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**Official Report
of Debates
(Hansard)**

Wednesday 13 June 2012

**Journal
des débats
(Hansard)**

Mercredi 13 juin 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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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
PUBLIC ACCOUNTS**

**COMITÉ PERMANENT DES
COMPTES PUBLICS**

Wednesday 13 June 2012

Mercredi 13 juin 2012

The committee met at 0816 in room 151.

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

The Chair (Mr. Norm Miller): It being 8:15, I call this meeting to order.

We wanted to start early this morning because we have a couple of motions to deal with, so we wanted to get those looked after before our first witness this morning.

I believe we have a couple of motions from Mr. Klees, so if you want to start—and I would just note, Mr. Klees, that you did have one motion to do with calling a witness. I just want to note that you filed that but it's not necessary, because we'll just add it to the list of witnesses to come before the committee.

Mr. Frank Klees: Yes, I heard.

Mrs. Liz Sandals: But with regard to this witness, Will had said that he had a bunch of requests and he was going to explain who these people were and why they wanted to appear. We had asked for more information on who they were. Do you remember that email exchange?

The Chair (Mr. Norm Miller): Yes. This was one of the witnesses who had volunteered to come before the committee.

Mrs. Liz Sandals: Yes, and I think France and I had—

Mr. Frank Klees: No, this was not.

The Chair (Mr. Norm Miller): Oh, this was not.

Mr. Frank Klees: Mr. Wade is one who I called and asked if he would come. This was not one of the volunteers. But I agree with you: We did say to Will that what we would want, as a committee, is a list of those names and some background on them so that we can discuss what order of priority we would place on calling them.

The Chair (Mr. Norm Miller): Of course, Will is away with strep throat today, but Katch may be able to fill us in.

It should also be noted—I'm sure everyone did note—that Will and his wife gave birth to a baby girl.

Mrs. Liz Sandals: Oh, wonderful. When did that happen?

The Chair (Mr. Norm Miller): So I don't know whether the strep throat is the result of sleepless nights since the birth, or what.

Interjections.

Mrs. Liz Sandals: Friday? My goodness!

The Chair (Mr. Norm Miller): Congratulations to Will and his wife. Audrey, I believe, is the name of their daughter.

Anyway, back to business—

Mrs. Liz Sandals: So this Bruce Wade, we're just adding to the list, then?

The Chair (Mr. Norm Miller): Yes, that's just added to the list, and there were some witnesses who had asked to come before the committee. I believe Will was going to try to get some background information on those people for us.

Go ahead, Mr. Klees.

Mr. Frank Klees: All right. I'll deal with the documents request; actually, I have two of them.

I move that the Standing Committee on Public Accounts, herein "the committee," under standing order 110(b), stating that "each committee shall have power to send for persons, papers and things," directs the Minister of Health and Minister of Finance as well as the Ministry of Health and Ministry of Finance to produce, within a fortnight, all correspondence, in any form, electronic or otherwise, that occurred between January 1, 2007, and June 8, 2012, that mentions the following words, terms and names: "Mazza," "Lepine," "Ornge," "Alfred Apps," "Don Guy," "air ambulance."

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

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," requests a copy of any and all correspondence including letters and/or emails from/to and between Malcolm Bates, director of the emergency health services branch, and the following people: Ruth Hawkins, of the Ministry of Health and Long-Term Care; Mary Kardos Burton, former ADM, acute services division; Patricia Li, ADM, direct services division; and Fred Rusk, former staff member at EHS branch; or any other staff member at the EHS branch, in which the reference is made to Ornge, or gives direction concerning the role that the EHS branch is to have concerning Ornge, or relates to allowing Dr. Mazza to do whatever he determines appropriate at Ornge and not to obstruct him during the period October 1, 2005, and the last day of February 2007, or makes any reference to how the EHS branch and its staff is to monitor, oversee, hold

accountable or review the performance of Ornge, and that said correspondence be delivered to the clerk of the public accounts committee no later than Tuesday, June 19, 2012.

The Chair (Mr. Norm Miller): Discussion? Yes, Mr. Zimmer.

Mr. David Zimmer: Unlike the first motion that Mr. Klees did, which was quite specific—it's easy to search the records because you punch in the names "Mazza," "Lepine," "Ornge," "Apps," "Guy" and "ambulance" and it spits out the documents. I have a concern that whoever this document goes to, the motion to go and search for these documents—a lot of it is pretty subjective. Somebody is going to have to make some discretionary calls when they search the records. How will the person or persons who have to act on this motion—there's a lot of general stuff they're going to have to sort out. I'm just concerned about how that's all going to play out.

The Chair (Mr. Norm Miller): I believe Mr. Bisson has a comment.

Mr. Gilles Bisson: I don't think there's much in the way of the discretion. The standing orders are clear that the committee has a right to request papers, and if the names and the information that are contained in those records, as per the motion, have to be provided, there's no discretion.

Mr. David Zimmer: No, no. I recognize the committee can order up the documents. I'm the same. When this motion or the order goes to the folks at Ornge, there could be some difficulty in interpreting just what documents they should pull out of the files and send us. I don't want anybody getting in trouble at that end saying they—they're going to have trouble—

The Chair (Mr. Norm Miller): Executing.

Mr. Klees.

Mr. Frank Klees: Chair, there is a very specific reason as to why I kept it as general as it is, and the reason is the very offensive letter that we all received from the Deputy Minister of Health last evening. I'll have much more to say about that letter, in which it's very clear that this Ministry of Health has no intention of co-operating with this committee in terms of producing documentation.

So, to Mr. Zimmer and to the rest of the committee, I just say, I think that the message has to go to the ministry that we want the documentation that's being requested, and if it's a pile, I'm happy to go through it, but that's the reason for the generality. I am very concerned about this letter from the deputy minister.

I just noticed, Mr. Chair, that there was a typo here on this last motion.

The Chair (Mr. Norm Miller): Yes.

Mr. Frank Klees: It should read "February 2012," not 2007. I'm not sure how that date got missed.

The Chair (Mr. Norm Miller): So it should read "the period October 1, 2005, and the last day of February 2012."

Mr. Frank Klees: That's right.

Mr. David Zimmer: Are we on Hansard?

The Chair (Mr. Norm Miller): Yes.

Mr. David Zimmer: I just wanted to get it on Hansard that I foresee there may be a problem in figuring out just what documents are necessary to comply with the motion. I anticipate it's going to be passed.

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

Mr. Gilles Bisson: For Hansard, I want to be very clear. The information they have provided is pretty specific within the motion, and it says any of the "words, terms and names" come up under Mazza, Lepine, Ornge, Alfred Apps or—

Interjections.

The Chair (Mr. Norm Miller): We passed that one.

Mr. Gilles Bisson: Oh, the other one. Sorry. Same idea, the same thing; the motion is quite explicit. It says that if that information comes up, you're to produce it. There's no discretion as to which document, if it has two words or two sentences or two paragraphs about that particular subject, no matter, they must provide all the information.

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

Mrs. Liz Sandals: What I was actually going to ask is, how is that substantively different than the motion that we passed on, I think, May 30?

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

Mr. Frank Klees: It's substantively different because there are a number of additional names referenced there. Quite frankly, I'm willing to give the branch and the ministry one more opportunity to comply with this request.

For the record, Mr. Chair, I believe that the Ministry of Health is obstructing this committee in our request for documentation. I will have some evidence of that and we'll deal with that at another time, but I can tell you that the Deputy Minister of Health has some explaining to do with regard to this letter that we received. I'd just like to suggest that the motion that I've put forward has been worded as it is for a very specific reason.

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

We have another motion from Ms. Sandals.

Mrs. Liz Sandals: Yes, and I don't want you to accuse me of filibustering, so I'm wondering, Clerk, if it's possible—is there some way we can make reference in the motion to the attached list instead of reading this all into the record?

The Chair (Mr. Norm Miller): Yes, there is. I'll get our clerk, Katch, to explain how you might do that.

The Clerk Pro Tem (Mr. Katch Koch): You can move the motion. If a member of the committee asks that it be dispensed, then I will capture it in the minutes—

Mrs. Liz Sandals: So if I start into the first two or three, you will say—I invite you all to say, "Dispense," please.

M^{me} France Gélinas: Count on me, Liz. I'll be there for you.

Mrs. Liz Sandals: Thank you.

Mr. Frank Klees: Can we do that before you start?

Mrs. Liz Sandals: No, you need to let me get into about two lines of the list and then say, “Dispense,” and we’ll all be happier.

That, pursuant to standing order 110(b) of the standing orders of the Legislative Assembly of Ontario, the Standing Committee on Public Accounts request a copy of any document referred to, directly or indirectly, in the following time dockets from the report entitled “Time Docket Report Raw Data Between 02/01/2000 and 05/28/2012,” produced by Lynne Golding, partner, Fasken Martineau DuMoulin LLP, and that the documents be produced by no later than July 13, 2012:

Timecard index 1558553, dated 01/06/2003—

Mr. Gilles Bisson: Dispense.

Mrs. Liz Sandals: Thank you.

0830

The Chair (Mr. Norm Miller): Okay. Any discussion on this motion? All in favour? Yes, Ms. Gélinas?

M^{me} France Gélinas: I just want to be sure we’re asking for any document referred to in those, but they would not necessarily be documents by Lynne Golding, because sometimes she refers to documents that have nothing to do with her.

Mrs. Liz Sandals: If I may, what we got was the billings for Fasken related to Ornge, and it’s quite specific. This is not all the billings for that period, which is why we’ve got this lengthy list, but they are billings in which references are made to documents: a document was prepared, a document was discussed or a document was sent, something like that. So in each of these billings, there’s obviously some docket which is, in the round-about way we discussed, being produced at public expense.

M^{me} France Gélinas: Perfect. So it’s all-encompassing?

Mrs. Liz Sandals: Yes.

M^{me} France Gélinas: Okay.

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

Very well. Legislative research had asked last week for an opportunity to update members, so this would be a good time.

Mr. Ray McLellan: Just a few minutes of your time, if I could: We’ve discussed a bit in subcommittee that my role, leg research’s role, has been somewhat different on this committee, looking at Liz and Mr. Zimmer and maybe Mr. Bisson, than the way we’ve approached reports on this committee over the last couple of decades. Nevertheless, we’re into new territory here and I have to be as helpful as I can to get us through this new experience.

In subcommittee, going back to a couple of weeks ago, I thought a bit about it and I thought to myself, probably the most useful thing that I could produce at the end of this spring session as of today, before we go into the summer session, is to look at the documentation, essentially to go through Hansard. I think Mr. Klees had made reference to the importance of doing cross-referencing to Hansard pages, specifically, but to go through

kind of issue by issue for each witness. It’s a long process, because we’re dealing with, I don’t know, 50 or 60 individuals, but to go through by individual and issue by issue, and essentially take the committee’s issue and the response from the witness as to their position so we can go through item by item by item.

Another option is to kind of take all of those responses by issue, if it’s the bond, and kind of parcel those up. But at least, it seems to me that at the end of the day we would be able to go through that 50- or 60-page document, or you would, and it would help us get to the next stage, and the next stage may or may not be a report, and at that point, and through Liz, we’d start to talk about recommendations and say, “Leg research should construct a report essentially addressing these recommendations.” This would be an interim document and I think it would tend to shape out who said what about what given issue, if it’s the bond or if it’s aircraft safety or if it’s purchases or what have you. Any ideas on that to make it more useful would be helpful to me.

The Chair (Mr. Norm Miller): We now have four people who want to speak. Mr. Klees, you were the first with your hand up.

Mr. Frank Klees: I like that direction. I think it makes good sense. I’d ask for one other component to that, though, if you could, and that is also in those sections the subject matter that’s being addressed, whether it’s oversight, whether it’s—

M^{me} France Gélinas: Marketing agreement.

Mr. Frank Klees: —the marketing agreement, or whether it’s paramedics or so on, that you also reference the Auditor General’s report and the pages of the Auditor General’s report under those particular headings, because at the end of the day, what we want to do, obviously, is tie that all together, so that would be very helpful.

The Chair (Mr. Norm Miller): Very well. Ms. Sandals?

Mrs. Liz Sandals: Actually, I was going to make the same suggestion, just to be clear that we’re going to do this by issue. The transcript of an individual witness we can get from Hansard. It’s when you organize it by issue that it becomes useful to us, because then we’ve got all the conversation about one issue in one place. That re-organization is where your work becomes really, really useful. I agree that we should start with the auditor’s commentary on whatever that issue is.

Mr. Ray McLellan: Yes, and I think, with respect to the auditor’s report, just to make it somewhat manageable so it’s not too long, it should probably make reference specifically to recommendations. I wouldn’t want to put too much of Mr. McCarter’s information in, but at least we’d have the reference and the section, and maybe just focus on the recommendation, if that would be adequate. I don’t know.

Mrs. Liz Sandals: Or could you at least reference where he has raised the issue?

Mr. Ray McLellan: Yes.

Mrs. Liz Sandals: Like Agusta: If I recall, the auditor raised the issue of this controversy over how much they

should be paid for and the fact that this seemed to match up with the marketing agreement. I'm not sure you made any recommendation, but it would be useful to know that the auditor has noted this as an issue, even if he didn't have a specific recommendation.

Mr. Jim McCarter: There would certainly be issues in the report where we wouldn't necessarily have a recommendation. A good example would be salaries, where we raised the issue of salaries with the ministry back in September, but by the time we issued the report, it had been addressed.

I would agree with Ms. Sandals. There could be some issues where we did comment in the report and we may not have had a specific recommendation, but it might be worthwhile for the committee to just notice, in legislative research's report, that the auditor expressed concern about whatever it was.

Mrs. Liz Sandals: Exactly.

Mr. Ray McLellan: And that could be cross-referenced, so that you know what page to go back to and what section to go back to.

Mrs. Liz Sandals: Yes. Give us a couple of sentences and the cross-reference back to his report, and then the cross-references to Hansard and the witnesses.

Mr. Ray McLellan: Okay. As I was kind of working through it in my mind, the other thing that I think is helpful is to provide details, as we would in any other report. You would know that we provide a list of constructive initiatives undertaken by the auditee with respect to Mr. McCarter's report. I think that to specifically say, in the front of the report—and they did a reasonably good job of listing all the steps they've taken. I think it's important to kind of balance that off, before we get into the testimony section.

Mrs. Liz Sandals: Sounds good.

The Chair (Mr. Norm Miller): Mr. Zimmer, you had a comment?

Mr. David Zimmer: My points have been covered.

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

M^{me} France Gélinas: I'm just throwing it out there, and you certainly don't have to go with this. I think it would be useful—we did that in the select committee on mental health—to do a report that is what we heard. It would not necessarily show everything that the ministry has done. I think it could be done in the final report, but because this is such an extensive number of witnesses coming forward, everything stayed, as what has been stated this morning. Some of the headers from the auditor's report are very appropriate as to "Here is what we've heard" and do the reference and do all of this.

On some of the elements, we heard a number of witnesses all going in the same direction, and then a number of witnesses telling us exactly the opposite. So you can certainly regroup this under the headings. But the document you would produce for the end of this session would be strictly focused on witness testimonies of what we've heard. This would be a document that would be produced, which everybody could read, that would be separate from, at the end of all this, "Here are our

recommendations," which would be more focused on the recommendations that the auditor has done.

It's just for ease of use that I'm putting this out. I realize that we've never functioned this way at public accounts, but I think it has value.

Mr. Ray McLellan: Maybe I can just respond to that. With respect to the testimony from Ornge and from the ministry, you're suggesting that that particular response would be something that would be dealt with later on in a report.

0840

M^{me} France Gélinas: The testimony of the ministry, certainly, because they came and testified, would be included.

Mr. Ray McLellan: That's what I was thinking, yes.

M^{me} France Gélinas: But the written response that usually happens—the auditor made recommendations, submitted them to the ministry; the ministry responds to it.

Mr. Ray McLellan: Right.

M^{me} France Gélinas: I think this will come in our final report, but what we would do in the interim will be focused on what we've heard.

Mr. Ray McLellan: And I'm in agreement with that and that's what I understand this document to do. It's essentially to collect up those responses to issues identified by this committee. So I think we're on the same wave—

M^{me} France Gélinas: Okay.

Mr. Ray McLellan: But my concern was, I thought we weren't clear with respect to testimony received from the deputy minister. When I was speaking with Ms. Sandals, I was saying that that should be part of this background.

M^{me} France Gélinas: Yes. Okay. I think we're all on the same wavelength. I know it's none of my business to tell you how to do your job, so you'll take it as advice and you can do with it whatever you want. Try to make the read of the thing as easy as possible. Please put the referencing in footnotes at the bottom so that when somebody reads it, we're not forever interrupted in our reading with parentheses of which witness and the dates and the Hansard and all of this. If it could read easy, with footnote 1, 2, 3 at the bottom, and at the bottom would be—

Mr. Ray McLellan: For Hansard references.

M^{me} France Gélinas: Hansard references, as well as if you're referencing the document of the auditor or anybody else. But when we read the document, it would be a summary of the testimonies, and the background information would be at the bottom in footnotes, at the bottom of the page where you make reference, just to make it easier to read.

Mr. Ray McLellan: We won't debate the footnotes, but I would say this, though: Because I'm going to be using a lot of footnotes, what would happen is I'd end up with a large chunk at the bottom with maybe 30—my preference would be, at the end of it, to end at a summary statement, to put brackets and just put "H-Hansard-32."

M^{me} France Gélinas: Okay.

Mr. Ray McLellan: If not, I'm going to end up wasting a lot of space.

M^{me} France Gélinas: I trust you, as long as when we read it—

Mr. Ray McLellan: You'll know where to go back; you'll be able to go right back to Hansard. In some cases, I may use a direct quote. Hopefully, I won't have to do that and I can just paraphrase and essentially say, "The witness discussed; response with respect to the bond or safety on this page. The critical points were A, B and C."

Because we're going to be dealing with about 500 pages of testimony, we've got to reduce it down to 50, so we're really going to have to condense it as best as possible. Anyway, I think that's probably—

The Chair (Mr. Norm Miller): Okay. Auditor, do you still have a comment?

Mr. Jim McCarter: The only point I was going to make, just to help Ray out, was whether the committee wanted an exact quote—let's say you're talking about the dispatch system or the marketing agreement. Did the committee want exact quotes—"Here are four or five things Mr. Smith said"—or did the committee want Ray to try to paraphrase that? I'm just trying to—

Mr. Ray McLellan: I appreciate that. As I say, I have to go from 450 pages to 50, so in some instances, as I said, I may do a direct quote, where you couldn't possibly improve on what was said. But if I can, I'll paraphrase, essentially saying, "The witness discussed the issue of the bond, and the ministry's position is X," to try to be as tight as possible.

M^{me} France Gélinas: Yes, absolutely.

Mr. Ray McLellan: Then I'll have longer notes that—I'll be able to go back and elaborate. If you say, "Let's elaborate on this," I'll be able to do it, but I have to bring it as tightly as possible.

The Chair (Mr. Norm Miller): Ms. Sandals?

Mrs. Liz Sandals: I know what France is getting at in terms of the way we did the select committee as a two-parter, but I don't actually see this as a draft report. I see this as a research document so that we can start to organize our thinking. I'm not expecting it to look like a draft report. I'm expecting it to help us organize all this information we've collected.

Mr. Ray McLellan: It really is a checklist for us.

Mrs. Liz Sandals: Yes.

Mr. Ray McLellan: Because, clearly, before the committee—if it decides to write a report, it has to answer certain fundamental questions with respect to this service in Ontario. There have been varying opinions on that as to what it's going to look like for Ontario going forward. I think we're probably a way from actually making comments on that, but I'm in the committee's hands. Hopefully, that captures it. If there are any other great ideas, please let me know and we can shape it a bit and change it so it's useful.

M^{me} France Gélinas: Good luck.

Mr. Ray McLellan: Yes.

MR. FRED RUSK

The Chair (Mr. Norm Miller): Okay, I think we're pretty much ready to start with our witness for this morning. Mr. Fred Rusk is here. Welcome to the committee, Mr. Rusk, and thank you for coming in. Just to confirm, you received the information for a witness coming before the committee?

Mr. Fred Rusk: I did.

The Chair (Mr. Norm Miller): Very well. Our clerk has an oath or affirmation for you, whichever you so choose.

The Clerk pro tem (Mr. Katch Koch): Mr. Rusk, if I could ask you to raise your right hand:

Do you solemnly swear that the evidence that 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?

Mr. Fred Rusk: I do.

The Chair (Mr. Norm Miller): Very well. You have some time for an opening statement, and then we'll have time for questions amongst the three parties.

Mr. Fred Rusk: I really don't have an opening statement, I'm afraid, but please feel free.

The Chair (Mr. Norm Miller): That's fine. Then we'll start with the official opposition. Mr. Klees, you'll have roughly 20-minute periods of time.

Mr. Frank Klees: Mr. Rusk, thank you for coming here today. I appreciate it.

Mr. Fred Rusk: You're welcome.

Mr. Frank Klees: I've been looking forward to having a chance to discuss this file with you. I understand that you were actually, can I use the term, the founding father of Ontario's helicopter EMS service.

Mr. Fred Rusk: You might want to call me that. Back in 1977—I guess it was 1976—I was asked to be kind of a technical adviser to the ministry on the concept of an air ambulance to support the Sunnybrook trauma centre, which at the time was the only trauma centre in Ontario. Myself and another chap looked at different companies and other services from around North America, and we came back and gave a report. From that, the ministry decided to have an RFP to have helicopter support for Sunnybrook. In 1977, that contract was won by a consortium of five helicopter companies, basically melted down now to Canadian Helicopters; it was a number of different companies involved over the years before they became Canadian Helicopters. So I guess if I'm the father, thank you very much.

Mr. Frank Klees: Well, it's interesting, because when Ornge went out to the market with a very large bond offering, if you look at that offering memorandum—I don't know if you've seen it—it repeatedly makes reference to the excellent reputation that Ontario's air ambulance system has worldwide.

Mr. Fred Rusk: Correct.

Mr. Frank Klees: And although it was claiming that, of course, for itself, it didn't have any history at that point. The only history it had was Ontario's air ambu-

lance system, which is the one that you initiated and, I'm assuming, provided leadership to over the course of those years. So 1997 was the year it was launched—

Mr. Fred Rusk: 1977.

Mr. Frank Klees: 1977.

Mr. Fred Rusk: October 1977.

Mr. Frank Klees: What was your role in that unit, if you could just give us some sense of your role, and also tell us something about the unit of people that you then put together to help manage that?

Mr. Fred Rusk: My role ended after the awarding of the RFP. At the time, I was asked if I'd like to be in charge of the air program or take another position within emergency health services in eastern Ontario as a regional manager. I thought, well, I'd been in the ambulance service for seven or eight years, basically working on an ambulance, and this would be more to my liking. So I went to Ottawa and became the regional manager for eastern Ontario from 1977 to 1982.

0850

During that time, the program as it started was a pilot program, and there was some talk of it being disbanded until there was huge bus crash in the Barrie area that involved a lot of children in a school bus crash. A single helicopter—it was a Bell 212, a fairly large helicopter—transported a lot of these kids to the roof of Sick Kids. Sick Kids at the time was the only one with a helipad on the hospital for sure and probably the only hospital in Ontario that had a helipad at the time.

I went off to Ottawa and worked in eastern Ontario for four or five years. From that, I was asked to transfer as a regional manager to central-east Ontario, for which the office was in Barrie. I looked after the city of Toronto and basically Durham, York, and Simcoe county up to Parry Sound, I guess, and Alliston way and over that way. I was there for nine years.

During that nine-year period, I took part in the evaluation of the—I guess you'd call it the permanent helicopter program. Forgive me; I can't remember the years, but it was during those years that I was in Ottawa and in central-east Ontario that I helped with the preparation of the RFPs and in the evaluation of the submissions of RFPs at the time.

