of the new for-profit international business. Directors were hired as consultants. Ornge spent millions of dollars paying lawyers and consultants to paper these arrangements over.

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I'm not pleased at all with what went on at Ornge. However, I can state categorically that during my time as minister, I did not see these kinds of red flags.

Mr. Chair, I'm now very happy to answer your questions.

The Chair (Mr. Norm Miller): Thank you for your opening statement. We go to the NDP to begin with. France, are you going to go first?

M^{me} France Gélinas: Nice to see you, David. How are you?

Mr. David Caplan: Nice to see you, France.

M^{me} France Gélinas: The first question I'd like to ask you has to do with your time as minister. The salary of Chris Mazza disappeared from the sunshine list while you were Minister of Health. The NDP filed a freedom-of-information with your ministry, asking what had happened to Chris Mazza's salary. Were you ever made aware of the freedom-of-information and that we were looking for his salary?

Mr. David Caplan: No. Freedom-of-information requests go through the process where there is a freedom-of-information officer. And I can tell you that at the Ministry of Health, there are a large number of freedom-of-information requests. None of them are ever shared with the minister. It would go through an administrative process that is set out in the act, and the answers are provided. Now, when the answer is generated, it is supposed to be shared with us so that we do know, but not anytime before or during that process.

M^{me} France Gélinas: So was the answer shared with you? The answer we received was received during your time in office.

Mr. David Caplan: Well, I don't recall ever seeing the reply or the answer to that question. I must admit that I tried to review back on the 2009 list. At the time, nobody in the ministry, nobody in the media, nobody in the opposition pointed out that there was this glaring omission. What we did notice was that there were a large number of individuals who were on the sunshine list, and we weren't really looking for people who were not.

M^{me} France Gélinas: Well, the answer we received was that none of the information could be shared with us; a number of documents had been found regarding his salary and that none of it could be shared with us.

There were a number of people who had been doing air ambulance services in northern Ontario who were quite worried about what was going on at Ornge. They wrote to you, and actually, Michael Gravelle, who was MPP for Thunder Bay-Superior North and is now a minister, also wrote to you about this. They were worried about what Ornge was doing, and they respectfully requested an investigation of what was going on. Did you ever talk to Michael Gravelle about his worry about what was going on at Ornge while you were minister?

Mr. David Caplan: I don't recall any conversation with Minister Gravelle about Ornge.

M^{me} France Gélinas: You don't recall anything about Ornge?

Mr. David Caplan: Not a conversation with Minister Gravelle around Ornge.

M^{me} France Gélinas: Okay. How about the northern air providers who were raising a red flag about what was going on in the corporate structure?

Mr. David Caplan: In their letter, they don't raise any questions around that. They raised questions around the fact that they were operating and consolidating operations in northern Ontario, and in their words, they were saying "competing with their for-profit business."

M^{me} France Gélinas: Did you talk to them?

Mr. David Caplan: No, we never had a meeting with any of the air transport providers in northern Ontario. I did reply via letter to tell them that Ornge had been set up under the act and the way that things had moved along—

M^{me} France Gélinas: I have seen the letter.

Mr. David Caplan:—that it was not a direct service provided by the Ministry of Health, and that, appropriately, the concerns they had around the business of Ornge and the competition they saw with themselves—

M^{me} France Gélinas: Okay. I'd like to go back. I read the letter, so I know what you're saying.

Mr. David Caplan: I just wanted, you know, to share with you what my reply was.

M^{me} France Gélinas: The previous minister was here—Minister Smitherman came. He basically said, when he learned about the \$1.4-million compensation, that it didn't happen during his time, because you took it on in June 2008, so the salary disappeared under your term. Basically, he pointed the finger at you, saying that the minister did not do his job, the ministry did not do their job and it would not have happened under his watch, blaming you that it happened under your watch. What do you make of that?

Mr. David Caplan: Well, listen, Mr. Smitherman will answer however he does. What I can tell you is that no one, whether it was the ministry, whether it was the media or the opposition, noticed this at all. It did not raise a particular concern and it did not appear that anything untoward happened.

I did meet, as I had mentioned, with CEO Chris Mazza once in 2008. The issue of executive compensation never came up. We talked about the operational issues.

M^{me} France Gélinas: Do you figure that \$1.4 million would have raised red flags? Do you figure that that could have been appropriate if you were still minister?

Mr. David Caplan: If somebody were to know. So I do know, for example, where we have—

M^{me} France Gélinas: You know now that it's \$1.4 million. Do you figure this is an acceptable salary?

Mr. David Caplan: Let me put it this way: I was responsible for setting up enterprise corporations for the Ontario government and I do know the salary range of the executives and they were less than a third of that kind of salary figure. So it would have been highly unusual and it would have raised a number of concerns, whether that was the time in finding the CEO of the Ontario Realty Corp., the liquor control board, OLG, IO. They would all be in that kind of range, so the level that you're talking about would be highly unusual and would stand out.

M^{me} France Gélinas: Okay. So when you were Minister of Health, you were forced to resign over eHealth. You did not create the mess at eHealth, you inherited it.

The same thing is happening now. The minister who is in place did not create the mess at Ornge but she is the one who is there now, she is the one responsible.

You did the honourable thing. You admitted that what had gone on at eHealth was unacceptable; that we had to show leadership and we had to show that confidence had to be rebuilt in eHealth. In order to do this, you did the honourable thing: You resigned in a show to acknowledge the scandal that had been there and the willingness of the government to turn the page.

We are now facing a scandal that is bigger than what we saw at eHealth, that has ramifications as to how the government does business that are way worse than what we saw at eHealth. Do you figure the current minister should do the same thing that you did, have the same courage that you had, to show Ontarians that the page needs to be turned, and resign?

Mr. David Caplan: I don't think that's a question that I can really answer. That's—

The Chair (Mr. Norm Miller): You're on your last minute.

Mr. David Caplan: I'm here to talk about my time as minister, what I knew or didn't know about Ornge. The kind of consideration that you're asking about, France, is I think a question that is best appropriately put to the minister or to the Premier.

I always discharge my duties, as I talked about, with the way and the values that I was raised and the reason that I feel that public service is important. Everybody has to govern their own behaviours and carry themselves accordingly.

I really do believe that kind of question, Mr. Chair, is best put to the minister herself or the Premier for an answer.

M^{me} France G  linas: Just one quick—

The Chair (Mr. Norm Miller): And we are out of time, so we'll move to the government now. Mr. McNeely?

Mr. Phil McNeely: Thank you, Mr. Caplan, for being here today.

Mr. David Caplan: Thank you, Mr. McNeely.

Mr. Phil McNeely: You've already confirmed that your tenure as Minister of Health and Long-Term Care was June 2008-09. Can you just give us an understanding of the issues and policies that you were principally focused on during that period?

Mr. David Caplan: There was—

Mr. Phil McNeely: You already have, but—

Mr. David Caplan: I just touched very briefly on a few things, but I remember, as I started, one of the real issues that we were dealing with at the time was hospital-acquired infection—C. difficile, MRSA, VRE, ventilator-acquired infection and others. So I quickly got to work on a couple of things. One was a protocol to be able to track in all of the hospital settings and also, then, a whole program led by Dr. Baker to be able to get out to health care professionals, to the public as well, to have the proper procedures and protocols in place.

But shortly after that, it became quickly apparent that the Ministry of Health is multi-faceted and we had questions almost immediately around unmet standards in long-term-care homes, followed up very quickly with—I don't know if you recall three years ago, but there was an outbreak of listeria bacteria that was caught by Ontario's public health network. So that was very much in progress as well. Also, that summer I was quite pleased to unveil the first comprehensive diabetes strategy that the province has ever seen. Remember, this is really just in the first month and a half that I assumed responsibility for the Ministry of Health.

0930

Beginning a bit later, we began to work in earnest on a couple of things. There was legislation around expanded credentials for foreign-trained physicians or international medical graduates who could then be able to practise in Ontario. We got to work on a report from HPRAC related to a variety of health professions and expanded scope of practice. Eventually, we were able to turn those recommendations into legislation, which I was quite pleased was supported by all parties and all members and, in fact, is working today to strengthen the access that Ontarians have to a variety of medical professionals.

Additionally, as I had mentioned, there was a concern that was brought forward by the College of Physicians and Surgeons arising from a particular case of a woman here in Toronto who had gone for some cosmetic surgery and, tragically, had died. The college did not have the ability to enter the premises to watch procedures being performed to be able to judge competence etc. Again, with the support of all parties, we were able to pass legislation which strengthened the college's ability to do so.

Continuing throughout the year, the government had previously passed a new long-term-care act, and one of the really important things was to write the new regulations. I must admit that I don't know whether those have gone through and been fully implemented. But it was quite a daunting task to go from that kind of environment to a new one.

Additionally, Ontario was moving to a new system for home care procurement. So that was another file which was considerable.

I must admit, I had some other interests. A passion for me is to reform Ontario's mental health system, and that encompasses more than simply the Ministry of Health's purview but a great deal more, as it coordinates with the justice system, with education, social—

Mr. Phil McNeely: I'd just like to interrupt there because I'll be running out of time here.

In that context, the Ornge issue—obviously, the one letter here which you've gone through and responded to—how big was that in all the jobs you had?

Mr. David Caplan: To put it in perspective, there are literally hundreds if not thousands of letters per month. I must admit that one of the things that we had run into was that there was an enormous backlog, of about six months, of correspondence which had built up. We

worked very hard to turn around within the ministry to reduce that backlog so that we could respond on a much more timely basis to letters and things that came in and then ultimately could act upon some of those.

I don't want to say that they're minor, because Ontario's air medical transport system is an important part of the overall health care system. There are a lot of moving parts of the ministry, and it was not as though it was the focus of a lot of attention.

As I said, we reviewed the auditor's report in 2007, and while he did indicate that there were some operational issues that ought to be attended to—that was the nature of the follow-up that we had.

We did understand that there were competitors, if you will, who might be concerned about Ornge's entrance into the market, and we can understand the difficulty that might create.

I am familiar with one other letter related to the procurement as well, so I do—and we did receive letters from outside or competitors regarding procurements in hospitals, regarding—

Mr. Phil McNeely: That became a big issue, of course, when you started competing with private enterprise—

The Chair (Mr. Norm Miller): You have two minutes.

Mr. Phil McNeely: How much?

The Chair (Mr. Norm Miller): Two minutes.

Mr. Phil McNeely: Two minutes.

I'd just like to get into the Ornge Issuer Trust. The issuance of \$275 million in bonds by the—what was your involvement with the issuing of those bonds? Did you know about them?

Mr. David Caplan: I knew about it, but it was mainly that they had talked to finance about it.

When I met with Dr. Mazza, he had mentioned that one of the significant things that they wanted to do was refurbish their fleet—to be able to buy new helicopters, new airplanes, that kind of thing—and that the method they were going to use was bond financing, and they were talking to finance about that. So we never got into the mechanism of how it was.

Now, I did understand, and he explained to me, that Ontario—while we were the source of funding, we were in no way backstopping any of the finances or not responsible for the performance of Ornge as it related to those bonds.

Mr. Phil McNeely: Did anyone ask for your specific approval of that issuance of the bonds?

Mr. David Caplan: No—never asked and never provided any approval.

Mr. Phil McNeely: The headquarters became quite an issue, where it appears that the for-profit part raised their capital through that process. What was your involvement with that?

Mr. David Caplan: None whatsoever. You have to remember, Ornge is a transfer payment partner. It's not under the direct control of the ministry. So, for example, a hospital or the Victorian Order of Nurses, they may

have their headquarters somewhere; they don't come to the ministry and say, "We're seeking approval from you to be able to do something with our headquarters or our place of business or whatnot." The ministry would be much more concerned about the service that they are providing. Are they meeting whatever standards have been set? Are they providing timely service? Is it cost-effective and value for money? These are the kinds of things that the ministry would talk about. The things that you're referring to would really be outside of those kinds of conversations that the ministry would have with its provider partner.

The Chair (Mr. Norm Miller): We're out of time here, so we move to the opposition: Mr. Klees.

Mr. Frank Klees: Hello, David. Welcome back to Queen's Park.

Mr. David Caplan: Hello, Frank. Nice to see you.

Mr. Frank Klees: We don't have a lot of time, so let's get on with it.

Mr. David Caplan: Please.

Mr. Frank Klees: When did you meet with Dr. Mazza? What was the date, approximately?

Mr. David Caplan: I've been trying to think about that. I would have put a specific date, but it really escapes me when that was. I think it was in the fall, but I don't want to underwrite that.

Mr. Frank Klees: Okay, so you were appointed in June 2008?

Mr. David Caplan: End of June 2008.

Mr. Frank Klees: So it would have been in the fall of 2008?

Mr. David Caplan: I believe so, but again, I can't underwrite that.

Mr. Frank Klees: Who arranged that meeting?

Mr. David Caplan: I have no idea. In a minister's office, as you're well aware, there is a person responsible for scheduling—

Mr. Frank Klees: I understand.

Mr. David Caplan: Well, let me amplify the answer; what happens, in my office at least, is that we would have a committee of people: my chief of staff, policy advisers etc.—

Mr. Frank Klees: David, my question was, who arranged it? You don't know. I'd like to move on.

Mr. David Caplan: Okay.

Mr. Frank Klees: I'd like to move on to a letter to you from your colleague Michael Gravelle. The "Minister" is stroked out. It says, in part, and I'll quote from it: "David ... I wrote to you on Mr. Friesen's behalf on July 11/08 (copy enclosed) regarding his concerns over the expansion and hiring and staffing policies and practices of Ornge." This letter is dated November 7, 2008.

He says, "I am compelled as MPP for Thunder Bay—Superior North to pass along this request from these northern air services providers to meet with you or the appropriate" Ministry of Health "specialists to discuss the expansion of Ornge transport medicine, in the specific aspect of all of these medevac operators being clients of your ministry.

“I hope that we will be able to discuss this somewhat complex matter personally in the near future, and that a meeting can be arranged in the spirit of cooperation and fair competition between all these important and experienced partners in northern and remote medical transport, in seeking to achieve the best standards of safety, patient care and logistical efficiency.”

Now, are you telling us that you never responded to your colleague Mr. Gravelle on this letter?

Mr. David Caplan: I don't know if there was a response or not. I don't have one in front of me. As I said, there are several thousand pieces of correspondence that arrive. But I can tell you that I don't ever recall having a conversation with him—I think that was the question that Ms. Gélinas asked, if I had a conversation. I don't recall a conversation with Minister Gravelle about this.

Mr. Frank Klees: He enclosed a letter from Mr. Cliff Friesen, executive VP of Bearskin Airlines—it was all distributed.

You responded. You signed the letter dated November 6, 2008, and after acknowledging that you received a letter from Michael Gravelle, you say this: “Since your inquiry and questions relate to the responsibilities, activities and decisions undertaken by Ornge, I have taken the liberty of forwarding your correspondence to Ornge, for that organization's consideration and response. I am confident that Ornge will be able to address your inquiry.”

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Now, isn't it passing strange, Minister—

Mr. David Caplan: I'm not a minister, sir.

Mr. Frank Klees: Well, you were at the time.

Mr. David Caplan: I was at the time—

Mr. Frank Klees: And isn't it passing strange that there would be a complaint from a fairly substantive group of individuals in northern Ontario brought to you by your colleague and that you would simply say, “I'm acknowledging your complaint. Guess what I'm doing. I won't give you the meeting you ask for. I'm going to ignore what you're telling me as the minister who is responsible for the ministry, and I'm going to send your complaint back to the people that you're complaining about.” How do you square that?

Mr. David Caplan: Well, I don't agree with the premise of your question. Nothing is ignored but, rather, that they are referred to the people who are directly responsible for the provision of air ambulance service in the province of Ontario.

It is not, as you well know, the ministry directly that had had this contractor relationship with Ornge. They had specific concerns around a competition with them and the ability of them to potentially contract in northern Ontario, that if they wished to get into those kinds of arrangements, it wouldn't be the ministry, and I think you would acknowledge it would be with whoever is providing that service. They are the appropriate people to do so, and I think appropriately enough that the referral should be to

those whom they could have a business relationship with—

Mr. Frank Klees: See, I strongly disagree with you.

Mr. David Caplan: You're entitled to your opinion.

Mr. Frank Klees: I think if they're complaining about this organization—and by the way, it wasn't just the competition that they were complaining about. They refer in their letter specifically to the stewardship of the funds of the Ontario taxpayer that they were concerned with.

Now, as minister—and here's—

Mr. David Caplan: Well, no. They were—

Mr. Frank Klees: —here's where—

Mr. David Caplan: No, no, no. They say in their letter that they're concerned about the fact that the health levy is levied against businesses and that—

Mr. Frank Klees: No, Mr. Caplan, I'm sorry; that's not what they say.

Mr. David Caplan: Okay.

Mr. Frank Klees: I am telling you, they say right here: “also in regard to the responsibility they show as stewards of the funds of the Ontario taxpayer as funded by the Ministry of Health.”

Now, Mr. Caplan, you folks are going to have to get a bigger bus, because every witness we have, whether it's your predecessor, whether it's your successor, whether it's deputy ministers—everybody's throwing everybody under the bus. There's no more room under that bus. At some point, what we're hoping is that someone will actually fess up and say, “You know what? We failed in our oversight responsibilities.”

You, sir, as minister, on the strength of this letter alone should have taken the initiative to investigate this, rather than send their letter of complaint back to the people that they were complaining about. Doesn't it make sense that you would have said, “You know what? I'm going to look into this. I'm going to call the deputy in here and I'll ask the deputy to give me a full report on what's going on here.” Doesn't that make sense?

The Chair (Mr. Norm Miller): You have a minute and a half.

Mr. David Caplan: I would say—and I think I've answered the question, sir—that they were concerned about the business practice, particularly around the competition with a private provider, which I think Bearskin Airlines is; that appropriately enough, if they wished to be a part of and enjoy a relationship with Ornge, that appropriately they should have that direct conversation.

I think that the people who are providing the service to Ontarians and providing the business of air medical transport are the ones who can best have that kind of conversation. The ministry is not the direct provider, and I would say that the kind of inquiries that you see from this particular individual and this particular effort, while they do raise concerns for the business of Bearskin Airlines, I don't think that the referral was by any means inappropriate. I think it was the direct and the fastest route for them to be able to resolve the concerns that they have, for them to best be able to share in the kind of

operational issues that they do raise in their letter, and to get them the kind of satisfaction that they were looking for. I had hoped to be able to provide them with the quickest route to do so, and I did make that referral in my letter. You and I may disagree on what the course of action is, but I believe that that was the appropriate one.

The Chair (Mr. Norm Miller): We are out of time. Thank you very much, Mr. Caplan, for coming before the committee today.

Mr. David Caplan: Thank you very much, Mr. Chair, and thank you to you all.

PATHWAY GROUP

The Chair (Mr. Norm Miller): Our next presenter is Mr. Kelly Mitchell. Mr. Mitchell has handed out his opening statement. He is going to forgo reading his opening statement to allow more time for questions.

Just to confirm, you have received the information for a witness appearing before the committee?

Mr. Kelly Mitchell: I have.

The Chair (Mr. Norm Miller): I believe we have an oath for you to swear.

The Clerk of the Committee (Mr. William Short): Mr. Mitchell, if you could just raise your hand, please.

Mr. Mitchell, do you solemnly affirm that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth?

