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Wednesday 28 January 2015

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Finance and Economic Affairs**

Pre-budget consultations

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des débats
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Mercredi 28 janvier 2015

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

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Wednesday 28 January 2015

Mercredi 28 janvier 2015

The committee met at 0900 in the Hilton, London.

PRE-BUDGET CONSULTATIONS

The Chair (Ms. Soo Wong): Good morning. I'm going to begin the Standing Committee of Finance and Economic Affairs, calling the meeting to order.

AUTO21 INC.

The Chair (Ms. Soo Wong): The first witness before us this morning is Auto21 Inc.: Dr. Peter Frise. I believe everybody has his presentation. Welcome, Doctor. This morning, you have 10 minutes for your presentation, followed by five minutes of questions from the committee members. This round of questions will be from the third party.

You may begin any time. Please identify yourself and your position with Auto21 for the purposes of Hansard.

Dr. Peter Frise: Thank you very much, Chair Wong, and let me thank the entire committee for being here. It's really a pleasure and an honour to be able to address you today. My name is Peter Frise. I'm the CEO of Auto21 Inc., which operates Canada's national automotive research network, Auto21, through the federally funded Networks of Centres of Excellence Program.

Auto21 is comprised of 48 universities across the country, including virtually all—well, I would say all of the Ontario universities where research is done. We presently support about 230 professors at those 48 universities and about 430 graduate students. Every one of our projects is co-funded by an external organization, usually an industry company. Some of our projects are public interest projects related to automotive crime or labour studies and so on.

The network has been around for 14 years and we have helped to train over 2,200 graduate-level PhD and master's students in a wide range of disciplines, from medicine and nursing, occupational and physical therapy, to all facets of engineering, science, business, social sciences and humanities, including law.

Auto21, in our view, has done a fine job within the confines of an academic industry research program, but today I want to talk to you about the next steps that are needed to support Canada's auto industry and ensure that we become competitive and remain competitive in the coming decade.

The program that we have developed has been developed in consultation with industry. We call it, at this time, the Canadian Automotive Research Initiative. I want to emphasize that it is not a university-industry partnership program; this is intended to support industry directly.

This slide illustrates the key point that people need to take away. The auto industry is facing its largest innovation challenge probably ever, because average fuel economy requirements around the world are going to virtually double in the next 10 years. We're going to move from 27.3 miles per gallon, which was the average number in 2010, to about 54 miles per gallon in 2025.

Just to give you an idea of what that means, fuel economy has been edging up over the years by about 1% per year. Between 2010 and 2025, that is a 5%-per-year change—five times the normal rate of progress in fuel economy. At the same time, safety standards are ramping up, the connectivity of vehicles, and so on and so forth. The technological challenges facing the auto industry are absolutely unprecedented at this time. That's why you're seeing things like aluminum-body pickup trucks, carbon fibre, turbo-charging in electric vehicles and batteries, and all kinds of stuff like that.

The other takeaway point is that about 70% to 80% of the parts in a car are not developed by the carmakers themselves; they're developed by the parts companies, many of which operate in Canada and many of which are headquartered in Canada. My point is that while we must retain vehicle assembly capacity or we won't have an auto industry, Canada's parts firms are our best opportunity to contribute to this fuel economy race and win future business. The point is that if we do not do that, we will be dropped as a supplier. If you make seats and I make seats, and your seats are three kilograms lighter than mine, you're going to sell a lot of seats and I won't; I'll be dropped. It's not a question of taking the lower end of the market; all cars have to meet those standards, so everybody has to buck up to that standard.

Just to give you an idea of what's going on, this is the 2009 Ford Flex. This vehicle is still in production at the Ford plant in Oakville. The maple leaves represent the supplier companies which actually have operations in Canada. So there's significant Canadian-parts content in that vehicle—similarly, for the Toyota Corolla. I unfortunately don't have figures for the latest editions of these vehicles, but they would be similar.

So you can see that there's significant opportunity here for Canada to grow and retain parts business. I think it's essential that we do that to protect employment and provide a place for our young people to work.