Other than that, the only other involvement I had was the other job that I had with emergency health services, and that was that I was the VIP health services coordinator for the ministry. That was a wonderful experience that I had, preparing medical plans and working with the RCMP and the OPP and making plans and looking after, in certain cases, heads of state and the royal family. I did that for about 19 years as kind of a, "You're going to be doing this. Would you like to do it?" I said, "Absolutely," so I did it.

The program itself went from a single helicopter—it was stationed in Buttonville. That's where the companies that bid operated out of, and that's where all the maintenance was done on the helicopter as well. They had a twin-engine Bell 206 as a backup, which is a very small helicopter, and it wasn't appropriate.

The program started to expand. I was asked to come in and look at the expansion again, and we had all kinds of consultations on where they should be. The helicopter program started in Toronto and it went to Sudbury and Thunder Bay. They were the three main helicopter bases at the beginning of the program.

At the same time, all along there were a number of private air companies that provided service for fixed-wing airplanes, long-range. Then it was decided that we should probably have a dedicated fixed-wing service, and I took part in that. The two bases that were started up were in Timmins and northwestern Ontario. I'm sorry, I can't remember the name—Fort Frances, I believe. That contract was won by, I think, the forerunner of Air Ontario, actually. They had two Citation jets that operated out of those two bases.

The program grew from one to three helicopter bases and two fixed-wing. These were dedicated programs that were all won by RFP and were staffed by Ministry of Health paramedics. As you can imagine, at the start of all this, there really weren't "paramedics" in Ontario. I was fortunate enough, back in, I guess, 1972 or 1973, to take part in the forerunner of this type of program for advanced-care paramedics. We were called EMAs, emergency medical assistants. I guess it was probably more like a physician's assistant type of course. At the time I was selected to do it, I think there were about 40 of us who were trained in the province back in the 1970s.

I was a multi-engine pilot as well at the beginning of all this. I had aspirations of flying the big stuff. But I got hooked into the ambulance service and enjoyed it all my life. And here I am today, I guess.

Mr. Frank Klees: I appreciate that background. Can you describe for us the emergency health services branch and its role in overseeing that air ambulance operation? What did that look like?

Mr. Fred Rusk: After I moved off to Ottawa, the fellow that I worked with, who did all the groundwork for it, was the manager of the program for the first couple of years, I think. There were a lot of groundbreaking things that took place: the training of these air medics by Sunnybrook—very intensive training, because there wasn't anything available at the time. They were the first base hospital in Ontario, as far as delegating medical acts to the paramedics.

The first people we hired were a mix of nurses and—actually, there were some people who went on the course with me who worked there for quite some time. They were constantly being trained to do more and more, until today, where what they do is absolutely fabulous. I guess the line is "the sandwich between the meat," where these men and women take the sickest of the sick and transport them between hospitals and go to scene calls from car accidents. I'm sure that many, many lives were saved at the time.

The overview of the program was the Ministry of Health emergency health services branch. I had spotty interjections because of my experience with it and my knowledge of airplanes and helicopters and so forth.

There was a section now in emergency health services called the air program. They had a—he would be on the same level as a regional manager, I suspect. The gentleman who ran it for many, many years, and who has passed on now, was Hank Brown. He was a colonel in the Canadian military, and very knowledgeable about air transport. I think he was in charge of the air transport division at Trenton for a number of years. He and a number of people in the branch looked after the air program, because then there were managers at each one of these bases who looked after the staff, if you will, and the affiliations with the then base hospitals for the air program and the local communities.

Mr. Frank Klees: That air program section of the emergency health services branch had the responsibility, then, from the ministry's standpoint, to oversee the air ambulance program of the province. Is that correct?

Mr. Fred Rusk: It is correct, along with the Ministry of Natural Resources. They're the lead ministry for the Ontario government for aviation.

Mr. Frank Klees: On the aircraft side, right?

Mr. Fred Rusk: Correct.

Mr. Frank Klees: Right. Moving forward then, that would have been the structure that was in place when the government started to think about restructuring that air ambulance program.

Mr. Fred Rusk: Yes.

Mr. Frank Klees: Were you engaged in any way in those discussions early on, when the government, if I recall correctly, was responding, really, to some reports that had been done that pointed out that there were some weaknesses within the system in terms of some of the connectivity, communications and so on; that there was a desire to streamline the system; and that a number of different options were under consideration? Were you involved in any of those discussions? Given your background, were you drawn into that discussion to get your advice in terms of what the best structure might be going forward?

0900

Mr. Fred Rusk: No, I wasn't asked that at all. I guess I should have told you earlier that I managed the air program from 1995 to 2000. I was the manager of the air ambulance program in Ontario. After that, I became the senior manager of operations for the branch.

The talk about the air program being devolved, if you want to call it that, from the government started in 2003, if I'm not mistaken, or early 2004; I'm not quite sure. I wasn't involved. I wasn't asked my opinion about what I thought—actually, I probably was asked, “What do you think about this?” It wasn't an official thing, but, “What do you think?” At the time, I didn't think much of it because the government had downloaded the land ambulance system to the 51 upper-tier municipalities and I thought, “Well, this is the way everybody's going.” So with that, that was it.

I do recall there was a standards committee, CAMTS, that comes and does an audit. I do recall some of their comments saying that it was fragmented and, although

they passed the accreditation, it wasn't something that they thought was feasible. At the time, I thought, “Well, it has been feasible since 1977, so, you know, if it's not broke, why fix it?”

That was all my involvement. I wasn't involved in any of the discussions or plans of this takeover, or whatever you want to call it. That was it.

Mr. Frank Klees: While you were the manager of the air program from 1995 to 2000, how many staff did you have in your section?

Mr. Fred Rusk: Just at head office? Because there were managers at each one of the air bases.

Mr. Frank Klees: Well, let's start with head office and then give me your total complement of staff to run this program.

Mr. Fred Rusk: Well, I'm just trying to think now; I'm trying to put some faces to names here. It probably was about seven people at headquarters with access to the financial side of things, to the legal side of things, to the ministry's medical advisers sort of things. They weren't, obviously, reporting to me, but—about seven or eight.

Mr. Frank Klees: What was your budget?

Mr. Fred Rusk: Oh, God.

Mr. Frank Klees: You don't have to be to the dollar. When you left in 2000, what would the budget have been for the air ambulance program?

Mr. Fred Rusk: Maybe \$90 million to \$95 million, I suppose.

Mr. Frank Klees: Okay.

Mr. Fred Rusk: The biggest chunk of that was the helicopter contract.

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

Mr. Frank Klees: Okay, I'll defer to my colleague. I'll pick up the rest of my time next time.

Thank you. I appreciate that context.

Mr. Fred Rusk: You're welcome.

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

M^{me} France Gélinas: Pleased to meet you, Mr. Rusk, and thank you for coming to Queen's Park. I will also take you down memory lane. We have you on record, just because everything is on record here. The Auditor General had done an audit of the ambulance system, which at the time included the land ambulance and the air ambulance. It's a special report that the auditor had done, and at the time, you are listed as the manager of the air ambulance patient care and program standards section.

Mr. Fred Rusk: Okay.

M^{me} France Gélinas: Quite impressive as a title, wasn't it? And we're on December 14 in the year 2000. From what you have told us—I'm not sure. Did you leave the ministry in 2000 or in 2003?

Mr. Fred Rusk: It was in June 2004.

M^{me} France Gélinas: Oh, in June 2004. So from 2000 to 2004, what did you do?

Mr. Fred Rusk: I was the senior manager of operations. I'll get my years straight here. I left in 2004, so from 1995 to 2000 I was the manager of the air ambulance program, and then from 2000 to June 2004, I was

the senior manager of operations for the branch, as well as this VIP health services coordinator.

M^{me} France Gélinas: As well as the—

Mr. Fred Rusk: The VIP health services coordinator for the ministry.

M^{me} France Gélinas: When you say for the branch, you're referring to the emergency health services branch?

Mr. Fred Rusk: I am. Correct.

M^{me} France Gélinas: Okay. You also happened to be working with Malcolm Bates during that period of time. Do you remember what Malcolm was doing?

Mr. Fred Rusk: I think he was the director of the branch.

M^{me} France Gélinas: He was the director of the branch?

Mr. Fred Rusk: Yes.

M^{me} France Gélinas: You were the—I thought you told me you were the manager of the branch. Say that again.

Mr. Fred Rusk: No. Malcolm Bates was the director of the ambulance services branch. My job in the last four years or three years that I was there was the senior manager of operations. Under Malcolm, there was the senior manager of operations, all the regional managers, the manager of the air program, I believe, and then down the ranks.

M^{me} France Gélinas: Okay. Did you report directly to Mr. Bates?

Mr. Fred Rusk: I did.

M^{me} France Gélinas: You did? All right. But from 2000 to 2004, you are no longer involved with the air ambulance. Somebody else has that job.

Mr. Fred Rusk: That's correct—well, I don't understand what you mean when you say "involved." I had an affinity for it. I always was involved, I felt.

M^{me} France Gélinas: Okay. But in your job as manager of operations, did operations include both land and air ambulance?

Mr. Fred Rusk: Of course.

M^{me} France Gélinas: Okay. I just have a hard time understanding the structure of it all.

Coming back to a question that my colleague had started to ask you about, who was responsible for the oversight? And I'm mainly interested in the air ambulance section of it; I'm not interested in the person. Was the oversight all within your branch, the emergency health services branch?

Mr. Fred Rusk: Up until the point that it was released, always.

M^{me} France Gélinas: And how was the oversight done? I note, because I read some of this thing—it's 12 years old, so I don't expect you to remember, but you talk about a number of standards that exist, standards for time, standards for training, standards for a number of things. How was that handled within the ministry, the oversight of air ambulance to make sure that we get good service?

Mr. Fred Rusk: Well, we had our own managers at the base, for one thing. We relied heavily on the Ministry of Natural Resources to do operational audits of the—

M^{me} France Gélinas: So your own managers at the base—those were employees of the Ministry of Health at every base; that is, every hospital base?

Mr. Fred Rusk: Every dedicated base, yes. There were the three helicopter bases, the two fixed-wing, and then later on, one of my jobs when I first became the manager of the program was to basically implement the 27 recommendations of the Gail Donner report. It was an extensive report done on the air ambulance program on—forgive me, I can't remember all the recommendations, but I do remember 27 of them, and a lot of it had to do with the disbursement of the regions of the province for the private air ambulance operators to have their contracts and where to position the bases.

As I say, the Ministry of Natural Resources and myself at the time of being the air manager were involved in investigations of complaints. There were hard landings, things that happened to aircraft in the air that we investigated and did reports on. But I think I understand you that the program was managed and overseen by the branch.

0910

M^{me} France Gélinas: So part of your management and overseeing is that you had staff at every one of those dedicated bases?

Mr. Fred Rusk: Correct.

M^{me} France Gélinas: How did that bring value? How did that help you oversee?

Mr. Fred Rusk: Well, the day-to-day operation: making sure people were there—attendance—that they got paid properly and their benefits were looked after; anything that would come up at the bases.

The other thing I'd like to mention is that during my tenure at the air ambulance program, the helicopter program expanded to four additional bases. That was a result of the Donner report. Because there were dedicated air bases—there were five at the time—and there were a number of private air programs that were on standing offer agreements with the ministry, the Donner report recommended the consolidation of that. Because these four bases that we expanded to after that were helicopter standing offer agreements, there was one in Ottawa, there was one in Smith's Falls, there was one in London and there was one in Kenora—sorry, in Moosonee—we decided to make them dedicated bases. There was an RFP. Canadian Helicopters won the RFP, and we established the bases in Ottawa, London, Moosonee and Kenora between those years; I'm sorry, I can't remember the exact year.

M^{me} France Gélinas: That's okay.

Mr. Fred Rusk: There were managers at those bases too. They dealt with the day-to-day work at every base, whether it was making sure the helicopters and fixed-wing airplanes were properly staffed, equipped, clean. They took part in arranging for continuing medical education of the air paramedics, along with their base hospital, and whatever. They were the local manager. They dealt with the local hospitals. They dealt with the local ambulance services with regard to coordination of

land and air. That's about all I can think of at the moment.

M^{me} France Gélinas: They made sure that it worked. I want to fast-forward you. I take it you read the papers, just like everybody else. You know why you're here. You're here because—well, I'll tell you why—the Auditor General did a special report. He went and did an audit of, it's now called, Ornge Air Ambulance. I'm sure you know.

Mr. Fred Rusk: Yes.

M^{me} France Gélinas: He did an audit of Ornge Air Ambulance and related services and found a number of, I would say, questioning endeavours going on at Ornge. Have you been following it in the news at all?

Mr. Fred Rusk: I wasn't until somebody called me one day and said, "Have you seen what's going on at Ornge?" I said no. I guess there were a lot of reports in the Toronto Star. I have been, lately.

M^{me} France Gélinas: Okay. I'm now fast-forwarding you. You knew the system when the government ran the different dedicated bases, when the government had managers on the ground and were basically the supervisors. The different people working were all working for the government. Then there were those contracts—what you called standing offer agreements—with the air company that provided the aircraft.

Mr. Fred Rusk: Sure. There were three different types of contracts: the dedicated program, the standing offer agreement program and then the organ retrieval program. There were three. The organ retrieval was basically—you could use any of those helicopters, airplanes, whatever, but basically there were additional companies that provided jets, because they would run to California or out west or wherever, but within a five-hour range of Ontario for organ retrievals.

M^{me} France Gélinas: And you had agreements with those different companies to go retrieve something that was a little further?

Mr. Fred Rusk: That's correct.

M^{me} France Gélinas: In a five-hour flying range, you go far.

Mr. Fred Rusk: Yes. Well, Vancouver, anyway, and Loma Linda, California, was the farthest I think we ever went.

M^{me} France Gélinas: Okay, so—

Mr. Fred Rusk: I should just mention one other thing. During the time I was with the air program, one of the RFPs for the dedicated program was the—I don't know what the word is, but the employees, the paramedics, of the Ministry of Health were let go from the ministry and picked up by the dedicated air operators, so they were employees of the air operator. We didn't have any paramedics that were our employees running on the airplanes; nor were the pilots and nor were the aircraft ours. We just ran the RFPs and oversaw the operation.

I dealt with Transport Canada on different items, providing—when they were rewriting some of the air regulations and that, we provided people to give witness at these air regulations for the air ambulance so that we

weren't charged tariff fees by the air traffic control people. So we kind of had a pass on all that.

M^{me} France Gélinas: How did you make sure that those private operators did have paramedics and that they staffed them properly?

Mr. Fred Rusk: Service visits. We went there. They provided us names, and all the paramedics were registered with the branch. Today, every paramedic in the province is registered with emergency health services. They're the governing ministry, if you will, that looks after the Ambulance Act. So all that information is gleaned from the colleges, the community colleges, and all their—

M^{me} France Gélinas: So you knew how many staff had been employed by the different—

Mr. Fred Rusk: Yes. We kept a list.

M^{me} France Gélinas: Did you make sure that they were not only employed but they were deployed, as in, they were available? And was there any kind of accountability agreement to make sure that if you're on a dedicated base, you have staff on hand?

Mr. Fred Rusk: Yes.

M^{me} France Gélinas: How did you do that?

Mr. Fred Rusk: The policy was that, obviously, if you had an air ambulance and it was going to pick somebody up, there had to be at least one person in the back. That was the medical policy, and the policy of our branch.

We did what we call ramp audits—I did them; our investigators at the branch did them; Transport Canada did them—on any of the aircraft, to make sure that—and of course, our dispatch system was controlling it all, and we kept a list of who was flying that day, who the co-pilot was, who the paramedics were in the back, what shifts they were working. All this information was made available to us, and we did spot checks and audits.

In fact, at the time I was with the Ministry of Health, we had our own audit branch. I don't think they have—I could be wrong; I don't know. Our own audit branch did audits on both the land and the air programs.

M^{me} France Gélinas: Because you thought it was important to check, so you audited—

Mr. Fred Rusk: Of course.

M^{me} France Gélinas: Yes, I could see this. And were they usually in compliance?

Mr. Fred Rusk: Very much so. When I was a land regional manager, there were a few that weren't compliant and we actually put out of business. I think back in the late 1970s there were some we even charged and some went to jail for misappropriation of funds. But I can't recall any air operators. There may have been a couple of small air operators that needed to be watched, if you will. In other words, more attention needed to be paid to the cleanliness of the back of the airplane because they weren't using it specifically for ambulance work. They were chartering it and doing whatever. This was all done by our inspectors, our investigators and myself when I was out and about, because our policy was that at least once a year we went to the actual bases of everybody on contract—actually went there.

0920

M^{me} France G elinas: And had a look around.

My colleague wants to ask a few questions.

Mr. Fred Rusk: Certainly.

Mr. Jagmeet Singh: I just want to draw—

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

Mr. Jagmeet Singh: Thank you very much.

I just want to draw the connection between Ontario Air Ambulance, which was the predecessor to what we currently have with the Ornge air ambulance service. When you were working—and you’ve described some of the mechanisms of oversight that you were involved with at the Ontario Air Ambulance. How much of that oversight system are you aware was translated over into the Ornge air ambulance? What was the connection in terms of the continuity of those two air ambulance services?

Mr. Fred Rusk: I guess when it actually happened—and I don’t recall exactly when it did happen, but I don’t think I was at the ministry after. When I left, there was a manager of the air ambulance program, and there was still an investigation branch. Because of the downloading of the land program, I think there was an increase in the complement of the investigators, because now the branch became more—instead of an operational role, except for the dispatch centres, which I believe they still operate today across the province, the central dispatch centre. To tell you the truth, I don’t know.

Mr. Jagmeet Singh: Okay.

Mr. Fred Rusk: You know, after I left, I suspect that they would investigate complaints and continue doing that type of thing.

Mr. Jagmeet Singh: Okay.

M^{me} France G elinas: But you were saying that the investigation branch increased the complement of staff because you were not operational anymore; you were more in a role of—and you didn’t finish your sentence.

Mr. Fred Rusk: Overseer, I guess. It wasn’t an investigation branch; it was an investigation section in the emergency health services made up of, I think, five people.

M^{me} France G elinas: And that was for both land and air?

Mr. Fred Rusk: Correct. They looked after the complaints and the investigations and worked with the coroner. They looked after the registration and the issuing of ID cards to all the people in the system and what they did and who they are.

Mr. Jagmeet Singh: So there’s a clear connection between the role of the ministry—there’s a clear culture and a policy of the ministry overseeing the work of the ambulance services?

Mr. Fred Rusk: There was. And—

Interjection.

Mr. Jagmeet Singh: Go on.

Mr. Fred Rusk: What I was going to say was that it changed quite a bit with the downloading of the land system. We became more of the guardians of the legislation, if you want to call it that, in the sense that we were

no longer operating them, but we certainly had the obligation to oversee them.

Mr. Jagmeet Singh: Can you talk a little bit about your time at Ornge, your involvement? Did you work for Ornge for some period of time?

Mr. Fred Rusk: I did.

Mr. Jagmeet Singh: And what was your involvement at Ornge, in what capacity?

Mr. Fred Rusk: I was first asked to come to help transfer the Provincial Transfer Authorization Centre. This is something that was set up during the SARS crisis, where every patient movement between hospitals, nursing homes and so on and so forth, in and out of the province, was screened by the centre. I don’t know if you—well, I’m sure you’re aware of what happened with the SARS issue. It was a very troubling time. And that job was given to Sunnybrook to manage the finances of that to the Toronto ambulance service. They had the space. When it was set up, we needed space. We had a room about twice or three times the size of this, that was set up with tables and fax machines and doctors and lay people taking information and transferring it on to the different dispatch centres, because no patient—no patient—got transferred between facilities without an authorization number. That’s how concerned we were at the time.

That has continued today, and I think we’re probably the only province, because I guess we had a taste of the medicine, that continues to do this—with a lot less people, of course.

My job was to bring those staff from Toronto ambulance, where they worked, into what was, at the time, the Sunnybrook base hospital program. At the time, they were moving from Finch Avenue, their offices, to Carlson Court, across from the airport—anyway, on Carlson Court.

I went there with their IT manager to set up this clearing house of patient information. We went in and set it up, similar to a dispatch centre, because we had to have contact with every hospital in the province. I did that for about a year. We trained the hospitals on how to do it online. We developed a very quick computer program for the hospitals so that they could fill in all the information on the patient and what was wrong with them and where they were going and why.

You always had to have a sending physician and a receiving physician. At the beginning of it all was a physician who watched, to ask all the usual questions. Then that information was passed on to the dispatch centres that would send the ambulance. They wouldn’t send an ambulance unless they had an authorization number from the centre, and it’s still the same way today. Even flights from outside the country coming into Ontario: The vast majority of them that are carrying a patient call ahead to PTAC to get an authorization number.

I did that for a year. For the last three years that I worked there, I was the manager of occupational health and safety and aviation safety. My job was to set up an occupational health and safety program for the branch, getting people certified in occupational health and safety,

and doing occupational health and safety audits, which we did. Air quality: I was involved in a study that we did. There was a complaint from our Timmins base, from the air medics, saying that they felt that the jet exhaust fumes were causing some issues, and they didn't know what was in them. Nobody knew what was in them. So we did a study. We hired two companies, actually, to do a study of the exhaust fumes and found that there were no particulates of anything and nothing untoward for a human being in these. It was just the smell of kerosene that the pilot would have when he came through the patient compartment that was an issue.

The Chair (Mr. Norm Miller): If I can interrupt you, I think we're about four minutes over. If we can move to the government questioning—

Mr. Fred Rusk: So that was basically my role. The last year I was there, I worked on—Transport Canada instituted an SMS program, a safety management system program, for all airlines. Airlines already had them, the big airlines—

Mr. Jagmeet Singh: I'll probably ask more questions when it comes back around.

Mr. Fred Rusk: Oh, okay. Great.

The Chair (Mr. Norm Miller): Ms. Jaczek?

Ms. Helena Jaczek: Yes, thank you, Mr. Rusk. Just recapping a little bit of your role as senior manager of operations, 2000 to 2004: We've obviously established that land ambulance was downloaded to upper-tier municipalities, January 1, 2000, so you had this oversight role as related to that but no direct responsibility in terms of the management.

Mr. Fred Rusk: Correct.

Ms. Helena Jaczek: You had the oversight of the RFP process as it related to air ambulance.

Mr. Fred Rusk: That's correct.

Ms. Helena Jaczek: What about dispatch? Were you in charge of dispatch as well?

0930

Mr. Fred Rusk: The dispatch managers reported to the regional managers. The regional managers reported to the—

Ms. Helena Jaczek: Of the land ambulance side?

Mr. Fred Rusk: Yes.

Ms. Helena Jaczek: Yes.

Mr. Fred Rusk: Sorry. I can't remember exactly—I think there are 15 land central ambulance dispatchers across the province and there was one air dispatch.

Ms. Helena Jaczek: Right. So did you have oversight of that as well? I'm trying to get the picture of your role here for those four years.

Mr. Fred Rusk: As the senior manager of operations?

Ms. Helena Jaczek: Yes.

Mr. Fred Rusk: Only to the extent of—like, the managers didn't report to me; they reported to the regional managers of that region, the same as the air program reported to the manager of air—dispatch for air reported to—

Ms. Helena Jaczek: Overall, you were the senior manager of operations. Were you satisfied with the way air ambulance was being administered in Ontario?

Mr. Fred Rusk: Yes. I saw it grow.

Ms. Helena Jaczek: Now, to just recap something Mr. Klees, I think, in his questioning—you said that during that time, during those four years, knowing that land ambulance had been downloaded, you weren't involved in any discussions related to possibly some sort of new model for air ambulance? You were a member of Mr. Bates's senior management team?

Mr. Fred Rusk: I think it happened as I was leaving. Quite frankly, we didn't sit down and discuss what we were going to do now. I mean—

Ms. Helena Jaczek: I see. You were not part of any discussions.

Mr. Fred Rusk: No.

Ms. Helena Jaczek: When would you have first met Dr. Mazza? As we all know, he was at Sunnybrook, a major trauma centre.