Mr. Kelly Mitchell: I do.

The Chair (Mr. Norm Miller): The first round of questioning will go to the government. Who would like to ask the questions? Mr. Zimmer would like to ask questions. Go ahead.

Mr. David Zimmer: Mr. Mitchell, I understand that before 2003 you were a chief of staff in the Harris government, including chief of staff to John Snobelen.

Mr. Kelly Mitchell: That's correct.

Mr. David Zimmer: And I understand that more recently you were the campaign chair for Tony Clement in the Parry Sound–Muskoka 2008 federal election.

Mr. Kelly Mitchell: Correct.

Mr. David Zimmer: And I understand that more recently, in the last provincial election, you served on Tim Hudak's leadership campaign, and then were a member of the Ontario PC target seat fundraising team in the 2011 election.

Mr. Kelly Mitchell: Not really the fundraising team, no. But I was part of the target seat program.

Mr. David Zimmer: I want to ask some questions about Ms. Long's hiring sequence. I understand the sequence to be this: Dr. Mazza or OAA, Ornge, contacted Pathway in October 2005 about the possibility of hiring her. I understand that Pathway in fact hired her on December 2005, with a start date of January 2006. I understand that from January 2006 to September 2006 she worked at Pathway, at which time she was seconded to Ornge, although on the Pathway payroll. Eventually, in

December 2006, she left Pathway and moved in-house to Ornge. Is that a correct sequence?

Mr. Kelly Mitchell: I believe that's correct, yes.

Mr. David Zimmer: With respect to her time at Pathway, her contract—and I think you've got the document book there.

Mr. Kelly Mitchell: I don't, no.

Mrs. Liz Sandals: I'm sorry, the clerk isn't here. We had asked that the clerk forward the materials to Mr. Mitchell.

Mr. David Zimmer: Anyway, I've got the contract here.

Mr. Kelly Mitchell: It was forwarded to me. I'm sorry, I just didn't bring it with me.

Mr. David Zimmer: Okay. I understand that at tab—that's the billing summary. I have the service contract with Ontario Air Ambulance and Pathway, and it recites what you're going to do for OAA. On schedule A, there's specific reference to Pathway Group: A Pathway Group employee would be seconded to OAA—and it lists the duties—and the salary for that secondment was \$4,800 and change. That seconded employee was Ms. Long?

Mr. Kelly Mitchell: That's correct.

Mr. David Zimmer: I understand that in addition to the Pathway contract with OAA/Ornge, you personally served in the following capacity with Ornge on these dates, on the board:

—Ornge Global Air, elected January 1, 2011, resigned September 1, 2011;

—Ornge corporate services board, elected January 1, 2011, resigned September 1, 2011;

—Orngeco, elected January 1, 2011, resigned September 1, 2011;

—Ornge Global Solutions, elected January 1, 2011, resigned September 1, 2011;

—Ornge Global GP, elected January 1, 2011, resigned September 1, 2011; and

—Ornge, September 1, 2011, to December 23, 2011.

Is that correct?

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Mr. Kelly Mitchell: Yeah, I think that's absolutely correct. The only thing I would say is I was actually elected to the board of Ornge Global on January 1, and it was subsequent appointments where I was nominated to the boards of the other private companies on the private side. In fact, I thought that they took place in March, when I became a member of the other boards. But I'm not disputing that I was on both of those boards for roughly those periods of time.

Mr. David Zimmer: All right. On the document book that we sent over to you, at tab 1 is a billing summary for Pathway's account to Ornge; that totalled—Ornge-Pathway accounts were \$337,411.27. Is that correct?

Mr. Kelly Mitchell: I had \$388,302 but I'm not sure of the discrepancy. I'm fine with that, yeah.

Mr. David Zimmer: But anyways, \$330,000-plus?

Mr. Kelly Mitchell: That's correct.

Mr. David Zimmer: All right. I understand that the billing summary, then, for Pathway and Ornge Peel—the total billings were \$42,501.52.

Mr. Kelly Mitchell: I'm sorry, so in the first case you were referring to Ornge?

Mr. David Zimmer: Ornge and Pathway and—

Mr. Kelly Mitchell: And the second one, Ornge Peel?

Mr. David Zimmer: Peel.

Mr. Kelly Mitchell: My understanding is that's reverse, actually. I thought Ornge Peel was the larger number and Ornge—the only work we did for Ornge was a formal RFP that we were awarded in—

Mr. David Zimmer: In any event, those totals—say \$337,000 plus \$42,000; close to \$400,000—are a reflection of Pathway billings on this file?

Mr. Kelly Mitchell: Over the seven years, yes.

Mr. David Zimmer: Thank you.

Am I correct also, then, that portions of those billings were made by Pathway to Ornge and Ornge Peel and so on while you were on the various boards of the Ornge structure?

Mr. Kelly Mitchell: So, when I was on the private boards of Ornge, the Ornge Global side, prior to that, on August 23, 2010, I believe, we were awarded an RFP for \$96,000—a public RFP process for this \$96,000 and that was for Ornge work. That would have happened at the same time I was on the board of Ornge Global. So January 1 was when I started with Ornge Global. If we went back to August 23, previous to that, Pathway Group was awarded the contract through Ornge for the work that we did on the RFP.

Mr. David Zimmer: But then there were periods of time when you were both on various Ornge boards within their structure and Pathway was also billing various entities of Ornge?

Mr. Kelly Mitchell: Just the one period, though. I don't want to—

Mr. David Zimmer: Okay, that's fine.

Do you think that was a conflict of interest to be providing advice and on the boards of the various Ornge structures?

Mr. Kelly Mitchell: Well, I was concerned about it, and I raised the issue with the chairman of the board—

Mr. David Zimmer: The chairman at the time was?

Mr. Kelly Mitchell: Mr. Beltzner.

Mr. David Zimmer: Yes, and?

Mr. Kelly Mitchell: —and with Dr. Mazza. So this is on March 29. I said I wanted to highlight a perceived conflict: My company is under contract with Ornge to provide specific duties awarded under an RFP executed on August 23. It's for a northern engagement strategy. It had nothing to do with lobbying governments or anything; it was strictly about northern work, something that Pathway Group is very qualified to do. I would be reporting in that job to the COO and the director of regulatory affairs and, from time to time, the CEO. My role as board member for Ornge Global—at this stage, I didn't see a conflict because we were dealing with the private side, and it wasn't about what was going on at Ornge. But I

did raise the issue with the chair and the CEO just to make sure that it was put forward. His reply back to me, dated on the 29th: "I don't see this as a conflict at this time, especially if the contract was awarded prior to your participation on the boards of Air and Peel. Should there be a motion concerning Air as related to your work, I would expect you to declare the conflict and abstain from discussions and voting."

Mr. David Zimmer: All right. Thank you.

The Chair (Mr. Norm Miller): You have a minute left.

Mr. David Zimmer: Yes, two more questions: Did you do any lobbying or consulting with the PC caucus or individual members of the PC Party on Ornge matters?

Mr. Kelly Mitchell: I did.

Mr. David Zimmer: Thank you—and that's covered in your billing summaries.

Lastly, when you took on Ms. Long, presumably somebody at Pathway met with her and interviewed her, as you would any other prospective employee. Did she present a resumé?

Mr. Kelly Mitchell: You know what? I can't remember if she did or not.

Mr. David Zimmer: Would you search your records to see if she presented a resumé?

Mr. Kelly Mitchell: I will.

Mr. David Zimmer: And the last question: In her resumé—I know among other things she was a water-skiing instructor and did some waitressing. Was there anything else in her resumé or during the interview that stood out in your mind that attracted you to her professionally as a potential employee?

Mr. Kelly Mitchell: I can't remember seeing the resumé, and I apologize for that, but we did interview her and, frankly—we're looking at an admin position. In my view, she was very good. She was bright and articulate. We didn't have anything negative—even during the time she worked for Pathway Group, I couldn't say anything negative about her work. But in direct answer, I can't recall a resumé, so I really don't know the answer.

Mr. David Zimmer: And would you search your records for that?

Mr. Kelly Mitchell: I will.

Mr. David Zimmer: Thank you.

The Chair (Mr. Norm Miller): We are out of time, so we shall move to the official opposition. Mr. Klees.

Mr. Frank Klees: Thank you. Welcome to these hearings.

Mr. Kelly Mitchell: Thank you.

Mr. Frank Klees: Your time on the board of directors of any of these companies was very short. Can you tell us why you resigned as a director when you did?

Mr. Kelly Mitchell: In the case of the private boards, I had been asked to—I was on those boards for a number of months, but I believe it was somewhere in July or perhaps August that Dr. Mazza had phoned me up and said, "I would like you to be on the board of Ornge. We have a replacement for a gentleman who was a very good friend of mine who passed away, from northern Ontario."

It's where I do a lot of my work. Frankly, I was kind of happy to get off the board of Ornge Global. Beyond the stuff that we were talking about, I found Global to be exceptionally complicated. I think you've all seen the org chart or the chart of companies. When I started with them, I had no idea that that was the structure of it. I was happy to resign from the private side.

In regard to the public side—and it's in my notes—I attended two meetings. One was a teleconference call; one was a meeting on, roughly, December 1. The conference call was mid-December. At that point, all these negative things were coming out now through the newspapers. There had been questions in the media, questions posed here in the House. I'd asked the question during the conference call what the salary of the CEO was, and I was informed that it was around \$1 million. With all of the other things that were going on and, added to that, this compensation, which I think is outrageous, I announced that I would resign from the board and did so by the 23rd.

I was quite disappointed with it. I was really excited to be on the board of Ornge. It was kind of a new thing for me, as a young guy or relatively young, anyways. I've been referred to as a senior Conservative lately, and I think that's kind of moved me up the scale, which I'm happy about. But I was quite excited about being on the board, and I was very disappointed to see that, as a board member, you would have to be responding to all of the decisions that were made by previous members—that I just thought the task was something I wasn't up to.

Mr. Frank Klees: You were aware—or were you aware—of questions that were raised in the Legislature about Ornge, the possible cross-subsidization of the for-profit entities with public funds, in April 2011. Did you become aware of the fact that those questions were being raised in the Legislature?

Mr. Kelly Mitchell: I did, yes.

Mr. Frank Klees: Were you also aware that a very long letter was addressed to the MPP who raised those questions in the Legislature, who happened to be me, threatening legal action? Did you become aware of that letter?

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Mr. Kelly Mitchell: I did. Actually, they had asked me for advice on that. My advice was, and it was in an email—I've provided you, I believe, thousands of pages of emails—where I said, "Don't go to war on this. The member has the right to ask these questions. The better approach is to sit down with the member and provide the documents that are being requested."

So I was aware of it at that time. I was also concerned about it as well, because there were a series of FOIs that were being thrown out there, and some of them, I believe, were from the Conservative research group., but I don't know everybody who was FOIing.

I talked both to Ornge and to a friend of mine who I had a relationship with, the Honourable Michel Bastarache, a former Supreme Court justice who had recently retired. I had asked Ornge to retain Mr. Bastarache with the goal

of going through all of these things, because one of the problems that you see with Ornge, in my impression, is that it was very difficult to distinguish between rumour and fact. I thought this would be one way of having somebody of his skill look at the distinctions between the public funds that could bleed over to the private entities and make sure that that wasn't the case. He could look at the corporate structure and ensure that it was appropriate.

Specifically, and I have it in my kind of draft term sheet—as I've put in my notes to you, I'm a forester, not a lawyer. This is in legalese, but I was trying to say that there are also issues that Ornge continued to not be able to resolve, such as [*inaudible*]. So I suggested that they hire Mr. Bastarache. Unfortunately, it didn't happen. Now, I'll say this to Ornge: The CEO and the COO seemed to be very keen to follow through with this, but it never happened. They never approached and Mr. Bastarache went on summer holidays and it didn't happen.

Mr. Frank Klees: Thank you. To your knowledge, was Don Guy ever briefed on the Ornge file while he was working for the Premier, while he was still the chief of staff?

Mr. Kelly Mitchell: I don't know that.

Mr. Frank Klees: To your knowledge, in working with Ornge, was Don Guy hired through Alfred Apps at Fasken?

Mr. Kelly Mitchell: I don't know that, either.

Mr. Frank Klees: Okay. When the questions were raised in the Legislature and when that threatening letter was sent to me, was there any discussion at Ornge in any of the meetings that you were at as to what steps the minister might take in response to that? Was anyone at Ornge surprised that the minister, rather than—let me rephrase it. Did the minister or anyone in the ministry follow up, to your knowledge, with Ornge in response to those questions that were put to her?

Mr. Kelly Mitchell: I'm not aware of it. I have seen a previous version of the letter that they had sent, which was something I believe that also had been sent to the leader of the third party, which had no threat of legal action. It was essentially a letter that said, "Here are the facts." That was the letter that I saw. I didn't see the final letter until afterwards, when somebody from Ornge had said to me, "Oh, we sent the wrong letter," which was c.c.'d to many people, including the minister. But in regard to a response back from the minister, I'm not aware of any.

Mr. Frank Klees: Did that surprise anyone, that there wouldn't be a reaction from the ministry to something as serious as this being raised in the Legislature?

Mr. Kelly Mitchell: Certainly, I guess, from my own perspective, the questions were being raised in the House to the minister, and I thought that based on my knowledge of Ornge at that time, I thought that the answers could have been stronger, because the information I had—and I'm not saying it was right; it was just at that period of time. There were answers to these questions, in which case I would have expected that they would be

articulated in the House because they were being raised in the House.

In regard to directly answering the question about surprise, it was never articulated to me that they were surprised about that one way or the other.

Mr. Frank Klees: Given your pedigree as a Conservative, were you ever asked to get in touch with me and to try to get me off this file?

Mr. Kelly Mitchell: I was, and this is right around—so January, February, March, April—probably somewhere in April, I'm guessing. At this time, we have this contract that's winding up with Ornge, this RFP, and I'm on the private board, Global. The Ornge COO, Mr. Lepine, was really upset because he just felt like he couldn't answer the questions. And I have to say, having gone through this the last couple of weeks where my name has been raised in the House too, it can be quite frustrating not to be able to go, "But wait a minute."

So they did ask me to see what I could do, so what I did is I contacted the lobby registrar and asked her for a ruling on whether I would be allowed—as a board member of Ornge, somebody who I've lobbied for—to communicate with you. We had some email exchanges back and forth, and then she phoned me. We had a discussion and she said, because I'm a well-known lobbyist, it would be deemed to be a lobby action and therefore, under the Broader Public Sector Accountability Act, I could not contact you. I think, as you all know, I never did.

The Chair (Mr. Norm Miller): You're on your last 30 seconds, Mr. Klees.

Mr. Frank Klees: Perhaps Mr. Guy and Mr. Apps should have taken the same precautionary steps. We're looking forward to hearing, of course, from Mr. Guy later today. Thank you.

Mr. Kelly Mitchell: Thank you.

The Chair (Mr. Norm Miller): To the NDP: Who would like to ask questions?

M^{me} France Gélinas: I'll go first.

The Chair (Mr. Norm Miller): Go ahead.

M^{me} France Gélinas: Flag me halfway through.

Thank you for being here. The first question I wanted to ask you is—you were on the board of directors of Ornge Global on January 1, 2011. A briefing as to the corporate structure of Ornge was shared in, basically, a briefing material, with many people at the Ministry of Health and Ministry of Finance. It's a letter that has been circulated around.

After this letter was presented and the briefing took place with people at the Ministry of Health, the minister told us that there were red flags, that there were alarm bells, that they tried to get information but they were stonewalled by Ornge.

To your knowledge, on the board from January 1, 2011, has the Ministry of Health ever tried to get information from Ornge Global?

Mr. Kelly Mitchell: Nothing through me, obviously, as kind of the newest member to the board and a Conservative, but my impression from the chair of the board

and discussions that he had—at the same time, I believe, the AG is also doing his investigation as well. I'm trying to make sure that I don't confuse the two—but my impression was that members of the government had been briefed all the way through the process of the creation of Ornge Global, the private entity, and I'm sure that that had been articulated at a board meeting; I'm not sure which one. That would have been my belief.

I don't know if the government actively tried to do something proactive to say, "We've got red flags." That was never presented to the board members.

M^{me} France Gélinas: But you knew the fact that the corporate structure had been presented and the fact that Ornge Global was a private entity had been presented to the Ministry of Health, and to your knowledge, they did not come back for more information, nothing that hit your radar anyway?

Mr. Kelly Mitchell: That's correct.

M^{me} France Gélinas: Okay.

You knew that the Auditor General was at Ornge. Was that topic ever discussed at the board of Ornge Global?

Mr. Kelly Mitchell: It was. I don't recall it ever being a line item topic. In fact, it seemed to me there was one session on a meeting, I think it was just before I started with the board. So my nomination was on January 1, I believe, but my first meeting would have been on January 23 or 28, later in the month. It seemed to me that there was an in-camera session that was talking about the AG's report, but other than the chair of the board saying, "We're struggling to answer all these questions. We don't think that the AG's department is quite getting what we're trying to present to them, so we're really working hard on it"—I know that they were quite satisfied with their ability to push the AG's report further off into—I guess it was March 23, whenever the AG reported specifically on Ornge, because they felt that if it had been presented at the normal time the AG's report comes out, the December period, that there were still too many factually incorrect answers or parts of his report.

So I was never part of any of those kinds of formal discussions, but certainly that was articulated, I believe, by the chair at a board meeting.

M^{me} France Gélinas: In the discussion at the board of Ornge Global, was the discussion of, "this information should not be made available to the ministry," or of "that information should not be made available to the AG," or—what was the culture of communication between Ornge Global and the ministry or the AG?

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Mr. Kelly Mitchell: I can't member specifics on what was discussed, but certainly my impression was that the board members of the private board felt they were a private entity and that they had assurances through the legal firm and through their accounting firm—I believe it's KPMG—that this was a private entity and shouldn't have been grouped into the AG's report.

M^{me} France Gélinas: And although you were on the board of directors, you did not know the salary of Mr. Mazza while you were at Ornge Global?

Mr. Kelly Mitchell: That's correct.

M^{me} France Gélinas: And how do you figure that is? He was your employee.

Mr. Kelly Mitchell: They had presented—I believe it was in my second meeting—a matrix of what would go into a salary, but there was no number attached to it. I have to admit, this was all brand new to me. I didn't know—in hindsight now, you learn a lot, especially in your first experience of being on a board. I should have just asked the question, but I didn't at that time. It wasn't until mid-December 2011 that I found out that it was approximately \$1 million.

M^{me} France Gélinas: What was your teleconference in December? What was it about? You had a teleconference board meeting?

Mr. Kelly Mitchell: Yeah, it was an emergency one. There were a lot of newspaper reports that had been coming out in that time frame. The chair had set this up on very short notice to say that the CEO was in very rough shape. He needed to be removed as CEO of Ornge and somebody had to find a replacement. So that was kind of the focus of the discussion that took place.

M^{me} France Gélinas: Rough shape physically or rough shape financially?

The Chair (Mr. Norm Miller): You have one and a half minutes left, France.

Mr. Kelly Mitchell: Mentally, I believe.

M^{me} France Gélinas: Okay. The minister says that she called the board of Ornge for a meeting, but then the chair of Ornge told us that no, they called the minister for a meeting. Would you know which way it went?

Mr. Kelly Mitchell: No, and I believe that I had effectively been resigned from the board by that point, so I don't know the answer to that.