I think the other point I wanted to make is that Canada has become essentially a high-class, high-quality commodity manufacturer. Our companies do comparatively little product development here. We've all heard the phrase "branch-plant economy" and so on, and to a good extent that is true. I think that that's okay if you're a low-cost country, but we're not a low-cost country, and to be candid with you, I don't want to live in a low-cost country. I want Canada to be prosperous, safe, healthy and successful, and that means we have to be a value-added country.

We have constructed, over the years, a tremendous knowledge-creation system in our universities and colleges. We have a highly educated, ethical, hard-working workforce; we need to put it to work. But the key task for that workforce is to develop new products so that we have something to sell on the world market.

This chart—and I recognize it's a bit of an eye chart, but if you look at the global vehicle production, in 2011 there were about 77 million vehicles built; in 2012, about 81 million vehicles built in the world. If you look at the next line, you'll see the estimated product development expenditure globally by the automotive industry was \$96.8 billion in 2011 and about \$100 billion in 2012. If you do the math on that, it calculates out to about \$1,250 per car. That's the product development expense built into a typical vehicle in the world. Obviously some are much more and some are less, but that's an average number. These numbers come, by the way, from Industry Canada, the Ontario economic development ministry and Booz Allen associates, a large international consulting firm.

If you look at similar figures for Canada, we made 2.12 million vehicles in 2011, and 2.45 million in 2012, and estimated product development expenditures in Canada of around \$425 million and \$500 million respectively during those two years. That calculates to about \$200 per vehicle. That's out by a factor of six from the global figure.

Now, let me be very clear: I do not anticipate ever that we would hit \$1,200 per vehicle. That's just not realistic for a country that doesn't have its own automakers native to the country. But given the importance of the auto industry to our economy and given the content of an average car is 70% to 80% from the parts sector, we are spending way too little on product development as a nation.

So we, through my board, have developed a program that would begin to address that issue. We have done a large industrial survey. I have copies here if anyone would be interested in reading it. The survey is anonymized—none of the companies are named—but if you stare at the data on the companies you will find very clearly companies, from the largest multinational operating around the world with revenues of \$38 billion a year,

right down to little high-tech start-ups. They all say the same thing.

So this rather busy chart really illustrates the journey that knowledge has to take from the basic research lab in the university right through to the factory floor. This is called the technology readiness level scale. It was developed by NASA in the United States when they were developing the space shuttle. Most industries in the world use the TRL scale now. TRL 1 through 3 is what universities and the NRC and so on—that's what they do, and they're really good at it. Canadian universities are top-notch, and I'm very, very proud to be a member of one and I've taught at a couple of other ones and we support all the universities in Canada very much in that area. What happens in factories is TRL 8 and 9; the gap is TRL 4 through 7. That's where companies take the science in-house and develop new products with it. They have to develop working prototypes and test them under operational conditions—

The Chair (Ms. Soo Wong): Dr. Frise, can you wrap up your presentation?

0910

Dr. Peter Frise: Yes, I will. Thank you.

We have developed a program that will address these issues by assisting companies directly. It's not a university program; it's a program to assist companies directly. To give you an idea of the kind of work we would propose, there's a large-format sheet in your little package that shows a project that Magna and Ford are working on—Magna, of course, being a Canadian-headquartered company. This is the sheet. This is a page from a major automotive newsletter, and it gives you a listing of the projects. I would just like to point out the last sentence in the project: "The project was funded in part by the US Department of Energy." That's what I mean about competition. We don't have a program that does that. So we have prepared an ask to government for a program that would do precisely that, and that's what I'd like to talk to you about today. Thank you.

The Chair (Ms. Soo Wong): Thank you very much. This round of questions goes to the NDP. Ms. Fife, do you want to begin the questioning?

Ms. Catherine Fife: Thank you very much, Peter, for presenting such a comprehensive package. You weren't able to get to the very gist of the presentation, so I'd like to give you that time to do so. Your ask is \$100 million—

Dr. Peter Frise: Over five years.

Ms. Catherine Fife: —over five years, leveraging similar investment from the sector.

Dr. Peter Frise: Yes.

Ms. Catherine Fife: You have some very impressive industry experts who have endorsed this project: the CVMA, the CME, the APMA, and all five automakers, so that's impressive. Are they on your board?

Dr. Peter Frise: Some of them are. I have a brochure of the letters of support here.

Ms. Catherine Fife: You've also made it clear in this original sheet, though, that we are on a five-year product cycle, so if we miss this cycle, obviously there's a delay.