Mr. Fred Rusk: I met Dr. Mazza, I think, the second year I was the manager of the air program, so that would be, what, 1996? He was introduced to me as an emergency room physician at Sunnybrook, because Sunnybrook was the base hospital for not only the air program, but for the city of Toronto at the time. It was becoming quite onerous on the medical staff and their own staff—it was getting too big for them to handle. So we agreed—the ministry agreed and Sunnybrook agreed—that they would split the base hospital into an air and a land program. I was introduced to Dr. Mazza at the time as, "This is the lead doctor to do the medical side of things for the air program," train the medics, do all that sort of stuff.

Ms. Helena Jaczek: Between 1996 and 2004, when you left the ministry, would you have had the opportunity to interact with Dr. Mazza?

Mr. Fred Rusk: Certainly.

Ms. Helena Jaczek: On a regular basis?

Mr. Fred Rusk: Sure. Regular, you know. Monthly, I guess.

Ms. Helena Jaczek: Did he ever suggest to you that there might be a better way of administering air ambulance—

Mr. Fred Rusk: He was critical of the fact that there were—let's see. There were six or seven base hospitals across the province involved with the air program. He was critical of the fact, as were the other doctors who were in charge. So I met with that group all the time—well, not all the time, but I think we met every two or three months. They felt that there was a need to solidify the air base hospital program with, obviously, strategic affiliations with the local hospitals and the local base hospitals in each of the areas. Then Sunnybrook became the centre for the air program.

Ms. Helena Jaczek: So you took that advice to a certain extent, then, in terms of centralizing the base hospital for air ambulance at Sunnybrook—

Mr. Fred Rusk: Correct. I mean, quite frankly, the training that took place in Toronto and the experience that the flight medics gained by being here in Toronto with the teaching hospitals and so on and so forth had a

better exposure, if you will, to major trauma, major illnesses; whereas the farther north you go, even though there are centres of excellence in the north, of course, the exposure to different types of diseases and trauma were far greater in Toronto—and with the teaching hospitals and the University of Toronto, of course, with their expertise.

There was a difference, quite frankly, in the training in the outer-lying areas, even though there was the dedication. I'm thinking of Kenora in one instance, and I think one of the doctors is still involved there. But they just don't get the exposure. So it was decided, and it was a good idea.

Ms. Helena Jaczek: Why did you leave the ministry in 2004?

Mr. Fred Rusk: Why did I?

Ms. Helena Jaczek: Yes.

Mr. Fred Rusk: I retired. It was time to leave.

Ms. Helena Jaczek: And who was your next employer?

Mr. Fred Rusk: About five months later, I was approached to come and work for Sunnybrook, to transport the Provincial Transfer Authorization Centre from Toronto into the Sunnybrook program.

Ms. Helena Jaczek: Who approached you?

Mr. Fred Rusk: I guess it was Dr. Mazza initially, but then I dealt with the human resources side of things.

Ms. Helena Jaczek: Thank you.

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

Mr. David Zimmer: So when did you formally join Ornge?

Mr. Fred Rusk: Formally?

Mr. David Zimmer: Yes.

Mr. Fred Rusk: Well, it was a year after—I was hired on contract first to bring these people over, for a year—

Mr. David Zimmer: Sorry, I didn't hear that.

Mr. Fred Rusk: I was hired on a contract the first year I worked there.

Mr. David Zimmer: What year was that?

Mr. Fred Rusk: In September 2004. Sorry, wait a minute—

Mr. David Zimmer: So in 2004 you went on contract with Ornge?

Mr. Fred Rusk: Yes, for one year. I beg your pardon. I'm not sure of the years now, okay? They kind of blend together. But certainly the first year that I was employed by them, I was on a contract. I wasn't an employee, if you will. And then after that, the human resources people asked me if I would transfer over to full-time, which I agreed to.

Mr. David Zimmer: So that would have been sometime in 2005?

Mr. Fred Rusk: Yes.

Mr. David Zimmer: A year later.

Mr. Fred Rusk: Yes.

Mr. David Zimmer: Just a second.

Mr. Fred Rusk: That was to look after occupational health and safety at the time, and then later—

Mr. David Zimmer: So the first year, you were on contract with Ornge. About a year later you joined Ornge as an employee?

Mr. Fred Rusk: Yes. It wasn't called Ornge, I don't believe, at the time. I think it was just called the Ontario air ambulance program.

Mr. David Zimmer: Well, you must remember. Were you working for Ornge or not?

Mr. Fred Rusk: When I left, I was.

Mr. David Zimmer: When did you leave?

Mr. Fred Rusk: In 2009.

Mr. David Zimmer: All right. So you were at Ornge, then, five years?

Mr. Fred Rusk: Sure.

Mr. David Zimmer: Five years at Ornge. And then you left Ornge in 2009. Any involvement with Ornge after you left in 2009?

Mr. Fred Rusk: None.

Mr. David Zimmer: All right. So walk me through the gist of your responsibilities from when you started with Ornge on contract in 2004 until you left five years later, in 2009.

Mr. Fred Rusk: As I say, the first year was managing the Provincial Transfer Authorization Centre; in other words, setting it up, streamlining it, training for the hospital staff to access it, buying the equipment, dealing with the computer issues with the IT people, managing the staff. That was the first year.

Mr. David Zimmer: After you joined Ornge and you went from contract to employee status, what was your technical title?

Mr. Fred Rusk: I was manager of occupational health and safety.

Mr. David Zimmer: Ornge?

Mr. Fred Rusk: Correct. Forgive me; I don't know exactly when it changed. I know the name changed while I was there.

Mr. David Zimmer: Do you know when the name changed?

Mr. Fred Rusk: Say again?

Mr. David Zimmer: When did the name change?

Mr. Fred Rusk: When I was there. I'm sorry; I don't know exactly when.

Mr. David Zimmer: At some point, you were getting paycheques from Ornge.

Mr. Fred Rusk: I don't have any with me to check, but—

Mr. David Zimmer: But you were getting paycheques from Ornge.

Mr. Fred Rusk: Certainly.

Mr. David Zimmer: Yes, all right. And what was your salary at Ornge?

Mr. Fred Rusk: It was \$94,000.

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Mr. David Zimmer: What was your salary when you left the ministry in 2004?

Mr. Fred Rusk: \$92,000, \$93,000, \$94,000, \$95,000? It may have been more than that, because the last year or two was when the ministry was paying bonus cheques to

certain classifications, so it would have been more. But whatever it was, it was posted that one year.

Mr. David Zimmer: At Ornge, did you participate in any of the bonus programs, that sort of thing? Stock options, that sort of stuff?

Mr. Fred Rusk: No. The bonus program was introduced in Ornge in the last year and a half I was there, so I did receive a bonus in 2008.

Mr. David Zimmer: Just to refresh your memory, in 2009 the disclosure for the previous year, 2004, at Ornge says: Aviation safety manager, \$111,829.82. Does that strike you as about right?

Mr. Fred Rusk: I would think so.

Mr. David Zimmer: And were there options or bonuses on top of that?

Mr. Fred Rusk: No.

Mr. David Zimmer: Chair, how much time do I have left here?

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

Mr. David Zimmer: Who did you report to at Ornge?

Mr. Fred Rusk: The first year I was there it was a gentleman by the name of Steve Farquhar; I believe he's still there. The second year, I reported to the director of human resources. Then, I believe, Rick Potter became the manager of the air program. That's when they added on the aviation safety to my role and I reported to Rick Potter.

Mr. David Zimmer: And you've heard—or you've been reading the Star, so you know there's a collection of Ornge entities. There's Ornge non-profit and then there are various Ornge profits—

Mr. Fred Rusk: To be very frank with you, I didn't.

Mr. David Zimmer: I'm sorry?

Mr. Fred Rusk: To be frank with you, I didn't know of all these other companies.

Mr. David Zimmer: Which Ornge entity did you work for?

Mr. Fred Rusk: Ornge. That's what I thought I worked for. A company called Ornge, a not-for-profit company.

Mr. David Zimmer: And was your office up at the Ornge head office up there on the 401?

Mr. Fred Rusk: No.

Mr. David Zimmer: Where was your office?

Mr. Fred Rusk: On Carlson Court. It wasn't an office; it was a bunch of desks, and one of those desks was mine.

Mr. David Zimmer: But it was an Ornge office?

Mr. Fred Rusk: It was; correct.

Mr. David Zimmer: I have got your resumé that you handed in here. It's quite extensive, and it's got—do you have a copy in front of you?

Mr. Fred Rusk: No, but I wrote it.

Mr. David Zimmer: You wrote it. All right. So I read it through carefully, a couple of times, and it's got, in great detail, everything that you did, different jobs and so forth and so on, yet I see no reference to Ornge. I don't

see the word “Ornge” anywhere in your resumé. Why is that?

Mr. Fred Rusk: Well, I don't know. Maybe it's a Freudian slip or something. I'm not quite sure.

Mr. David Zimmer: What do you mean, a Freudian slip?

Mr. Fred Rusk: Maybe I didn't want to use the name. I always considered it the Ontario air ambulance program, regardless of what the name was.

Mr. David Zimmer: But in back and forth to my questions and answers and in your evidence this morning, you talk about Ornge and you told me, in some detail, about your responsibilities at Ornge; over the period 2004 to 2009, you were in Ornge buildings and so on. Surely when you're submitting a resumé—and resumé, one would expect, would be candid and frank—you've got everything—I can read your resumé out for the record if you want, but there's tremendous detail in there: responsibilities, all the various things that you did over the years, and I see no reference to Ornge and you say it was a Freudian slip that you left the reference to Ornge out. That strikes me as odd.

Mr. Fred Rusk: I'm sorry it does. There's no malice of intent. Obviously, the Ontario air ambulance program is Ornge; I just didn't use the word. Forgive me.

Mr. David Zimmer: Why do you say “Obviously, it was Ornge”?

Mr. Fred Rusk: Well, it's the Ontario air ambulance program, because Ornge was running it.

Mr. David Zimmer: But your paycheques were coming from Ornge.

Mr. Fred Rusk: Correct.

Mr. David Zimmer: Why wouldn't you put in your resumé, “In 2004, I left this and I joined Ornge”? You told me in detail that your initial engagement with Ornge was not—

Mr. Fred Rusk: I guess I made an assumption that that would be understood. I put this together. I don't keep a resumé in my back pocket, so when I wrote it up the other day—

Mr. David Zimmer: How would anyone, from reading this resumé through, possibly know that you had worked at Ornge?

Mr. Fred Rusk: I guess you could ask me.

Mr. David Zimmer: I'm sorry?

Mr. Fred Rusk: You asked me, and I said yes.

Mr. David Zimmer: Why wouldn't you put it in your resumé, then?

Mr. Fred Rusk: I have no idea. I just didn't. I apologize if it caused you some concern.

Mr. David Zimmer: Have you submitted your resumé to other places where you might be interested in working or engaging in contract work or anything like that?

Mr. Fred Rusk: No. I did some work down in New Brunswick—

Mr. David Zimmer: After you left Ornge in 2009?

Mr. Fred Rusk: Yes. I started in about November 2009.

Mr. David Zimmer: When you started that, did you—

Mr. Fred Rusk: I guess I did. I don't have a copy of it. I'm sorry.

Mr. David Zimmer: All right, thank you. You had interaction with Dr. Mazza?

Mr. Fred Rusk: Yes.

Mr. David Zimmer: How would you describe your experience, from your point of view, with Mazza? We've heard from other witnesses over the course of these hearings that they had difficult working relationships with Mazza.

Mr. Fred Rusk: I didn't. In fact, my recollection of Dr. Mazza was that he had helped our branch during the SARS crisis in the Ministry of Health. He was a dedicated physician. He was well-known for his tenacity in his defence of the paramedics. He was certainly—in my mind, I thought he was an outstanding physician at Sunnybrook. My experience with him at Ornge was that he was the CEO. There was a board. I didn't know any of the members of the board and—

Mr. David Zimmer: You've worked with—

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

Mr. David Zimmer: Did you consider him an exemplary and effective CEO?

Mr. Fred Rusk: Yes, I did.

Mr. David Zimmer: Thank you.

The Chair (Mr. Norm Miller): Okay. I guess we'll move to the opposition, then. Mr. Klees.

Mr. Frank Klees: Well, Mr. Rusk, I have to say that I'm very disappointed that your recollection of your past experience as a very senior person with the emergency health services branch and Ontario's air ambulance service isn't a bit more crisp.

Mr. Fred Rusk: In what way?

Mr. Frank Klees: Well, I think you'll have an opportunity to read the Hansard transcript of the exchanges we're having here, and you yourself I think will empathize with us as members of this committee when you read that. We're asking you some very specific questions, and your recollection just isn't here. But I'm going to try one more time here.

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I'm going to assume that all of the things that are on your resumé and everything that I've heard about you is true, and that is that you were an incredibly competent individual heading up a very important aspect of the emergency health services branch in our province, that you gave leadership to the air ambulance program and that you were viewed as someone who is competent and knowledgeable.

I'm going to ask you again about your involvement and your contribution to the discussion leading up to the transformation of our air ambulance system.

In response to my earlier question about what discussions or were you involved in any discussions about that consolidation track that the government was on, you said no. In response to questions from Ms. Jaczek, you did

admit that in fact there were numerous discussions that took place in your capacity with the emergency health services branch, with groups of people who had concerns about certain aspects of the program and that there needed to be some streamlining, bringing—for example, to your point that you made—base hospitals together; that it was a fragmented system and so on. That was very much part of that discussion.

I'm told—and I'd like to know from you—that you had a fairly good relationship with Dr. Mazza and that you were actually an advocate for Dr. Mazza's plan within the Ministry of Health. Are you going to deny that? Because we've heard it from others. Were you ever, at any point in time, in discussions with people within the Ministry of Health, and did you, at any time, express your support for Dr. Mazza's plan of consolidation?

Mr. Fred Rusk: Consolidation of the base hospital programs? Is that what you mean?

Mr. Frank Klees: That was one aspect of it. Dr. Mazza's plan was to bring together the air ambulance program under one roof. That was his plan. That was the Mazza scheme. The base hospital was one aspect of it. The rest of it was as reflected in the performance agreement that was negotiated and would be the platform for the Mazza proposal.

Mr. Fred Rusk: I'm sorry that you have that opinion of me. I certainly wasn't involved in any performance agreement—

Mr. Frank Klees: Let me rephrase it. Did you, at any time, express any sense of support for Dr. Mazza's proposal for what his vision was for air ambulance service in the province of Ontario to anybody at any time in the Ministry of Health? We're under oath here and we're all listening. There are people who have come before you and there will be people who will be coming after. These are very simple questions.

Mr. Fred Rusk: Sir, I must have supported it somehow or disagreed with it. To tell you the truth, I really don't recall. It has been a while. I wasn't involved in the negotiations. I knew that in my last year, I guess, or six or seven months I was at the ministry, that this was going to happen. I may have been asked my opinion of it at the time. I didn't think much of it. I didn't think that it needed to be done. I was—

Mr. Frank Klees: Sir, let me remind you that you were asked your opinion and you did express your opinion.

Mr. Fred Rusk: Okay.

Mr. Frank Klees: And that opinion was that you were supportive—

Mr. Fred Rusk: I was what?

Mr. Frank Klees: —of what Dr. Mazza was proposing. But let's move on.

The Chair (Mr. Norm Miller): Excuse me; he didn't hear your response, Mr. Klees.

Mr. Frank Klees: You didn't hear my response?

Mr. Fred Rusk: No, sorry. It was reported? I'm sorry, I didn't hear what you said.

Mr. Frank Klees: Let me remind you that you were asked your opinion of Dr. Mazza's proposal.

Mr. Fred Rusk: Okay.

The Chair (Mr. Norm Miller): And you said that he was supportive.

Mr. Frank Klees: And when you were asked, you expressed your opinion that it was a good idea.

Mr. Fred Rusk: Who did I tell that to? Malcolm may have sat me down and said, "Listen: This is going to happen. What's your opinion of it?" I may have said—I know there—I mean, I even read it in the paper that Mel Springman objected to it for a litany of reasons. I don't recall what the reasons were. Believe me, I don't. But certainly at the time, I didn't see anything wrong with it. I mean, I thought that was the way the government wanted to go. They had downloaded the land ambulance service. Now they were taking the air ambulance program away from the ministry. I maybe would have been supportive so that I didn't feel like I was out in left field or something. I truly don't recall, and if you could show me who or what—

Mr. Frank Klees: We'll be hearing from Mr. Bates this afternoon.

Mr. Fred Rusk: I mean, I'm not trying to hide anything, believe me.

Mr. Frank Klees: I have to admit to you that I think a number of us around the table are drawing that conclusion. It's pretty hard not to.

Mr. Fred Rusk: I'm truly, truly sorry that you would draw that conclusion.

Mr. Frank Klees: Well, maybe—you know, we've got a few minutes left. Maybe we can kind of get this back into focus. It's all in your hands as to whether or not we're going to leave this committee hearing with the impression that you were trying to hide something or that you were forthright, and you're willing to share some information.

I'd like to move forward. You retired from the public service, and you began to draw your retirement pension?

Mr. Fred Rusk: Correct.

Mr. Frank Klees: And then you took a job with Ornge.

Mr. Fred Rusk: Okay.

Mr. Frank Klees: Okay? And you started to get paid a pretty hefty sum when you started with Ornge. You were actually getting paid more by Ornge than you were getting paid when you left the public service. There's nothing wrong with that, right?

Mr. Fred Rusk: Well, I don't think I was, was I?

Mr. Frank Klees: Pardon?

Mr. Fred Rusk: I'd have to go back and look at my T4 slips, of course.

Mr. Frank Klees: Well, I thought you had responded to say—

Mrs. Liz Sandals: It looks like he took a salary cut.

Mr. Frank Klees: Oh, is that right? Well it was \$125,000 here, and then \$147,000 in 2003—

Interjection.

Mr. Frank Klees: And then—

Mr. Fred Rusk: That was on account of—the Ministry of Health paid us overtime during the SARS crisis.

Mr. Frank Klees: That's right. That was a big year for everyone.

Mr. Fred Rusk: Truly.

Mr. Frank Klees: But you did relatively well. So your relationship with Dr. Mazza must have been fairly positive because he hired you into a very senior position; aviation safety manager is a very important role. I'm assuming that during that time you continued to have a positive relationship with Dr. Mazza. Is that right?

Mr. Fred Rusk: No. The last time I saw him was maybe a week before I left Ornge.

Mr. Frank Klees: Okay. When you left Ornge, can you tell me what your severance package was?

Mr. Fred Rusk: Fifty-some-odd thousand dollars.

Mr. Frank Klees: Fifty thousand dollars?

Mr. Fred Rusk: Fifty-some-odd—\$53,000 or \$54,000.

Mr. Frank Klees: That's pretty substantial for someone to just resign. Why would you get paid \$50,000 to retire?

Mr. Fred Rusk: When I retired, they offered me a part-time position to look after SMS, safety management systems. That's what I was doing before I left: to convince all the air operators to come together and have one over umbrella safety management system. So they offered me a part-time position to do that, and I said, "No, thank you. I'd rather take a severance than work part-time."

Mr. Frank Klees: But why would you get a severance? You'd only been there for three years—

Mr. Fred Rusk: Five years.

Mr. Frank Klees: Lord knows we have to work in this place for 20 years, and we don't get that much. You were there for three years; why would you get a severance of \$50,000 to retire?

Mr. Fred Rusk: Because I was asked to retire.

Mr. Frank Klees: So it wasn't your choice to retire. You were essentially fired, is that right?

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Mr. Fred Rusk: No, I wasn't fired. Well, I don't know. Do you call that a firing? I was told that my position had been made redundant, and I was offered the position to work part-time. I said no, I'll take the retirement, but I'll take a severance for retirement because in my mind it's wrongful dismissal.

Mr. Frank Klees: Can I ask you, when you were there in that very important capacity—by the way, I'm sure, although you're saying you're not very familiar with what's been taking place at Ornge, there are a lot of concerns about safety, a lot of concerns about incidents that involved patient deaths, that have put patients at risk. It all comes down to the issue of safety and competence of the entire operation. In the time that you were there, did anything at any time twig with you that something may be wrong with this organization, that it's not quite efficient, that calls are being missed, that complaints are coming in? Did any of that register on your radar?

Mr. Fred Rusk: Well, at the time I was there, the contracts were still operated by Canadian Helicopters and Voyageur Airways. I don't know when the 139s came into being, but it was certainly after I left. So the program was being run—the only fixed-wing program, once the contract ended with Voyageur and Ornge bought the Pilatus aircraft—I forget exactly; it was about the last year I was there, I think, because I was involved in the hiring of the pilots. That was probably one of my last duties when I was there, hiring pilots to fly the fixed-wing, but the bases hadn't started up yet. We were, I think, about six months in advance of hiring the pilots, four months in advance before the bases started.

The Chair (Mr. Norm Miller): I'm afraid you're out of time, Mr. Klees. We shall move to the NDP. Ms. Gélinas.

M^{me} France Gélinas: Thank you. You were in charge of the safety management system while you were at Ornge, and that was at a time when the helicopters were being provided by Canadian Helicopters and Voyageur Airways, and at the tail end Ornge had purchased their own aircraft, the Pilatus, and you were also responsible for the health and safety, I want to say, but you use a different—occupational health and aviation safety for the new aircraft and for the people working on the new aircraft?

Mr. Fred Rusk: I'm hesitant because I don't know exactly when they started.

M^{me} France Gélinas: Did you see the new aircraft while you were at Ornge?

Mr. Fred Rusk: I saw them without the interiors in them before they were put into service, and I participated in the interior design for the patient side of things, but I've never seen one finished.

M^{me} France Gélinas: At the time—you were now working for Ornge—there were people, Malcolm Bates being one of them, at emergency health services at the ministry. Did the ministry oversee any of this? You used to be the overseer doing the annual inspection and visiting the different bases. Now that you were at the receiving end, did people from the ministry talk to you, come and inspect, do you what you used to do?

Mr. Fred Rusk: No. I had no involvement with the ministry people.

M^{me} France Gélinas: No? Did anybody else at Ornge have any type of involvement with the ministry?

Mr. Fred Rusk: In what regard? As far as the aviation side of things go or—

M^{me} France Gélinas: As far as oversight.

Mr. Fred Rusk: Well, it certainly wasn't me, so I don't know who it would have been. Probably Steve Farquhar, Tom Lepine—truly, I really don't know.

M^{me} France Gélinas: But do you remember you told me that when you were at the ministry, every year you would go on-site and visit the different bases you had, and you told me you physically went? Some of them had problems, because the back of the helicopters were not clean because they used them. But didn't the ministry do

the same thing: come and ask questions about something as important as safety?

Mr. Fred Rusk: They didn't ask me.

M^{me} France Gélinas: They didn't ask you.

Mr. Fred Rusk: No. The first year, I was the manager of safety. On the air side, coming into it, I went and visited every air base that was under contract, every provider. I sat down with them and met with them and I had a consultant with us to make sure that all the t's were crossed and i's were dotted. The Ministry of Natural Resources representative came with us as well. We did it over a period of two or three days.

M^{me} France Gélinas: Okay, but then—

Mr. Fred Rusk: But nobody from the Ministry of Health. I think I've seen Malcolm three times since I left the ministry: once at a funeral, once at a retirement and I think at Chris Mazza's son's funeral.

M^{me} France Gélinas: Although you were the manager of occupational health and aviation safety, nobody from the government would ever ask you questions about occupational health and aviation safety?

Mr. Fred Rusk: No—well, except the Ministry of Natural Resources. Their lead person and I continued to work together, because I felt that there was still a responsibility to the Ministry of Natural Resources as far as—because they were the lead ministry for aviation, so I kept in contact with them constantly.

M^{me} France Gélinas: And who would—sorry.

Mr. Jagmeet Singh: What was your communication like with the Ministry of Natural Resources? Who did you speak with and how often?

Mr. Fred Rusk: Well, anything to do with pilot qualifications or aircraft equipment or whatever to do with the—his name was Ken Wong.

Mr. Jagmeet Singh: And how often did you meet with Ken Wong?