M^{me} France Gélinas: And what's the date of your teleconference call?

Mr. Kelly Mitchell: It was mid-December. I could be off by a day or two, but it was a Saturday, like December 12, I believe; something like that.

M^{me} France Gélinas: And this is when you decided to resign, and it became effective—

Mr. Kelly Mitchell: The 23rd.

M^{me} France Gélinas: The 23rd.

M^{me} France Gélinas: Okay.

The Chair (Mr. Norm Miller): Mr. Singh?

Mr. Jagmeet Singh: Thank you, sir, for being here. Did you have a working relationship with Don Guy?

Mr. Kelly Mitchell: No, I've never met him before.

Mr. Jagmeet Singh: Would you have any idea what his relationship was with Ornge or what he was doing at Ornge?

Mr. Kelly Mitchell: No, none.

Mr. Jagmeet Singh: Okay. In terms of your briefings, did you have a number of briefings with provincial government officials or elected officials?

Mr. Kelly Mitchell: A total of four: One with the NDP, Mr. Bisson; one with Mr. Norm Miller, and those were not briefings on Global or anything. There was a lot of stuff going on in your ridings, either in the north or, in

Mr. Miller's case, of course, Ornge calls it "trauma season" in the summertime and a lot of people go to the Muskokas and they get themselves injured. So the focus on those briefings was very specific to, "Here's what's going on in your riding."

We had two meetings—I didn't attend either of them, but I was involved in setting them up with the PC research group who were asking a bunch of questions and doing their due diligence on Ornge because they felt that there were problems. My approach on all of this, and still remains today, is that the systems of FOIing are complicated, are slow and cumbersome. It's easier to get people together if it's at all possible, and so—

Mr. Jagmeet Singh: What problems were flagged by the research group?

Mr. Kelly Mitchell: I never saw the FOIs, but certainly I know that the speedboat was one of them. I believe that Dr. Mazza's salary would have been another one, and I'm not sure—I never did see the FOIs.

Mr. Jagmeet Singh: Did you take any steps to address those FOIs?

Mr. Kelly Mitchell: The steps I took were to ensure that the two groups got together and had meetings, with the opportunity to disclose that information.

Mr. Jagmeet Singh: When was that? And I'm going to pass it over to France.

Mr. Kelly Mitchell: I'm sorry?

Mr. Jagmeet Singh: When was that? What time was that?

Mr. Kelly Mitchell: Two meetings. One was December 2009 at Queen's Park. I didn't attend it. The other one was—I'm going to be off a bit here—March or April 2010.

Mr. Jagmeet Singh: When you got the groups together, did it raise your attention about the salaries when that was raised by the leadership?

Mr. Kelly Mitchell: It did. But, you know, at that time, I actually presumed that—my impression of Dr. Mazza is that he was paranoid on his salary. I never understood why, but his salary in 2008, the last disclosed salary, to me wasn't something that raised huge flags. He's a very credible doctor. He's got his MBA and he runs a big organization. So the irritant was more, in my view, that they decided to pull it away from the public view than it was what the salary amount was.

Mr. Jagmeet Singh: Do you have any understanding of why it was taken out of the sunshine list?

Mr. Kelly Mitchell: No. They created Ornge Peel, but I don't know why. My advice is always that they shouldn't do that.

M^{me} France Gélinas: I'd like to come back to the teleconference you had on December 12. By then, Ornge had made the front page of the papers. A few red flags must have gone up. Was there any discussion at the board as in, "Our ship is about to sail. Bail out, bail out," or "Mayday," or anything like this? Or was it really just, "We're talking about Mr. Mazza needing some personal time for health reasons"?

Mr. Kelly Mitchell: It was a bit of both—I don't mean to say, "Jumping ship—mayday, mayday." But certainly the reason that Dr. Mazza's mental health was compromised was because these stories were in the front page of the newspaper. So the two things were definitely tied in the discussion. I believe I had said at that conference call that I thought I would have to resign and I thought the rest of them were probably going to end up having to resign as well.

M^{me} France Gélinas: Had the minister contacted—

The Chair (Mr. Norm Miller): You're on your last minute.

M^{me} France Gélinas: —contacted your board by then?

Mr. Kelly Mitchell: I don't believe so. I believe by December 12 that hadn't happened, as far as I know. I believe by the next week—I believe it happened the week after.

M^{me} France Gélinas: So the week after. So it had hit the front page of the paper, you had an emergency board meeting, Mr. Mazza started having health problems and you looked at who would be your new CEO. So in the minds of the board, the operation needed to continue. You needed to look at an interim CEO. Who was chosen?

Mr. Kelly Mitchell: The COO, Tom Lepine.

M^{me} France Gélinas: He was chosen to continue?

Mr. Kelly Mitchell: Yes.

M^{me} France Gélinas: And in your mind, was this house of cards falling, or was it just a rough spot that you were going to work through?

Mr. Kelly Mitchell: I thought the house of cards was falling, definitely.

M^{me} France Gélinas: And did you share this with the other board members?

Mr. Kelly Mitchell: Yes.

M^{me} France Gélinas: You did, eh?

Mr. Kelly Mitchell: Yes. You know, some of the board members, Dr. Lester—a few on that call, I think, were absolutely shocked that what was happening was happening. It was a very unpleasant phone call, to be certain. But it's one thing when people are trying to raise questions and are being stifled; it's another thing when it's on the front page of the Toronto Star all the time, saying, "I've got all these sources and this is what they're saying." You go, "Jeez, why didn't we know about some of these things?" So, yes, I thought it was a very serious problem.

I will separate the organization of Ornge, which I've always had faith in. It was why I was so proud to be a member of Ornge, because I think they are world-class transport medicine. I am so impressed with the work they do. We do a lot of work in northern Ontario and First Nations, and they are the first piece of health care for so many of these people. With the work we did with them—we worked on changing languages so that the people who were being left on the shores, as the helicopter takes off from an area, could communicate and see how their loved one was doing. They were really special to work with.

But this piece, it looked to me like it was crumbling—

The Chair (Mr. Norm Miller): And we are out of time. Thank you very much, Mr. Mitchell, for coming before the committee today.

Mr. Kelly Mitchell: Thank you. I hope that was helpful.

The Chair (Mr. Norm Miller): I would suggest that we come back at 12:15. Our first presenter is at 12:30. It gives us a few minutes, in case there are any motions to be dealt with.

Mr. David Zimmer: And this will be locked up?

The Chair (Mr. Norm Miller): Someone will be here, yes, so it will be secure.

The committee recessed from 1020 to 1221.

The Chair (Mr. Norm Miller): I call this committee to order, then. We have a matter we have to deal with in camera to begin with, so I ask members of the press to leave, please.

The committee continued in closed session from 1221 to 1235.

ORNGE

The Chair (Mr. Norm Miller): We're back in open session and our first presenter this afternoon is Steve Farquhar from Ornge, vice-president of operations. If he could come forward—Clerk, do we know where Mr. Farquhar is?

The Clerk of the Committee (Mr. William Short): He's just standing outside.

The Chair (Mr. Norm Miller): Okay. Welcome and good afternoon, Mr. Farquhar. Just to confirm that you have received the letter of a witness testifying before the committee?

Mr. Steve Farquhar: Yes, I have.

The Chair (Mr. Norm Miller): Very well. Our clerk, once he gets back here, will have you swear an oath.

Mr. Steve Farquhar: Okay.

The Clerk of the Committee (Mr. William Short): So the Bible is in front of you. You wanted to swear an oath or be affirmed?

Mr. Steve Farquhar: I'll swear an oath.

The Clerk of the Committee (Mr. William Short): Swear an oath? Okay. Mr. Farquhar, do you solemnly swear that the evidence you shall give to this committee touching this subject of the present inquiry shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. Steve Farquhar: I do.

The Clerk of the Committee (Mr. William Short): Thank you.

The Chair (Mr. Norm Miller): You have time for an opening statement. Then there will be questions from the parties.

Mr. Steve Farquhar: Thank you. Hello. My name is Steve Farquhar and I'm vice-president of operations for Ornge air ambulance. I would like to thank the standing committee for the opportunity to speak to you today.

In my role as VP of operations, I am responsible for the day-to-day operations of the paramedic service at Ornge. We have 146 full-time paramedics and 71 part-time paramedics who operate out of 13 air and land bases around the province.

Operations involve the day-to-day activities involving the delivery of air ambulance services across the province. This includes providing paramedic/RN services, base-related activities, scheduling services, land ambulance deployment and administrative management support. Ornge is made up of a number of business units that are responsible for different activities.

Operations does not have oversight over aviation activities or activities—nor do we have responsibility for medical oversight or the training and education of paramedics. We all work together as a team to deliver the best service possible to our patients.

My career as a paramedic spans 25 years. I've worked as a front-line paramedic in both the land and air environments. As I am sure every person in the medical field will tell you, I became a paramedic to help people. Providing the best possible patient care has always been my number one priority. Working to help those who need medical care is the reason I have remained in the business for over 30 years.

This line of work is difficult; it's physically and emotionally draining. It is all-encompassing. You carry it with you when you go home at the end of the day. It is always part of your life. When you deal with life and death, you do not always have the luxury of leaving your work at the office.

During this time, I have seen this remarkable and challenging field undergo many changes—from times with little or no recognition and low pay, to advancements in technology and the evolution of patient care. Medical transport services have undergone a prolonged and significant transformation, and despite the problems we have been facing, I feel fortunate to have been a part of the larger industry.

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Having worked both in the field and as a manager, I understand the challenges that the front-line staff face every day as well as those of the organization and the system as a whole. I feel that it is important to point out the unique challenges of operating an air ambulance system. Medicine and aviation are among the most highly regulated professions in the country—I dare say, the world. Imagine the complexities of running an airline and then, separately, the challenges of managing a hospital. Combining these two fields adds additional complexities and regulatory issues that make day-to-day operations and decision-making exceptionally difficult. Each decision has a ripple effect. No decision stands alone. Even a minor change can bring with it regulatory issues. Great care must be taken to always ensure the continuity of our operations.

When I became a flight paramedic, I was extremely excited about the future of the field, and to this day it is an area I find incredibly rewarding and promising.

To say that recent events have been disheartening would be an understatement. I feel the same emotions as the front-line staff. I am, and always will be, a paramedic at heart.

Ornge lost its way and let down those committed to the service. I count myself among that group. To watch the events of late has been anything but easy, but I truly believe Ornge is rebuilding and will once again be the strong, vital organization it is meant to be.

I know that a number of people have left the organization, for many reasons. For me, the silver lining is that I am still here and I am able to take part in the amazing rebuilding process that is under way. The new leadership is making significant change, and I am fortunate to be there to support these efforts. Our interim CEO, Ron McKerlie, has made great strides in fixing the problems of the past.

We all acknowledge that mistakes were made, hands were tied, countless hours spent wondering what could be done differently, only to end up back at the start. But that is the past, and I look forward to the future of the organization. Change is happening—positive change, important change—and things will only get better.

Here are some examples of the change at Ornge: We have refocused our core mandate to provide a safe, reliable, quality air ambulance service for the people of Ontario; we have improved communications across the organization and have become a more transparent and accountable organization; we are moving to improve our available staffing levels by ensuring that paramedics progress through training and reintegration programs in a timely manner; we have systems and processes in place to transform the medical interiors; we are restructuring the Ornge communications centre, which will improve service delivery and aircraft deployment; and we are working closer with our EMS partners, hospital stakeholders and, of course, the Ministry of Health emergency health services branch. These are just some of the changes that have been made at Ornge in the last few months.

I continue to be amazed by the dedication of not only our front-line staff but of the entire organization. We have some of the most highly trained paramedics in the world. They have worked through the issues being faced by Ornge because of the commitment they have to the people of Ontario. I am honoured to work with them. I will continue to do my best to be their voice and represent their interests and help them deliver the best possible medical services to the people they are tasked with caring for.

I am happy to take any questions you may have.

The Chair (Mr. Norm Miller): Thank you for your opening statement. The questions go first to the official opposition. You have 25 minutes, Mr. Klees.

Mr. Frank Klees: Thank you. Mr. Farquhar, thank you for attending here. Your formal training is that of a paramedic. Is that correct?

Mr. Steve Farquhar: Yes, sir.

Mr. Frank Klees: When did you complete that training?

Mr. Steve Farquhar: In 1982.

Mr. Frank Klees: In 1982? And how long did you work as a paramedic?

Mr. Steve Farquhar: Twenty-five years.

Mr. Frank Klees: So you worked as a paramedic until 2007?

Mr. Steve Farquhar: Roughly there, yes.

Mr. Frank Klees: Let me ask you this: After you were finished your work as a paramedic, what was your next position that you took on?

Mr. Steve Farquhar: I graduated in 1982 and I worked for Toronto emergency medical services for about 14 or 15 years. I also worked for the air ambulance program full-time for two and a half years, and then part-time for a total of about 10 years.

Mr. Frank Klees: And what did you do there?

Mr. Steve Farquhar: I was a critical care flight paramedic on Bandage 1, out of the Toronto base.

Mr. Frank Klees: Okay.

Mr. Steve Farquhar: Then I went on and took a position at the base hospital as a clinical instructor. I trained 30 paramedics in Peterborough under the OPALS program, which is the Ontario paramedic advanced life support program. Then I was asked to come down and work in the Sunnybrook base hospital program in 2000 as the manager of the critical care land ambulance program.

Mr. Frank Klees: Okay. Thank you.

You say in your statement that it's a very complex undertaking to run an airline and then deal with the challenges of managing a hospital and so on. The position that you've taken on, which is that of VP of operations at Ornge, certainly, that is a very complex responsibility. Can you just describe briefly what all that entails?

Mr. Steve Farquhar: The VP of operations has an associate VP below that reports up to my office and a director of operations in the province. From that we have a number of operations managers that are placed at each one of the bases around the province. Then the paramedics report to the operations manager.

Mr. Frank Klees: So you're really the guy who makes the decisions regarding all field operations at Ornge. Would it be fair to characterize it that way?

Mr. Steve Farquhar: The decisions that are made, some of them are within my ability to make them; other ones, I would have to seek counsel from my boss at the time, who was the COO.

Mr. Frank Klees: Okay, but ultimately you sign off on most of the field operations at Ornge. Is that correct?

Mr. Steve Farquhar: Yes.

Mr. Frank Klees: Okay. That's quite a responsibility for someone who basically has been trained as a paramedic. You've taken on very complex management responsibilities. Before you took on this responsibility at Ornge, did you have any formal training as a manager at that high level?

Mr. Steve Farquhar: Yes. So, I started off in 2000 as a manager. I moved into the central region manager, which would be equivalent to an operations manager. I was then promoted to the director of operations in 2006,

so when we took over from the province. I held that position for three years and I was promoted to an assistant VP of operations and then to the full VP of operations. So I've been in management for 12 years now.

Mr. Frank Klees: At what point did you enrol in the MBA program?

Mr. Steve Farquhar: I enrolled in the MBA program in February 2011.

Mr. Frank Klees: Were you aware of what the cost would be for that program?

Mr. Steve Farquhar: Yes, I was aware of the cost.

Mr. Frank Klees: And how much was that?

Mr. Steve Farquhar: It was \$90,000.

Mr. Frank Klees: And when did you graduate?

Mr. Steve Farquhar: I'm not graduated yet.

Mr. Frank Klees: You're still taking that course?

Mr. Steve Farquhar: Correct. I'll graduate in June.

Mr. Frank Klees: And Ornge continues to pay that?

Mr. Steve Farquhar: Yes.

Mr. Frank Klees: And you're fine with that?

Mr. Steve Farquhar: There were a number of people that were approached by the senior executive team to take management leadership training, and a sponsorship was offered for those positions—

Mr. Frank Klees: Isn't it a little late to be taking management leadership training at that level once you're already the VP of operations of a very complex organization?

Mr. Steve Farquhar: I have 52 people in my MBA class and most of them hold senior positions—VPs, CEOs, COOs—so I would say it's never too late to learn.

Mr. Frank Klees: Was there ever any question in your mind as to whether public funds should be paying for that? I mean, a lot of people take additional training; they pay for it themselves. What was your salary?

Mr. Steve Farquhar: My salary? It was reported at \$250,000.

Mr. Frank Klees: Any additional bonuses on top of—

Mr. Steve Farquhar: No, that was bonus-in.

Mr. Frank Klees: You didn't at any time think that, perhaps, you should be picking up the cost for your further education?

Mr. Steve Farquhar: The company offered to sponsor me for the position and I accepted it. I didn't accept it lightly; I'm very honoured to have that. I can tell the committee that I'm putting in 25 to 30 hours a week of work, and everything that I've learned in my MBA, which is a lot about leadership, also, I use every day on my job.

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Mr. Frank Klees: Can you tell me who signed off on the medical interiors of the helicopters? I've been led to believe that you had to sign off on that, given your role.

Mr. Steve Farquhar: I did not sign off on the medical interiors. It was done at the COO level.

Mr. Frank Klees: And the COO at the time was?

Mr. Steve Farquhar: It would have been Tom Lepine, COO of Ornge; and Rick Potter, COO of aviation.

Mr. Frank Klees: So both of those gentlemen signed off on those medical interiors. You had nothing to do with it.

Mr. Steve Farquhar: The role I had in the medical interiors: I was asked to be part of the RFP committee. My responsibility on the RFP committee was to look at vendor presentations, review renderings. We were scoring and we were shortlisting vendors.

Mr. Frank Klees: So you certainly played a role in shortlisting whoever it was ultimately contracted to. Given your medical background—critical care flight paramedic—did it ever occur to you that perhaps CPR would have been a pretty important thing to be able to administer in that helicopter?

Mr. Steve Farquhar: If I could tell the committee a little bit about what happened there: The RFP went out in 2008; it was awarded in 2009. We were against very tight deadlines to be able to deliver because the CHL contract was coming up, and we were given tight deadlines to operate in.

A medical team was sent over, consisting of a front-line flight paramedic at the Toronto Island and one at Sudbury. A project manager and a transport physician were sent to Switzerland because that was where the manufacturer was. It was Aerolite. They were there for about a week and they went through all kinds of prototype testing. They went through a number of medical scenarios to make sure that all the medical scenarios that we do in the field could be checked.

Mr. Frank Klees: Was CPR one of those?

Mr. Steve Farquhar: Yes, sir, it was.

Mr. Frank Klees: What was the value of that contract for those interiors?

Mr. Steve Farquhar: I believe the contract was almost \$6 million.

Mr. Frank Klees: How could we end up paying \$6 million for interiors in which paramedics couldn't even do basic CPR? Who, if not you, was responsible for signing off on that?

Mr. Steve Farquhar: The first AW139 was put into service at the Sudbury base at the end of December 2010, and the first complaint that we heard of on this came in the middle of January 2011. The issue at the time was the CPR. We initially thought that there was something wrong with the height, that the specs were wrong on it. We took the measurements, we talked to the manufacturer and we found out that it was fine.

I think what happened was that when you have—and this is just my opinion, but when you do scenarios and people are in street clothes, and they don't have Kendrick extraction devices on, they don't have clothes on, a matter of a couple of inches raising the patient up can make the difference between—

Mr. Frank Klees: Isn't that pretty fundamental? I hear your explanation, but it's not helping me. I would think that, with a complex organization like yours, where you have a medical director, you have flight operations directors, you've got people who are engineers—that isn't the first time that you've been involved in this—that

somebody would have taken into consideration all of those issues? And after \$6 million in a contract, you end up with an interior where you can't even administer basic CPR.