I just would like for you to touch on the return on investment around product development if the government is, in fact, interested in investing in this project.

Dr. Peter Frise: The five-year product cycle is important because you have to be on every product cycle; you can't sit one out. If you're dropped from one product cycle, essentially your company is going to go out of business because you're not selling anything. You can't employ your people; you have nothing to do with your factory; you're finished. So this is not a merry-go-round you can jump off of and watch for a while.

The return on investment, in my view, would be very, very large. There was a Windsor Star article—which is also in your little package; it just appeared yesterday—pointing out what the decline in the auto industry has cost Canada over the last 10 or 15 years. Essentially, I think the figure was about \$70 billion in lost government revenue. In my estimation, the investment of \$100 million over five years is not a significant investment. I have to be honest: I'm not a person who believes \$100 million isn't a lot of money, but in relation to the value of those jobs, I think it's pretty small.

Ms. Catherine Fife: You also mentioned, Peter, that, in the plan around product development and building capacity, engaging public sector science facilities on a contract basis for R&D may be needed.

Dr. Peter Frise: Yes.

Ms. Catherine Fife: Who would determine the need?

Dr. Peter Frise: The company that would apply.

Ms. Catherine Fife: So this is a direct ask through a company.

Dr. Peter Frise: Right. These are company-driven projects. Product development is always done inside companies. If I may, one of the mistakes that Canada has made over the years is assuming that those tasks would be subrogated to the public sector, and they aren't. They just aren't. It hasn't worked.

Ms. Catherine Fife: So this is the first time you've brought this idea to finance committee; is that correct?

Dr. Peter Frise: Yes, it is.

Ms. Catherine Fife: And how long have you been developing it?

Dr. Peter Frise: I've been working on it since 2006—eight years.

Ms. Catherine Fife: It's definitely interesting. I know that the sector has been asking for a different kind of assistance versus just, one would say "corporate donations" to the auto sector. You make a compelling case around staying competitive and addressing productivity for the province of Ontario, for sure.

Dr. Peter Frise: Right. You can put all kinds of different labels on things, but I think, really, the most important words to use are "competition" and "being competitive." If something is being done in most or all of the countries with which Canada competes, and we choose to not do that thing—whatever it is—then we shouldn't be too surprised if our position starts to decline. It's just how the world works. It's not about political philosophy in my view. It's just how the world works.

Ms. Catherine Fife: Thank you. Any questions from Peggy?

The Chair (Ms. Soo Wong): One minute, Ms. Sattler.

Ms. Peggy Sattler: Okay. Just a quick question. So your initiative is a national initiative. Are you also approaching other Canadian provinces for funding of this initiative?

Dr. Peter Frise: No, we haven't, because 95% of the auto industry is in Ontario. It's really an Ontario issue in our estimation.

Ms. Peggy Sattler: Okay.

The Chair (Ms. Soo Wong): All right. Thank you very much, Doctor, for your presentation and your written submission.

Dr. Peter Frise: Thank you very much.

DR. AMY BROWN

The Chair (Ms. Soo Wong): Our next presenter is Amy Brown. Amy, please come forward. Thank you. You can sit anywhere there in front of the microphone. Good morning, and welcome. As you heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round, it will be from the government side. You may begin at any time. Please identify yourself or any organization you represent for the purpose of Hansard.

Dr. Amy Brown: Perfect. Good morning. My name is Dr. Amy Brown, and I'm a chiropractor from Cambridge, Ontario. I have been in practice for 13 years, all of those years in Cambridge. I work in a multidisciplinary setting. We have three chiropractors, three massage therapists, a naturopath, acupuncture, and a broad range of services.

In our clinic, we treat a broad range of musculoskeletal problems, focusing on neck and back pain. We see patients through WSIB, through auto insurance, as well as private paying patients. Over the span of my 13 years in practice, I've seen a number of changes in the health care system, in the delivery of health care beyond my scope and also within the delivery of chiropractic care. Not too long ago, many physicians were kind of leery of chiropractic, and over that course of time, things have drastically changed. At this point in time, all of my patients come from referrals from physicians and nurse practitioners and from existing patients as well.