Mr. Fred Rusk: By phone, probably at least once a week.

Mr. Jagmeet Singh: Once a week. And then in person?

Mr. Fred Rusk: Maybe two or three times a year.

Mr. Jagmeet Singh: And this was for the entire five years that you were at—

Mr. Fred Rusk: No. No, because the first year I had nothing to do with—

Mr. Jagmeet Singh: Oh, that's right. The last three years, maybe?

Mr. Fred Rusk: For sure.

Mr. Jagmeet Singh: The last three years, for sure.

Mr. Fred Rusk: Yes, and quite honestly, there was a bit of a quandary, even on his side, because he didn't quite understand—I mean, I went to him because I felt he was an expert in the aviation side of things.

Mr. Jagmeet Singh: Can I just pause you for one second? I just want to ask you—we'll come back to that in one second—

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

Mr. Jagmeet Singh: Did you hear of anyone else in the ministry—maybe you didn't deal with them directly, but did you hear about anyone from the ministry doing what you used to do: coming in to check on Ornge's delivery of patient care or delivery of the services, or checking on the aircraft?

Mr. Fred Rusk: I saw Malcolm Bates and I believe Dennis Brown come into the dispatch centre, and they had to kind of walk through our area. It was a cordial "Hello, how you doing?", a wave type of thing.

Mr. Jagmeet Singh: And when was that?

Mr. Fred Rusk: Oh, brother.

Mr. Jagmeet Singh: Or how many times was that? Was that often? Did you see them regularly—

Mr. Fred Rusk: No, I only saw them once.

Mr. Jagmeet Singh: Only once.

Mr. Fred Rusk: Yes.

M^{me} France Gélinas: Once in between 2004 and 2009? That was it? That was all?

Mr. Fred Rusk: Okay, I'm trying to be a little clearer than I guess I was earlier, but, I mean, if I say "once," it might have happened two or three times. You know, I really—

M^{me} France Gélinas: Okay. But it was not a thorough check or inspection or—

Mr. Fred Rusk: No, no, it was just a pass-through.

M^{me} France Gélinas: —not to the extent that—when you went to the different bases, you asked questions, you looked. He didn't do any of that?

Mr. Fred Rusk: I didn't see them do any of that.

M^{me} France Gélinas: No.

Mr. Fred Rusk: No.

M^{me} France Gélinas: And if there had been questions about occupational health and aviation safety, would somebody else but you have been responsible to do that?

Mr. Fred Rusk: No. Well, the pilots themselves—but, I mean, no.

M^{me} France Gélinas: That was your responsibility.

Mr. Fred Rusk: And I dealt with Ken Wong.

M^{me} France Gélinas: And you dealt with Ken Wong. Okay.

Mr. Fred Rusk: He's the aviation—I don't know what his title is, with the Ministry of Natural Resources.

Mr. Jagmeet Singh: Would you say that the oversight was not there, that there wasn't good ministry oversight while you were at Ornge?

Mr. Fred Rusk: Well, I'm tainted because of the newspaper articles. It's obvious that there wasn't.

Mr. Jagmeet Singh: But in your personal experience, did you feel—compared to what you used to do, as someone who oversaw the emergency services, do you think that there was not the same oversight when Ornge came about?

Mr. Fred Rusk: I didn't have any reason to ask, quite frankly. I mean, I had left the Ministry of Health. I was doing what I thought was a good job at Ornge.

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M^{me} France Gélinas: Who told you that you were redundant?

Mr. Fred Rusk: Rick Potter.

M^{me} France Gélinas: Rick Potter? Did he explain why, all of a sudden, health and aviation safety was redundant?

Mr. Fred Rusk: They had hired a chap from Air Canada who was more qualified than myself, I suspect.

Mr. Jagmeet Singh: Who was that?

Mr. Fred Rusk: I don't know his name; I forget his name.

M^{me} France Gélinas: To do the same thing you were doing?

Mr. Fred Rusk: Well, I don't know what he's doing. I guess he's looking after SMS and system safety and that.

The Chair (Mr. Norm Miller): You are out of time, so we'll move to the government. Mr. Zimmer.

Mr. David Zimmer: How much time do I have, Chair?

The Chair (Mr. Norm Miller): You have 10 minutes.

Mr. David Zimmer: Do you know Jacob Blum?

Mr. Fred Rusk: I do know Jacob Blum.

Mr. David Zimmer: Did you work with Jacob Blum?

Mr. Fred Rusk: I beg your pardon?

Mr. David Zimmer: Did you work with Jacob Blum?

Mr. Fred Rusk: No. Well, he worked at Ornge and I worked at Ornge.

Mr. David Zimmer: And were the two of you in the so-called executive cadre, the executive suite—that sort of thing?

Mr. Fred Rusk: No. I wasn't on the executive side.

Mr. David Zimmer: What was your working relationship with Blum?

Mr. Fred Rusk: He wasn't in my department. He worked in the executive area. He may have asked questions about: How did the ministry do this? How did the ministry do that? There may have been a couple of projects that he and I were involved with—not just the two of us but with other people. I can't recall exactly what it might have been, but it was probably some sort of operational issue that they asked me to partake in—but certainly not a working relationship, no.

Mr. David Zimmer: Do you know who Tom Lepine is?

Mr. Fred Rusk: I certainly do.

Mr. David Zimmer: Mr. Lepine told us, when he gave his evidence, that the gossip around the Ornge place was that there was some illicit drug abuse going on, and he specifically referenced Mr. Blum in that regard.

Mr. Fred Rusk: I read that.

Mr. David Zimmer: What's your reaction to that?

Mr. Fred Rusk: I was stunned. I was surprised.

Mr. David Zimmer: That's the first you became aware of it?

Mr. Fred Rusk: Absolutely.

Mr. David Zimmer: And no knowledge of illicit drugs, cocaine, anything like that?

Mr. Fred Rusk: No, I—totally surprised.

Mr. David Zimmer: In your working relationship with Mr. Blum, to the extent that you interacted with him

on a professional or management basis, what was your opinion of his management style?

Mr. Fred Rusk: I don't think he managed anybody, quite frankly.

Mr. David Zimmer: What was your opinion of his—

Mr. Fred Rusk: He was kind of the adviser, I suppose—

Mr. David Zimmer: Adviser to?

Mr. Fred Rusk: To the senior group, I suspect. I probably did know his position, but I don't recall what his position was now.

Mr. David Zimmer: You used the expression in an answer to a line of questioning from Mr. Klees about the events surrounding when you left Ornge, that you were offered a retirement gratuity rather than a part-time job that they wanted you to take, and redundancy—finally you used the expression that you viewed your departure as a wrongful dismissal.

Mr. Fred Rusk: Well, that's what I told them.

Mr. David Zimmer: Why were you of the view that your departure amounted to a wrongful dismissal?

Mr. Fred Rusk: Because I didn't want to retire at the time.

Mr. David Zimmer: Why did they want you to retire?

Mr. Fred Rusk: Because I was 65 and I guess they thought I had to retire. I didn't think I had to.

Mr. David Zimmer: But these are the same people who in effect offered you a contract for a year or so with Ornge and then took the initiative to move you from a contract basis to permanent employee and gave you serious responsibilities—aviation safety and all that.

What happened that made them decide it was time for you to get out? Something must have triggered that and something must have triggered your thought that that amounted to a wrongful dismissal.

Mr. Fred Rusk: It took me by surprise, quite honestly. I was hoping I could still do some work and be part of the air program. So when I gave it some thought, I just basically said, "What you're doing is pushing me out, and you can't do that." At least I thought they couldn't. And so—

Mr. David Zimmer: What, in your view, triggered it? You started off with what seemed to be a pretty good relationship with Dr. Mazza. You described him as an exemplary and an effective CEO and you said you were quite taken with what he wanted to do on the air ambulance and at Ornge, and then somehow the relationship soured and they wanted you out. What's your theory? What went on there?

Mr. Fred Rusk: I have no idea.

Mr. David Zimmer: All right.

Mr. Fred Rusk: I think they—

Mr. David Zimmer: All right, I'm—

Mr. Fred Rusk: Let me answer that. I think I might—

Mr. David Zimmer: Sure. Go ahead.

Mr. Fred Rusk: I think they were looking for someone who was a professional in the aviation business. They weren't looking for somebody who had historical value because I think they had passed that, quite frankly,

and I think when they started bringing in people at the time in the aviation department, these were people that were involved in the aviation industry. I suspect that they felt my time was due, I guess.

Mr. David Zimmer: When you say "they," I gather the effective decision-maker on that was Dr. Mazza?

Mr. Fred Rusk: Well, I dealt with the human resources people, and I'm sure Dr. Mazza was involved with that.

Mr. David Zimmer: Yes, because we've heard Dr. Mazza was very much a hands-on guy. I listen to your answers now and I detect a certain frustration or disappointment—indeed, anger—at how the Mazza organization treated you.

Mr. Fred Rusk: Well, up until that point, yes.

Mr. David Zimmer: In my earlier round of questions, however, you did describe Mazza as an exemplary and effective CEO. I'm having trouble juggling these two views. On the one hand, you said, "They pushed me out"—

Mr. Fred Rusk: I can understand that, now that I've read the newspapers—

Mr. David Zimmer: "I felt I was wrongfully dismissed." Mazza was, in effect, the guy behind all of that, and then on the other hand you say, "Well, no, he was an exemplary and effective CEO." I'm having trouble reconciling your view of your relationship with Mazza and your view of Mazza's skills and defects. Help me sort that out in my mind. You're all over the map on this.

Mr. Fred Rusk: Well, it's very difficult, you know, to—he was a physician. I've always looked up to physicians in my career. He presented well. He came in to help the ministry during the SARS crisis. He even helped after the 9/11 issue. He was front and centre and ready to go to help in the United States as backup to their system going to New York. I saw a lot of the good things; I'm sorry. But you've had the benefit of listening to an awful lot of people, and I've had the misfortune, I guess, to read about it in the newspaper where I'm sure it's slanted some way. It's a little bit, but—

Mr. David Zimmer: I come back to my last question again: Ornge, over a period of five years from 2004 to 2009, was a big event in your life, and yet in this detailed resumé, no reference to Ornge.

Mr. Fred Rusk: Actually, I said this to Mr. Klees when he phoned me last week, that I'm embarrassed to—

Mr. David Zimmer: Why are you embarrassed? I'm not saying you've—

Mr. Fred Rusk: Because of this. Because of the reputation that I think I have with the private ambulance operators, the air ambulance—

Mr. David Zimmer: If you were applying for another job tomorrow in answer to an ad for someone with your skill set, would you tell them in your resumé about your Ornge connection?

Mr. Fred Rusk: Certainly I would. I'd play it down, believe me. I think I have a lot more—

Mr. David Zimmer: Thank you. My colleague wants to have a few minutes.

Mr. Fred Rusk: That may put me in a bad light with you folks, but I was there trying to do the best I could and working with the people there. The people that are still there, the worker bees, as I call them, are good people, and they do good work every day. To read about it in the newspapers—believe me when I say I don't like reading about it. As I said to Mr. Klees, I'm truly embarrassed that I was there. I just truly hope—and this will come at the end of all this, I suspect—that it will be back up on the same level as it was when I knew it. Like I think Mr. Klees said, the father of it—well, I don't consider myself the father of it, but I was certainly instrumental in the starting of the program back then. It has come such a long way, and to have it dragged through the mud because of this one person—and maybe many others, I don't know, but certainly this one person—it's hurtful, to tell you the truth.

1020

Mr. David Zimmer: Thank you.

The Chair (Mr. Norm Miller): Mrs. Sandals, if you want a couple of minutes, you can go ahead.

Mrs. Liz Sandals: I wonder if we could quickly go back to the time when you were with the ministry. You talked about the base hospital program. As the manager of air ambulance, did you have responsibility for the base hospitals?

Mr. Fred Rusk: For the air base hospitals, yes. When you say "responsibility," not the day-to-day operation of it. It was a funding issue with the hospital that they worked for.

Mrs. Liz Sandals: So you would have had involvement with the budget and engaging the base hospitals?

Mr. Fred Rusk: I was.

Mrs. Liz Sandals: Okay. I also want to recall a comment you made—

Interjection.

Mrs. Liz Sandals: Something just occurred to me. You said you were talking to Mr. Klees last week. Could you tell us about that?

Mr. Fred Rusk: Certainly. He just gave me a phone call and asked if me if I'd accept an invitation to attend this committee meeting. I said, "Well, I'd be happy to help in any way I can. I don't know whether or not I can"—

Mrs. Liz Sandals: Because normally it's the clerk who engages you to appear. So was this sort of a pre-interview to find out what you might have to say?

Mr. Fred Rusk: No. He didn't ask me any questions like that. He just wanted to know if I'd be willing to accept an invitation.

Mrs. Liz Sandals: But you got into a discussion of your feelings about Ornge.

Mr. Fred Rusk: I told him that I was—I think I might have said I was embarrassed because of the goings-on.

The Chair (Mr. Norm Miller): And you are out of time.

Mr. Frank Klees: Chair, I think it is important to clarify this. The clerk had advised us that he did not have contact information for Mr. Rusk. I believe that message

went around to all the committee members. We took it upon ourselves to do some research. We located the contact information for Mr. Rusk. I gave Mr. Rusk a phone call in the interest of assisting the committee.

The Chair (Mr. Norm Miller): Very well. Thank you very much, Mr. Rusk, for coming in this morning.

Mr. Fred Rusk: You're more than welcome. I would just like to say one final thing.

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

Mr. Fred Rusk: Please don't misconstrue anything I've said in the sense that I'm trying to hide something. I never have, in my 40-some-odd years working in this business, if you want to call it that. If it's something that I've left out, it's only because I certainly don't recall it. It's been nine years since I left the Ministry of Health. Honestly, I've never been back. It's been four years, three years, since I left Ornge, and I've never been back. I still get a lot of phone calls from the private air ambulance operators asking me if I'd be interested in coming back and working with the air ambulance program again. I'm 68 years old. I think it's time for me to do some other things.

I'm happy to help. I've done a lot of—I call it pro bono work, with some other ambulance services, some software companies that are interested in making electronic charting for the air programs. I still attend the conferences that happen in the United States. It was my life, and I was very privileged to take part in it, as well as being in charge of the health needs for all the heads of state and internationally protected persons for 19 years.

I've worked with the RCMP and the OPP and with crown attorneys during my career. I'm always surprised—truly, I'm always surprised—when something goes amiss. I have a high trust relationship with a lot of people in the ambulance industry in this province, and I know that bad things can happen.

I'm just saying this from the bottom of my heart: Just make sure, whatever you do and whoever does it, that you retain the air program in this province. There are so many whose lives have been saved and whose lives have been affected by the people who work on these air ambulances. It goes without saying that I'm sure that will be your conclusion in the end, because there have been a lot of changes, obviously, in the last six months.

Thank you very much, Mr. Klees and this committee, for inviting me here today. I'm happy to be here.

The Chair (Mr. Norm Miller): Thank you for coming.

For the committee, we're recessed until this afternoon.

The committee recessed from 1026 to 1232.

MINISTRY OF HEALTH
AND LONG-TERM CARE

The Chair (Mr. Norm Miller): I call this meeting to order. Welcome back, Mr. Malcolm Bates. You've been before the committee before, so I don't believe we need to do an oath again, because you've already done one.

Did you have an opening statement you wanted to make, or did you want to—

Mr. Malcolm Bates: Yes, I do.

The Chair (Mr. Norm Miller): Okay, go ahead, then, with your opening statement, Mr. Bates.

Mr. Malcolm Bates: Thank you very much. I think it's being distributed.

The Chair (Mr. Norm Miller): Okay, great. Are you now retired? I remember the last time you were here, you were getting close to it.

Mr. Malcolm Bates: Well, Jim and I—I told Jim five years ago I would be retired by this point and I would never see him again. I hope sincerely that I can keep that promise this time.

Laughter.

Mr. Jim McCarter: When are you going, Mr. Bates?

Mr. Malcolm Bates: Well, if it were not for this particular event, if we want to call it an event, I would be gone by now. I'm a little past the due date, or stale date, whatever it is.

Anyhow, good afternoon, everyone. My name is Malcolm Bates. I'm the director of the emergency health services branch of the Ministry of Health and Long-Term Care. Thank you for this second opportunity to address the Standing Committee on Public Accounts with respect to the Auditor General's report into the Ornge air ambulance service. Today, I'll focus my remarks on ministry investigations into air ambulance and related services, that being Ornge.

At the outset, I think it would be helpful for me to outline the ministry's complaints process. The services provided by land and air ambulance operators generate a number of complaints or concerns each year. For land ambulance operators, most are handled directly by the ambulance services themselves; those are primarily municipalities, of course. All complaints regarding Ornge now must be reported to the ministry.

The branch receives complaints or inquiries from a variety of internal and external sources: through the ministry itself, municipal representatives, managers or directors of emergency medical services, dispatch centres, Ornge, as well as through patients, their families, the local or regional coroner, police services and legal representatives.

Complaints are conveyed to the ministry's emergency health services branch, which conducts an investigation into each complaint and reports the findings to the complainant as well as to the relevant ambulance service.

The branch currently has a number of ongoing investigations—approximately 50—related to incidents concerning Ornge's response to various patients requiring air ambulance service across the province.

Now, each investigation typically takes many weeks to complete. These investigations reflect a variety of concerns. They range from the standard of medical care to Ornge's responsiveness to requests for air ambulance service.

As I'm sure you can appreciate, we should be cautious about discussing any specifics related to individual pa-

tients whose privacy and personal health information is protected under Ontario's Personal Health Information Protection Act.

I should point out that the ministry's process allows for some of these complaints to be forwarded to the service operator to conduct its own internal investigation and then report to the complainant. As of mid-May 2012, the branch's investigation services had not, however, redirected any complaint to Ornge for its own internal investigation. Any internal investigations that had been undertaken by Ornge would have been in response to complaints it received directly.

In terms of the process in relation to the Office of the Chief Coroner, section 10 of the Coroners Act requires that the coroner be notified if an investigation involves a deceased patient whose manner of death meets legislated criteria. The decision whether to conduct an inquest rests with the coroner's office.

So that's the process of investigations.

The purpose of an investigation is to determine whether there had been any contraventions of the Ambulance Act, its regulations or the standards made under that act; to work with the operator of the ambulance service in question to identify issues which require remediation; and to follow up with the operator with respect to the actions that have been taken to avoid future re-occurrences of identified problems.

It's important to note that the branch does not conduct investigations into matters covered by any other provincial or federal legislation, nor does it determine the cause of injury or death, nor does it delve into the actions of other agencies, such as fire and police.

Thank you again for this opportunity to outline the ministry's complaints process with respect to air and land ambulance services. Now I invite your questions.

The Chair (Mr. Norm Miller): The NDP will go first this time. Who would like to go first? Mr. Singh?

Mr. Jagmeet Singh: Yes. Thank you.

The Chair (Mr. Norm Miller): You have 20 minutes.

Mr. Jagmeet Singh: Thank you so much.

Mr. Bates, we heard some testimony today from an individual who also worked at—you're nodding your head. You know who I'm talking about.

Mr. Malcolm Bates: I do.

Mr. Jagmeet Singh: If you could just explain to me the process underneath the original Ontario Air Ambulance in terms of what the ministry did for oversight and how that differed with the development of Ornge?

Mr. Malcolm Bates: All right. Well, prior to Ornge assuming responsibility—and I think I pointed this out the last time we were at this particular session—the ministry basically had full responsibility for the provision of air ambulance services in the province. That was accomplished in a number of ways, one of which is, it had a small administrative group, called the air ambulance unit. It had contracts with two dedicated carriers, Canadian Helicopters and Voyageur Airlines. It utilized standing agreement operators, primarily in the north, to provide service whenever necessary. A dispatch centre, com-

munications centre, was operated directly by the ministry. So we had fairly good, if not excellent, information over what was taking place in the system.

We also had investigative activities that we conducted. We had, I believe, four investigators and a manager who conducted investigations whenever necessary. Service visits were conducted as opportunities permitted throughout the province, and at various times there was—I think Fred mentioned this morning that Mr. Brown was manager of air ambulance, so he had a very good background. We also utilized the Ministry of Natural Resources from an aviation perspective to—

Mr. Jagmeet Singh: Mr. Bates, I'm sure there are a number of other things. Now if you could just contrast that. When the Ontario Air Ambulance transitioned into what we now call Ornge—

Mr. Malcolm Bates: Yes.

Mr. Jagmeet Singh: —what was the ministry's oversight process then?

Mr. Malcolm Bates: Well, let me go back, if you will, a few years, to about 2000, I believe it was. At that time, the regulation under the Ambulance Act included substantial requirements for the air ambulance services and for air operators. At that time, the Red Tape Commission decided that it would in fact look into the standards provided under the regulation, and significant and substantial changes occurred to the regulation at that particular point in time as a result.

1240

Mr. Jagmeet Singh: That was in 2000?

Mr. Malcolm Bates: 2000, yes.

Mr. Jagmeet Singh: Let me just pause you there. We can come back to that in a minute, Mr. Bates. If you could just tell me about Ornge, though: When Ornge came into effect, what was the ministry doing in terms of oversight? You just listed a number of things that you did under the air ambulance, but when Ornge came into effect, what was different there? Did the ministry do regular visits?

Mr. Malcolm Bates: I was going to say that what changed as a result of the Red Tape Commission was that it went from a licensing situation to a periodic certification situation. I think I explained certification at some length previously. Operators are certified according to the air ambulance certification standards, every three years—

Mr. Jagmeet Singh: Right. We're familiar with this.

Mr. Malcolm Bates: Pardon me?

Mr. Jagmeet Singh: We're familiar with the certification. So what did the ministry do in terms of overseeing Ornge—

Mr. Malcolm Bates: That is part of a certification. It's part of the oversight—a very important part of the oversight.

The air ambulance unit was disbanded when Ornge assumed responsibility for it, because as you recall, the Provincial Auditor, the Auditor General, said that the performance agreement gave Ornge responsibility for making all key operating decisions, including how to

provide service, how many and what type of aircraft, how to establish and evaluate medical oversight, when to dispatch ambulances and which paramedics—

Mr. Jagmeet Singh: We can read it, I'm sure.

Mr. Malcolm Bates: So oversight was changed radically. We did investigations of complaints, we did certification, and of course we reviewed financial information provided to us.

Mr. Jagmeet Singh: Okay. How often, in terms of going from being very heavily involved—obviously, it was directly linked to the ministry, so you would attend and visit the different air bases across the province. What happened in terms of the actual—were there regular visits at Ornge facilities or air bases? Was there regular inspection of the aircraft that were being used? Were those types of steps taken?

Mr. Malcolm Bates: That's what I was endeavouring to say. Certification came in, and it changed things. It became a three-year periodic review of what was taking—including exactly what you just mentioned.

Mr. Jagmeet Singh: So those things wouldn't happen on a regular basis; they would happen every three years.

Mr. Malcolm Bates: Yes, other than a few unannounced inspections and certainly a number of investigations that took place in which we reviewed all aspects according to whatever transpired under that investigation.

Mr. Jagmeet Singh: Okay. And how many unannounced visits did you have, that you conducted? Mr. Rusk indicated at least one time that he remembered seeing you come by.

Mr. Malcolm Bates: No. I think, sir, you're confusing—an unannounced visit, an inspection, is when a member of emergency health services' certification team or a manager visits an air ambulance base, if you will, under Ornge's jurisdiction.

What Mr. Rusk was referring to—and I paid very special attention to Mr. Rusk this morning—was in fact the normal sort of exchange of visits and discussions between the administration, the executives of Ornge, and emergency health services.

Mr. Jagmeet Singh: Thank you for clarifying that. I actually was confused. But then how many times were there these random inspections? How many times were there unannounced inspections? How many times did that happen?

Mr. Malcolm Bates: It's not possible to do a lot of unannounced inspections because of the constraints. Let me just tell you what happens.

Mr. Jagmeet Singh: It's okay. I'm just wondering, can you say roughly how many times in a month or in a year they would have occurred—

Mr. Malcolm Bates: They've done 10 in the last year.