I'll repeat my question: If not you, as the VP of operations, who was responsible for signing off on this?

Mr. Steve Farquhar: It was the two COOs who signed off on it, but when the aircraft initially came, I don't think everybody was fully aware of how bad the problem was.

I think the real issue is that, typically, when you take a very complex, customized medical interior—if I was going to do it, I'd put a prototype out in the field, test it for a certain period of time and get the feedback. But if you're against tight timelines and that step doesn't happen, you're opening yourself up—

Mr. Frank Klees: Well, it's not very comforting to think that artificial timelines would result in compromising safety standards. My understanding is that Canadian Helicopters was willing to extend their contract, and all it would have taken was for Ornge to say, "We need to extend our contract with you," and that would have been the end of the tight time frame. Isn't that true?

Mr. Steve Farquhar: I don't know, sir. That would be above my level.

Mr. Frank Klees: I'd like to move on to quality management, because at the end of the day, the reason that we're here today, apart from the financial irregularities, which are a concern—and we'll get to the bottom of that, and the police will as well—what's really important to us are the patient care issues. We heard, through the Auditor General's report, of numerous incidents that were reported. In some cases, deaths occurred, and we have yet to find out exactly what the reasons for that were, but, nevertheless, patient care was compromised. Would you disagree with the Auditor General on that?

Mr. Steve Farquhar: In regard to the statement made on page 30?

Mr. Frank Klees: Yes.

Mr. Steve Farquhar: The Auditor General's report, I believe, said that there were 21 significant adverse events.

Mr. Frank Klees: Yes.

Mr. Steve Farquhar: I think part of the disconnect from that is the way that Ornge was reporting its significant adverse events at the time. We've met with the Ministry of Health emergency health services branch, and it has been clear that there's been a disconnect in what they consider a significant adverse event and what Ornge considers a significant adverse event, so I think that's part of the problem.

Mr. Frank Klees: I'd like to move on to the issue of quality management. What was your role regarding quality management at Ornge?

Mr. Steve Farquhar: Quality management?

Mr. Frank Klees: Yes.

Mr. Steve Farquhar: My role was to oversee, to make sure that the policies were followed, to make sure that any investigations that were brought forward were

raised in a proper manner and that we would continue to look into those. It was making sure that there was proper staffing available, aircraft available.

Mr. Frank Klees: Quality management is a very complex discipline in and of itself. What qualifications did you bring to the table? Do you have any specific quality management training qualifications?

Mr. Steve Farquhar: Not specifically in quality management, no.

Mr. Frank Klees: The Auditor General, in his 2007 report, made very specific reference to the IT system at Ornge. He had raised this issue as a serious concern in his initial report, and again in 2007 made reference to the system that was being used at Ornge and said that there were still considerable concerns there. His main concern was that the Ministry of Health was not able to get the appropriate information—information, by the way, that was very specifically required under the terms of the performance agreement with the Ministry of Health. Can you tell us why, four years later, that issue that had been brought to your attention still had not been properly addressed?

Mr. Steve Farquhar: I don't have the IT background to talk intelligently about how the systems could speak. I was understanding that there were some issues with the IT in the ARIS II system that the ministry uses communicating with the Ornge critical care Optimas system, but I couldn't comment intelligently on how the architecture was designed.

Mr. Frank Klees: So, as the operations manager, you didn't have any responsibility to ensure that that was addressed?

Mr. Steve Farquhar: There was a lot of issues with the IT that we were working on to try—we had had discussions with the ministry that dated back to when Ornge took over with the cluster group, and at that time, it seemed that there was not enough time to be able to get those two systems aligned, that they were dynamically different and that it was going to be a longer project. I think that it was essentially agreed upon that Ornge's business was somewhat different than the land and that the Optimas system would stand alone.

Mr. Frank Klees: Did you ever have proposals to replace the Optimas system with an alternative system that would be more efficient and more effective and address these concerns?

Mr. Steve Farquhar: Yes, we did. We had an ITM project, an integrated transport medicine project. The vendor of this project was Zoll. Zoll is very well known in pre-hospital care. So we rolled out the Zoll scheduling software system, and we also rolled out electronic patient chart records, but the piece that we did not get rolled out yet, where we ran into problems, was the data management system, which is actually the system that works in the Ornge communications centre.

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Mr. Frank Klees: And why was that?

Mr. Steve Farquhar: The vendor—there was a lot of customization, from my understanding, that was required,

and the project was put on hold. It's not terminated, but it's put on hold right now.

Mr. Frank Klees: The \$150 million—at least that's the most recent annual funding from the Ministry of Health to Ornge—is a lot of money. Can you give us an idea of how much of that funding you directed into capital improvements to address things like the IT system and other quality management issues? Out of that \$150 million, how much was actually invested in capital improvements at Ornge?

Mr. Steve Farquhar: I wouldn't have that information.

Mr. Frank Klees: Did you direct any?

Mr. Steve Farquhar: I was only responsible for the operations budget, so I couldn't comment on the entire funding envelope and what went into capital.

Mr. Frank Klees: I'd like to talk about the staffing levels, because that is in your bailiwick, right?

Mr. Steve Farquhar: Yes.

Mr. Frank Klees: We have had so many complaints coming from the front lines, paramedics as well as pilots, in terms of something that they refer to as “down-staffing.” Is it true that you were directly responsible for signing off on that downstaffing policy?

Mr. Steve Farquhar: There was no downstaffing policy. Last year, the overtime budget for the paramedics—it doesn't include the pilots—was escalating. The forecasts were calling for two to three times what our budget was, and I raised it as a concern. The CFO at the time was quite concerned with the run rates on the overtime, and in order to curb that, I went to my superior, who was the COO. I'm assuming he talked to the CEO about this, and the decision was made, yes, that we have to stop calling overtime in.

Mr. Frank Klees: So, under that scenario, if you could not get someone to come, you would just simply leave that unit understaffed, because of the financial constraints?

Mr. Steve Farquhar: So, what we put in place there is, we put in regionalized coverage. So if one base couldn't be staffed, and this is the same now—if you did a downstaffing in Sioux Lookout, it's not easy to upstaff if you get a last-minute book-off. The bases are 400 or 500 miles apart. So what we do is, we go to regional coverage then. So if Sioux Lookout is down, we can move aircraft around in the region or we can upstaff at other bases, if we could do that.

Mr. Frank Klees: I'm trying to get a sense of the practical implications here because, at one time—correct me if I'm wrong—when this service was outsourced to private operators, they were actually penalized financially for not having the sufficient number of paramedics on staff to do—whether it was a critical care call or whatever.

In your case now, you don't have anyone else to penalize. You're obviously not penalizing yourself, and so you're content to have those bases short-staffed and you're justifying it—correct me if I'm wrong—on the basis that your staffing numbers are regional. So you may

have a particular base that is understaffed, but because you're reporting it on a regionalized basis, you're actually putting patients at risk in a particular base because you don't have a sufficient number of paramedics staffed there appropriately. Yes or no?

Mr. Steve Farquhar: No.

Mr. Frank Klees: Well, it's interesting because we're going to be getting some practical reports on that, and I believe, Mr. Farquhar, you're going to be proven wrong on that.

Mr. Steve Farquhar: I can tell you what our single medic staff—right now, it's running at about 4%. We run the stats quite frequently. The issue that you raise, sir, is concerning to us. We do not schedule one medic on an aircraft. When we did our analysis, the single-most cause for single staffing and downstaffing is paramedics picking up the phone a couple of hours before their shift and saying, "I'm not coming in to work."

Mr. Frank Klees: And what backup do you have?

Mr. Steve Farquhar: We have part-time. We have changed that policy since, in this new fiscal, where we have staffed with overtime, but at the time my responsibility was to oversee—manage a balance between regional coverage, the operations budget and making sure that the people of Ontario had access to the proper aircraft—

The Chair (Mr. Norm Miller): You have four minutes, Mr. Klees.

Mr. Frank Klees: When did you change that policy that you would actually call people in on overtime?

Mr. Steve Farquhar: I believe it was December or January.

Mr. Frank Klees: December or January. Prior to that, your policy was that to save money, you would not pay somebody overtime and you would simply leave that unit understaffed. Isn't that true?

Mr. Steve Farquhar: We would call in part-time. We would use what's called a sister-based concept, so we would bring resources as far—but we tried to mitigate the overtime because it was becoming—

Mr. Frank Klees: You tried to mitigate the overtime by allowing for understaffing, and I'm pleased to hear that you've changed that policy. But Mr. Farquhar, what we're getting at is that there were policies that were put in place that clearly put patients at risk, all in the interest of saving money and all at the same time that we don't know how many millions of dollars were actually being frittered away, whether through multi-million dollar schemes or million-dollar salaries. I think you understand why we're concerned here and why the public is so concerned.

Mr. Steve Farquhar: I totally understand the disconnect there, and I did not have any visibility on what was going on in the broader scheme of things. I was only tasked with managing the resources and the budget that were under my responsibility.

Mr. Frank Klees: I have one last question for you, sir. I think we're all familiar with the performance agreement and what the objective was in coordinating services

and integrating services. The performance agreement and the initial program—the vision—of creating that integrated air ambulance system never contemplated that Ornge should be in the aircraft ownership business. It never contemplated bringing in-house an entire air force of single-wing or helicopter aircraft. Do you agree with that?

Mr. Steve Farquhar: It didn't specifically mention that in the performance agreement. I believe, from what my understanding was that there was a business case done to in-source aviation resources, which would have been better for the public because there was better launch reliability and better control.

Mr. Frank Klees: It was never contemplated in the performance agreement. You agree with that?

Mr. Steve Farquhar: Yes.

Mr. Frank Klees: At some point, someone made a decision to move away from using third party suppliers who were experienced, who had invested millions of dollars and, quite frankly, were performing the service quite well. In fact, what's interesting is that Ornge itself relied on that historical service of those third party suppliers to trumpet the fact that they are an excellent provider of air ambulance services when they went out to the marketplace, because Ornge didn't have that history. The only history that Ornge could rely on was the history that came before Ornge, and that was the structure that involved those third party experienced, qualified suppliers.

I'd like to know from you, when was that decision made to move away from that performance agreement strategy and to bring in-house the ownership of helicopters and single-wing aircraft, and to put all of those people out there out of business?

Mr. Steve Farquhar: I wouldn't be able to know that. That decision was made above my level.

Mr. Frank Klees: So you were not privy to any of those discussions?

Mr. Steve Farquhar: I understood what the strategic direction was. I don't know when the decision was made, but if I could just comment briefly: As a service operator, I know that there were vendors that we were contracting with that had dispatch reliabilities in the 70s. Ornge air now is in the high 90s.

Mr. Frank Klees: Can you provide those statistics for us, please?

Mr. Steve Farquhar: I can ask the aviation department for them.

Mr. Frank Klees: Yes, if you would. This is very important information. Clerk, if you could follow up with Mr. Farquhar?

I think there are two reasons we need that information: first of all, to establish the credibility of the testimony, and second, it's going to be a reflection on the rationale that Ornge had to bring those operations in-house.

The Chair (Mr. Norm Miller): Thank you very much, Mr. Klees.

On to the NDP: Madame Gélinas?

M^{me} France Gélinas: Thank you for being here. I was interested in what you said in your opening comment that

you are happy to be able to take part in this amazing rebuilding process that is under way. You say, “We all acknowledge that mistakes were made, hands were tied, but we’re moving forward.” The first thing you say as an example of moving forward is, “We have refocused our core mandate....” I’m curious to see where had the focus gone that you are now focusing on providing “a safe, reliable, quality air ambulance service for the people of Ontario.” If this is your new focus, where was the old one?

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Mr. Steve Farquhar: I think it would be safe to say that there were distractions previously that required resources. It’s really now about—the distraction is gone—to move on, to move forward.

M^{me} France Gélinas: Give me a concrete example of this distraction that required resources.

Mr. Steve Farquhar: Well, a distraction is the fact that there was a multitude of people working on different projects, and different people’s time was required to work on the for-profit side, the Global.

M^{me} France Gélinas: Did you ever work for the for-profit side?

Mr. Steve Farquhar: I was used as an adviser.

M^{me} France Gélinas: To the for-profit side? And that was during your paid hours at Ornge?

Mr. Steve Farquhar: No, I received a stipend for that.

M^{me} France Gélinas: You received a stipend? I see your salary in 2008 was \$140,000. It went to \$160,000 in 2009. It bumped up almost \$83,000 in 2010, when your salary went up to \$243,900, and then in 2011 to \$249,843.

Mr. Steve Farquhar: That was through VP—that, as I described earlier, was—

M^{me} France Gélinas: Okay. So the money that I see now, does that include the stipend, or is the stipend on top?

Mr. Steve Farquhar: The stipend was \$4.25 an hour.

M^{me} France Gélinas: Okay, and that’s included in the—

Mr. Steve Farquhar: Yes.

M^{me} France Gélinas: Okay. Was the \$4.25 an hour paid from the for-profit side, or was it—

Mr. Steve Farquhar: Yes.

M^{me} France Gélinas: It was paid from the for-profit.

Can you give me an example from your day-to-day of the distractions where you had to give advice to the for-profit? What kind of advice were you giving?

Mr. Steve Farquhar: There were different planning committees and things that were set up where different people in different business units were required to attend and sit on that and give input, certain deliverables, advice, feedback. Those were some things that were created that created additional work.

M^{me} France Gélinas: Okay. You also say in your statement, “Here are some examples of the changes at Ornge” that you are proud to be part of: “We are working

closer with our EMS partners, hospital stakeholders and, of course, the MOH emergency health services branch.”

Could you give me examples of how you are working closer with the emergency health services branch?

Mr. Steve Farquhar: Yes. We’ve had several meetings. We’ve worked out the amended performance agreement with them. The communications are more open. I’m sending a lot of operational metrics and reports over to the branch on a regular basis.

M^{me} France Gélinas: Who do you connect to at the branch?

Mr. Steve Farquhar: Tony Campeau and Rob Nishman.

M^{me} France Gélinas: Okay. Who did you liaise with before?

Mr. Steve Farquhar: It was still Tony and Rob.

M^{me} France Gélinas: It was the same. How has that changed?

Mr. Steve Farquhar: Now we’re sharing more information. The branch is asking for more information than they did in the past, and we’re providing more information. We’re trying to work through some of the issues that need attention in the new amended performance agreement. Those are all where we’re coming together: We’re meeting more; we’re trying to plan more. We’re reaching out more to our stakeholder hospitals and the EMS groups.

M^{me} France Gélinas: Okay. So this \$4.25 stipend you got for helping the for-profit, are you still getting this?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: And are you still providing advice to the for-profit?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: Are there any for-profit ventures still up and going?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: Okay. When they were going on, did you ever talk to the people in the emergency health services branch about what was going on?

Mr. Steve Farquhar: No, I didn’t talk to them about that.

M^{me} France Gélinas: Did you keep it away from the ministry on purpose?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: So how was it that you did this job for years and talked to the same people for all those years but you never talked about the for-profit?

Mr. Steve Farquhar: My focus was always on operations in Ontario, so if I was asked to sit on a committee or an advisory group that was—I don’t think it was really any concern with the ministry, so it was never discussed.

M^{me} France Gélinas: At this time last year, how much of your time were you spending advising, sitting on committee, for the for-profit side of Ornge?

Mr. Steve Farquhar: I can’t say; probably—I don’t know—five or six hours a week.

M^{me} France Gélinas: How many different committees were there?

Mr. Steve Farquhar: There was just one committee that met regularly, every Thursday. It was just the take-aways, the follow-ups that you had to do on it and some of the research and background stuff that you had to do.

M^{me} France Gélinas: What was the name of that committee and who was there?

Mr. Steve Farquhar: It was the Global planning or something like that, along those lines.

M^{me} France Gélinas: Global as in referring to Ornge Global?

Mr. Steve Farquhar: Yes.

M^{me} France Gélinas: Okay. Global planning? And who was there?

Mr. Steve Farquhar: It was a cross-functional committee, so there were a number of directors from across the organization at different business units.

M^{me} France Gélinas: Can you name me some names?

Mr. Phil McNeely: Mr. Chair, I'm having difficulty hearing this.

Mr. Steve Farquhar: Sorry.

The Chair (Mr. Norm Miller): If you don't mind moving closer.

Mr. Steve Farquhar: It's probably that I turn my head; sorry about that.

M^{me} France Gélinas: Can you name me some names?

Mr. Steve Farquhar: Yes. There was the director of procurement; there was the—

M^{me} France Gélinas: The name of the director of procurement?

Mr. Steve Farquhar: Gabe Aivazian. There were medical people on there, so there was the chief of staff, Dr. Bruce Sawadsky. There was myself. There was Kelly Long. There was Carrie Anne Brunet. There was a project manager. There were people from different levels in finance.

M^{me} France Gélinas: Can you name me some names?

Mr. Steve Farquhar: I'm not sure what her last name is—June, from finance. We had the VP of marketing for Global there. The VP for sales was there.

M^{me} France Gélinas: And who are those people?

Mr. Steve Farquhar: I can't remember their names right now. I didn't have much interaction with them. Greg was one fellow. I'm trying to remember the other fellow's name; I can't remember.

M^{me} France Gélinas: Some of the people you have named to us are people that we know worked for Ornge, the not-for-profit, and also worked for the for-profit and you would meet every Thursday. So everybody knew that they were working both sides?

Mr. Steve Farquhar: My understanding was that you were supposed to track your hours, so if you did work for this, then you would track your hours and you would submit your hours, so that there would be no time where you were charged time that you were spending at Ornge over to the Global side.

M^{me} France Gélinas: And this tracking system: Was it manual? Was it online?

Mr. Steve Farquhar: They would ask you to submit your hours that you put in for that, for those times.

M^{me} France Gélinas: Okay, so you submitted that on a piece of paper?

Mr. Steve Farquhar: It was an Excel spreadsheet or something.

M^{me} France Gélinas: Okay, and who did you send that Excel spreadsheet to?

Mr. Steve Farquhar: It went into finance.

M^{me} France Gélinas: Do you know who at finance received those?

Mr. Steve Farquhar: I'm not sure who took down my—

M^{me} France Gélinas: How often would you submit those?

Mr. Steve Farquhar: I think it was once every two weeks or monthly or something.

M^{me} France Gélinas: You don't do that anymore?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: Once every two weeks or monthly, do you remember doing this on a regular basis? Every Thursday you attended that meeting, so every week you had to report that you had spent time on the for-profit side.

Mr. Steve Farquhar: Yeah, they just didn't want anybody spending time on the for-profit side and then getting paid by Ornge at the same time. If you spent time on the for-profit side, then you were to submit the hours. You didn't get any money for it; they would just reconcile the financials, I guess, on it.

M^{me} France Gélinas: So that would be a pretty ethical way to handle this, would you say?

Mr. Steve Farquhar: Yeah. I don't think the intention was to have people working for Ornge and then spending time on the Global side.

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M^{me} France Gélinas: Okay. Do you believe that Dr. Mazza behaved ethically?

Mr. Steve Farquhar: A lot of the stuff that came out in the paper—I mean, personally? Do I believe it? It doesn't seem so.

M^{me} France Gélinas: Because of what you've read in the paper?

Mr. Steve Farquhar: I didn't know about some of the stuff going on, so when you read it in the paper, it's concerning.