When I first started in practice, OHIP covered a portion of the fees that were paid to us. This was helpful for many of our patients as they could more easily afford our services; however, there was a gap. Many of our patients couldn't access their extended health benefits until they had used up their OHIP coverage, and they were only paying \$9.65 per visit. Obviously, we had to charge above and beyond that. With the loss of OHIP coverage a number of years ago, the situation improved for those who had extended health care because they could access those benefits immediately. However, this widened the gap for those patients who did not have access to extended benefits through employers or things like that.

I'm fortunate in my region that many of our patients have access to fairly comprehensive extended health benefits plans through their employers. However, the reality is that not everyone does. With that loss in OHIP, we did widen that gap in terms of who was able to access care, including chiropractic.

There is still a large number of people who are not able to access or afford care, despite the fact that musculoskeletal complaints, including back pain, are quite pervasive. Eleven million Canadians over the age of 12 years old are affected by musculoskeletal, or MSK, complaints, and as the population ages, these numbers are expected to increase rather than decrease. Up to 80% of people experience low back pain at least once in their lifetime, and in 2012, nearly 20% of Ontarians reported that they had back problems that were not just present, but chronic. So these are affecting people on an ongoing basis.

There is a significant number of people affected by MSK injuries, and these people are also high users of our health care system. These are not people who are sitting at home dealing with their problems on their own; they're engaging with our health care system in a fairly expensive way. In 2006-07, 22% of Ontarians—that's 2.8 million people—saw a physician for an MSK-related problem. More than 83% saw their primary care physician at least once, and 33% saw a specialist. So we see escalating costs associated with those things.

Chronic low back patients are frequently referred for surgical consultations, again, which is an expensive procedure, and right now it's estimated that 90% of those patients are not surgical candidates. They are engaging with these specialists, increasing wait times, and they are often requiring advanced imaging to assess whether they are surgical candidates or not, which, again, is an incredible expense.

0920

Not only are these pervasive, but they pose a significant economic burden. MSK disorders are the leading cause of work-related lost time. They account for 40% of all lost time claims and 50% of lost time days registered with WSIB, so these are common complaints that we're seeing.

Clearly low back pain is a significant problem in Ontario, and, with an aging population, this stands to get worse rather than to improve. However, it isn't all bad news. There are conservative care options for these patients, including chiropractic, and they have great outcomes. Research, including randomized controlled trials, has found that back pain patients who received chiropractic care in conjunction with medical care, compared to those who received medical care on their own, experienced decreased pain, increased physical function and improvements in their disabilities. A recent randomized controlled trial found that among patients with acute non-specific low back pain, spinal manipulative therapy was more effective than common anti-inflammatories that are prescribed by many physicians.

On top of improved systems, patients are also very happy with the chiropractic care that they receive. Overall, patient satisfaction with chiropractic was scored at 94 on a 100-point scale in a recent study funded by the Ministry of Health and Long-Term Care in which chiropractors worked with physicians in consulting and assessing roles involved in providing care for low back pain. So these patients are happy with the way that they are being cared for, and, compared to other experiences that they're having in the health care system right now, that's a stark contrast.

Not only do these patients respond well, but the cost to the health care system is less. Research has found that for back pain patients who had access to chiropractic versus those who did not, overall back-pain-related costs were reduced by 28%. That's a significant savings. Hospitalizations were reduced by 41%, back surgeries reduced by 31% and medical imaging, including MRIs, which we know are incredibly expensive, were reduced by 37%. So we're seeing a decreased engagement in the health care system with decreased costs, which also speeds up the time that those patients who do require access to those services can access them. Patients are responding well, and the health care system costs are less.

Another interesting finding is that a case study founded in one of the Ontario family health teams found that when a chiropractor was included in the team, 52% of their patients received less prescription medication, use of narcotic medication was decreased and the number of physician visits was decreased.

So the challenge remains: How do we implement this in the Ontario health care system? We know that it's effective, but how do we implement it? Fortunately, chiropractors are now included on the list of providers who can work in family health teams, community health centres, aboriginal health care centres and nurse practitioner-led teams.