Mr. Jagmeet Singh: Ten in the last year?

Mr. Malcolm Bates: Yes.

Mr. Jagmeet Singh: How many in the years before that?

Mr. Malcolm Bates: Very few. In fact, they were not recorded prior to that.

Mr. Jagmeet Singh: They were not recorded. So from, let's say, 2004 to 2005, would there be—

Mr. Malcolm Bates: I can tell you exactly how many investigations there were. There were 105 Ornge investigations from 2007 to 2011.

M^{me} France G elinas: He's talking about complaint investigations.

Mr. Jagmeet Singh: Right. Not complaint investigations—I'm talking about the unannounced visits. You said there were 10 of them in the last year. How many of them were there from 2004 to 2005?

Mr. Malcolm Bates: There were very few. They were not recorded. I do not have the number.

Mr. Jagmeet Singh: Okay, very few. Would it be possible that there were none in that one year?

Mr. Malcolm Bates: It's possible—

Mr. Jagmeet Singh: And 2005 to 2006—

Mr. Malcolm Bates: —but the fact of the matter is that a number of us would go to Ornge; we'd go to the dispatch centre, for instance. You could say that was an unannounced visit sort of thing, because they didn't know we were coming—

Mr. Jagmeet Singh: But it wasn't an exhaustive actual—

Mr. Malcolm Bates: No, no.

Mr. Jagmeet Singh: So, 2005 to 2006, would there have been any? Do you recall?

Mr. Malcolm Bates: I don't believe so.

Mr. Jagmeet Singh: Okay, and then 2007 to 2008—would there have been any?

Mr. Malcolm Bates: As I say, I don't know. I don't think so. I don't believe so. He didn't report it.

Mr. Jagmeet Singh: That's fine.

Mr. Malcolm Bates: It was a—

Mr. Jagmeet Singh: I'm just pinpointing when the 10 were. It wasn't in 2009-10, either? It would have been in 2011.

Mr. Malcolm Bates: Yes. It's basically as a result of the good work of the Auditor General pointing out the need for unannounced visits.

Mr. Jagmeet Singh: So before the Auditor General's pointing it out, unannounced visits essentially weren't really done?

Mr. Malcolm Bates: They were conducted in the land service, primarily.

Mr. Jagmeet Singh: And not in the air ambulance service?

Mr. Malcolm Bates: Not in the air.

Mr. Jagmeet Singh: Okay. M^{me} G elinas.

M^{me} France G elinas: Why would that be? Why is it that we continue to do unannounced visits on the land ambulance—I'm guessing because they added value if you kept on doing them—but the same was not done for air?

Mr. Malcolm Bates: Well, as I said, it was a result of what the Auditor General pointed out to us. We started with the land services, because at the time we felt those were more important; they are the predominant number of services that we have, sort of thing. So, in about 2008,

we started unannounced inspections in that particular area and worked from there to unannounced in air.

The problem with air, as I was going to point out to you—land services are easy to do unannounced inspections on, because you go to a base and normally there's an ambulance in the base, all right? You go to an air base, but chances are good, because there's usually only one aircraft at that particular base, that it could be gone. You've now wasted your resources—the funding to go there, the cost to go there to do an unannounced inspection. So I directed that we would do unannounced inspections only when individuals from the certification unit or the investigation unit happened to be in the area. We don't have significant enough resources to do a lot of these. We have to be very economical as to how we do these—

M^{me} France G elinas: So that was a conscious decision?

Mr. Malcolm Bates: Absolutely.

M^{me} France G elinas: And when did you make the decision that you would only go to unannounced visits to the air ambulance?

Mr. Malcolm Bates: In 2011. Before that, it wasn't productive, if you want to call it that, to do that because the aircraft are out; the paramedics are out. To be frank, we had no indication that there was any difficulty. Every indication we had was that the air ambulance service was, in fact, working efficiently.

Mr. Jagmeet Singh: Just to clarify, Mr. Bates, in 2011 when you did the 10 investigations, nothing significant changed in terms of the funding, in terms of the availability of resources? It was the same as before, right?

Mr. Malcolm Bates: It was the same as before, yes.

Mr. Jagmeet Singh: So the same way you were able to do 10 in 2011—

Mr. Malcolm Bates: Sorry, 2011-12.

Mr. Jagmeet Singh: —2011-12, you could have done those in any prior year as well?

Mr. Malcolm Bates: We could have.

Mr. Jagmeet Singh: I just wanted to switch gears a bit and ask you about Mr. Apps and Don Guy. Have you had any meetings or any calls with either of them?

M^{me} France G elinas: We'll go to his question in one minute.

Mr. Malcolm Bates: Sure.

M^{me} France G elinas: You made a conscious decision. You felt that everything was going good at Ornge; therefore you wouldn't use resources to do unannounced visits until after the good work of our auditor, who pointed the way, and then you started doing them. I want you to look back and think. If you had been doing those, do you figure you would have picked up on anything?

Mr. Malcolm Bates: I don't think we would have picked up very much. I'll tell you why. We were doing investigation reports, and whenever there was a problem that came to our attention, the investigators would, in fact, conduct the investigation and bring that forward.

M^{me} France G elinas: Since 2011, when you did 10 unannounced visits, what have you worked on?

Mr. Malcolm Bates: What have we worked on, or what has changed?

M^{me} France Gélinas: Well, let's start with you have done 10. I'm guessing that if you kept going back it's because—the auditor didn't tell you to go there every month; the auditor just told you that this is one tool that you should be considering. The fact that you took it from zero to 10 in one year: Well, it's my assumption that you kept on going because there was a reason to go.

Mr. Malcolm Bates: No. There was a reason, of course, but the reason was that the Auditor General recommended that we do that, and we follow what the Auditor General recommends to us very closely.

1250

M^{me} France Gélinas: So why 10 in a year? Why not three?

Mr. Malcolm Bates: It's only because if someone happened to be in the area—I asked that we conduct these unannounced inspections as part of a continuing process of unannounced inspections with land as a result of what the Auditor General recommended. In fact, that's what we did. As part of it, we would go forward and when, in fact, someone was in the area, they would conduct—for instance, my senior manager of operations was in Sudbury a month ago. I said, "Please do an unannounced inspection at the Sudbury base." And that was done.

M^{me} France Gélinas: And did anything come of those 10 that you have done in 2011-12?

Mr. Malcolm Bates: Well, I think that part of it—and I believe that this was mentioned in the newspaper—there was one particular one that revealed that there was no staffing at the London air ambulance base. There was one, in particular, at Timmins, that showed there was down-staffing. The rest of them basically said that the staff were in place when, in fact, the equipment was there, and the equipment was clean.

M^{me} France Gélinas: And do you have a format that you follow for those unannounced inspections?

Mr. Malcolm Bates: We do.

M^{me} France Gélinas: And when was that format developed?

Mr. Malcolm Bates: It was developed in 2008 for the land services and carried over for the air. They're basically a similar format, because you're looking at: Is a vehicle—whether it be air or land—clean? Is the equipment there? Is the staff there? Is the base secure? A number of things like that.

M^{me} France Gélinas: So the tool to do this was developed to do the land ambulance. You started using it in 2008, and then you started using that same tool in 2011. So far, out of the 10 that you have done, two have brought back issues—

Mr. Malcolm Bates: That's right.

M^{me} France Gélinas: —mainly staffing issues—

Mr. Malcolm Bates: Exactly.

M^{me} France Gélinas: —and the other eight brought back nothing?

Mr. Malcolm Bates: Well, it's not nothing. They indicated that, in fact, the staff was there that was re-

quired, if indeed the helicopter was there. If the helicopter or the fixed-wing was out of base, then they simply determined that, and said the aircraft was gone. We couldn't do the type of analysis that we normally like to do.

M^{me} France Gélinas: Okay. Out of the 10, would you know how many times the investigated report came back to, "We couldn't. They were not there"?

Mr. Malcolm Bates: I know that when my manager went to Sudbury that was the case, but I don't know of the other ones.

M^{me} France Gélinas: So one out of the 10 was not there; the other nine, they were there, and two of them—

Mr. Malcolm Bates: No, I can't say that.

M^{me} France Gélinas: You just know for a fact that in one, they were not there.

Mr. Malcolm Bates: Yes. But I assume that in other instances the same was the case.

M^{me} France Gélinas: So I just asked you: If we had been doing those, do you figure it would have brought something forward? You said that you don't think so. But we've done 10 now, and on two of those 10 there were staffing issues. Wouldn't it be reasonable to think that you would have picked up on staffing issues had you started doing them in 2008 or any time before?

Mr. Malcolm Bates: From time to time I suppose that could happen, but the fact of the matter is, we watched what was happening in air ambulance through the investigation side of things, and we saw no indication prior to 2011 that there were staffing issues.

M^{me} France Gélinas: So you had no idea that there could have been staffing issues? You had no idea that there could have been any issues going on?

Mr. Malcolm Bates: Normally when something like that happens, and the aircraft can't respond, something takes place in the sense that it's normally a complaint from somewhere to let us know—

M^{me} France Gélinas: So this sense of security came from: If something goes wrong, somebody will complain, therefore we will know; there was no complaint coming forward, so you felt pretty secure that things were going well?

Mr. Malcolm Bates: Well, we looked at the number of investigations versus the number of calls. The trend was not out of line, as I said. We were not getting a number of complaints about how Ornge was performing. We were assured, on numerous occasions, by Ornge that they were staffing properly. I have documentation from the chairperson, for instance, that they're totally staffing according to what they're supposed to be staffing.

M^{me} France Gélinas: But we've heard from other witnesses that complaints did go to you. I will take Jacob Blum. He came and said that he had weekly meetings with the ministry, and when he decided to leave Ornge, he was distressed about what was going on, and he went to the ministry and complained. If you base your assessment that all is good because there's no complaint, then there's something that doesn't work, because a number of witnesses have come to us to say that they went to the

ministry and they did put in complaints about Ornge. How do you—it doesn't work for me here.

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

Mr. Malcolm Bates: I think, number one, you have to look at the time element. The complaints that started coming in were in 2011, primarily. Jacob Blum left in July 2008. With respect to his contention that he met weekly with us—he certainly was not in operations, in any case. Jacob had nothing to do with operations. His contention that he met with us every week—he certainly didn't meet with myself, because I did not meet with Jacob more than once or twice over the period of time that he was with Ornge. He met with—and I went back after I heard that testimony and spoke to Dennis Brown, who was our manager at that particular time, who was in charge of all contact with Ornge other than financial. He indicated that, yes, he met with Jacob several times a week when the performance agreement was being negotiated. He met with him from time to time when the transfer of staff was taking place. Thereafter, he met with him maybe once a month. So as far as what Jacob said goes, I think I have to take exception to that. It was—

M^{me} France Gélinas: So are you telling us that you never heard any complaints from Ornge?

Mr. Malcolm Bates: From Ornge itself?

M^{me} France Gélinas: From what was going on at Ornge. Nobody ever went to the ministry to say, "Listen, I have problems with what's going on at Ornge"?

Mr. Malcolm Bates: I'm saying to you, in 2011, all right—

M^{me} France Gélinas: When in 2011?

Mr. Malcolm Bates: July 2011, we received—

M^{me} France Gélinas: And who was that?

Mr. Malcolm Bates: I don't know; It was an anonymous letter.

M^{me} France Gélinas: So—

The Chair (Mr. Norm Miller): You've used your 20 minutes.

M^{me} France Gélinas: Okay.

The Chair (Mr. Norm Miller): We'll move on to the government. Ms. Sandals?

Mrs. Liz Sandals: Yes, Thank you very much, and good afternoon again, Mr. Bates. Let's just carry on with the discussion that you were just having with Ms. Gélinas about the frequency of meetings between the ministry and between Ornge. We've had a number of witnesses who have testified that Ornge met regularly, or Ornge met weekly, and you just cited Mr. Blum. Some say quarterly; some say regularly. But the comment has been that the ministry was kept fully informed about everything that was going on at Ornge and that that included being fully informed about what was happening at the for-profits. Do you generally accept that testimony? From your point of view, how frequent were the meetings and how fully were you informed?

Mr. Malcolm Bates: It's true that we met with Ornge fairly frequently, because it's required under the transfer payment accountability directive. That's a necessity for

us: to meet with our stakeholders. So certainly we met with Ornge.

We developed quarterly meetings after an audit report that was conducted called the Meyers Norris Penny audit. They recommended quarterly meetings, so we set up formal quarterly meetings with Ornge in 2009. There was a number of informal meetings, if you will, primarily through Dennis Brown at that particular point in time.

They kept us informed about a number of things. They kept us informed about what they were planning on doing in the future; they certainly did. We knew from 2003 that they were interested in revenue generation. That was part of their plan in 2003. They kept us informed through the various requirements in their performance agreements, and they provided a five-year plan to us. They told us, again—I think it was in 2008 that they told us that they were intending to purchase aircraft. They told us that they were becoming more interested in generating revenue through various means and methodologies. They did not tell us at that time about the complex group of companies that they were going to set up.

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Did they tell us things like that MBAs and purchasing of waffles in Belgium and Brussels? No, they didn't tell us that. Did they tell us about million-dollar salaries? No, they didn't tell us about that. A number of things they did not tell us. Did they tell us about the interior of the aircraft having problems? No, they didn't tell us about that. So there were a number of things that they neglected to tell us.

They changed staff in finance, for instance, very regularly, so we had great difficulty in getting information out of them. The same as the Auditor General had difficulty in getting information, we had difficulty over the years getting information from Ornge about the financial side of things.

So yes, there were meetings, and some of them were formal; there were some informal conversations and dialogues, and that's valid.

Mrs. Liz Sandals: So, generally then, I guess as you look back, what were your oversight possibilities at that point and where were there gaps? Understanding that hindsight is wonderful, but as you think back about what you were told and what you weren't told, what were the big missing bits and how did your existing accountability powers allow you or not allow you to address that?

Mr. Malcolm Bates: Well, as I indicated earlier with respect to changes to the regulation and as a result of the red tape efforts, there was a major change in the regulation that in fact I felt—and if you'll allow me to read it to you. Is that permissible?

Mrs. Liz Sandals: Yes. I was actually going to ask you to explain that because you referenced that, so I think it would be helpful for us to know the difference between licensing requirements and certification requirements.

Mr. Malcolm Bates: Well, I'll start with what was deleted from the regulation in, I believe, 2000, in particular, air. Here are some of the aspects. "Where an applicable enterprise receives funds" from the province

of Ontario “for the purposes of the enterprise, it shall use such funds only for such purposes.”

Mrs. Liz Sandals: So this is the old licensing requirement—

Mr. Malcolm Bates: This is the old one. Okay?

Mrs. Liz Sandals: —or the old rules—

Mr. Malcolm Bates: Well, no. Sorry. This is the financial requirement I’m giving you right now. Okay?

Mrs. Liz Sandals: Okay, but this was prior to the Red Tape Commission intervening?

Mr. Malcolm Bates: That’s right.

Mrs. Liz Sandals: Okay.

Mr. Malcolm Bates: This is what was in effect in 1997; regulation 501 in 1997. Okay?

Mrs. Liz Sandals: Okay.

Mr. Malcolm Bates: It goes on to say that where the province of Ontario provides funds to “an applicable enterprise or to an air ambulance service and directs that such funds shall be used for a particular purpose, the person who operates the enterprise or service shall use such funds only for the purpose so specified.”

Mrs. Liz Sandals: And that got deleted?

Mr. Malcolm Bates: That got deleted.

Mrs. Liz Sandals: Wow.

Mr. Malcolm Bates: The next one is where the province of Ontario provides “equipment, supplies or other tangible property ... to an applicable enterprise or to an air ambulance service, the person who operates the enterprise or service shall use such property only for purposes directly related to the enterprise or service unless a director has approved some other disposition of the property.”

Mrs. Liz Sandals: And you would have been the director?

Mr. Malcolm Bates: Well, not in 1997.

Mrs. Liz Sandals: Well, okay, sorry. The person who occupied your position.

Mr. Malcolm Bates: That’s right.

Mrs. Liz Sandals: Okay.

Mr. Malcolm Bates: And there’s another one which is—

Mrs. Liz Sandals: So, if I can just understand the implication of that, when we had, then, Ornge eventually going out and purchasing aircraft, this business of what appears to be purchasing surplus aircraft for the purpose of international revenue, you, under the old reg, would have had the power to veto that, but you lost that power?

Mr. Malcolm Bates: I believe that. It would require a legal interpretation, but from my perspective I think you’re right.

The next one that was deleted was, “Where funds provided” by the province of Ontario “are used by an applicable enterprise or an air ambulance service to acquire equipment, supplies or any other tangible property, the person who operates the enterprise or service shall use the acquired property only for purposes directly related to the enterprise or service, unless a director has approved some other disposition of the property.”

I think those are very important parts of the regulation that were deleted.

Mrs. Liz Sandals: So those were all deleted about 2000?

Mr. Malcolm Bates: That’s right.

Mrs. Liz Sandals: So, prior to that, the regulation would have given you much more power to intervene in what was happening?

Mr. Malcolm Bates: Precisely. If I could quote from Mr. Frank Sheehan, the chairman of the commission, “The commission recognizes a need to set provincial standards to protect public health and safety. We are not questioning the need for standards. We’re simply questioning the need to manage the process in such a detailed fashion.” I think that’s very important too, because that’s what required the regulation to be changed.

Mrs. Liz Sandals: But it seems to me, from what I am hearing, that even if the intent was not to be overly prescriptive, the practical implication was that you lost a lot of authority to make sure that provincial assets and provincial funds were being appropriately deployed.

Mr. Malcolm Bates: That is my belief.

Mrs. Liz Sandals: Thank you. That’s very helpful. If we can follow along, then, were there any other things that were deleted by the Red Tape Commission?

Mr. Malcolm Bates: The licensing, as I say, was a constant, if you will.

Mrs. Liz Sandals: Okay.

Mr. Malcolm Bates: There had to be a licence to operate an air ambulance service. That was changed to a periodic certification process.

Mrs. Liz Sandals: In going from licensing to certification, was there a different level of rigour involved in licensing versus certification?

Mr. Malcolm Bates: I’m not sure I could say that, okay? But as far as the legal aspects of it go, I think it’s important to recognize that it went from a consistent, full-time sort of situation to a periodic situation.

Mrs. Liz Sandals: How often was the licensing?

Mr. Malcolm Bates: The licensing was constant, in the sense that they possessed a licence and unless it was revoked, they carried on.

Mrs. Liz Sandals: Am I interpreting you correctly—because I don’t want to misunderstand—that if somebody had a licence and abused it, you would have had the authority to immediately revoke it?

Mr. Malcolm Bates: Yes.

Mrs. Liz Sandals: If somebody had certification, it wasn’t until you recertified three years later that you had any opportunity to step in.

Mr. Malcolm Bates: That’s right. And I think the word “opportunity” is a good word, in the sense that when it’s in regulation, you have an opportunity.

Mrs. Liz Sandals: Okay, that’s very helpful, because I don’t think anybody has really explained that to us before.

A few of the other comments that you made a few minutes ago around processes here: I take it that, for the most part, the rules you’re talking about here apply

essentially to both land ambulances and air ambulances. The inspection rules are the same rules.

Mr. Malcolm Bates: Yes.

Mrs. Liz Sandals: You mentioned that you started doing unannounced inspections of land ambulances in 2008. There were, prior to that, no unannounced inspections of any sort of ambulance. Is that correct?

Mr. Malcolm Bates: Well, other than the fact that—it wasn't formally called that, all right?

Mrs. Liz Sandals: Okay.

Mr. Malcolm Bates: There were service visits. But in order to accomplish what the Auditor General wanted, and that was to call it unannounced and to carry on as unannounced, that's what we incorporated.

Mrs. Liz Sandals: The procedure that was put in place in 2008, in fact, came out of the auditor's prior reports, for which you've been at this committee before—

Mr. Malcolm Bates: Yes, that's right.

Mrs. Liz Sandals: —and that led you to hope you never saw him again?

Mr. Malcolm Bates: No, no; it's not Jim.

Mrs. Liz Sandals: Sorry about that.

Mr. Malcolm Bates: I would never say that.

Mrs. Liz Sandals: I'm sorry. I'm teasing.

Mr. Malcolm Bates: I know.

Mrs. Liz Sandals: I shouldn't be teasing, because this is serious. My apologies.

Can we talk a little bit about the complaint process that is attached to all this investigation? Can you tell us, regardless of whether it's a land ambulance complaint or an air ambulance complaint, what is triggered once you get that complaint?

Mr. Malcolm Bates: Well, a file is opened by our investigation section. Then what takes place is, as I say, a lengthy process in terms of gathering the information. Every ambulance call is taped, so you have access to that verbal information, the voice information. That's gathered together with the ambulance call records in advance by the investigator. Normally, they call the operator and say, "Please send this information to us." They do that. The investigator starts sorting through what the actual situation was. The investigator then would normally go and interview whoever was on the call, for instance, and any complainant with respect to what took place. We'll then make observations and commit that to a report that will be presented to the manager of investigations and subsequently to the—and go back. Normally, they also go back to the operator to say, "This is what we found."

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Then a situation will be followed up after a report is sent to the complainant and after the operator is informed as to what the actual problems were, if any. Sometimes the investigator simply says everything was fine. But in some instances, there are problems. A paramedic may make a mistake or contravene a standard. Remember, we're looking at whether there was a contravention of the act or any standard, as far as investigations go.

Then we'll follow up with the operator to ensure that remediation takes place. If it's a paramedic who needs

remediation, and depending upon the severity of what the paramedic did, he or she can either be remediated locally and we're told what happens, or he can be brought before a committee, a quality committee, as we call it, to determine from his peers and the base hospital if indeed they're going to recommend to me that that particular paramedic should rewrite the examination to be a paramedic.

Mrs. Liz Sandals: Those outcomes that you've described there would be when you found a problem with the actions of an individual.

Mr. Malcolm Bates: That's right.

Mrs. Liz Sandals: What would be the possible outcomes if the problem was related to a flaw on behalf of the service provider, be it land or air ambulance?

Mr. Malcolm Bates: Yes. Of course, that happens. The discussion would take place. If it's a land service, it's the field manager in the local area that talks to the operator, to determine what needs to be done. If it's Ornge, it's a manager that we have under the senior manager, operations, that follows up with Ornge, to determine what the changes are and what needs to be done and whether or not they've actually followed up.

Mrs. Liz Sandals: You mentioned earlier in your remarks that in some circumstances, the file might be turned over to the coroner, and there are legislated requirements for that. Could you briefly give us a sense of the legislative bar for turning it over to the coroner?

Mr. Malcolm Bates: Well, under the Coroners Act, I think it's section 10, it lists a number of situations—an unexpected death, for instance, is one. Our manager of investigations would determine if that's the case, particularly with respect to a deceased patient, and we'll notify the coroner that he is conducting an investigation. Then the coroner will make a decision as to whether or not he wants a copy of the report. If he does want a copy of the report, it's sent to the coroner. The coroner then determines what action he will take.

Mrs. Liz Sandals: So it's up to the coroner at that point, as in any coroner's situation, whether the coroner moves in to a full-scale inquiry, or what follow-up the coroner does.

Mr. Malcolm Bates: Exactly—whether there's an inquest that will follow. That's right.

Mrs. Liz Sandals: In your experience, when you do turn the information over, have there been occasions—either land or air, does the coroner frequently then go on to investigate further, or does the coroner tend to review the file and say, "No, this doesn't warrant further"—

Mr. Malcolm Bates: I don't know if you could call it "frequently," but it does happen that the coroner will utilize, and frequently does utilize, our investigation report to determine whether or not he wants to conduct an inquest, and will talk to our manager of investigation. But it's not a frequent situation that inquests are called with respect to ambulance services in the province.