M^{me} France Gélinas: Does the picture make sense now that you've read what you've read in the paper, now that you know what you know? Did you ever know how much Dr. Mazza was being paid?

Mr. Steve Farquhar: No. I was very surprised.

M^{me} France Gélinas: You were very surprised?

Except for communicating with the emergency health services branch, did you have any other communication with the ministry?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: No? Okay.

My colleague wants to ask a few questions.

Mr. Jagmeet Singh: Thanks. So, in terms of the requirements to provide reports to the ministry, were you involved with any of those reports?

Mr. Steve Farquhar: We used to send a lot of reports. Are you talking about operational reports?

Mr. Jagmeet Singh: Yes, because you were responsible for operations, which would involve some patient care issues. Is that correct?

Mr. Steve Farquhar: The patient care issues were dealt with on the clinical—so the base hospital side. Operations doesn't deal with patient care issues.

Mr. Jagmeet Singh: Sure. Who would be involved with patient care, then?

Mr. Steve Farquhar: That would be clinical affairs. It's equivalent to a base hospital. So that would be Dr. Bruce Sawadsky, who's the chief of staff.

Mr. Jagmeet Singh: Okay, perfect.

With operations, did you provide reports back to the ministry on a regular basis regarding how the operations were conducted at Ornge?

Mr. Steve Farquhar: Yes. We would provide operational reports back to the ministry. We would go up and meet with the branch when Dennis Brown was there, before he retired.

Mr. Jagmeet Singh: And how often did you provide those reports?

Mr. Steve Farquhar: They were less frequent than they are now. So they would be more on an ad hoc basis.

Mr. Jagmeet Singh: What was the frequency?

Mr. Steve Farquhar: Mostly when they asked; if they asked for reports, then we would provide them.

Mr. Jagmeet Singh: How often did they ask during the time you were there?

Mr. Steve Farquhar: There wasn't a large request asking for certain reports—only usually if there was something specifically that they were interested in.

Mr. Jagmeet Singh: Just give me a ballpark. Was it once a year, was it once a month, was it once every week?

Mr. Steve Farquhar: I would say probably two times a month, somewhere around there.

Mr. Jagmeet Singh: Okay. So two times a month the ministry requested reports, and you provided those reports?

Mr. Steve Farquhar: Yeah. It would be an investigation report. It might be something that they were following up on.

Mr. Jagmeet Singh: Did you ever say, "No, I won't send you a report" or did you ever create any difficulties?

Mr. Steve Farquhar: We can't say that. It's against the Ambulance Act.

Mr. Jagmeet Singh: Indeed. So you were aware of this responsibility and you complied whenever you were asked to provide any information. You'd agree with me that that was the same for the entire organization: If there was ever a request from the ministry, you or someone in Ornge would respond?

Mr. Steve Farquhar: I can't speak for other departments. I'm just speaking for operations. I would comply. If the ministry asked for any information, we would provide it.

Mr. Jagmeet Singh: Why is that? Why would you respond?

Mr. Steve Farquhar: It's required under our performance agreement. It's under the Ambulance Act as well.

Mr. Jagmeet Singh: Certainly.

With respect to what went on in Ornge, many of your colleagues either were fired or resigned. Why did you stay?

Mr. Steve Farquhar: Why did I stay?

Mr. Jagmeet Singh: Yes.

Mr. Steve Farquhar: I was asked to stay. I was not released. As I said in my opening statement, I do believe that I can still contribute to Ornge going forward.

Mr. Jagmeet Singh: Who asked you to stay?

Mr. Steve Farquhar: The CEO. I have not been released, so—

Mr. Jagmeet Singh: Okay. And how much did the ministry know about what was going on in Ornge?

Mr. Steve Farquhar: With the whole debacle going on?

Mr. Jagmeet Singh: Yes.

Mr. Steve Farquhar: I have no idea.

Mr. Jagmeet Singh: And with respect to your particular department, you apprised the ministry of everything that was going on in terms of your department?

Mr. Steve Farquhar: Yes. If the branch asked me for something, I would provide it. I wouldn't hold anything back.

Mr. Jagmeet Singh: You were asked questions about the initial mandate of Ornge. You'd agree with me that the initial mandate of Ornge was not to set up its own fleet of either helicopters or airplanes; it was to provide ambulance care?

Mr. Steve Farquhar: Yes.

Mr. Jagmeet Singh: Okay. Certain issues have arisen that Ornge misled the ministry. Do you have any response to that?

Mr. Steve Farquhar: I was never involved in those meetings. I read about them in the paper, I've heard the allegations, but that was above my level. I had never had any meetings with the government or the ministry on any level like that.

Mr. Jagmeet Singh: Okay. You want to jump in?

M^{me} France Gélinas: Okay. Did anybody from the ministry ever come to the headquarters of Ornge?

Mr. Steve Farquhar: Yes.

M^{me} France Gélinas: Who did?

Mr. Steve Farquhar: Malcolm Bates; Tony Campeau, I believe had been there before. We used to mostly go up to 5700 Yonge to meet with them, but I had seen them at Ornge head office before.

M^{me} France Gélinas: Had they ever commented about the NDP-orange motorcycles?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: Let's just call them "the motorcycles."

Mr. Steve Farquhar: It was sitting in the lobby for a number of months.

M^{me} France Gélinas: And nobody commented about them? Nobody asked where they came from, who paid for them?

Mr. Steve Farquhar: There was a sign up there that gave a bit of history on it, so you'd just have to go up and read the sign.

M^{me} France Gélinas: And when the ministry people walked by, they never asked any questions?

Mr. Steve Farquhar: I wasn't there. I wouldn't be touring that delegation going through.

M^{me} France Gélinas: Were you aware of what Ms. Long was asked to do when she was brought into Ornge to fulfill a research mandate?

Mr. Steve Farquhar: I wasn't aware of what her duties were.

M^{me} France Gélinas: You didn't know what she was doing?

Mr. Steve Farquhar: No. When she came on she was involved with corporate communications, and that's the only role that I knew her to have until she escalated up through the ranks.

Mr. Jagmeet Singh: Were you a shareholder of any subsidiaries that Ornge had? Ornge Peel, Ornge Global? Were you a director or a head of any of those subsidiaries?

Mr. Steve Farquhar: No, sir.

Mr. Jagmeet Singh: Okay.

M^{me} France Gélinas: What is Ornge Brazil?

Mr. Steve Farquhar: I don't know. I believe they were looking at trying to get into Brazil, so I'm assuming that they named the company Ornge Brazil, I guess.

M^{me} France Gélinas: We were told that the for-profit entities were set up so that we could leverage knowledge and skills that we had developed here in Ontario elsewhere so that it would benefit the people of Ontario. Were you ever told that?

Mr. Steve Farquhar: Yes.

M^{me} France Gélinas: You were told that. Could you describe to us any benefits that the people of Ontario got out of those entities?

Mr. Steve Farquhar: Well, my understanding was, and I thought, and in my training that I've had in the MBA, that a public-private partnership can be very valuable if the shareholders' value increases, which is the people of Ontario. I had no idea until I read in the paper that it was 3%, because I actually thought that if we could reduce the taxpayers' burden and we could create value for them, that that would be very noble and something to do. When I found out that it was 3%, I personally was quite upset about that.

M^{me} France Gélinas: What would you have seen as a good deal for Ontario?

Mr. Steve Farquhar: Well, if they're using Ontario resources and that, it should have been the majority of the share coming back into the province.

Mr. Jagmeet Singh: Would you agree with me that the shift between when Ornge was using private companies to provide aircraft and helicopters and then when

Ornge started creating its own fleet—that patient care and operations went down?

Mr. Steve Farquhar: I don't believe there's any evidence of that.

Mr. Jagmeet Singh: Would you agree with me that there were less bases in remote communities and it increased wait times to be able to respond to those communities in different parts of Ontario?

Mr. Steve Farquhar: No. It would be hard to make that correlation between the two because of the differences in the demographics and the call volumes. There are so many factors involved in that. But we didn't reduce or shut down any bases. As a matter of fact, Ornge actually, within the same funding envelope, added a fixed-wing aircraft up in the Thunder Bay base. We didn't have the \$1.2 million to put the paramedics on it, but we did put a fixed-wing aircraft up there.

Mr. Jagmeet Singh: Actually, the total number of bases across Ontario decreased when Ornge created its own fleet. The amount of bases that were spread out across Ontario reduced in number.

Mr. Steve Farquhar: No, sir.

Mr. Jagmeet Singh: You don't agree with that statement?

Mr. Steve Farquhar: No.

M^{me} France Gélinas: It could be interesting for us. Could you submit that information as to what you believe is the number of bases and where they are? There seems to be a bit of a discrepancy.

You knew that last spring, the Auditor General was auditing Ornge.

Mr. Steve Farquhar: Yes.

M^{me} France Gélinas: Was that ever discussed at any management committees?

Mr. Steve Farquhar: That we were being audited?

M^{me} France Gélinas: That you were being audited by the Auditor General?

Mr. Steve Farquhar: Yes. I spoke to the Auditor General's office, the group that was there, probably 10 or 12 times.

M^{me} France Gélinas: Okay. And the fact that the auditor was there, was this ever talked about at the management committee?

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Mr. Steve Farquhar: The fact that the auditor was there? Yes. We were just told to co-operate fully and, you know, prepare whatever documents that we were asked by—I think the lead on it was Naomi, and I met with her several times and provided a lot of documentation. We had a lead person that would go ahead and collect the documents and provide it. I spent a lot of time trying to explain how the system works, because I know it's very complex.

M^{me} France Gélinas: Okay. When did you become aware that the auditor had had a problem getting to some of the money issues at Ornge?

Mr. Steve Farquhar: I wasn't aware of that. I met with Naomi and her team, like I said, about 12, maybe 15 times. Mostly we discussed operations, you know, and

we didn't really talk about any finances or anything like that, because it wasn't my department.

M^{me} France G elinas: Except for the people that you name from the emergency health services branch, did you ever talk to anybody else at the Ministry of Health?

Mr. Steve Farquhar: No. I think, at my level, it was really—well, EHS branch was the one that we spoke to.

M^{me} France G elinas: And nobody from the Premier's office ever contacted you either?

Mr. Steve Farquhar: No.

Mr. Jagmeet Singh: You indicated in your statement, "We all acknowledge that mistakes were made" and "hands were tied." How were hands tied?

Mr. Steve Farquhar: Well, I think there were certain instances where there was, you know, policies or things that we wanted to—we felt that we could probably change, but it wasn't supported by—

Mr. Jagmeet Singh: What's an example?

Mr. Steve Farquhar: Maybe using aircraft in north-western Ontario and contracting them from Manitoba if we were short of aircraft, to bring them in on a tariff rate, a set tariff rate.

Mr. Jagmeet Singh: And how were your hands tied to do that? Who tied them?

Mr. Steve Farquhar: Well, Dr. Mazza didn't want to use any aircraft from outside the province.

Mr. Jagmeet Singh: You say, "We all acknowledge that mistakes were made." What mistakes were made that you acknowledge?

Mr. Steve Farquhar: Well, I mean, clearly, there were mistakes made in the sense that some policies were implemented. They were all done with the patient focus and trying to run the operations, but afterwards, we've reversed them. So there was mistakes made like that. I think we all make mistakes. I think the big point is that we recognize them, we stop them, and we take that as a lesson learned.

M^{me} France G elinas: So some policies that were implemented for patients were reversed? Explain to me; give me an example of that.

Mr. Steve Farquhar: I'm sorry, I—

The Chair (Mr. Norm Miller): You have two minutes left.

M^{me} France G elinas: When my colleague asked you, "We all acknowledge that mistakes were made"—he asked for you some of the mistakes. You just answered that, "We had some policies implemented," and then you changed them.

Mr. Steve Farquhar: Yeah.

M^{me} France G elinas: And that was the mistake, changing them?

Mr. Steve Farquhar: No. As Mr. Klees pointed out, the launch policy: It was generated out of the Auditor General's report to try to reduce the cancelled calls. There was 4,600 of them. And operations—we felt that it wasn't simply a money issue with that, but it was also an issue of resources, and if those resources weren't used effectively, they were taken away from another patient that may have needed them. So that was an example

where the initial launch policy was put into place. There was a communication breakdown in that, and in some cases, in retrospect, that policy was changed. So that would have been what we would consider not a—you know, a lesson learned in that, as an example.

Mr. Jagmeet Singh: Should the ministry have known what was going on at Ornge?

Mr. Steve Farquhar: Should the ministry have known?

Mr. Jagmeet Singh: Should the ministry have known what was going on at Ornge?

Mr. Steve Farquhar: The emergency health services branch had it in the performance agreement to come in any time they wanted to.

M^{me} France G elinas: But they never came?

Mr. Steve Farquhar: They did come.

M^{me} France G elinas: But when they came, they didn't ask about salaries, they didn't ask about corporate structure, they didn't ask what share of the revenue from the for-profit was actually coming in to the not-for-profit?

Mr. Steve Farquhar: I can't comment on that because I never met with them. It wasn't at my level that they would come over and meet. I mean, we would talk on the phone about operational issues, but at that level of coming over and having those discussions, I wasn't privy to those.

The Chair (Mr. Norm Miller): Thank you. You're out of time now.

Mr. Jim McCarter: Mr. Chair—

The Chair (Mr. Norm Miller): Yes, sorry. The Auditor General would like to make a comment.

Mr. Jim McCarter: Just in fairness to Mr. Farquhar, the issue of co-operation did come up and I should say that I have raised the issue that some of the individuals weren't necessarily all that forthright. I'd have to say Mr. Farquhar was very co-operative and any time we wanted to meet, he was more than willing to meet with us.

Mr. Steve Farquhar: Thank you, sir.

The Chair (Mr. Norm Miller): Thank you for that clarification.

Mrs. Liz Sandals: Thank you for that because that's helpful.

The Chair (Mr. Norm Miller): On to the government: Who would like to ask questions?

Mrs. Liz Sandals: Starting with Reza.

The Chair (Mr. Norm Miller): Mr. Moridi?

Mr. Reza Moridi: Yes. Thank you, Mr. Farquhar, for taking the time and appearing before this committee. Mr. Farquhar, could you please let us know how long you've been with Ornge?

Mr. Steve Farquhar: I was with Ornge from the beginning, but I started with the Sunnybrook base hospital in 2000, which was when Dr. Mazza was there.

Mr. Reza Moridi: So you have been with air ambulance services for over 10 years, over a decade, at Ornge and its predecessor company?

Mr. Steve Farquhar: Yeah. I started the air ambulance in 1990 and I started with Sunnybrook base hos-

pital that turned into the Ontario air ambulance and then eventually into Ornge in the year 2000. So I've been there 12 years.

Mr. Reza Moridi: Given the fact that you have been there for over a decade, how would you see the transformation of the air ambulance services and the system in the province, and how did it affect patient care?

Mr. Steve Farquhar: I can honestly say, I know that when you look at things now, it's very difficult to sometimes understand why there's a single medic on an aircraft or there's downstaffing, but I've been in the business 30 years and I can honestly say that—and I've worked there on the aircraft for a number of years—the system is much better. I think that the people of Ontario have a really wonderful system. I've been all over the world. I have colleagues that are in air ambulance, and it's a system that we can be very proud of.

Mr. Reza Moridi: Mr. Farquhar, given the fact that you are a paramedic yourself, based on your background, education and training, how would you interact with paramedics and how would you see the province's air ambulance services?

Mr. Steve Farquhar: So, I interact with the paramedics through base visits. Many of the paramedics that are out in the field now, many of them I've trained. I've worked inside the helicopter with many of them. I do get a lot of phone calls and discussions from the paramedics. I've got an open-door policy. They can call me on my cell any time or in my office and discuss. I have had feedback from the paramedics, and we try to implement that feedback from the paramedics because I value their opinion very much. I don't think there's anybody that can bring more to the table than those people that work on the front lines.

Mr. Reza Moridi: Currently you are VP of operations, I believe. Could you explain a little bit about what is involved in your responsibilities as VP of operations at Ornge?

Mr. Steve Farquhar: So, VP of operations: the responsibilities include all the day-to-day activities in the field, the bases, the paramedics and the operations managers and the director of operations and the associate VP. We do a lot of work with hospitals, so I also sit on a lot of committees working with the stakeholders in the province, if they have issues that involve air ambulance or air transport. I sit on the Trillium Gift of Life donations steering committee. I've worked with the North West LHIN. So we try to be, I guess, that liaison between the stakeholders and the issues that they would face with transport because it's complex.

Mr. Reza Moridi: So you're involved in various areas, I believe, in the operation of Ornge. Which area is your main focus of attention currently?

Mr. Steve Farquhar: It would be field operations. At my level, because we've got operations managers, we've got a director of operations and an associate VP of operations, a lot of times I try to work more with stakeholders. I try to make sure that system issues are in place and that we're delivering those according to our performance agreement.

Mr. Reza Moridi: Thank you. I know this question was asked before by my colleagues from the NDP, but I would like, just for the record, to ask this question again: You were a member of senior management at Ornge and currently you're also a member of the senior management at Ornge. As we all know, the management and governance structure at Ornge has changed recently. So what made you to be kept as vice-president of operations at Ornge?

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Mr. Steve Farquhar: I'm sorry; I didn't understand.

Mr. Reza Moridi: You were a member of the senior management of Ornge before—

Mr. Steve Farquhar: Yes, sir.

Mr. Reza Moridi: —and after the changes made just recently to the board of directors of Ornge and the senior management, they kept you as vice-president for operations.

Mr. Steve Farquhar: Yes.

Mr. Reza Moridi: Why did they keep you?

Mr. Steve Farquhar: I'm assuming they felt that I could contribute positively to the organization. It is a very complex organization. There's a lot of moving parts, and I believe that there are a lot of good people that work there that were not involved in all this. They came in every day, looked after the patients and tried to do their job the best they could. I think that was part of it, that I was focused on taking care of the patients and running the operation.

Mr. Reza Moridi: So would you say that the irregularities as we've all seen, and we have read in the papers and is also discussed in various locations, including in this committee—this is all related to the governance and the management? But the front-line staff, the middle management and even people at your level, as VP of operations, have been doing a good job at Ornge to provide service and care to patients?

Mr. Steve Farquhar: Yes, I believe so.

Mr. Reza Moridi: Would you think, Mr. Farquhar, that the recent developments, in terms of changing the board of directors of Ornge, have resulted in the improvement of service at Ornge?

Mr. Steve Farquhar: Yes. Yes, I do. I met Dr. Barry McLellan a couple of weeks ago, and he was my old base hospital physician at Sunnybrook. Dr. McLellan has always been sort of a hero to me. He's just a great guy. I met some of the board members, and they're very focused on Ornge. I know that they're a great bunch of people and that we're going to go do great things.

Mr. Reza Moridi: In the past, we have heard that at Ornge the employees weren't allowed to come out and speak. Under the new management structure at Ornge and also in your position as VP of operations, do you plan or are you thinking to give more freedom, basically, to employees to come out and speak their mind on whatever they see in the organization—their opinion, their comments?

Mr. Steve Farquhar: Yes, and, you know, Ron McKerlie has done an excellent job at that. He im-

mediately started off by holding town halls, and we had those on a weekly basis. He kept us up to date—because it was pretty frightening for everybody, on what was going on there; there were a lot of people that had no idea—and they were kept in the loop. He continues to send out updates weekly. He went out and went around to every single base and talked to the paramedics and asked them, “What can we do to make it better?” He’s allowed all kinds of emails to come in from anybody at any time—very open-door policy. He’s very personable. Totally, I’d say, he’s a breath of fresh air.