Chiropractors are also playing a crucial role in the Ministry of Health and Long-Term Care's Low Back Pain Strategy, including two pilot projects: the inter-professional spine assessment and education clinics, or the ISAEC centres—and that has been operating since November 2012; and the primary care low back pain project, which was just launched in November 2014. These pilots are a great start at making the case for including chiropractic care in Ontario. However, the challenge is, that although chiropractors can be included, at this point, there is no additional funding for inclusion of chiropractors in those teams.

To address that gap, a number of chiropractors across the province have been engaging in different projects, and I am involved in one of those, which is what I came to share with you today. Back in 2013, I began a project with a community health centre in my hometown. What we were looking to address was the challenge of those patients who could not afford chiropractic care despite their ongoing back problems.

This project has developed to include four chiropractors offering care free of charge, two days a week, within the

community health centre. All of our patients are referred by the physicians or the nurse practitioners within the clinic and seen on site in the actual community health centre.

The program has been so successful that within a month of opening, we had no room in our schedule. We had to change how we were doing things to accommodate the volume of patients who were being referred. We're constantly looking at ways to create better efficiencies within that plan.

Many of the patients we see here are suffering from chronic pain that's limiting their ability to function. In some cases they're not able to sustain employment because of the significance of the problems that they're experiencing, and for many there are associated comorbidities, including mental health issues.

Throughout my years in practice I've seen many patients with significant problems. I've treated patients with workplace injuries who are unable to work; I've treated patients with injuries as a result of motor vehicle accidents who are significantly impacted. However, my time at this community health centre has given me a deeper appreciation for the impact of these injuries.

There's one patient at this centre who has made that more clear to me, probably than any other patient I've ever seen. He came to me as a referral from one of the physicians, as all our patients do, but on the day that I saw him my schedule was already full. The physician approached me—

The Chair (Ms. Soo Wong): Dr. Brown, can you please wrap up?

Dr. Amy Brown: Absolutely. This patient was experiencing significant low back pain but also had mental health issues that were a significant challenge for him. Without treating this back pain, his mental health issues stood to be significantly more of a problem. We were able to affect things so much further beyond just the care of that particular patient.

So I urge you to continue your commitment to enhance low back pain patient care. Specifically, I believe there are two important ways that we can do so. First of all, we recommend that interprofessional primary care teams be funded to hire chiropractors to support comprehensive MSK programs. This will promote the immediate improvement of MSK and low back pain care in team settings.

Also, I urge you to ensure that there's funding for a province-wide rollout of comprehensive low back models of care based on the results of the pilots that are currently under way.

The Chair (Ms. Soo Wong): Ms. Hoggarth, do you want to begin the questioning?

Ms. Ann Hoggarth: Good morning, Doctor. Thank you for your presentation. We had a similar presentation in Fort Erie from Dr. Albert Scales, who is also working on a project and told us about the positive results. I think everyone around this table at one time or another has had some kind of back pain, and it sometimes can be incapacitating. I can't imagine having it all the time.

I know that chiropractors are providing relief to Ontarians and helping them manage pain every day. Your statistics—and Dr. Scales's statistics, too—are very important to us. Can you tell us more about the value of chiropractic care for patients? How does chiropractic care help reduce pressure on other parts of the health system? I know you touched on it, but if you could tell us more.

Dr. Amy Brown: Absolutely. The most immediate one is taking patients out of primary care physicians' offices. These are problems that frustrate those physicians, that they don't have great answers for. Taking these patients out of that schedule leaves room for people who have complaints that do need to be addressed in that setting. There are, of course, cost savings associated with that as well.

The greatest cost savings come, though, from those referrals to specialists and from decreased imaging. We know that a lot of imaging is being done that isn't entirely necessary, and by taking patients out of that stream there are significant cost savings.

Ms. Ann Hoggarth: Great. I wanted to ask you: Dr. Scales told us that he thinks community-based health care is going in the right direction, and I wondered if you felt the same way.

Dr. Amy Brown: Absolutely. We see great results when things are in the communities where patients are. When we're able to work in these teams where we can talk to each other, that's the greatest benefit that I'm seeing in the setting that I'm involved in with a community health centre. I met with that physician in the hallway and talked about the case right away. I didn't have to call across town; I didn't have to coordinate with my schedule. It's incredibly efficient, the way that we can work when we put everyone together like that.

Ms. Ann Hoggarth: Thank you very much.

The Chair (Ms. Soo Wong): Ms. Vernile, do you have a question?