Mrs. Liz Sandals: Okay, thank you for that. Now, I wanted to ask you about a couple of issues that there has been some public discussion of. Mr. Klees had brought

up a question in the House on Monday about you wanting to issue a directive to Ornge, and Mr. Klees said that your ADM told you not to do this. In fact, I believe we've passed another motion here today looking for production of emails and things that might substantiate this or not. But do you have any idea what this is referring to, and can you give some clarity to what is happening here?

Mr. Malcolm Bates: Absolutely.

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

Mr. Malcolm Bates: Just by way of background, the Auditor General—and we thank the Auditor General—pointed out in his report that there were some significant adverse events that had transpired at Ornge and that possibly the Ministry of Health was not informed of those. Indeed, that was the case when we followed up with Ornge. We went through all of the situations that the Auditor General had listed, and determined that I believe there were at least three, maybe four situations in which we should have been notified and we should have been in a position of investigating. So we initiated investigations on those, plus there were a number of other investigations initiated. As I mentioned before, there are 50 now outstanding with Ornge. That's a substantial number.

A number of other complaints started coming in as a result of the media coverage and we had to investigate, so we initiated investigations on a number of those types of situations.

I met with staff from Ornge on April 4, I believe, and it's in this particular investigation report that—I believe Mr. Klees had a copy of it. It indicated, I think on page 13, "The ministry has recommended Ornge work with many stakeholders such as unions, land ambulance operators, hospitals, etc. to establish a five-year plan...."

I want to say that Ornge is in a challenging situation. This is not easy to get out of, the situation that Ornge is in. I don't know exactly why they're in that particular situation, because, as I said before, prior to 2011 or in 2011, we were assured by the people at Ornge that they were training critical care paramedics, that they were providing more paramedics, the staffing was fine. All of a sudden, the staffing is not so fine; they have difficulty staffing. I don't think this is anything that you don't already know about. They have problems staffing with paramedics; the level of care with the paramedics, primary versus critical care; they have problems staffing with their pilots and co-pilots.

I said to them, "I recommend that you go to your stakeholders, you talk to them and you develop a staffing plan. It's important to have a staffing plan to give us confidence that you're doing something to dig yourself out of this particular problem." I said to them, "This isn't going to be solved overnight," and I think Dr. McLellan said the same thing when he was here. "This is a substantial problem that Ornge has and it's necessary to try and determine how you're going to do this." I said, "It may even take five years to do this, but let's be open and transparent with that. Talk to your stakeholders and try and make some arrangements for that particular problem

that you're encountering." They said they would think about it.

In the meantime, we're getting more situations coming to us, more problems associated with staffing, associated with level of care—primary care instead of critical care—more investigations happening.

I said to myself, "I have to do something about this," and I developed draft director's orders, because there's not a lot of things that emergency health services can do, in all honesty, except under the Ambulance Act it says:

"If an operator has contravened a standard or requirement of this Act or the regulations and the contravention would constitute a failure to meet the certification criteria referred to in subsection 8(5), the director may,

"(a) order the operator to remedy the contravention within the time frame specified...."

You don't always have to issue these orders. The mere threat sometimes achieves something, in my experience. I don't believe I've ever issued orders in the past. I don't know if a previous director issued orders. But the fact that there's a mere threat, and they know that this is possible, may have come into effect, because we met with them again two weeks ago. I once again said, "Where is the staffing plan?" You've got to have some idea of where you're going to be, where you're going to go and how you're going to get there, sort of thing, because this is such a significant item.

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I said to my ADM, Patricia Li, "I'm drafting these, all right? I want you to know that sort of thing." Her direction at that time was, "Well, okay, but let's not proceed at this time." She was right, because a week later—actually, I think it was June 5—the staffing plan arrived at our office from Ornge. From that perspective, she was absolutely right that this indeed generated what we were looking for at that particular point in time. Now, a staffing plan doesn't solve the problem, but it helps, right? They indicated—they've told us—that they've added additional paramedics; they're hiring more pilots. I think they put out a press release on that recently. We're very pleased that they're doing that.

I still know that this is not going to be an easy row for them to hoe. It's difficult; it's hard. They have a very large challenge in front of them, because the name Ornge, quite frankly, is tarnished—I think we all know that sort of thing—and it's difficult to hire, and hire the type of people you need to do that. That's why it does take some time.

In the meantime, they've hired additional staff. They've hired Bruce Farr, an excellent ambulance person, and several other people in their organization. It gives us more confidence, going forward, that they have an idea of where they have to go.

That's the situation with respect to the director's orders.

Mrs. Liz Sandals: So would it be—

The Chair (Mr. Norm Miller): And you're about—

Mrs. Liz Sandals: I'll just borrow a little bit.

The Chair (Mr. Norm Miller): You're about four minutes over right now.

Mrs. Liz Sandals: That's okay.

So the direction from the ADM wasn't so much, "Don't follow up on the problem."

Mr. Malcolm Bates: No, absolutely not.

Mrs. Liz Sandals: That wasn't the order.

Mr. Malcolm Bates: No.

Mrs. Liz Sandals: The order was, "We may be able to resolve this without a director's order."

Mr. Malcolm Bates: That's right. And we met with them, and Patricia was there and assisted in generating what we needed to have.

Mrs. Liz Sandals: So you resolved the situation without a director's order, but a resolution was achieved.

Mr. Malcolm Bates: That's right. Now, that does not say that there will not be future director's orders.

Mrs. Liz Sandals: I understand; yes. And I understand that the resolution of having to hire more people—

Mr. Malcolm Bates: That's right.

Mrs. Liz Sandals: —is a work in progress. Thank you.

The Chair (Mr. Norm Miller): We'll now move to the opposition. Mr. Klees?

Mr. Frank Klees: Mr. Bates, thank you for clarifying that you in fact did draft the director's order—

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: —which was the appropriate thing to do.

Mr. Malcolm Bates: Thank you.

Mr. Frank Klees: Thank you for clarifying that you did forward it to Patricia Li.

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: And thank you for clarifying that Patricia Li made the decision that it shouldn't go forward—

Mr. Malcolm Bates: At this time.

Mr. Frank Klees: —at that point in time. Fair enough. That's all I made sure was public.

I think the issue here is—and you have to understand that all of us around this table are very concerned that the Ministry of Health does its part when it comes to oversight and holds Ornge accountable. That is largely what the Auditor General's report was about.

Mr. Malcolm Bates: Absolutely.

Mr. Frank Klees: With that, I'd like to start by reviewing your testimony of April 18. In response to a question that I put to you about whether the original performance agreement obligated the Ministry of Health to oversee Ornge, you replied at that time, and I'll just quote from Hansard, "I agree that the Ministry of Health and the emergency health services branch have and had oversight responsibilities and that oversight responsibility was basically set in line by the Ambulance Act, by the performance agreement and by the transfer-of-payment ... directive."

That's the end of the quote. You stand by that statement.

Mr. Malcolm Bates: I do.

Mr. Frank Klees: So there are basically three areas of authority that you relied on for, first of all, your authority and obligation to provide that oversight.

Mr. Malcolm Bates: Yes, that's true.

Mr. Frank Klees: As the director of emergency health services, would it have been your responsibility to ensure that that oversight was then carried out, consistent with those three authorities?

Mr. Malcolm Bates: To the best of our ability.

Mr. Frank Klees: Prior to the consolidation of the air ambulance services into this new organization that we're dealing with now, can you just briefly describe what your branch's involvement was with the air ambulance service within the province? What responsibilities did the emergency health services branch have?

Mr. Malcolm Bates: Oh, okay, fine. The fact of the matter was that it was a ministry operation, if you want to call it that, prior to Ornge taking over. We had, as I said, a small air ambulance unit. We still had the same number of investigators as we have now, other than two that have been added recently. We operated the communications centre directly with ministry staff. Up until 2000 or 2001—under the previous government, the decision was made to divest, is the word, the paramedics to the private sector, that being to the dedicated air operators, Canadian Helicopters and Voyageur, so they became employees of the air operators.

We funded all of this. We went out to RFPs for the operators and contracted with them. We did investigations when it was necessary, and we funded the system.

Mr. Frank Klees: Okay. So you had a dedicated team. You refer to it as the air ambulance unit. How many people would have been in that air ambulance unit?

Mr. Malcolm Bates: I believe about four or five.

Mr. Frank Klees: Four or five.

Mr. Malcolm Bates: You know, it would go up and down as—

Mr. Frank Klees: Okay.

Mr. Malcolm Bates: Not many.

Mr. Frank Klees: That team was intact. It obviously had considerable expertise and experience in air ambulance. I'm assuming they kind of grew with the air ambulance organization. As Mr. Rusk this morning indicated, it really was an organic growth that took place within the government. Were most of these people in this unit from the very beginning?

Mr. Malcolm Bates: There were retirements. There was one gentleman, Mr. Stott, who was there for—and I believe he's the gentleman Mr. Rusk went with. Wayne was around for a large number of years. I think Mr. Rusk mentioned the manager, Mr. Brown, who was hired. There were people who came and went, sort of thing, over the years.

Mr. Frank Klees: Okay. When the transition took place to the consolidation plan, was that team then assigned to assume the oversight responsibilities for the new entity?

Mr. Malcolm Bates: No.

Mr. Frank Klees: And why would that be the case?

Mr. Malcolm Bates: Because the team was disbanded, if you want to call it that, in the sense of, they went on—I mean, the fact of the matter is, one or two of them still partially work on air ambulance. There is no dedicated person in emergency health services at this particular point in time with respect to air ambulance.

There is going to be now an oversight unit hired, under the direction of Patricia Li, but at this particular point in time, there are several people that work on air ambulance—and all of us right now are working full-time on air ambulance, to be truthful—but at the other times they're working on land ambulance and base hospitals and a number of different functions they perform.

Mr. Frank Klees: I'm assuming that you were well familiar with and privy to the negotiation of the performance agreement by which Ornge would conduct its business. Would that be a reasonable assumption on my part?

Mr. Malcolm Bates: I was not involved in the negotiation of the performance agreement.

Mr. Frank Klees: But were you familiar with the performance agreement?

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: So you knew the complexity of that performance agreement, and you would be familiar with all of the oversight responsibilities incorporated into that performance agreement, which are considerable.

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: Can you share with us, given the ongoing oversight responsibilities that the Ministry of Health would have over the air ambulance operations, why the very unit within the Ministry of Health that had the experience to provide that oversight would be disbanded?

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Mr. Malcolm Bates: Well, I have to go back to 2003, if you don't mind. In 2003, Mr. Hugh MacLeod directed that myself and other people within the emergency health services branch provide every assistance to Dr. Mazza—all right?—who would be the lead on the transformation, on the movement from the current system at that particular point in time to a not-for-profit agency. Dr. Mazza had the lead from 2003 to 2005. He was instrumental in ensuring that the unit was not carried on, that oversight was perhaps not as rigorous as it should have been, if you will. He was the main player in the movement from the ministry service to the not-for-profit organization. From 2005 to 2007 I worked for Dr. Mazza, since he was seconded to the Ministry of Health and Long-Term Care, and he provided executive leadership to myself.

Mr. Frank Klees: So it's true, then, that you were under direct orders from the associate deputy minister, Hugh MacLeod, to support Dr. Mazza in his plans and—let me ask you this—basically support Dr. Mazza in his plan to transform the air ambulance service? Would that be a correct term?

Mr. Malcolm Bates: I think it would be probably more than support. It would be to do what Mr. Mazza told us to do.

Mr. Frank Klees: So Dr. Mazza, who was on the outside, all of a sudden became crowned with authority within the Ministry of Health so that someone as senior as you was now being told by Dr. Chris Mazza what to do?

Mr. Malcolm Bates: That's right.

Mr. Frank Klees: Was there ever any correspondence, either a letter or an email or emails, that gave you that direction?

Mr. Malcolm Bates: Indeed there was. I could show you one today.

Mr. Frank Klees: Do you have it with you?

Mr. Malcolm Bates: I do have them with me.

Mr. Frank Klees: If you could provide that to the committee, I would appreciate that.

Mr. Malcolm Bates: There are some of them. I have other ones.

Mr. Frank Klees: Thank you, Mr. Bates. Approximately how many pieces of correspondence would you have given to the clerk?

Mr. Malcolm Bates: Ten.

Mr. Frank Klees: About 10? And this would be correspondence? It looks as though they were primarily emails. Were there letters as well?

Mr. Malcolm Bates: No, there were no letters.

Mr. Frank Klees: Emails, basically coming from the associate deputy minister of health, Mr. MacLeod, to you and others.

Mr. Malcolm Bates: Several of them were, but several of them are minutes of meetings that Dr. Mazza conducted, and that type of thing.

Mr. Frank Klees: I'd like to share with you a motion that I put forward to this committee on May 30. I'm going to read it into the record because I think it's very important. The motion reads as follows:

“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 any and all correspondence including letters and/or emails, from the associate deputy minister of health, Hugh MacLeod, to Malcolm Bates, director of the emergency health services branch, and Dennis Brown and any other person at the EHS branch in which the associate deputy minister references Ornge, or gives direction concerning the role that the EHS branch is to have concerning Ornge, or relates to allowing Dr. Mazza to do whatever he determines appropriate at Ornge and not to obstruct him during the period October 1, 2005, and the last day of February 2007 or makes any reference to how the EHS branch and its staff is to monitor, oversee, hold accountable or review the performance of Ornge, and that said correspondence be delivered to the clerk of the public accounts committee no later than Thursday, May 31, 2012.”

Mr. Bates, that was the motion we put forward. It was subsequently referred to the Ministry of Health. Are you familiar with that motion?

Mr. Malcolm Bates: I am.

Mr. Frank Klees: And when you were presented with this motion, what did you do?

Mr. Malcolm Bates: I searched my records for exactly what the motion requested.

Mr. Frank Klees: And the material, the correspondence, that you provided to the clerk just now was the result of that search?

Mr. Malcolm Bates: No, it was not.

Mr. Frank Klees: Okay. And why was it not?

Mr. Malcolm Bates: Because the material I provided to the clerk dated from 2003 and 2004, and the motion required between 2005 and 2007 information.

Mr. Frank Klees: Thank you very much.

Mr. Malcolm Bates: You're welcome.

Mr. Frank Klees: I appreciate that clarification. And we appreciate the fact that you have been forthcoming with that information. It is a big lesson for us here, and that is that whether it's this proceeding or others, apparently the letter is much more important than the spirit. You, sir, understood what it was that we were seeking, and I appreciate you providing us with that information.

Mr. Malcolm Bates: You're welcome.

Mr. Frank Klees: Why do you believe that Mr. MacLeod made the decision to essentially take your authority away and hand it to Dr. Mazza?

Mr. Malcolm Bates: I believe he was given direction, but I'm not sure. In the information we have, it was direction from—well, I will tell you, back in 2003, first-hand, I know that direction was given by the minister's office in 2003 that this particular transfer from the ministry to a not-for-profit organization was to be accomplished and accomplished quickly. There is evidence of that as well. In 2004, it carried on in the same vein that this would be accomplished. It was not whether, according to Mr. MacLeod, it was how soon.

Mr. Frank Klees: Did you ever get any indication as to where Mr. MacLeod's directive came from?

Mr. Malcolm Bates: As I said, in 2003 it was relatively clear to me because I met with Michael Mjanes, who was the chief of staff to the associate minister, Dan Newman. At that particular point in time, Mr. Mjanes was very clear with us that the proponents of this particular service change wanted it done and wanted it done quickly, and the minister supported that.

Mr. Frank Klees: And then there was an election.

Mr. Malcolm Bates: October 3.

Mr. Frank Klees: And post-October 3: new government, new players. Who was then in charge?

Mr. Malcolm Bates: Hugh MacLeod was still in charge at that particular point in time. It was the same deputy at that particular point in time.

Mr. Frank Klees: And who was the minister?

Mr. Malcolm Bates: It was Minister Smitherman.

Mr. Frank Klees: Would Mr. Smitherman have had anything to do with this direction?

Mr. Malcolm Bates: Absolutely.

Mr. Frank Klees: Now, notwithstanding the past, we're into a new government; now we have Mr. Smitherman as the minister, and Mr. Smitherman would then

have endorsed or directed Mr. MacLeod to implement the Mazza strategy—or the Mazza scheme, as I prefer to refer to it. Is that correct?

Mr. Malcolm Bates: As far as I know, that's correct.

Mr. Frank Klees: So now the implementation takes place, the performance agreement is negotiated and we have a substantial oversight responsibilities built into the performance agreement. You're still the director. I understand that at some point, obviously—and maybe you can clarify for me: At what point was your unit disbanded, the air ambulance unit within emergency health services branch?

Mr. Malcolm Bates: As soon as the Ornge transfer took place—the transfer to Ornge.

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Mr. Frank Klees: So with the skeleton staff that you had left, obviously it still fell to you, as the director, to carry out whatever obligations were in that performance agreement. Is that correct?

Mr. Malcolm Bates: That's correct.

Mr. Frank Klees: Given the complexity of that, did you at any time put in place the resources, a structure, that would allow you to provide that oversight on a regular basis?

Mr. Malcolm Bates: We already had the certification unit that was established as a result of a transfer to the municipal sector of the land ambulance system, and that was a major part of what we were doing. We already had the investigations section, as I mentioned previously. Those are the main points of oversight.

We already had the financial staff that we carried on as well, because we're a fairly large branch, and the reason why we're visited by Mr. McCarter regularly is because we meet his financial requirements. We're a fairly large branch and we had the financial people in place to review things as well.

Mr. Frank Klees: So in order to ensure—

The Chair (Mr. Norm Miller): You have about a minute left, unless you want to keep going on—

Mr. Frank Klees: If you wouldn't mind, I'd like to just finish this part of my questioning, if I could borrow some time from the next session.

The Chair (Mr. Norm Miller): Yes, go ahead.

Mr. Frank Klees: Given the complexity, one would think that it might be a good idea to have a checklist of all of the various components of oversight required. Did your branch ever compile a checklist that would be used to do this?

Mr. Malcolm Bates: Yes. We have a checklist of the performance agreement. We have a checklist of the new amended—the amended performance agreement.

Mr. Frank Klees: I'm going to ask the clerk to distribute a copy of what is entitled Performance Agreement Annual Report Checklist, and it's dated January to July 2006. If the clerk could give a copy of that to Mr. Bates, I would appreciate it.

I'd like to just run through a couple of items with you here while it's being distributed. This is a very detailed checklist. It deals with everything from operational

issues, as you're well aware, to the financial standards. Was this checklist ever implemented?

Mr. Malcolm Bates: It was implemented last year.

Mr. Frank Klees: It was implemented last year?

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: It was prepared in 2006—

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: —and it's now 2012, and last year it was implemented?

Mr. Malcolm Bates: Yes.

Mr. Frank Klees: Why was it not implemented?

Mr. Malcolm Bates: Well, the co-operation from Ornge was not the greatest, if you will. We had difficulty securing information from them; we had difficulties getting this type of information from them—and I think I mentioned that before.

Mr. Frank Klees: Mr. Bates, I'd like to refer to the Auditor General's report, and I'll just read one paragraph from page 12 of his report: "In light of the high degree of responsibility and decision-making power the performance agreement gave Ornge, it was important"—

Mr. David Zimmer: Excuse me.

Mr. Frank Klees: This is the Auditor General's report.

Mr. David Zimmer: Oh.

Mr. Frank Klees: Surely you have a copy of it.

Mr. David Zimmer: Yes. I just missed what you're reading from.

Mr. Frank Klees: I'll start from the beginning. If someone could give Mr. Zimmer a copy, that will keep him awake, okay?

"In light of the high degree of responsibility and decision-making power the performance agreement gave Ornge, it was important for the ministry to have adequate processes in place to protect its interests."

What I see here is that there was an intent on the part of the emergency services branch to provide that oversight. The groundwork was done for a very comprehensive checklist that, as we read through it—and I'll spend some time with the committee, going through it—that probably 99% of the issues that went wrong over the last number of years would not have gone wrong had the emergency services branch been able to conduct its regular reviews. Would you agree with that?

Mr. Malcolm Bates: I would agree that it would have been of assistance. It would be difficult for me to agree or disagree with what you're saying.

Mr. Frank Klees: Was there ever a direction from either Mr. MacLeod or an assistant deputy minister or anyone superior to you not to use this document?

Mr. Malcolm Bates: No, I don't believe so. I didn't know that it existed.

Mr. Frank Klees: When did you come to realize that it did exist?

Mr. Malcolm Bates: The gentleman who put that together, Mr. Nishman, is still with us. Because things radically changed at Ornge in the latter part of 2011 and because the Auditor General was visiting Ornge, if you will—that sort of thing—he brought forward again the

checklist, and I insisted that we work with Ornge to go through it. In fact, he did that. He met with Ornge and went through the checklist with them and came back with a filled-out checklist for us.

Mr. Frank Klees: Chair, I'll defer to the next round, please.

The Chair (Mr. Norm Miller): Okay, very well. We'll move on to the NDP, then. Ms. Gélinas?

M^{me} France Gélinas: I still don't understand about the checklist. It was there and it had been done from somebody from your branch, but you didn't know it existed.

Mr. Malcolm Bates: No, it wasn't that we didn't know it existed. I indicated that for two years, Dr. Mazza was in charge of everything. He was appointed as executive lead. He gave us directions. There was no indication or desire to apply that sort of checklist to Ornge as a result of his obvious close scrutiny over what was happening in the Ornge situation.

M^{me} France Gélinas: Dr. Mazza was not only controlling the operation; he was also controlling the part of the ministry that had oversight of those operations.

Mr. Malcolm Bates: Exactly.

M^{me} France Gélinas: Has this ever happened to you in your career before, that the people directing operations also direct the people who offer oversight of those operations?

Mr. Malcolm Bates: Never.

M^{me} France Gélinas: Did you ever think to mention to other people—your ADM or your supervisor—that that was a weird arrangement?

Mr. Malcolm Bates: The ADM appointed Dr. Mazza.

M^{me} France Gélinas: So there was no point in going to the ADM.

Mr. Malcolm Bates: I wouldn't think so.

M^{me} France Gélinas: I see where you're going with this. Looking back, do you figure that was part of the problem?

Mr. Malcolm Bates: I don't know. Listen: There were three ministers who supported the transfer to Ornge. There was an associate minister, two deputy ministers, an ADM and a Red Tape Commission. All of these individuals supported what was happening and what took place. In my position, it was not a situation in which—even if I objected to something, I'm not sure they would have listened.

M^{me} France Gélinas: Okay. I'd like to check on one thing. You did have contact with Ornge, and people within your branch had contact with Ornge. When were you made aware that the for-profit entities were going to share revenues with the government?

Mr. Malcolm Bates: It was a concept that Dr. Mazza put forward, I think around 2008.

M^{me} France Gélinas: That's what you said before.

Mr. Malcolm Bates: But there was nothing very specific until they came in to meet with the ministry in January 2011.

M^{me} France Gélinas: Did you attend that meeting?

Mr. Malcolm Bates: I did.

M^{me} France Gélinas: And who else attended?

Mr. Malcolm Bates: A large number of people. I'm not sure if you have a copy of it, but there was Mr. Apps, Mr. Lepine, several other people from Ornge, a deputy, myself and a number of other individuals from the ministry.

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M^{me} France Gélinas: Anybody from the minister's political staff?

Mr. Malcolm Bates: I don't recall.

M^{me} France Gélinas: No? Anybody from the minister's office?

Mr. Malcolm Bates: I don't recall that either.

M^{me} France Gélinas: No?

Mr. Malcolm Bates: It's possible; it's likely, but I don't recall.

M^{me} France Gélinas: It's likely, but you don't recall?

Mr. Malcolm Bates: No.

M^{me} France Gélinas: So from 2008 on, you have conversations with Ornge. Ornge tells you that they intend to purchase aircraft, that they intend to set up a for-profit venture. You are aware of this. Then you become more knowledgeable about the 3% of revenue for the for-profit that is going to come back to the government.

Mr. Malcolm Bates: That was basically a concept. Nothing like that ever happened.

M^{me} France Gélinas: I realize it didn't happen. I'm more interested as to: When was this information shared?

Mr. Malcolm Bates: With respect to the 3% or whatever it was?

M^{me} France Gélinas: The 3%, yes.