Mr. Reza Moridi: So are you saying that now at Ornge, we have a very open environment, where people can come out and speak their minds without any fear of being fired or punished?

Mr. Steve Farquhar: Yes, sir, which is great to see.

Mr. Reza Moridi: Yes. Thank you. Now I’ll pass it on to my colleague.

The Chair (Mr. Norm Miller): Ms. Sandals.

Mrs. Liz Sandals: Thank you very much. You described to Mr. Klees who reports to you. When I see references to various people at Ornge, I’m always quite amazed by the number of people who have vice-president or associate vice-president or assistant vice-president or chief of this or chief of that—just how many are there on the team at Ornge who have these executive titles?

Mr. Steve Farquhar: I don’t—

Mrs. Liz Sandals: Give me a ballpark.

Mr. Steve Farquhar: Yeah, I know—I think associate VPs, there might be just a couple left now. It was, I believe, a position that was put in to help take over the day-to-day operations and sort of a promotion not quite to the full level of vice-president but a step up there.

Mrs. Liz Sandals: Because you described to Mr. Klees who reports to you, can you then take us the rest of the way up the chain? Who did you report to, and then, in turn, on their way to the top?

Mr. Steve Farquhar: Yeah. So I reported to the chief operating officer of Ornge, who is Tom Lepine. Tom Lepine reported to Dr. Chris Mazza.

Mrs. Liz Sandals: Okay, so he reported directly to the president then, Lepine. Okay.

Mr. Steve Farquhar: Yes. Each of the business units had a chief operating officer that was responsible for that business unit.

Mrs. Liz Sandals: So there were a number of people with the COO, the CFO or some such title?

Mr. Steve Farquhar: Yes, there was the “C” suite. There was a group of offices in there that was the “C” suite.

Mrs. Liz Sandals: And they came in above the vice-presidents?

Mr. Steve Farquhar: Yes.

Mrs. Liz Sandals: That helps clarify. And you spoke about, then, this difficult issue of the design of the medical interior of the helicopters, and I understood you to say that there was a team sent to Switzerland—

Mr. Steve Farquhar: Correct.

Mrs. Liz Sandals: —and that there were two paramedics, a physician and somebody else on that team? I didn’t catch you.

Mr. Steve Farquhar: Yes. There was a project manager that went and Tom Lepine went as well.

Mrs. Liz Sandals: So when they came back, it was Mr. Lepine and Mr. Potter who were responsible for approving the medical interiors which were actually ordered?

Mr. Steve Farquhar: Yes, the sign off would have been at the COO level.

Mrs. Liz Sandals: And then obviously, as we know, there has been a lot of conversation around the problems with that. I wonder if you could tell us a bit about how things have evolved in terms of working that out; can you walk us through the steps in improving the medical interiors?

Mr. Steve Farquhar: Yeah, absolutely. The first time we saw the aircraft when they showed up, there was concerns raised by the paramedics about the height of the pedestal. That was sort of the crux of the issue, that there just wasn’t enough room between the pedestal height—and I do have pictures if anybody would like to see them. When you tried to sit the patient up, there wasn’t enough room in a high Fowler’s position; they would be too close to the ceiling. So we immediately went to the manufacturer. Well, let me back up; before we did that, the CPR issue, we put in a protocol where you released the bed—it’s very difficult to understand, but you turn it transversely across the cabin and then you can lower it so now you can start doing CPR.

Mrs. Liz Sandals: So you rotate the stretcher and you lower it a bit so you can—

Mr. Steve Farquhar: And then you can do CPR. That was the quick fix on it, keeping in mind that everything that you do in a helicopter—and this is back to my point on highly regulated—has to go through. The helicopter was an Italian helicopter, so that’s under EASA, which is the European aerospace administration. It was bought in Philadelphia, so it’s under the FAA, the Federal Aviation Administration, and it’s flying in Canada, so it’s under Transport Canada. There’s a number of regulations. So we went back to the manufacturer and advised them that this was not working. We had the specs pulled on it. They assured us that it was done within spec of what was given to them and—

Mrs. Liz Sandals: Can I just interrupt? Because we did have this earlier conversation with Agusta, and they sort of said, “No, we had nothing to do with the interiors; it was all the Swiss firm.” Who were you going back to at this point, the medical interior firm or Agusta?

Mr. Steve Farquhar: Agusta didn’t have anything to do with the interior. This was Aerolite, so this is the Swiss firm. They were co-operative. We said, “We need to have that stretcher go right down so that the patient is actually flying what is called transverse.” We found out that that’s not an easy thing to do even though the stretcher would go down because there’s a 16G forward path load on that stretcher. It’s not tested for that; it was

tested for longitudinal. So if you turn somebody sideways, it changes it. We had to get all the engineering drawings and redraft them. They had to do dynamic crash testing, pull testing. That took almost a year. In the meantime, Jim Feeley, VP of aviation, was working with me to try to get what's called an exemption under Transport Canada, which would essentially be the same as if you had a fractured clavicle and you had a letter that said you can't wear the seat belt. We thought that was going to be a relatively quick process; it turned into several, several months, almost a year. Finally, I was awarded the exemption on February 2, and that exemption is good for one year. What we're doing in the meantime is I've pulled together a team of paramedics. We call it the interior committee. We have an operations manager who helps lead it, but it's all paramedic-led. This is their office. This is the way they need to make the calls on this.

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An RFP will go out now for an interim solution, and I do have some of the—this is a picture of what the interim solution will look like.

Mrs. Liz Sandals: This is a mock-up in someplace other than in the actual helicopter?

Mr. Steve Farquhar: Yes. This is actually in place, but these pictures here show some of the problems that we've faced with the interior. The RFP will go out. We have very tight timelines on this. We're expecting a quick turnaround on this. There are a number of improvements that are going to be made to this medical interior. The final solution is going to be a permanent solution which will probably come online somewhere near the end of 2014, I would imagine, because that's how long these things take. It sounds really ridiculous, but that's how long.

Mrs. Liz Sandals: For this redesigned interior, who all do you have to go through the rounds for approvals, then? What all agencies will be required to approve?

Mr. Steve Farquhar: We would work with what's called DAR, which is a designated airworthiness rep.

Mrs. Liz Sandals: From?

Mr. Steve Farquhar: Right now, the one who we have is James Mewett from Airtech. They actually are Transport Canada's representatives.

Mrs. Liz Sandals: Okay.

Mr. Steve Farquhar: Essentially—they know all the regulations—they work within that.

It's very complicated and it takes a lot of time, but these are some things that should have been done in the first place. We are going to put a prototype out there and I want it flown at different bases around the province for a couple of weeks at a time so that we can get the feedback from the paramedics; because if the paramedics don't like it and it's not working, then we're back to the drawing board.

Mrs. Liz Sandals: So, as Madame Gélinas suggested, you will be taking the rebuilt interior, doing prototype testing with your paramedics on the ground, and then once they've worked out any remaining kinks, I assume that you do have to go back to Transport Canada for final approval?

Mr. Steve Farquhar: Yes. Transport Canada would get all the specs. Before we could fly it even in a demo with a patient on it, they would have to approve it.

Mrs. Liz Sandals: And does it have to go back to the Italians or the Europeans? Or this is strictly a Transport Canada issue?

Mr. Steve Farquhar: Aerolite owns what's called the STC on the interior—supplemental type certificate—so we have to work with them. They would have to provide all the specs for that interior. The manufacturer would be very involved in this.

Mrs. Liz Sandals: Thank you for that. It's helpful to get that detailed technical description, even if we don't understand it, because I think it inspires some confidence that somebody who knows what they're doing is on the case.

You mentioned earlier, because we're very concerned about patient safety, that there was a disconnect—and I think I'm quoting you correctly—between the definition of a "significant adverse event" at the Ministry of Health and at Ornge. Could you expand on that and then what you're doing to resolve that disconnect? I presume you are.

Mr. Steve Farquhar: Yes. "Significant adverse event" has a definition under Ornge. I believe the Auditor General's report said there were 21 SAEs, and when we went back and looked, there were actually only five. I think it was probably just the definition. We met with the ministry EHS branch and we spoke with them. That was one of the things that they reported, too. The thought was that perhaps we are over-reporting at this point. I think we need to sit down and we need to define what a significant adverse event is. It's not operations that defines an SAE; it's actually clinical affairs. For example, if a medication was given in error, even though it may not have had any direct impact on the patient, it could be deemed as a significant adverse event, and that might be over-reporting.

Mrs. Liz Sandals: So it's a case of there was an error made; it isn't necessarily that the consequence of the error was life-threatening. Is that a fair comparison?

Mr. Steve Farquhar: Yes. I don't have the exact words, but it's something, too, that would impact the patient function, that type of thing. It could include up to morbidity, but I guess it depends on where it impacted along that continuum. I think it's important when we met with the ministry to get that SAE defined so that we're all reporting accurately on those things that are impacting our patients.

Mrs. Liz Sandals: Thank you. Mr. Zimmer has a few questions.

Mr. David Zimmer: Just briefly, the Auditor General had a number of problems with operations at Ornge. So how are you dealing with these problems that the AG raised?

(1) The communications centre was having lots of problems getting the documentation for proper dispatch decisions; that led to problems; (2) the delay in aircraft launch; that led to problems; (3) the shortage of trained

paramedics; that led to problems. And the Auditor General's final sentiment that he felt he was being stonewalled by the former leadership. What are you doing about improving the relationship? Plus an answer to those three questions.

Mr. Steve Farquhar: The Ornge communications centre is being restructured. We're redesigning it now so that there are specialized people dealing in specialized functions. The way it was operating before, it was sort of, if you were taking medical information or you were doing flight planning, you were able to sit on all desks. We are reorganizing that; we're restructuring it. We're giving more training to the communications officers. We're looking at scripted responses to implement into the Ornge communications centre so that information isn't missed. That's some of the movement that we have on the Ornge communication side.

For the paramedics, for the training, I mentioned in my opening remarks that we were looking at reintegration. Part of the problem was that some of the paramedics, if you were off on mat/pat leave, and you were gone for eight months, your reintegration could include six months to get back and get reintegrated. We've met with clinical affairs, we've met with the academy of transport medicine and we've shortened those times. We've tracked them better. We're looking at getting them exposure to some higher-volume bases. So if you were a medic, let's say, up in Moosonee and you didn't get exposed to stuff, that would slow down your reintegration. So we're moving them around in the system.

And I'm sorry, sir, I didn't—

Mr. David Zimmer: The delay in aircraft launch.

Mr. Steve Farquhar: The delay in aircraft launch: We believe that many of the delays were somewhat related to the launch policy, which has been changed.

The Chair (Mr. Norm Miller): And you're on your last minute now.

Mr. David Zimmer: Comment on how the AG felt he was stonewalled by the former leadership. What are you doing to make sure that doesn't happen again?

Mr. Steve Farquhar: I would never do that. I mean, I was working very well with their team.

Mr. David Zimmer: The organization—make sure the organization doesn't do that.

Mr. Steve Farquhar: I would instruct any people who reported to me to give full co-operation.

Mr. David Zimmer: Thank you. Thank you, Chair.

The Chair (Mr. Norm Miller): Thank you very much for your presentation today.

MS. KELLY LONG

The Chair (Mr. Norm Miller): Our next witness is Kelly Long. Welcome, and just to confirm that you've received the letter for a witness coming before the committee?

Ms. Kelly Long: I have. Thank you, Mr. Chair.

The Chair (Mr. Norm Miller): Very well. Our clerk has an oath for you.

The Clerk of the Committee (Mr. William Short): Ms. Long, if you could just raise your hand, please. Ms. Long, do you solemnly affirm that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth?

Ms. Kelly Long: I do.

The Clerk of the Committee (Mr. William Short): Thank you.

The Chair (Mr. Norm Miller): You have five minutes for an opening statement and then the parties will ask questions.

Ms. Kelly Long: My name is Kelly Long. I am a former employee of Ornge Global. I started working for Ornge in 2006 as a communications officer within the corporate communications department. My primary responsibilities—

The Chair (Mr. Norm Miller): Sorry, could you just speak into the microphone a little—not real close, but just a bit? Some of our members are having—

Ms. Kelly Long: My primary responsibilities were the development and execution of proactive stakeholder communications, leading the development of stakeholder analysis and conducting monitoring of stakeholder environments for trends that impact Ornge.

In 2009, I was promoted to stakeholder communications supervisor, which left me with the additional responsibility of assisting in developing, implementing and managing stakeholder strategies and initiatives.

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In late 2009, I was asked to take over as acting director for the corporate communications department, where I led the development and management of the overall department. I was asked to do so because my manager at the time was being seconded to fill a gap in the foundation department.

During an organizational restructuring in 2010, I was promoted to director of health care relations and moved over to medical affairs and health care relations, reporting directly to the VP of that department. In that role, I worked closely with senior management to formulate and execute overall corporate strategies, initiatives and new processes to support the growth of the organization, improve stakeholder satisfaction and overall operational efficiency, with a primary focus on patient care and safety.

In mid- to late 2010, I was approached by Luis Navas, the former chief operating officer of Ornge Global, and was asked if I would be willing to be seconded by Ornge Global to help with revenue-generating initiatives. I agreed to do so because I understood that this revenue-generating strategy would ultimately help support the sustainability of Ornge the not-for-profit company.

Eventually, I was transferred over to Ornge Global as a junior executive in 2011. Between 2011 and January 2012, I assisted in sales and marketing activities, but my primary responsibilities were in business development and relationship management, where I worked collaboratively with senior executives on strategic planning, busi-

ness development and execution. I was also responsible for identifying, cultivating and managing relationships with external stakeholders, such as potential clients, channel partners, strategic alliances and suppliers. On January 11, 2012, I was advised that I was being terminated from Ornge due to the bankruptcy.

I'm here today to answer questions and to help in any way that I can, but before I turn it over to the committee members, I would like to say that I was and still am very proud to have been a part of a company so committed to ensuring that not only patient needs are being met but also that quality care is being delivered in a safe, effective and sustainable manner. I believed in Ornge, and I still do. The organization is full of dedicated, patient-focused employees that I was honoured to work beside. I am truly saddened by what has transpired and hope that one day Ornge will regain the reputation that it deserves.

Thank you.

The Chair (Mr. Norm Miller): Thank you for your opening statement.

It's time for the NDP to go first. Ms. Gélinas.

M^{me} France Gélinas: Were you aware of Dr. Chris Mazza's salary?

Ms. Kelly Long: No, I was not.

M^{me} France Gélinas: You found out in the paper, same time as everybody else?

Ms. Kelly Long: I did.

M^{me} France Gélinas: What did you think of it?

Ms. Kelly Long: Really, that's not for me to comment on. What I can say is that it was approved by the board of directors. I understand that they brought in consultants that advised on the compensation. Those same consultants advised on the other executive management team's compensation.

M^{me} France Gélinas: So you rely on—

Ms. Kelly Long: I have full faith with the board. I do.

M^{me} France Gélinas: The board that is no longer there? Okay.

Are you still in contact with Chris Mazza?

Ms. Kelly Long: I am.

M^{me} France Gélinas: Do you know where he is?

Ms. Kelly Long: I think that question would be better directed towards his lawyer, Roger Yachetti, who I believe has communicated to the committee on several occasions.

M^{me} France Gélinas: Okay. I won't ask you where he is. I just want to know if you know where he is.

Ms. Kelly Long: Yes, I do.

M^{me} France Gélinas: Do you want to go in?

Mr. Jagmeet Singh: No, go ahead.

M^{me} France Gélinas: You said that when you went to the for-profit side of Ornge, you felt proud of that work because you thought it was going to bring dividends to Ornge the not-for-profit. What made you think that?

Ms. Kelly Long: The way it was described to me is that we would be leveraging the resources from Ornge not-for-profit to generate revenue and then filter it back into the Ontario not-for-profit company to help sustain and fill that gap that exists.

M^{me} France Gélinas: Did you have any proof of that, that this was actually happening?

Ms. Kelly Long: As I mentioned, I was at a junior executive level, so, did I look at the organizational charts? In the media they had mentioned the shareholders' agreement. I hadn't reviewed that, no, but I—

M^{me} France Gélinas: So you were told that it was going to do some good, and you believed what you were told?

Ms. Kelly Long: Absolutely.

M^{me} France Gélinas: Do you know if Ornge kept the Ministry of Health up to date as to what was going on?

Ms. Kelly Long: Yes.

M^{me} France Gélinas: And how do you know that?

Ms. Kelly Long: I have had several discussions with certain employees at the organization that led me to believe that they were. Was it the Minister of Health? I am not sure. But definitely the bureaucrats within the ministry.

M^{me} France Gélinas: Who told you that?

Ms. Kelly Long: As I recall, I had a conversation once with Jennifer Tracey and she had indicated that—I'm sorry, my memory is not that great, but—

M^{me} France Gélinas: That's okay. We can tell you're nervous. You're allowed.

Ms. Kelly Long:—that she had spoken to someone in the Premier's office, I believe. I had known because I had heard that our COO of Ornge Global, Rainer Beltzner and Alf Apps had actually conducted briefings, and obviously in stakeholder relations I had asked those questions, because the government and the taxpayers of Ontario were one of our key stakeholders and I wanted to make sure that they were informed.

M^{me} France Gélinas: And when you identified those stakeholders, did you identify both the Ministry of Health and the Premier's office? Any other ministry that you had identified?

Ms. Kelly Long: Any ministry that we touched—so it would have been the Ministry of Transportation, it would have been economic development and trade. So there was a number of ministries that had an impact on our organization or we had an impact on them.

M^{me} France Gélinas: And that included the Premier's office?

Ms. Kelly Long: Yes.

M^{me} France Gélinas: You figured your colleagues had had those briefings, so it was your job to identify the stakeholders—the Premier's office, the Ministry of Health, economic development and trade—and you knew that the work was being done to keep those people informed of what was going on at Ornge?

Ms. Kelly Long: At that point, I didn't go that far in terms of, "Did you notify this person? Did you notify this ministry? Did you notify that ministry?" Because I had been moved over and I was primarily focused on the revenue-generating aspect of the business. I'm not quite sure who took over my role as stakeholder manager, but at one point they had, during the reorganization I had mentioned—I don't know if it was around that timing—

had separated me from government relations or, as we would call it, regulatory affairs and government relations, I believe is the exact name of the department, and they were actually responsible. I knew that the government was something that was not going to be in my bailiwick, so I was more responsible for the hospitals, the emergency management service teams, the CACCs central ambulance communication centres. So that was my bailiwick prior to me moving over to Ornge Global.

Mr. Jagmeet Singh: Just to touch on that, while you were involved with stakeholders and government relations, how long was that for?

Ms. Kelly Long: I started in 2006 and was moved over—again, my memory—2010, I believe. If I reference my notes, I think I—

Mr. Jagmeet Singh: That's okay. You did reference that. So while you were involved with stakeholder management, you had identified a number of stakeholders including the Premier's office and various ministries; is that correct?

Ms. Kelly Long: Yes.

Mr. Jagmeet Singh: And identifying them—

Ms. Kelly Long: Well, it's not that I—we knew who our stakeholders were; right?

Mr. Jagmeet Singh: Right. So it was common knowledge, you knew them?

Ms. Kelly Long: It was common knowledge, absolutely.

Mr. Jagmeet Singh: And everyone at Ornge at the executive level—at any level—would know that those are the stakeholders, it's very clear, and everyone at Ornge, including yourself, knew that you'd have to let those stakeholders know what was going on at Ornge?

Ms. Kelly Long: As it pertains to Ornge the not-for-profit and the operational issues that were going on, I believe—but again, I was a junior. I wasn't responsible for actually having those conversations.

Mr. Jagmeet Singh: But you'd indicated before that you were confident that you had heard from people that those conversations and those communications did occur?

Ms. Kelly Long: For what matter, though?

Mr. Jagmeet Singh: Just for advising the ministry and those stakeholders of what was going on at Ornge in terms of the not-for-profit side.

Ms. Kelly Long: Yes. I mean, they had a performance agreement, so within that performance agreement they reported on whatever they needed to report on. So did they report on every single issue or matter? I can't answer that; I have no idea.

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The Chair (Mr. Norm Miller): You're on your last minute.

Mr. Jagmeet Singh: In terms of the for-profit side, did you advise the ministry what was going on on the for-profit side?

Ms. Kelly Long: That wasn't my responsibility.

M^{me} France Gélinas: If the ministry would have asked for information, can you see any reason why Ornge would not have given that information?

Ms. Kelly Long: I don't believe that I'm in the position to answer that question. Again, I wouldn't have been responsible for making that decision. I, personally, don't know.

M^{me} France Gélinas: Aside from the people on the board who decided on the compensation for Dr. Mazza, who else in the organization would have known?

Ms. Kelly Long: Regarding his compensation?

M^{me} France Gélinas: His salary.

Ms. Kelly Long: His salary?

M^{me} France Gélinas: If the government had asked his salary, would the government have gotten it?

Ms. Kelly Long: Again, I have no knowledge in terms of his salary. I found out, I believe, probably when you did as well.

M^{me} France Gélinas: You read the papers, just like everybody else?

The Chair (Mr. Norm Miller): And we are out of time, so we'll move to the government. Ms. Sandals.

Mrs. Liz Sandals: Thank you. Good afternoon.

Ms. Kelly Long: Good afternoon.

Mrs. Liz Sandals: It's been very widely reported in the media that you've been in a long-term relationship with Dr. Mazza, so just to confirm, that is true? And it's also been widely reported that you have lived with Dr. Mazza and that you continue to be his partner. Just to confirm, that is true?

Ms. Kelly Long: Well, no, I didn't live with him. There have been circumstances recently that have required me to support the family. I've lived in my own condominium since March 31, 2010—or 2012; I apologize. So I would not categorize myself as living with him.

Mrs. Liz Sandals: Okay, thank you for that clarification.

How did you originally come to know Dr. Mazza?

Ms. Kelly Long: Through work.

Mrs. Liz Sandals: And could you describe your work?

Ms. Kelly Long: Yes. If I may just give a bit of background in terms of where I've come from and where I am today. After I graduated from York University with a BA in arts, majoring in sociology, I became a certified English teacher. During the summer months, I actually was a general manager—operations manager for a sports club. One of my duties was, yes, being a water ski instructor, but that was just one responsibility in that role that I had. I met Dr. Mazza at that club.

Mrs. Liz Sandals: So obviously a relationship developed. We can go back and talk a bit about your working with Ornge, but if we flash forward to the last year or so when the Auditor General was doing his work, did Dr. Mazza ever talk to you about the work that the Auditor General was doing with Ornge?

Ms. Kelly Long: No. We made it very clear that our personal life and our professional life remain separate.

Mrs. Liz Sandals: But you were in charge of stakeholder relations, and one of the most important stakeholder relations is with the government of Ontario and

the officers of the Legislature and the person of the Auditor General. That would seem to me to be part of your responsibility, given the roles that you were just describing to Madame Gélinas.

Ms. Kelly Long: I was actually moved over to health care relations, so I was—

Mrs. Liz Sandals: That would be very important, then, to health care, that you know what's going on with the Auditor General.

Ms. Kelly Long: I was responsible for hospitals, for EMS services, for CACCs—central ambulance communication centres—and ambulance communication services, so I had a set of stakeholders that I was responsible for. There were other individuals that were responsible for the government, the ministries, the Auditor General. There was a team of individuals that we put together who were actually responsible for dealing strictly with the Auditor General. I was not on that team.

Mrs. Liz Sandals: Oh, that would be helpful for us to know, then, given that we're reviewing the auditor's report. Who was on the team that was put together to manage the auditor?

Ms. Kelly Long: I don't know. I know—

Mrs. Liz Sandals: But you've just told us you were a vice-president. How did you not know who was working with the auditor?

Ms. Kelly Long: I was the associate vice-president, and it was still a junior executive role. I do know that Rainer Beltzner was leading the team. In terms of who was actually on that team, I wasn't made aware of; it wasn't something that I felt I needed to concern myself with. There are individuals who were perfectly capable who were dealing with the questions that were coming in and being co-operative with the Auditor General.

Mrs. Liz Sandals: So it's your position that you had absolutely zero knowledge of anything that was going on with the Auditor General over the past year?

Ms. Kelly Long: Other than that they were there, I can't recall that I did, no.

Mrs. Liz Sandals: So are you quite shocked by what came out in the auditor's report, then?

Ms. Kelly Long: I am shocked to the degree that not all the facts were presented within the Auditor General's report.

Mrs. Liz Sandals: Ah. Now, that's interesting. So it's your position, then, that you didn't actually have anything to do with the audit but you're quite sure that he got it wrong?

Ms. Kelly Long: I read the Auditor General's report, and I also read the one in 2005 and some of the recommendations that they put forward. So again, it's my opinion that there were certain things that he failed to mention.

Mrs. Liz Sandals: How much time do I have left?

The Chair (Mr. Norm Miller): You have two and a half minutes.

Mrs. Liz Sandals: Okay. Quickly, then: The way you got involved with Ornge in the first place was, you were working for Pathway Group. We heard this morning from

Mr. Mitchell. He was paying you, it seems, a salary of \$58,000 a year, but then you were seconded back to Ornge, is our understanding. You then went back to work at Pathway, Ornge was paying your salary, then you went back to Ornge? Why not just hire you at Ornge in the first place, given that Ornge was always paying your salary?

Ms. Kelly Long: I wasn't aware that Ornge was always paying my salary.

Mrs. Liz Sandals: That would appear to be what has come out today.

Ms. Kelly Long: Okay. So that's information to me.

Several years after being a certified English-as-a-second-language teacher and my part-time job at the water sports club, I decided that I was going to pursue other fields of interest, and one was public affairs. So I had started networking with a number of clients who were members at the club and had asked: "If there was anything that came up at your organization, please let me know. I'm interested; I find myself a communicator. I have been engaged in stakeholder relations. If you hear of anything, please let me know."

Dr. Mazza was one of the individuals that I had approached. He had indicated that he didn't know of any positions at Ornge at the time; that they do actually post on the website and the newspaper, so please feel free to monitor the website or the newspaper; and if he would hear of anything else, then he would let me know. I believe it was a short time after that that he indicated that there is a gentleman that I might want to touch base with or contact: Mr. Kelly Mitchell from Pathway Group; that he "may be looking for someone in terms of what you're looking for." So I contacted Kelly Mitchell. I met with him and his partners and presented my resumé and we had an interview, and he subsequently offered me the position.

Mrs. Liz Sandals: And you were totally unaware of the fact that the money to pay that position was actually coming from Ornge?

Ms. Kelly Long: No.

The Chair (Mr. Norm Miller): We are out of time, I'm afraid, Ms. Sandals. So we'll move to the opposition. Mr. Klees.

Mr. Frank Klees: Thank you. Ms. Long, you've had a meteoric rise in a very short time through various levels of management and vice-presidencies and directors; I have to compliment you.

Can I ask what your income was the last year that you were working at the health club, or sports club, as you call it?

Ms. Kelly Long: At the sports club? I'd have to check my records.

Mr. Frank Klees: The job before you got the job as a government relations person.

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Ms. Kelly Long: For my ESL?

Mr. Frank Klees: Whatever you were doing that year. What was your income that year, according to your tax records?

Ms. Kelly Long: I would have to check my records—

Mr. Frank Klees: Approximately.

Ms. Kelly Long: I would have to check my records. I can do that for you if you'd like.

Mr. Frank Klees: You're an astute young woman. You were a director, a manager and a vice-president. Surely you can give us an example or an estimate of what your income was.

Ms. Kelly Long: It would have not been lower than \$60,000.

Mr. Frank Klees: About \$60,000? You earned that at the sports club. Did you ever teach?

Ms. Kelly Long: And teaching.

Mr. Frank Klees: Did you actually teach English as a second language?

Ms. Kelly Long: I was actually certified as an English teacher.

Mr. Frank Klees: I realize you were certified. Did you actually have a teaching job?

Ms. Kelly Long: Yes, I did.

Mr. Frank Klees: Where was that?

Ms. Kelly Long: At Hansa Language Centre.

Mr. Frank Klees: Okay. What did you earn when you got hired over at Pathway? What was your starting salary there?

Ms. Kelly Long: What Ms. Sandals had indicated: \$58,000.

Mr. Frank Klees: Okay, so you took a decline in income.

Ms. Kelly Long: I did.

Mr. Frank Klees: What was your income when you left Ornge?

Ms. Kelly Long: When I left Ornge Global?

Mr. Frank Klees: Yes.

Ms. Kelly Long: It was \$120,000.

Mr. Frank Klees: And that was over the space of what time?

Ms. Kelly Long: It would have been five years.

Mr. Frank Klees: Excellent. The role that you had when you assumed responsibility to deliver to Agusta on a multi-million dollar contract: Tell me what it is that you did to fulfill the terms of that contract.

Ms. Kelly Long: First, I would like to clarify my role in the Agusta marketing services agreement. I was not the lead on the project.

Mr. Frank Klees: Who was the lead?

Ms. Kelly Long: Luis Navas, the former chief operating officer of Ornge Global, was the lead on that project. He was actually responsible for overseeing the agreement and the deliverables. When he suffered a medical condition and went on medical leave—I believe that was in September 2011; it would have been September or October, I believe; I can't recall exactly the month—I was delegated, because I was reporting directly to him in a junior executive capacity, that I would oversee the final deliverables.

Mr. Frank Klees: Okay. Well, that's a huge responsibility. What exactly was it that you were to oversee and deliver? What was the value of that contract?

Ms. Kelly Long: May I also clarify something else? Because I think it's important.

Mr. Frank Klees: Sure; go ahead.

Ms. Kelly Long: There were actually six employees and four interim MBA students who contributed to that report. They were responsible for obtaining and analyzing the information and providing a report. In addition, we utilized tools such as academic papers, journals and databases to obtain the information that went into the report.

Mr. Frank Klees: And for all of that work—how much did Agusta pay for that?

Ms. Kelly Long: Four point seven.

Mr. Frank Klees: Four point seven million dollars. This is a multi-billion dollar corporation. Do you have any idea why they would come to you, to Ornge, and pay that kind of money for that kind of work? Why would they not be able to hire their own MBAs? I'm just going to ask you this question: If you put all of the salaries together of all of those MBAs and all of your people at Ornge, how much do you think you would have paid out in salaries to those people?

Ms. Kelly Long: I'm not sure—

Mr. Frank Klees: Oh, come on now; you're a senior person at Ornge; you can take a wild guess. Be on the high side.

Ms. Kelly Long: I'm not sure.

Mr. Frank Klees: How long did it take to put the report together?

Ms. Kelly Long: It was over two years.

Mr. Frank Klees: Two years. So let's make an assumption. You were getting paid \$100,000?

Ms. Kelly Long: Mm-hmm.

Mr. Frank Klees: Let's make an assumption that even the MBA students each got paid \$100,000. Let's make an assumption that all of those employees—you say how many there were in total?

Ms. Kelly Long: Ten. But then the executives—

Mr. Frank Klees: Ten? Let's say they all got paid \$100,000, all right?

Ms. Kelly Long: Mm-hmm.

Mr. Frank Klees: At the end of the day, what was the net value?

Ms. Kelly Long: I think what's important is the expertise that we offered Agusta. So, at a very high level, the report was designed to basically identify and better understand the key pursuit target markets in order to communicate—to impenetrate, those key pursuit markets. This ultimately would have led to increased sales for Agusta. At the top of my head in terms of what was added into that report, there was a number of deliverables that we spent a significant amount of time on.

Mr. Frank Klees: Very interesting.

I want to go back to Ms. Sandals's question. When you were first hired by Pathway, were you aware that Dr. Mazza had made arrangements to actually pay your salary through Ornge to Pathway?

Ms. Kelly Long: No, I had not—has that been confirmed?

Mr. Frank Klees: Yes, it has.

Mrs. Liz Sandals: We have the invoices, Mr. Chair.

Mr. Frank Klees: Yes. How do you feel about that?

Ms. Kelly Long: I feel that I did a great job for both Pathway and Ornge. I feel that I deserved the promotions that I received. I know that people are insinuating, or the media are insinuating, that I rose quickly because of my relationship—or my friendship—with Dr. Mazza. I think that's unfair. I do have a university degree.

Mr. Frank Klees: Yes.

Ms. Kelly Long: I spent a lot of time—I was fortunate enough to have the time to commit myself fully to my career.

Mr. Frank Klees: Sure.

Ms. Kelly Long: So I think it's unfair that people insinuate that.

Mr. Frank Klees: Well, you know, there are some—

The Chair (Mr. Norm Miller): You have about a minute left.

Mr. Frank Klees: Sure. There are some factual things that I think for the average person it's pretty hard to kind of understand.

Ms. Kelly Long: I understand that.

Mr. Frank Klees: But let me just ask one last question of you. You made reference to the dedicated, patient-focused employees of Ornge. Knowing what you know today, do you believe that Dr. Mazza fits into that description? Dedicated and patient-focused?

Ms. Kelly Long: Absolutely, 100%. I can tell you that that is an accurate statement.

Mr. Frank Klees: Thank you.

The Chair (Mr. Norm Miller): Thank you very much and thank you for your testimony today, for coming before the committee.

Ms. Kelly Long: Thank you.

MR. DON GUY

The Chair (Mr. Norm Miller): Our next presenter is Mr. Don Guy. Good afternoon, Mr. Guy.

Mr. Don Guy: Good afternoon, Mr. Chair.

The Chair (Mr. Norm Miller): Just to confirm that you've received the information for a witness testifying before the committee?

Mr. Don Guy: I have, thank you.

The Chair (Mr. Norm Miller): Very well. Our clerk does have an oath for you to swear, once you're ready.

The Clerk of the Committee (Mr. William Short): There's a Bible on the table there, Mr. Guy.

Mr. Don Guy: Oh, great. Right hand or left hand? Does it matter?

The Clerk of the Committee (Mr. William Short): No, you pick.

Mr. Guy, do you solemnly swear that the evidence you shall give to the committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. Don Guy: I do.

The Clerk of the Committee (Mr. William Short): Thank you.

The Chair (Mr. Norm Miller): Very well. You have five minutes for an opening presentation and time for questions.

Mr. Don Guy: Great. Thank you, Mr. Chair. Thank you to you and to the committee members for the opportunity to appear before you today. I will take the opportunity to make a short statement for the record. I've tried to keep this to five minutes and I apologize if I've gone over a little bit.

I am hopeful, but not optimistic, that this statement of facts under oath will give pause to those elected officials who knowingly and willingly have been telling malicious lies about me for partisan purposes, under the protection of parliamentary privilege. These are the accurate facts.

I was chief of staff to the Premier from October 2003 until July 2006, when I left government. When I left government, I visited with the Integrity Commissioner, who informed me, confirmed in writing, that the conflict-of-interest-and-post-service directive restricted me from engaging in any lobbying for 12 months. Not only have I lived within this directive, I have not undertaken any lobbying activities at any time since leaving government. And to be clear, despite the accusations of some members of this committee, at no time did I undertake any lobbying on behalf of Ornge.

The Integrity Commissioner also informed me that this directive contemplates that you will be able to make use of the expertise acquired by you during your service with the crown. Section 26 of the directive provides as follows: "It is in the public interest to facilitate the movement of individuals and the transfer of skills and knowledge to the private and public sector organizations...."

In late November, 2007 I was approached by Alfred Apps of Fasken, on behalf of Ornge, regarding the imminent consolidation of Ornge on to the province of Ontario's books, as directed by the Provincial Auditor. I was told that Ornge was concerned that consolidation might cost it several hundred thousand dollars in legal and accounting fees. Mr. Apps asked if I would be willing to help Ornge. I told them that I was busy back at my job as CEO of Pollara after the election and wasn't interested. He asked if I would at least have lunch with Dr. Chris Mazza, who I had not met before. We had lunch shortly thereafter, and Dr. Mazza told me the story of his background. He told me the story of the tragic death of his son from a skiing accident in 2006. He indicated that there was a delay in medevac services; that he was himself involved in flying; and that he wanted to ensure that that would never happen in Ontario again. His story was very compelling, and his vision and drive impressed me.

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As several people have pointed out, I was in good company and I took assurance in the good reputation of Fasken's, of Mr. Apps, Lynne Golding, Guy Giorno and Kelly Mitchell. A number of people from all partisan

stripes, as well as non-partisans, were working in various capacities in support of the Ornge vision. I am prepared to assume that they did so with the best of intentions, as I did.

Upon reviewing the matter, my advice to Mr. Apps, and through him, to his client, was that while consolidation might cost Ornge several hundred thousand dollars in legal and accounting fees, there was no point in engaging in a lobbying effort to try to stop it, as there simply is no political discretion over those kinds of directions from the Auditor General. As the secretary of cabinet confirmed in testimony before this committee on April 18, consolidation went ahead as scheduled in that fiscal year.

Ornge drew up a draft contract to retain my services but it was never finalized. Instead, Mr. Apps remained my main client contact on the file, and I was retained by Fasken's and compensated for my time, monitoring various developments and issues related to Ornge and offering strategic and public policy advice as needed. My average billing was about \$3,700 a month until I ended the engagement in March 2010. I had recently left my job as CEO at Pollara so I could take off time after the birth of our twins, and wanted to do the same with this.

I wish to say that during the time I was on a retainer, I saw no intent or evidence of wrongdoing, criminal or otherwise, at Ornge or at Fasken's.

After some two years with no involvement with the file, paid or otherwise, I was approached by Mr. Apps in mid-December 2011 and asked my advice on the salary disclosure matter. I advised him that co-operating fully with the minister in disclosing salaries was the only way to go, from my perspective, even if it involved risks of lawsuits from employees.

He got back to me and asked how to convey a message from Rainer Beltzner, the chair of the board of Ornge, to Deb Matthews indicating that the board had resolved to co-operate fully with any direction she wished to take on salary disclosure. As I was seeing Ms. Matthews the next morning for breakfast for a campaign post-mortem in her role as candidate search chair, I volunteered to convey the message to her. I did so in part of a conversation that lasted about a minute, and it turned out that Ms. Matthews was already scheduled to meet with Ornge that afternoon. Her response was a single, firm, "Good."

Later that day, Mr. Apps got back in touch with me and I let him know that the minister was meeting with Ornge that day. We then had a telephone conversation, and he asked me if I had feedback on detailed briefing documents he had sent me on the current status of Ornge. I indicated that I would have to spend several days getting caught up reading on the file and I would have to invoice my time accordingly if I was going to do that. My invoice was sent in advance on December 18, 2011.