Mr. Malcolm Bates: In 2011. It may have been 2010. They presented us with five-year plans, as I said. I'm not exactly sure if it was in one of their five-year plans.

Going back, as I say, it was clear in 2003 that they wanted to generate revenue. In 2008, they provided us with a plan that indicated for sure that they were going to generate revenue of some sort or another. In fact, it did generate some small amount of revenue by charging for training paramedics. In 2010, I think, they entered into an agreement with respect to simulators and so on that they were working on. They did a consulting piece of work in Saskatchewan. So they were generating a very small amount of revenue.

M^{me} France Gélinas: Did they share any of those revenues with the ministry?

Mr. Malcolm Bates: No.

M^{me} France Gélinas: No, because?

Mr. Malcolm Bates: Well, it was small. I don't think they would have shared it, because, as I understand it, they established for-profit companies. The first for-profit company that we learned of was Ornge Peel.

M^{me} France Gélinas: And when did you hear about Ornge Peel?

Mr. Malcolm Bates: In 2008.

M^{me} France Gélinas: Okay. You figured that it was Ornge Peel that was doing those activities?

Mr. Malcolm Bates: I'm not sure. Our mandate was a performance agreement, and the performance agreement only covered Ornge. It didn't cover these other entities.

M^{me} France Gélinas: Okay. So when Ornge paid for weight overpayments to the helicopter company, you would have considered this as not part of your accountability agreement.

Mr. Malcolm Bates: Didn't know anything about it.

M^{me} France Gélinas: You didn't know.

Mr. Malcolm Bates: No.

M^{me} France Gélinas: No?

Mr. Malcolm Bates: They wouldn't tell us that sort of thing.

M^{me} France Gélinas: Okay. How often would you meet with Dr. Mazza?

Mr. Malcolm Bates: Dr. Mazza? He would call me up. In the early years, he would phone me, usually in a tirade or something—certainly not very happy about whatever was taking place—maybe once a month, once every two months. After 2010, we didn't meet with—well, we met with him once. When we had a meeting at Ornge, he was there. But other than that, we didn't meet with him. He was engaged in other activities, I would assume.

M^{me} France Gélinas: Maria Renzella—you know who she is—

Mr. Malcolm Bates: Yes.

M^{me} France Gélinas: —testified that you were Dr. Mazza's primary contact.

Mr. Malcolm Bates: Well, that's incorrect. It was Dennis Brown.

M^{me} France Gélinas: It was Dennis Brown that was the primary contact of Dr. Mazza?

Mr. Malcolm Bates: That's right.

M^{me} France Gélinas: How do you know that?

Mr. Malcolm Bates: Because that's what Dennis was intended to do. That was his responsibility.

M^{me} France Gélinas: Do you know that he did have meetings with Dr. Mazza?

Mr. Malcolm Bates: He didn't necessarily have meetings per se. He had telephone dialogue.

M^{me} France Gélinas: Okay. Do you want to go?

Mr. Jagmeet Singh: Sure. Do you recall ever taking any phone calls from or meeting Alfred Apps or Mr. Don Guy?

Mr. Malcolm Bates: I had one letter from Mr. Apps. I had never heard of Don Guy before, to be truthful.

Mr. Jagmeet Singh: Okay.

Mr. Malcolm Bates: I had one letter from Mr. Apps, who wanted to meet with the ministry. He was coming through me, as the director of emergency health services. He wanted to meet and explain the new legal entities that they were starting, just as Ms. Gélinas mentioned. I went to our legal branch, because it's not my prerogative to deal with lawyers, and I asked them what I should do. He wanted to meet with legal branch. Legal branch told me to write back to Mr. Apps and say that he should explain whatever he wanted to explain to the Meyers Norris

Penny auditors; at that particular time that was under way. That's what I did.

I had one other—I didn't meet—

Mr. Jagmeet Singh: Sorry to interrupt you. When did that happen? When was that, roughly?

Mr. Malcolm Bates: In 2009, 2010. I think it was 2009.

Mr. Jagmeet Singh: It was 2009. And you had one other interaction? You were about to explain when that was.

Mr. Malcolm Bates: With Mr. Apps? Yes. That was—

Mr. Jagmeet Singh: What was that? Was that a phone call, an email or a letter?

Mr. Malcolm Bates: No. I attended a meeting where Mr. Apps was present, and that was in the provincial comptroller's office in 2008.

Mr. Jagmeet Singh: What was the nature of that discussion or that meeting?

Mr. Malcolm Bates: Ornge was vehemently opposed to consolidation under the books of the province, and Mr. Apps was their representative—

Mr. Jagmeet Singh: Representing Ornge?

Mr. Malcolm Bates: Representing Ornge.

Mr. Jagmeet Singh: I was going to ask you—Mel Springman raised some concerns in 2004. You indicated that his concerns were factually incorrect—he raised some concerns about Ornge. Do you recall making that—

Mr. Malcolm Bates: I think if you read whatever it is that you have, I didn't say that his concerns were incorrect. I neither disagree or agree. I want to say from the beginning that I have the highest regard for Mr. Springman as an individual and as a lawyer. I know of no one that I've dealt with that I have greater respect for in those particular areas. If you'll permit me to provide you some background related to this—

Mr. Jagmeet Singh: I'll pause you for one moment. We'll come back to that.

Mr. Malcolm Bates: Okay.

Mr. Jagmeet Singh: He raised some concerns about Ornge though, in general. Would you agree with that? With respect to the direction that Ornge was headed with the consolidation of the aviation, he had some concerns with that?

Mr. Malcolm Bates: Yes.

Mr. Jagmeet Singh: Now it turns out, in hindsight, that his concerns were quite prophetic. It turns out that what he was concerned about was essentially the turning point where things went very much downhill for Ornge. In retrospect, do you agree that Mr. Springman's concerns were quite—would agree with that comment, that they were quite prophetic and quite insightful?

Mr. Malcolm Bates: Well, let me just say that Mr. Springman and myself had different directions, okay? I was directed to follow what Mr. MacLeod and Dr. Mazza were intending to do. That was my direction. As a civil servant, I follow that direction.

Mr. Jagmeet Singh: That's fair. And that's my next area, that you were receiving that direction and that you

indicated that direction—would you describe that as almost like a pressure?

Mr. Malcolm Bates: I'm sorry?

Mr. Jagmeet Singh: Would you describe that direction that you received as essentially you were being pressured in a particular direction?

Mr. Malcolm Bates: Well, I'm not sure pressured—it certainly was direction, and direction is direction.

Mr. Jagmeet Singh: Yes, fair enough.

Interjection.

Mr. Malcolm Bates: I was directed to come here. I'm here.

Mr. Jagmeet Singh: Just to make it clear: You indicated—you were listing off three ministers, two deputy ministers and one ADM; all knew what was going on and supported what was going on.

Mr. Malcolm Bates: That's right.

Mr. Jagmeet Singh: Just to clarify that, what did you mean by "supported" what was going on?

Mr. Malcolm Bates: They were prime movers, if you will, if you know that term—

Mr. Jagmeet Singh: Yes.

Mr. Malcolm Bates: —towards changing the air ambulance system from a government, ministry-operated one to one that was—the full responsibility was given to a not-for-profit agency or organization called Ornge, or OAA at that time.

Mr. Jagmeet Singh: Were these same people—they were all supportive of specifically Dr. Mazza's view of how to implement that?

Mr. Malcolm Bates: Exactly.

Mr. Jagmeet Singh: Okay. And they were all aware of his vision of what he wanted to implement?

Mr. Malcolm Bates: Well, I assume they were, if they supported it, but—

M^{me} France Gélinas: Would you mind, just for the record, naming those three ministers, the ADM etc.?

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Mr. Malcolm Bates: Minister Clement, Minister Smitherman, Minister Flaherty, associate minister Newman, associate deputy minister Hugh MacLeod, Deputy Minister Phil Hassen, Deputy Minister Ron Sapsford, ADM Mary Kardos Burton, and Frank Sheehan and the Red Tape Commission.

M^{me} France Gélinas: Would you say that by the time Minister Caplan became Minister of Health he was also aware of what was going on at Ornge, or not anymore?

Mr. Malcolm Bates: I know—and this is all I know—that Dr. Mazza visited the new minister. I don't know what transpired. I don't know how much anyone was aware of what was taking place.

M^{me} France Gélinas: Did you receive directives after Dr. Mazza visited with Minister Caplan, or did the directive given to you change, or did you continue with the same—

Mr. Malcolm Bates: No. No directive whatsoever. No direction.

M^{me} France Gélinas: Whatever had been there before just continued.

Mr. Malcolm Bates: That's correct.

M^{me} France G  linas: When Tom Lepine came to testify, he quoted you and said, "Tom, it would be so much easier if Chris would just report his salary." Do you remember saying that to Mr. Lepine?

Mr. Malcolm Bates: Mr. Lepine—and I read his transcript—said that I did that many times. Mr. Lepine, unfortunately, has a memory that doesn't quite extend properly.

I'll tell you what happened. What transpired was, we knew that because of Ornge Peel and so on—if you checked the sunshine list, Dr. Mazza was no longer there. It was quite clear that he wasn't there. Mr. Lepine was on it. Of course, nobody told us he was also securing a salary from another part of Ornge. That didn't show up on the sunshine list, as you know. We were told that as far as Ornge Peel goes, it's not covered under the public salary disclosure list of people there because, number one, it was indirect funding, and number two, it was a for-profit organization. So that settled that, as far as we were concerned.

There was more concern expressed, I think, because in 2010 there was some information again questioning why Dr. Mazza was not on that list, and again it was verified that that was still the case with respect to public salary disclosure. Mr. Lepine is referring to a situation that happened, I believe, around December. I believe your party brought this up in the Legislature about Dr. Mazza's salary, if I'm not mistaken, on December 5. Shortly thereafter, the question down through my ADM, Patricia Li, and myself was, "Why aren't they reporting and how can we get them to report?" sort of thing. Patricia and I called Tom Lepine. Tom Lepine said, "I'll take it back. I think we can accommodate you"—in other words, provide the salaries of the executives who were not on the sunshine list.

The next day he called me back and said, "No, we're not going to do it. The board has decided that it won't provide that information." At that point in time, I said, "Tom, why"—it would be so much easier if I used those words, and I can't verify that I did, because who remembers words they use, but some to that effect—"why won't they provide that information?" It was another four weeks thereafter, due to the tenacity of the minister, that they actually finally provided the information that was required.

M^{me} France G  linas: That's four weeks after—

Mr. Malcolm Bates: After we had spoken to them. I'm not sure if it's four weeks. It's certainly a period of time that they stonewalled the ministry, if you want to use that term; would not provide the information.

The Chair (Mr. Norm Miller): You have a couple of minutes on this.

M^{me} France G  linas: Okay. In 2010, the NDP asked about the salary disclosure. You start asking Tom—

Mr. Malcolm Bates: 2010?

Mr. Jagmeet Singh: I think he means 2011.

Mr. Malcolm Bates: No, no; it's 2011. On December 5, 2011, it was in the Legislature.

Mr. Jagmeet Singh: You're talking about a question during question period?

Mr. Malcolm Bates: Yes.

Mr. Jagmeet Singh: Ms. G  linas is referring to questions asked in the committee, and also a freedom-of-information request for Dr. Mazza's salary.

Mr. Malcolm Bates: I was not involved with that.

M^{me} France G  linas: You know that his salary was apparently not being disclosed—

Mr. Malcolm Bates: Yes.

M^{me} France G  linas: —because it is for the for-profit, but you had their financial statements; you can see that there are executive compensations being paid out of the government funds.

Mr. Malcolm Bates: No. That's not visible on the information provided to us, and the Auditor General will verify that. That is not provided, or was not provided to us. Under the new revised performance agreement, it's much different; much more rigorous.

M^{me} France G  linas: So the financial information you got was one big lump sum that included delivery of service, executive—

Mr. Malcolm Bates: We did not get information on these outside companies, if you want to call it that. That was not provided to us.

M^{me} France G  linas: No, I realize that was not provided to you. What I'm saying is that the money that you transferred to Ornge not-for-profit—because the government transferred \$130 million to \$150 million a year to Ornge not-for-profit. In the money that you transferred to Ornge not-for-profit, there were monies allocated to compensation of the admin staff.

Mr. Malcolm Bates: We did not get detailed information. We did know that there was a chargeback, if you will, for administrative costs, but no breakdown.

M^{me} France G  linas: And the chargeback for administrative costs was the salaries of the people—

Mr. Malcolm Bates: Well, we don't know, because it didn't specify salaries; it just—

M^{me} France G  linas: Administrative costs. And you never asked questions?

Mr. Malcolm Bates: First of all, number one: I asked for an audit in 2008. We did. As part of our oversight, I said, "I need an audit of what's taking place at Ornge," in 2008. I went to the Ministry of Finance and my staff and asked for an audit to be conducted in 2008.

Mr. Jagmeet Singh: And what happened with that request?

The Chair (Mr. Norm Miller): Do you want to keep using time? You're out of time, otherwise.

M^{me} France G  linas: Just one more minute.

Mr. Jagmeet Singh: What happened with that request?

Mr. Malcolm Bates: That request turned into a Meyers Norris Penny review conducted by the Ministry of Finance internal audit.

Mr. Jagmeet Singh: Did it require any salary disclosure issues or did it cover any specific issues around oversight?

Mr. Malcolm Bates: What it said was that Ornge is providing and spending the money efficiently, effectively and according to the purposes intended.

Mr. Jagmeet Singh: That was the finding of the report in 2008.

Mr. Malcolm Bates: That was the finding of the report.

M^{me} France Gélinas: When was the last time you went to Ornge?

Mr. Malcolm Bates: Two weeks ago.

M^{me} France Gélinas: Two weeks ago. Okay. You had been there before?

Mr. Malcolm Bates: Yes.

M^{me} France Gélinas: Had you ever seen the motorcycle in the front lobby?

Mr. Malcolm Bates: Once.

M^{me} France Gélinas: What was your thought when you saw a motorcycle in the front lobby?

Mr. Malcolm Bates: I think it was the same as yours.

M^{me} France Gélinas: Which would be?

Mr. Malcolm Bates: Somewhat outrageous. Their contention was that it was as a result of funding contributed by a supplier that they purchased that particular one. They also went to the Rogers Centre, to a Blue Jays game. If you check on their website, you'll see Dr. Mazza and the chap from Orange County Choppers, I think is the name of the organization on that particular chopper. It was an event that they intended, I believe, to kick-start their charitable work in the future. But I never anticipated seeing that motorcycle in that particular building in their front lobby.

M^{me} France Gélinas: Okay. And you knew that public funds had been used because it was something that Ornge had an intention to do—start a fundraising effort?

Mr. Malcolm Bates: No, not as far as I am aware. They said that they secured that money as a donation for those two motorcycles—I think there were two. I didn't realize, until the Auditor General pointed it out, that there were two of these particular vehicles.

M^{me} France Gélinas: All right. I'll keep my minutes.

The Chair (Mr. Norm Miller): Very well. Would the committee like the Meyer Norris Penny report tabled with the committee?

Mr. Jagmeet Singh: Yes.

The Chair (Mr. Norm Miller): Okay. We can get that report.

We'll move on to the government. Ms. Sandals.

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Mrs. Liz Sandals: I've just gotten these emails which you tabled, Mr. Bates. I guess some of them are emails and some of them are minutes of a meeting. I'm just trying to cast my mind back to dates. The first in this sequence is September 4, 2003. That was, I believe, either the day before the writ dropped or the day the writ dropped or the day after the writ dropped, but the beginning of the election, plus or minus one. We have the record of a meeting that was called to order by Hugh, which seems to read further, Hugh MacLeod. I'm just picking a little bit here:

"The deputy minister of health and the ADM for acute care services want to create a more responsive and agile air ambulance program. They want to create a public sector not-for-profit organization that 'strips away' bureaucratic layers...."

I'm skipping here, obviously: "The new organization will be a separate legal entity...."

Then, skipping down further, "Dr. Chris Mazza is charged by the deputy minister and the ADM, Hugh MacLeod, to produce an assessment of how this is accomplished"—not whether, just how.

We then go on to another meeting on September 8, 2003, which I'm virtually certain is after the writ dropped. Dr. Mazza seems to be the person running this meeting and says that the purpose of the meeting is to "develop an implementation process for the creation of Air Ambulance Ontario as well as timelines for implementation...."

"The team is to have this process developed, analyzed and ready for implementation by November 2003."

This is obviously all at the direction of Minister Clement's associate minister Newman.

Then, oddly enough, because my recollection is the same as yours that the election was on October 3, 2003—

Ms. Helena Jaczek: Second.

Mrs. Liz Sandals: Second—some time with one-digit numbers.

Mr. Malcolm Bates: Helena will always provide the specifics.

Mrs. Liz Sandals: The researcher can get that right for us, okay?

Anyway, what's interesting is that October 8, 2003, would have been a day or two after the election. Again, we seem to have a meeting being presided over by Dr. Mazza, and it goes back and references the previous minutes that I was reading and starts to go into the implementation details.

I guess, given that what we've learned from previous testimony by Cynthia Heinz, who was a lawyer who had been working at Fasken on this file beginning in January 2003 to determine corporate structure, to begin to draft a performance agreement and discuss what legislation required revision and so forth, there was a very firm direction that you were given by very senior levels to move ahead with this regardless. The fact that there had been an election lost, or won, depending on your particular point of view, doesn't seem to have had anything to do with the direction.

Mr. Malcolm Bates: That is a curiosity.

Mrs. Liz Sandals: Given that, we're in that period when there has not yet been a new cabinet. The government is obviously going to change, but there's not yet a new government and it was still full steam ahead. Am I getting this story correct?

Mr. Malcolm Bates: As far as I know.

Mrs. Liz Sandals: Okay. Thank you for that very much, because this helps, I think, for those of us who have looked at the records and found it very odd that there was all this legal work going on at Fasken and how

this seemed to flow through. You were being directed not to say anything in objection to this, just carry on with the steamroller, as it were.

Anyway, I want to move ahead a considerable number of years to this year—in fact, quite recently—because there have been questions raised about whether Ornge is currently having a deficit budget. I know that's a bit out of your—you're not the person doing the budget. But to the best of your knowledge, is Ornge in a deficit position? Have they asked for more money? Have you provided more money?

Mr. Malcolm Bates: They have not asked for more money, and we have not provided more money.

Mrs. Liz Sandals: Did they table a balanced operating budget?

Mr. Malcolm Bates: That budget is still under consideration.

Mrs. Liz Sandals: So the budget that Ornge provided us with is sort of a draft budget.

Mr. Malcolm Bates: That's correct.

Mrs. Liz Sandals: And when they talk about fiscal year '13, do they have the same fiscal year as we do?

Mr. Malcolm Bates: Yes.

Mrs. Liz Sandals: So this would be—

Mr. Malcolm Bates: It's 2012-13.

Mrs. Liz Sandals: This is 2012-13, then. They're just picking up the last two digits.

Mr. Malcolm Bates: Right, yes.

Mrs. Liz Sandals: This information is still to be finalized in terms of their budget presentation, but there is no discussion going on about providing extra money. They're flatlined—

Mr. Malcolm Bates: They know that they have a 0% increase this particular fiscal year.

Mrs. Liz Sandals: Thank you. Just looking at the draft we've been provided with, it would appear that they may be looking at an operating surplus and that that would carry whatever capital debts they may have.

Mr. Malcolm Bates: I'm sorry. I can't provide—

Mrs. Liz Sandals: Okay, that's fine. But from your point of view, they've been told, "The budget is frozen. Stick with it."

Mr. Malcolm Bates: That's right.

Mrs. Liz Sandals: Thank you. I'm going to turn it over now to Mr. Zimmer.

Mr. David Zimmer: There were a number of issues involving patient transport. There were conflicting numbers that we got, or it was unclear about the numbers of patients that Ornge actually transported and there seemed to be two ways of doing the calculation. Can you clarify or give us the correct calculation and the numbers arising from that calculation?

Mr. Malcolm Bates: Okay. I have to go back somewhat, in the sense that when the ministry was operating the service, I believe the number of air ambulance calls was something in the vicinity of 17,000 per annum. Ornge claimed that they had a service gap. There were something to the tune of 25,000 or 26,000 calls, and they were only able to handle—I believe 19,000 is what they

said. But they indicated that the number of calls they were handling each year was increasing and that they were performing much better each year, in terms of efficiency. Those were the details they provided to us on many occasions. They then took over responsibility for the critical care land ambulance in 2008-09, and there were another 2,000 calls or thereabout.

We were led to believe that these numbers were correct. They engaged a company called the Hay Group to do a review of the service gap. That service gap is what they provided to us. Although I didn't see a copy of the report, they indicated to us that it was necessary to secure much additional funding if they were going to accommodate the service gap. We based upon their information and the details and numbers they gave us, when we requested each year, through the results-based planning process, additional funds for Ornge.

We found out, much to our dismay, after the Auditor General had been in—and I'm sure the Auditor General found out the same thing after he had performed almost all of his work—that the numbers were inflated. Tom Lepine was the individual who provided us with that information, I think in January 2012, telling us that Dr. Mazza had ordered that the numbers be inflated. He wanted to show a growth in air ambulance demand, and he showed that over the years, up until Tom Lepine provided the accurate information to us. There was at least an 8% reduction, according to the information that Tom Lepine then provided us in 2012. So the number of calls actually did not increase over the period of Ornge's work. They, in fact, remained static or maybe even decreased, I'm not sure, other than for the calls performed by the critical care land ambulance.

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Mr. David Zimmer: You say there was an 8% gap—

Mr. Malcolm Bates: Yes. I think the total number now, including critical care, is something in the vicinity of 19,000-plus.

Mr. David Zimmer: That's as of today?

Mr. Malcolm Bates: As of the most recent information we have from them.

Mr. David Zimmer: Thank you.

Do you know who Jacob Blum is?

Mr. Malcolm Bates: I certainly know who Jacob Blum is.

Mr. David Zimmer: Have you worked with Jacob Blum in the Ornge business?

Mr. Malcolm Bates: As I indicated before, I know of one or two meetings with Jacob while he was with Ornge. I know that he met with, as I said, Dennis—I won't repeat what I said before—but he did meet with Dennis from time to time, and I know that he left the employ of Ornge—well, he left the employ, but he went on sabbatical leave for one year, from July 2008 until July 2009.

Mr. David Zimmer: What was your impression of Mr. Blum's executive skills?

Mr. Malcolm Bates: Well, it was difficult for me to assess. I can only say this: that I met with Dr. Mazza one

time and he had indicated that he thought that Jacob was providing information to us on their future plans. This was, I think, around the early part of 2007—or 2008, I should say—and we had to tell him that “Jacob has not been providing us with the information that you think he has been providing us.” That was about the only way I had of evaluating Jacob. Jacob was, in my opinion, certainly mannerly, certainly a personable individual. I had really nothing to do with him from an executive performance level in Ornge.

Mr. David Zimmer: When you told Dr. Mazza that the information that Mazza thought Blum was passing on to the ministry was deficient, what was Mazza’s reaction?

Mr. Malcolm Bates: Well, he was somewhat dismayed.

Mr. David Zimmer: And how did he express that?

Mr. Malcolm Bates: Well, just in the sense that he was disappointed.

Mr. David Zimmer: Was he disappointed in the sense that he recognized that the information provided by Blum was deficient or did he feel the fault lay with the ministry, that they had misinterpreted Blum’s information?

Mr. Malcolm Bates: No. I’m sure he felt that the problem was with Jacob.

Mr. David Zimmer: Bill 50, which is the amendment to the Ambulance Act to bring Ornge under greater oversight, similar to that of a hospital, is at second reading now. That’s a piece that’s designed to address the concerns of the Auditor General. Have you had a chance to reflect on Bill 50?

Mr. Malcolm Bates: I know that it’s in the process. I know that it’s ancillary to a revised performance agreement, and that it’s intended to provide more opportunity, should the need arise, to step into Ornge.

Mr. David Zimmer: If Bill 50 is passed in its present form, do you think that will go some way to address the difficulties at Ornge?

Mr. Malcolm Bates: It certainly will assist the situation, in the future—not—

Mr. David Zimmer: In the future?

Mr. Malcolm Bates: Yes. If there is any situation at Ornge now, I don’t think that’s intended for that. It’s intended for a future situation, should a similar type of situation arise, and I think that’s necessary in order to plan for the future properly.

Mr. David Zimmer: Any other observations about it—any sense of what the strengths of Bill 50 are or the weaknesses of Bill 50?

Mr. Malcolm Bates: No, I’m afraid I can’t give you any sort of—

Mr. David Zimmer: Since the Ornge things hit the public domain, as it were, there have been a number of changes at Ornge. Have you followed the changes that have been made as this matter has been progressing along?

Mr. Malcolm Bates: Yes, I have followed it very closely.

Mr. David Zimmer: What is your observation or comment or reaction to those changes that have started to work through the system at Ornge?

Mr. Malcolm Bates: Well, as I say, Ornge is in a difficult situation, a difficult spot for many varied reasons, one of which is the hearings that we’re here for today, which obviously do not foster things at Ornge other than to identify where the problems were, that sort of thing. They are in a very challenging situation with respect to staffing, with respect to the complaints that arise as a result of either lack of staffing or difficulties with respect to previous complaints that have been lodged, people coming forward with information that perhaps they had not come forward with previously. Ornge is endeavouring to address the situation in many varied ways, and we’re working with Ornge to assist them in every way that the ministry can. Perhaps I can give you an indication of ways that we’re doing that—

Mr. David Zimmer: Let me just—

The Chair (Mr. Norm Miller): You have two-and-a-half minutes.

Mr. David Zimmer: Then Ms. Jaczek has some questions.

Ms. Helena Jaczek: Mr. Bates, we’ve just had an opportunity to review some of the emails and correspondence that you presented to the committee this afternoon. I’m sorry to jump around chronologically, but I wanted to ask you specifically about one email here dated July 12, 2004, from Hugh MacLeod, the then-ADM, to you, to yourself. I’ll just read the whole thing because I want you to sort of get the opportunity to recall this.

“Chris and I met with the minister”—Chris being, I presume, Chris Mazza—“and I met with the minister”—who on that date would have been Minister Smitherman—“on Thursday to discuss next steps. The minister is supportive of the proposed model for consolidation of all aspects of air ambulance to a not-for-profit society. I have asked Chris to take the lead on this file and prepare the necessary slide deck for the minister to take forward. Please work with Chris to action this direction. Also”—and this is the bit I really want you to confirm for me—“the minister has requested a detailed breakdown of ‘all fiscal expenditures’ with particular focus on access to dollars. To quote the minister, he wants to be convinced that we have tactically set in direction how we are going to get the biggest bang for the dollars we have.”

This was the way you were starting to look at this project going forward. Could you sort of explain how you took this memo and how you proceeded?

Mr. Malcolm Bates: Well, I think it was a very clear direction to myself and my branch. I provided the direction thereafter to the people within my branch as to what was necessary in order to address the direction from, obviously, the minister and Mr. MacLeod. We worked towards generating the necessary submissions to the government that would in fact accomplish what they were looking for; that is, the transfer of responsibility officially to the not-for-profit organization.

Mr. David Zimmer: Chair, can we take some extra time on this?

The Chair (Mr. Norm Miller): Yes. You have another three minutes to use all your time up.

Ms. Helena Jaczek: Okay. So then you were clear in your mind that you were going to give a detailed breakdown of the budget as you knew it in the existing air ambulance program and you were going to be putting that in front of Hugh MacLeod to take to the minister, presumably, so that they could see what assets the ministry at that moment in time had, and it was your understanding that this would essentially form the basic budget of the new not-for-profit agency.

Mr. Malcolm Bates: Yes, and it was also the desire of Dr. Mazza to proceed with—at that time, we called it the acute care land transfer. It turns into the critical care land ambulance. That was part of a plan, as well as the transfer of the air ambulance.

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Ms. Helena Jaczek: Could you explain that a little bit more?

Mr. Malcolm Bates: Yes. Dr. Mazza had a vision of ambulance services, an integrated ambulance system, that would include not just critical care air ambulance but also critical care land ambulance. At that point in time, all land ambulance services were provided by the municipal sector, as I know you're well aware. Dr. Mazza and Mr. MacLeod wanted to set up the critical care land ambulance. That eventually occurred, in 2008, as I said before. That was part of the vision that he had.

Ms. Helena Jaczek: And this was all to be done—at that time, the thinking was—within the same budget envelope? How did they get into the next stage of increasing budgets?

Mr. Malcolm Bates: There was some funding available for transfer service, in addition to a land ambulance service, because the land ambulance services, as you'll recall, were concerned about inter-facility transfers. I thought you—

Ms. Helena Jaczek: I remember well.

Mr. Malcolm Bates: That's right. This was part of inter-facility transfers, so we had some funds available. The idea was to utilize those funds to establish a critical care land ambulance as part of the Ornge system, as it came to be called later on.

Ms. Helena Jaczek: Thank you, Mr. Chair. I just wanted to clarify that Minister Smitherman was obviously very clear that he wanted to get the biggest bang for the dollars we had, as expressed in that email.

The Chair (Mr. Norm Miller): Very well. Thank you. We'll move on to the official opposition. Mr. Klees?

Mr. Frank Klees: I guess Mr. Smitherman got a very big bang out of this, didn't he? The fact is, Mr. Bates, that when the transition took place, you've just told us that, basically, there was virtually no increase in the number of patients who were transferred. The annual budget for air ambulance service before the Mazza scheme was about \$93 million. Is that correct?

Mr. Malcolm Bates: I believe so.

Mr. Frank Klees: And today, what is the amount?

Mr. Malcolm Bates: It's \$150 million.

Mr. Frank Klees: It's \$150 million—not an increase in patient transfer, but a substantial increase—

Mr. Malcolm Bates: But please let me explain, or augment, if you will, sort of thing. There was an angioplasty service assumed by Ornge at additional funding, and the critical care land ambulance was assumed at additional funding. As I said before, the trend for expenditures in air ambulance are in fact no greater—in fact, they are less than they are in land ambulance. So even though it's \$150 million, and even though we know what was taking place behind the scenes, if you will, sort of thing, the expenditures are in fact no greater on the trend line. In fact, they're less than the ministry's increases.

Mr. Frank Klees: Thank you, Mr. Bates. I'd like to move on and pick up where we left off on the oversight issue. I heard you talk about the inspections that your branch is responsible for—the air bases, for example. I'd like to focus on the responsibility of oversight that your branch had for Ornge itself: the head office, where, quite frankly, all the decisions are made that end up with the staffing issues at the bases.

This performance agreement checklist that I distributed—if we could just go through this. This really, in large part, feels—

Mr. Malcolm Bates: I'm sorry, I don't have a copy of it.

Mr. Frank Klees: Clerk, did we not pass this to Mr. Bates?

The Chair (Mr. Norm Miller): I'm sure we did, but I'm sure we can find another one. Take this one, if you'd like.

Mr. Malcolm Bates: I'm sorry—

Mr. Frank Klees: About 90% of this checklist deals really with the responsibilities that Ornge had at the Ornge head office, so to speak.

Mr. Malcolm Bates: Right.

Mr. Frank Klees: I'd like to just run through some of this, so that we can get a sense of what the intended oversight was, and perhaps where the gap was.

I'd like to start with page number 2, at the bottom, 3.2(d), which talks about the communications officers that must be qualified—"3.2(e) Communications officers document all calls as per key performance indicators using decision support software and determine most appropriate action."

The next page, page 3, at the top of the page: "Technical connections—Ornge shall ensure that communications officers have the technical capacity to communicate" etc.

Over to page 4, at the top left, article 3.3—and, by the way, committee members, where it references the article, that is the article in the performance agreement that actually requires this work to be done by Ornge and would then be a responsibility for oversight. So 3.3(e) speaks to the Ornge education and evaluation programs that were responsible to be put into place.

Page 5, 4.1 and 4.3, talk about—a new system for communications services that was to have to been put in

place within two years of Ornge assuming responsibility. We've heard much about the lack of communication and the number of calls that were either not completed or there was a problem with the communications system. According to the performance agreement, Ornge had a responsibility to actually put in place this communications service and ensure that it's functioning, and I'm assuming that the ministry then had a responsibility to oversee that and make sure that it got done—according to this document, in any event.

Mr. Malcolm Bates: Can I just say that in fact, it did, and the Auditor General verified that they did install a new system called Optimus? I think some of the concerns that you're expressing are not so much related to a system they put in but, rather, the people utilizing the system.

Mr. Frank Klees: And that goes to the quality assurance issue, which is also referenced on page 7, under articles 5.5, 5.6 and 5.7, which talks about the necessity under the performance agreement to install a quality assurance system and team and ensure that those people are all properly trained.

It goes on, on the next page, page 8, 6.1 and 6.2, when it talks about the documentation of calls and the responsibility for file and data management.

Now, I understand that you've had some problems with Ornge in terms of proper documentation, and again it comes back to this document in terms of the oversight. My question, Mr. Bates, is simply this: As we run through this, and we don't have the time to go through all this, but numerous, numerous times the performance agreement certainly required Ornge to put all these in place. The due diligence was apparently done at the front end to incorporate these responsibilities into the performance agreement. The problem was, they didn't do it, or they didn't do a great deal of it. My question is, given this checklist, given the experience of your branch with air ambulance, knowing the complexity of all of these requirements, why did the emergency health services branch not exercise tighter control and stricter oversight of Ornge?

Mr. Malcolm Bates: Well, I would disagree with you, sir, in the sense that we exercised the oversight to the best of our abilities, if you will. The certification exercise, the certification review, was done in 2006 and 2009. That's all part of this to make sure that the documentation is done, to make sure that they maintain this type of system, and they were maintaining it. Whether they were utilizing it properly every time certainly is a question, but the certification reviews showed that they were.

The review by Meyers Norris Penny showed that they were providing an effective and efficient—and money spent according to the purposes intended. Every indication that we had and all the reviews that we conducted indicated that they were performing properly.

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Mr. Frank Klees: Something is pretty fundamental in this document and under the performance agreement:

Ornge was required to use Canadian dollars in all its transactions. There's a \$275-million bond offering that's out there in US funds. Where was your branch when it came to that issue? Were you not aware that they were floating a US\$275-million bond?

Mr. Malcolm Bates: First of all, that was, again, as I say to you, another part of their complex number of companies.

Secondly, the fact that they were going to purchase aircraft was made known to the ministry and to the government. Whether it's in US funds or whatever is not something that we in the branch would become involved with. And \$275 million, I presumed, was: They had a bond offering, as far as I know, and secured that money in Canadian funds. Whether they purchased the aircraft in American dollars—I presume they probably did, but I'm not—

Mr. Frank Klees: It's going to have a significant impact on the budget. Given where the Canadian dollar is and where it may go, certainly it could throw that budget off significantly, month by month. But that's another issue.

This document then goes on to schedule F, and it talks about the key performance indicators under the performance agreement—numerous references in that document to the opportunities that the Ministry of Health would have had to inspect, to demand access, to audit. I guess my question to you is: Given all these opportunities that the Ministry of Health had along the way under the previous performance agreement, why did the ministry not take that opportunity to insert itself into the operations at Ornge?

Mr. Malcolm Bates: First of all, I will tell you this: As the Auditor General said, full responsibility was transferred to Ornge for all the aspects that I outlined to you before. The paramedics, the air ambulance provision itself, the operation of that was all transferred to Ornge. It was their responsibility how to provide service, how many of which type of aircraft, how to establish and evaluate medical oversight, when to dispatch ambulances, which paramedics. There's no question that that was all transferred to the responsibility of Ornge.

Mr. Frank Klees: The oversight responsibilities were never transferred to Ornge. You admitted that yourself in your previous testimony here.

Mr. Malcolm Bates: That's right.

Mr. Frank Klees: So my question is: If, in fact, the oversight responsibility still rested with the Ministry of Health—and the Auditor General made that very clear as well in his assessment—

Mr. Malcolm Bates: I think if you read what the Auditor General said—I can ask him myself—he was not concerned with the oversight itself. He said it could be improved by more accurate information. We agree with the Auditor General.

Mr. Frank Klees: Well, let me ask you this, then. You were responsible for drafting the amended performance agreement?

Mr. Malcolm Bates: The amended performance agreement?

Mr. Frank Klees: Yes.

Mr. Malcolm Bates: I was part of that process, yes.

Mr. Frank Klees: Okay. One of the things that the Auditor General referred to very specifically was the lack of specific service levels identified in the performance agreement. When you revised the performance agreement, did you incorporate specific service level expectations into that performance agreement?

Mr. Malcolm Bates: In that performance agreement are many varied reports, and if they do not perform, then the funding can be reduced—

Mr. Frank Klees: That's not the question, sir. I'd like to ask you a very specific question: Did any of the initial drafts of the amended performance agreement contain defined service levels?

Mr. Malcolm Bates: Not to my knowledge.

Mr. Frank Klees: Does the final document, the amended performance agreement, contain defined service levels?

Mr. Malcolm Bates: How do you define "defined service levels"?

Mr. Frank Klees: I think that is a question that you shouldn't have to ask me. When we talk about defined service levels, we're talking about the very things that are a problem today at Ornge, and that is, that you're not properly staffed for critical care. You're not properly staffed for advanced care service. You end up with helicopters that don't have the appropriate staffing levels. Those are the kinds of specific service levels that one would expect are clearly articulated in the performance agreement. Are they in the amended performance agreement or not?

Mr. Malcolm Bates: They are not in that, and the reason why they are not in that is because there are standards under the Ambulance Act that ambulance operators are required to adhere to.

Mr. Frank Klees: But those have always been there, and, very clearly, Ornge hasn't performed up to those standards, and it's been very difficult for your ministry to hold them to those standards. Would it not have made sense, now that we're coming forward with an amended performance agreement, given the difficulties that Ornge has had, to actually incorporate that into the performance agreement so that Ornge has a full understanding and so does everyone else of what their responsibilities are?

Mr. Malcolm Bates: One of the requirements under the performance agreement is that they provide an operational plan. That operational plan, including the staffing plan that I mentioned to you previously, outlines or should outline the very things that you're talking about.

Mr. Frank Klees: They had that same responsibility under the previous performance agreement. They failed to deliver that. They failed to live up to that, which is why one would have expected that, given their past failure, we would incorporate those specific levels of service into the new performance agreement. It's one of the things that the Auditor General called for in his report. Why is it not there?

Mr. Malcolm Bates: Well, I think that there are enough standards and enough understandings in an oper-

ational plan that would be presented to us to include those very things. I agree with you: You need to know those very items that you're talking about, all right? It doesn't necessarily have to be in a performance agreement, as long as it's in the operational plan associated with a performance agreement.

Mr. Frank Klees: Which gets us right back to where we started, and that is, that it doesn't matter how many performance agreements you've got, it doesn't matter how much legislation you've got; if you don't have the people on the front line delivering the quality service that they're expected to and you don't have the oversight and the accountability, we're going to be right back to where we started. Would you agree with that?

Mr. Malcolm Bates: I'm not sure I agree with it, but I understand where you're going.

Mr. Frank Klees: Well, I have to tell you—you know, one of the frustrating things around here is that we continue to hear from previous executives who say, "It wasn't my responsibility. I don't know anything about this." We have people from the ministry coming forward who, quite frankly, are—and I must admit, I want to thank you for your forthrightness today, and I want to thank you for bringing us documentation that we requested in a motion that the deputy minister failed to deliver because of the date issue. You saw beyond that, you provided us with that documentation, and I thank you for that.

What I'm hoping is that on a go-forward basis, we can all work to restore confidence in our air ambulance service, but it's going to take the focus on getting it right. So when I talk about the need for those more clearly defined levels of service in the performance agreement, the question that I have to ask on behalf of everyone is, if we know that that has been a problem in terms of the service delivery, why would we not take the extra step, put it upfront, let everyone know that these are the defined service levels that we expect?

Mr. Malcolm Bates: Can I respond to that?

Mr. Frank Klees: Sure.

Mr. Malcolm Bates: Okay. I agree with you. We are all here to do exactly what you're talking about, and thank goodness we are, that we're able to do that and move forward, because it's in everybody's best interests that the air ambulance service be provided properly and effectively in this province for every patient. It's the patients that we are concerned about as far as emergency health services go. That's our prime motivation in life: to make sure that patients get what they need.

The operational plan that is part of the performance agreement must be provided to us. It will provide exactly what you're talking about. I agree with you, that you should have these types of defined service levels. I agree with you that there are problems with staffing at Ornge at this particular point in time. I agree with you that we should all work together, including Ornge and the people at Ornge to make this a better place, to make the Ornge situation a better arrangement, to make sure that the patients are better served in this province.

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Mr. Frank Klees: I have one last question for you.

Mr. Malcolm Bates: Oh, good.

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

Mr. Frank Klees: Given the experience that we now have all had—we have had a number of witnesses come forward to say that their concern was and continues to be that Ornge did not have and still does not have the core competency to be able to deliver both sides of the air ambulance service. By “both sides,” I mean that the actual business of owning aircraft, maintaining aircraft, managing an aircraft business, which is highly complex, is something beyond the scope of what Ornge is capable of delivering.

My recollection, and you can correct me, please, if I’m wrong—

Mr. Malcolm Bates: I will.

Mr. Frank Klees: I don’t believe that there was ever a government mandate for Ornge to get into the business of owning its own aircraft and running its own aircraft business. Would you agree with that?

Mr. Malcolm Bates: That’s 100% correct.

Mr. Frank Klees: Okay. I ask you this: If you had the ability to now draft the next steps of Ornge, would you agree with some who have come forward to say that Ornge should be focusing on the medical side of the equation and get back to outsourcing, contracting, the highly complex aircraft side of this business? Because the two are far too complex for an organization like Ornge to manage overall. I’d be interested in your professional opinion on that.

Mr. Malcolm Bates: As I said before, I don’t normally provide opinions. I provide advice, and I implement, when I’m directed to do so, that sort of thing.

At this particular point in time, my direction is to work with Ornge, to assist them, to improve what they are doing as an air ambulance service provider. What you’re saying—

Mr. Frank Klees: Mr. Bates, I’d like to free you up just for about two minutes. I’d like to free you up from the marching orders of implementation and draw on your rich experience. I would very much like to get your opinion on this.

Mr. Malcolm Bates: Well, I can tell you this: The contractors that provided the service previously—in particular, the rotary-wing provider was an excellent provider. I don’t know if that answers your question. It probably doesn’t.

Mr. Frank Klees: No, I think it does, actually, and I thank you for that, because, again, I think that if we’re stuck in forcing what was, in my opinion—and I’m entitled to that—

Mr. Malcolm Bates: I think you are.

Mr. Frank Klees: If we’re forcing this plan that was envisioned by Dr. Mazza, and it’s faulty and it’s not going to work, we’re going to continue to waste a great deal of energy. We’re going to draw on a lot of people’s time, and we’re not building on the competency that is already out there. I’m concerned that the mandate may

be, under any circumstances, “Make Ornge work the way it’s designed,” when what we should be doing is listening, to say, “What is it about the design that caused it to go off the rails? And what is it about the design that we have to revisit, to get back to an efficient and effective air ambulance service in this province?” Thank you, sir.

The Chair (Mr. Norm Miller): Thank you, Mr. Klees. We’ll move to the NDP for the remaining time.

M^{me} France Gélinas: Which is?

The Chair (Mr. Norm Miller): About three or four minutes.

M^{me} France Gélinas: All right.

Mr. Malcolm Bates: Can I say, “Hallelujah”? Although maybe I shouldn’t.

M^{me} France Gélinas: No, we’ll be very brief. The suggestion was just made by Mr. Klees that, really, what was great about Ornge was all of the critical care stuff that they were able to link together and get the base hospital to be linked to the land ambulance. And it worked: They did save a lot of people’s lives. It seems to have really fallen apart once they started to try to basically maintain their own helicopters and go into the rotary-wing aviation part of it. This is where it seriously derailed. We can’t change the past. Ornge now owns helicopters. Ornge now owns fixed-wing aircraft.

Could you see a scenario where operators operate those assets for Ornge, where we would go to an aviation company or companies to operate those aircraft and to operate those helicopters while Ornge retains all of the good stuff that they’ve done on the health side?

Mr. Malcolm Bates: That is certainly a possibility.

M^{me} France Gélinas: Do you see any pluses to that possibility?

Mr. Malcolm Bates: I think Mr. Klees sees pluses to that, and I think that, looking at it from an objective point of view, if you will, there are pluses to that.

Mr. Jagmeet Singh: I’m just going to change topics really quickly. There was a memo regarding the for-profit entities that went out from Ornge. Are you familiar with that memo that went out, the very detailed memo?

Mr. Malcolm Bates: No, I’m not. I may be, but I’m not sure which one you’re referring to.

M^{me} France Gélinas: It is the memo—you attended the briefing at the beginning of January 11. That’s the memo that went out.

Mr. Malcolm Bates: Oh, that one. The large letter?

Mr. Jagmeet Singh: That’s right. What was your response? In terms of the ministry and your office and people around you, what was the response to the corporate for-profit strategy?

Mr. Malcolm Bates: Well, first of all, a not-for-profit—and I’ve done a lot of review of this. There is an encouragement, if you will, even through the Ministry of Government Services, that not-for-profit organizations establish other sources of revenue. So that’s not—

Mr. Jagmeet Singh: So it didn’t send up any red flags for you?

Mr. Malcolm Bates: No.

M^{me} France Gélinas: But another source of revenue is not the same thing as operating a web of for-profit

companies. A lot of not-for-profits do generate money that comes directly back into the not-for-profit, and they don't have a corporate structure that looks like—

Mr. Malcolm Bates: I agree with you. I totally agree with that. Absolutely right.

M^{me} France Gélinas: Okay.

Mr. Jagmeet Singh: Did that corporate structure then raise any red flags, the way it was designed?

Mr. Malcolm Bates: You'd have to be a Philadelphia lawyer to understand what it was all about, or maybe a lawyer from Whitby, but I'm not sure.

M^{me} France Gélinas: So when it was presented in that room, and the corporate structure was there in front of everybody—I mean, you've been at the ministry long enough, I'm sure, to fall off your chair when you see a corporate structure like this. How come no alarm bells went off to say, "Wow, what the hell is this? How can this have evolved into such a web of a corporate structure?"

Mr. Malcolm Bates: Well, I can tell you our point of view, and that is simply, within our mandate—and I'll say it again—is Ornge. It's not all these other entities, that sort of thing. But we were concerned—if you will use that word, or at least interested—that the funding that we were providing for Ornge would be utilized for Ornge and not for the purposes of these other companies.

Mr. Jagmeet Singh: Mr. Bates, I have one final question that I want to throw in before my colleague. The Minister of Health said, "We believe the province does not control Ornge," the way it was set up and whatnot. But the Ministry of Finance has said, "We feel the government can effectively govern the financial and operating policies of Ornge," given the fact that the ministry provides the money. Who do you think is correct in this—the Minister of Health or the Ministry of Finance?

Mr. Malcolm Bates: Well, the Ministry of Finance took their own perspective on things quite rightly. It's not for me to question what the Ministry of Finance said or determined, but they determined that the funding went to Ornge. Ornge had very little other revenue, as I mentioned to you before, that sort of thing. So this was their main source of funding, income. If the government or if the Ministry of Health wanted to change things, then they could utilize or change the legislation to do something. Whether that's something that I would agree with—

The Chair (Mr. Norm Miller): I'm afraid I have to interrupt. We are out of time. We would like to thank you for coming in today again. The committee is adjourned until Tuesday, June 26, at 9 a.m. Thank you very much for coming in, Mr. Bates.

The committee adjourned at 1459.

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Clerk pro tem / Greffier par intérim

Mr. Katch Koch

Staff / Personnel

Mr. Ray McLellan, research officer,
Legislative Research Service