Three days later I concluded I could not give the matter the attention it deserved in a timely fashion. The little time that I had spent on the file was paying attention to media reports, and these were troubling. As a result, on December 21, I withdrew the invoice and received no payment.

Members in the Legislature have asked if I have ever discussed any matter related to Ornge with the Premier, and I want to give you my assurance that I have not, either in government or before 2006 or since.

That's my statement, and I would be happy to respond to any questions you might have.

The Chair (Mr. Norm Miller): Thank you for that. We'll go to the government first. Mr. Leal.

Mr. Jeff Leal: Thank you very much, Mr. Chair, and through you to Mr. Guy: Can you tell the committee how your retainer to provide consulting services to Ornge was initiated?

Mr. Don Guy: Through Mr. Apps.

Mr. Jeff Leal: Could you tell the committee how the retainer was structured? For example, what were the deliverables, what was the term and so on?

Mr. Don Guy: The idea was that there would be compensation for time that I would spend paying attention to matters related to Ornge as a base and then over and apart from that I was therefore available to provide public policy advice or strategic advice, as the case may be. That would, in some cases, happen over the telephone with Mr. Apps—principally over the telephone, actually.

Mr. Jeff Leal: Why was your retainer with Fasken Martineau instead of directly with Ornge?

Mr. Don Guy: Because Mr. Apps and Fasken's were the client. I was advising him and Fasken's in support of their efforts, as I understood, to support Ornge in a variety of capacities. My specific duties were with respect to staying current on public affairs, public policy and strategy.

Mr. Jeff Leal: Can you provide an overview for the committee of the precise work you did for Ornge over the course of the contract?

Mr. Don Guy: I certainly could, in general. The work would typically, I'd say, involve an hour to two hours a week, paying attention to developments. I had set up various alerts on social media and things of that nature so that I would receive that information.

As well, I was paying attention to developments in other jurisdictions with respect to air ambulance service—Alberta, for example, where the STAR system was viewed to be a similar model to what we had set up in Ontario, as well as international jurisdictions, and trying to anticipate trends in the development of issues, as well as public policy trends that might provide opportunities.

Mr. Jeff Leal: Were you aware at any time of the \$1.4-million salary that Dr. Mazza was earning?

Mr. Don Guy: I became aware of that on December 23, 2011, from the media.

Mr. Jeff Leal: What are your thoughts on that salary?

Mr. Don Guy: I think it's outrageous. I, literally, was stunned and saddened and disappointed to see that that was the case. I knew enough about the structure of public sector salaries, both on the agency side as well as within government, to know that that likely made him the best-paid public servant in Ontario and perhaps in Canada.

If you think about that in the context of an agency with revenue of \$150 million a year and you compare

that to Hydro One or OPG or OLG or whatever the case may be, never mind some of the agencies federally—I just couldn't understand it. The NDP proposal to do something about those kinds of salaries seemed to me to be a very—that would be the kind of situation where that would make a lot of sense.

Mr. Jeff Leal: This committee heard last week from two Fasken lawyers, Mr. Giorno and Ms. Golding, advising Dr. Mazza that he didn't have to disclose his \$1.4-million salary. Were you aware of this advice while you were working with Fasken's?

Mr. Don Guy: No. At no point did that ever come up while I was on retainer prior to March 2010. In fact, salaries were never an item of discussion. I did not know what Dr. Mazza or other members of the executive team were earning in terms of salary, although I have seen from transcripts in the committee that it was approximately \$300,000 at the outset.

Mr. Jeff Leal: Were you aware of the legal advice they provided that Ornge did not have to co-operate with the Auditor General while at Ornge?

Mr. Don Guy: I am not aware of any legal advice to that effect.

Mr. Jeff Leal: Mr. Apps indicated in his testimony that they first engaged your services for two purposes: first, to provide the organization with a sense of how to “anticipate and think about issues relating to government”; second, to provide with respect to the government's proposed consolidation of Ornge on the province's books. Can you elaborate on the work that you did and the advice you provided with respect to these two items?

Mr. Don Guy: Certainly. Let me take the second item first, if that's acceptable. As I touched on in my remarks, the initial approach in late November 2007 was with respect to the imminent consolidation of Ornge on to the province's books, as directed by the Auditor General and consistent with revisions that were made to public sector accounting standards under PSAB in 2005.

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As I say, I was told that there was a concern that this would mean additional accounting and legal costs to comply with that direction, both on a one-time basis as well as on an ongoing basis, and that there was a desire to engage with government to determine if that policy could be amended.

I was fairly certain at the outset that that would not be the case. I did go back and do some reading and came to the conclusion that my instincts were right. There is no room for political discretion around public sector accounting rules as interpreted by the Auditor General, and I gave that advice accordingly. As I say, as I understand it, the consolidation was complete for the end of the fiscal year 2007-08.

The Chair (Mr. Norm Miller): You have one minute, Mr. Leal.

Mr. Jeff Leal: Mr. Klees has alleged in this committee that you were hired by Fasken's to help “fend off” the proposed consolidation. Mr. Apps indicated that the truth is, you advised the opposite. What is your recollec-

tion of the advice that you provided with respect to the consolidation?

Mr. Don Guy: My advice was very clearly the opposite of what Mr. Klees has alleged, and I hope that he'll take the opportunity at some point to correct the record on that.

Mr. Jeff Leal: Did you ever meet the Minister of Finance to discuss Ornge?

Mr. Don Guy: No.

Mr. Jeff Leal: Did you ever meet the secretary of cabinet to discuss Ornge?

Mr. Don Guy: No.

Mr. Jeff Leal: Did you ever meet the Premier of Ontario to discuss Ornge?

Mr. Don Guy: No.

Mr. Jeff Leal: So it's safe to say that the consulting services you provided to Ornge did not involve advocacy or lobbying?

Mr. Don Guy: That's correct.

Mr. Jeff Leal: The opposition has made a number of allegations in the House with respect to an invoice dated December 17, 2011. What did this particular invoice relate to, and why was the invoice ultimately cancelled?

Mr. Don Guy: The invoice was related to documents that Mr. Apps had sent me and asked me to review and give feedback on, that gave an update on the current status of Ornge and its various businesses. As I indicated, I told him, “That's going to take quite a bit of time. It's going to take several days for me to, first, catch up on the file. I haven't paid attention to it for two years.” Secondly, it was a fairly detailed document, as he indicated. So I indicated to him that I would have to invoice for my time doing that, and he indicated that would be okay. “Go ahead and send an invoice,” which I did. It was apparent to me, though, after three days that I just was not going to get to it. Upon seeing the media on the morning of December 21, it reinforced my desire not to get to it. So I withdrew the invoice and never received payment.

The Chair (Mr. Norm Miller): You're out of time, Mr. Leal.

Mr. Jeff Leal: Thank you, Mr. Chair.

The Chair (Mr. Norm Miller): We'll move to the opposition. Mr. Klees.

Mr. Frank Klees: Thank you. Mr. Guy, do you make it a habit to charge in advance?

Mr. Don Guy: I do. That's the standard in professional services consulting, Mr. Klees.

Mr. Frank Klees: Can you tell me when the first time was that you acted on behalf of Ornge through Fasken?

Mr. Don Guy: What do you mean by “act”?

Mr. Frank Klees: Made phone calls, made inquiries, provided strategic advice.

Mr. Don Guy: I've never made any phone calls or inquiries on behalf of Ornge, Mr. Klees.

Mr. Frank Klees: You've never made a phone call to the Ministry of Finance on behalf of the Ornge consolidation issue?

Mr. Don Guy: No.

Mr. Frank Klees: You're under oath, sir.

Mr. Don Guy: I realize that.

Mr. Frank Klees: Okay. When was the first time you had anything to do with Ornge?

Mr. Don Guy: The first time I had anything to do with Ornge?

Mr. Frank Klees: The first time you provided advice, discussed it—let's put it this way: the first time that, in your opinion, you could actually bill for something that had anything to do with Ornge.

Mr. Don Guy: The first day that I began billing was December 5, 2007.

Mr. Frank Klees: And how did you charge for that?

Mr. Don Guy: Pardon me? Sorry.

Mr. Frank Klees: How did you bill for that, and to whom did you bill your time?

Mr. Don Guy: I billed Fasken's for the time that I spent advising them on the matter of consolidation.

Mr. Frank Klees: I thought you always bill in advance.

Mr. Don Guy: Pardon me?

Mr. Frank Klees: I thought you always bill in advance.

Mr. Don Guy: That is the way I prefer to proceed. In this case, there were a number of things that I was involved in at the time, and I did not get around to issuing that invoice in advance.

Mr. Frank Klees: When did you issue that invoice?

Mr. Don Guy: In May, I believe.

Mr. Frank Klees: And how much was that invoice for?

Mr. Don Guy: I think that was for five and a half months at \$3,500 per month.

Mr. Frank Klees: Okay. Let me ask you this: When you were chief of staff to the Premier, given the nature of this project—pretty significant in the context of government and health care—were you ever briefed on the Ornge file, during the time that you were chief of staff to the Premier?

Mr. Don Guy: No, I was not.

Mr. Frank Klees: Do you think you should have been?

Mr. Don Guy: I wouldn't want to speculate on something like that. My responsibilities as chief of staff to the Premier did not preclude policy items. So I did not become aware of the file and was not briefed on it until some time quite a bit later. I think it might have been when it was actually before cabinet.

Mr. Frank Klees: So you saw the MB20 before it went to cabinet?

Mr. Don Guy: No, I did not.

Mr. Frank Klees: You did not? But you were in the room when it was discussed?

Mr. Don Guy: I'm not sure I was, to be perfectly honest. My attendance at cabinet was both infrequent and also somewhat—what's the term I'm looking for—if I had to leave cabinet to go attend to a matter, I would do that. So I'm not sure that I recall being in cabinet for a discussion of the matter. I may have been; I just don't recall it.

Mr. Frank Klees: Was there any time at all when the issue, the file of Ornge, came to your attention, that there were senior people within the Ministry of Health who were expressing concern about the proposal that was going forward to cabinet, specifically some of the legal people within the Ministry of Health? None of this ever came to your attention?

Mr. Don Guy: I think the way I understood the proposal was that the previous government, of which you were part of cabinet, had made a decision to consolidate air ambulance services into one entity—that was the decision of the minister at the time, Tony Clement, I believe. I don't know if that came to cabinet when you were in cabinet, or if that discussion came to cabinet. My understanding was that the ministry was persuaded of that policy approach in 2002 and was persuaded subsequently, when we came into government, that that continued to be the appropriate approach. So that, frankly, is about as much as I knew about it at the time.

I think there was something to do with 50 or something separate private sector providers. There was something to the effect of challenges of managing dispatch in a timely fashion. I think those have been flagged in a couple of reports, so it seemed to make sense.

Mr. Frank Klees: Consolidation was, in fact, the focus and vision of the previous government. What was not the vision of the previous government is what happened under the current government—

Mr. Don Guy: I don't think that was the vision of the current government, either.

Mr. Frank Klees:—and that is the failure of proper oversight of an organization, the spawning of for-profit companies. My concern, Mr. Guy, is that as the chief of staff to the Premier, one would think that you would be his eyes and ears, and that you would want to alert the Premier to what was clearly a controversial proposal coming forward to cabinet.

The reason that we conclude that you may well have had a role in smoothing the waters for Dr. Mazza and others is that anyone who is conscientious and who can see—or should be able to see—the red flags, one would have thought, with your experience and your responsibility, that you would be the first one to trigger to that, in the same way that you say, based on your experience, you alerted Alf Apps that the consolidation issue may well be something that rather than oppose, they should just fold on and agree to.

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So my question to you is, something as significant as the consolidation of the air ambulance service—that it did not come to your attention, that it didn't cause you any concern, is puzzling to us. I'd like your thoughts on how you would view the effectiveness of a chief of staff who wouldn't bring something like this to the attention of the Premier.

The Chair (Mr. Norm Miller): And you have 30 seconds left.

Mr. Don Guy: Okay. Well, there are a couple of things there that I'd like to unpack a bit, the first of which

is the assumption or speculation that somehow concerns about consolidation were brought to my attention, which they were not.

As you indicated, Mr. Klees, the vision and the policy approach that was adopted to consolidate these various disparate services into one system was initiated under your government.

Mr. Frank Klees: That's right.

Mr. Don Guy: So were those concerns raised in 2002?

The Chair (Mr. Norm Miller): And we are out of time, so we'll have to go—

Mr. David Zimmer: Chair, I just want to raise a point.

The Chair (Mr. Norm Miller): You're going to cut into the NDP's time, so no.

Mr. David Zimmer: I want to raise—

The Chair (Mr. Norm Miller): No. We're going to go to the NDP. Go ahead.

M^{me} France Gélinas: Thank you, Chair.

I'd like to ask you, Mr. Guy, in the last 18 months, were you paid, directly or indirectly, by the Liberal Party?

Mr. Don Guy: Can you please restate the question?

M^{me} France Gélinas: Sure. In the last 18 months, have you been paid, directly or indirectly, by the Liberal Party?

Mr. Don Guy: I was paid by the Liberal Party, the Ontario Liberal Party, until—I guess until October 6, until election day.

M^{me} France Gélinas: Until October 6, 2011?

Mr. Don Guy: That's right.

M^{me} France Gélinas: Okay. So, since you left the Premier's office in July 2006, and up until this last election, you continued to receive payment?

Mr. Don Guy: No, no, no. Sorry, no, no. That's not—sorry. Do you want me to—

M^{me} France Gélinas: I don't want to put—

Mr. Don Guy: Can I take a second just to—

M^{me} France Gélinas: Yeah.

Mr. Don Guy: That's not the way the campaign director position works in our party. I can't speak to how it works in other parties, but I am typically appointed to be the campaign director—or I've had the honour to be appointed the campaign director on four separate occasions, typically, a few months prior to what is anticipated to be the election day. So, for example, the first time in 1999, which I think was—was that a spring election, Mr. Chair? Was that a June election?

The Chair (Mr. Norm Miller): Yes.

Mr. Don Guy: So I was appointed campaign director in October 1998, so I think eight or nine months in advance, and was paid at that time. Before the 2003 election, which again, Mr. Chair, you will recall sort of dragged on—there were no fixed election dates at the time—so I think my appointment preceded that by about 18 months. I left the Premier's office in July 2006, but I don't think I started on as campaign director with the party getting paid right away; I think that was in January.

M^{me} France Gélinas: Okay.

Mr. Don Guy: And I think this most recent time, it might have been October 2010. I'm not totally sure.

M^{me} France Gélinas: Thank you.

When they sought your advice on salary disclosure, you made it clear that you'd tell them, "Be transparent and tell them"?

Mr. Don Guy: Mm-hmm.

M^{me} France Gélinas: Did they explain to you then the corporate structure?

Mr. Don Guy: No, no. It was a pretty brief conversation, which is, "Hey, what do you think we should do on this salary disclosure thing?" and I gave the advice I gave, which is, "You know, I don't think you've got an option; you've got to find a way to co-operate with the minister and accept her direction and do what she wants to do, and if that creates some legal issues or exposure with some of your employees because of contract law, you're going to have to come up with a solution to that, because it's just not going to be acceptable that these folks are not on the sunshine list."

M^{me} France Gélinas: Okay. And you did mention that you had a quick meeting with Minister Matthews—a one-minute. She ended up saying, "All good." All you had to do was bring the message forward—

Mr. Don Guy: No, she didn't say, "All good."

M^{me} France Gélinas: Oh, no? Sorry.

Mr. Don Guy: Sorry. So the context is that, because of the minority situation, I went around and did debriefs with all the folks who are working committee chairs over the course of the campaign. Because Ms. Matthews is so busy, the earliest opportunity that we could really find to sit down after the election was mid-December. She's our candidate search chair, as I think you know, or has been in the last two elections. So I wanted to debrief with her on that.

Just because of the overlap with respect to the call from Mr. Apps on salary disclosure, I offered to communicate that message, which was, "They want to co-operate fully with your direction on that." She didn't say, "All good"; she said, "Good."

M^{me} France Gélinas: All right.

Mr. Don Guy: From the context, it's quite different, as you'll appreciate.

M^{me} France Gélinas: No, no. I appreciate. But you did say that she had a meeting booked with Ornge that afternoon?

Mr. Don Guy: Yes.

M^{me} France Gélinas: Do you remember the date of that mid-December candidate search debriefing?

Mr. Don Guy: I think it was December 15.

M^{me} France Gélinas: On December 15. Okay.

The pile of documents that Mr. Apps wanted you to review: You spent three days on it, then saw the news, saw everything, and said, "No, thanks"?

Mr. Don Guy: It's a good question, and I know you've been going at this in the House. I never got to the documents. It was one of those situations where I was thinking, "It's going to take me a while to really dig into

this file and catch up on what's been going over the last two years, and it's going to take a significant amount of time. It's going to take a significant amount of time to wade through these documents in particular on top of that." Just because of the time of year, I didn't think I was going to get to it before Christmas. As I say, my inclination not to do it was reinforced when I saw the papers on the morning of December 21 and the story, which was troubling.

Mr. Jagmeet Singh: Thank you very much, sir. What was your role in the Ornge debt offering? Were you aware of the Ornge debt offering?

Mr. Don Guy: I was aware of the Ornge debt offering, but I had no role in it specifically.

Mr. Jagmeet Singh: Okay. With respect to your work, you were CEO of a company; is that correct?

Mr. Don Guy: Mm-hmm.

Mr. Jagmeet Singh: You worked on Liberal campaigns and you were hired at certain times preceding the campaigns; is that correct?

Mr. Don Guy: Yes.

Mr. Jagmeet Singh: You also had a company called Artisan Research and Communications Inc.; is that correct?

Mr. Don Guy: Yes.

Mr. Jagmeet Singh: How often are you employed through that company?

Mr. Don Guy: Since December—I think, 5; it was around that time—December 5, 2009, that's been my only source of consulting. That's the only business. I own the business.

Mr. Jagmeet Singh: How many clients do you have in total?

Mr. Don Guy: It tends to vary. It's a business that is focused on market research. So it really tends to vary. When there are projects that are large-scope projects, you don't end up taking on a lot of smaller things, but when there aren't, you take on some of those projects.

Mr. Jagmeet Singh: How many of those projects are related to the government or to government relations?

Mr. Don Guy: Actually, this was the only one.

Mr. Jagmeet Singh: This was the only one?

Mr. Don Guy: This was the only one. I went against my instinct, but that lunch with Dr. Mazza made such an impression on me. I heard that story about his son; I just went, "Wow. My God. How could you not want to help this guy?"

The Chair (Mr. Norm Miller): You have 30 seconds.

Mr. Jagmeet Singh: Do you believe you were hired because of your intimate knowledge of the Premier?

Mr. Don Guy: Sorry?

Mr. Jagmeet Singh: Do you think you were hired or you were consulted by Fasken's because of your intimate knowledge of the Premier?

Mr. Don Guy: Well, I'm afraid I don't have intimate knowledge of the Premier. That's limited to Terry. But no, I don't think so.

The Chair (Mr. Norm Miller): We do need to wrap up, because it is 3 o'clock.

Thank you very much for your presentation today. We have to adjourn, unfortunately.

The committee adjourned at 1500.

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