Ms. Daiene Vernile: No, I was just making eyes at you, but I can ask a question if you like.

We've heard from several other chiropractors, as well as people who are sitting on this committee who have talked about their own back pain. So I'd like to ask you: With the investments that we are making in the Low Back Pain Strategy that was announced last fall, how is that going to impact on the way you do your job?

Dr. Amy Brown: Will the pilots affect my personal practice or my ability to deal with back pain?

0930

Ms. Daiene Vernile: In what way do you feel that this strategy is going to be useful to your work?

Dr. Amy Brown: I think that it will in a number of ways. First of all, if it makes care more accessible to Ontarians, then that is fantastic. If we can take the cost barrier out of that, then that is incredibly helpful.

But the conversations that are developing with physicians because of that are also incredibly helpful, because they're becoming much more confident in making those timely referrals. So even if they aren't currently part of a site, they're hearing about it, and the implied approval of

those sites is creating more discussion in the health care community and leading to other referrals at this time as well.

Ms. Daiene Vernile: It's a very pervasive problem, isn't it?

Dr. Amy Brown: It affects a lot of people, and it's a very frustrating one in the way our health care system is dealing with it right now.

Ms. Daiene Vernile: Thank you, Dr. Brown.

The Chair (Ms. Soo Wong): Thank you very much, Dr. Brown. If there are any written submissions, please submit them to the Clerk by Friday, by 5 p.m.

Dr. Amy Brown: Perfect. Thank you.

The Chair (Ms. Soo Wong): Thank you very much, Dr. Brown.

CITY OF LONDON

The Chair (Ms. Soo Wong): The next presenter is the city of London. I believe we have Mayor Matt Brown. I also heard from the Clerk that Grant Hopcroft is also present here. You're welcome to join the mayor at the table, sir.

Good morning, Mr. Mayor. As you heard, you have 10 minutes for your presentation, followed by five minutes of questions, this time from the official opposition party. You may begin any time. Please identify yourself and your position with the city of London for the purpose of Hansard. Thank you.

Mr. Matt Brown: Good morning. I am Mayor Matt Brown. Welcome, everyone, to London. Teresa and Peggy, welcome home. It's a pleasure to see you here.

Thank you very much for the opportunity to address this distinguished group.

We have a number of plans in the city of London, and we need your help. We have a plan to revitalize London to create jobs and to grow our economy. Our budget submission outlines what I would describe as a bold plan to create jobs, to invest in rapid transit, to support the initiative of high-speed rail and other transportation infrastructure. But it also calls for some measures to give the city the fiscal room to make ongoing investments in our local economy.

We also want to ensure that the programs that support the most vulnerable will continue or be enhanced, and also want to highlight the need to provide support to our local businesses through the Southwestern Ontario Development Fund and also, of course, through other mechanisms that support key economic clusters in expansion, research and development. Those should also be continued.

If I had to describe our top priorities, I would say that they fall under an "unlocking prosperity" program, as we call it, and also a rapid transit program. We'll start with unlocking prosperity.

We have a history, a strong history—a 15-year history—of successfully acquiring and servicing industrial land to attract investments and jobs. This success has been in large part due to partnerships across all levels of

government. London is calling on both other levels of government to invest in a strategy to assist.

Specifically, what I mean by that is that here in London, we need more industrial land that's the right size, that's in the right place, over near the 401/402 corridor, and that's serviced and ready to go, so we can take advantage of investment opportunities as they present themselves.

The plan, at full completion, generates \$43 million per year for the province from education and income taxes, on top of corporate taxes, so there's certainly a benefit to the provincial government as well. The initiative will increase our GDP locally by \$400 million due to the direct job creation.

I'll start with the need. As you know, we've lost over 5,000 jobs over the past several years in the CMA. Our five-year unemployment rate is 8.5%, and for youth aged 15 to 25, it's an alarming 18%. We have over 10,800 active Ontario Works cases each year, and that's our average over the past four.

The plan is to develop 300 hectares of fully serviced, shovel-ready industrial land, strategically located on the 401/402 corridor in close proximity to our airport and, of course, the NAFTA corridor.

The plan calls for a \$120-million investment, shared equally between each level of government: \$40 million from the province, \$40 million from the federal government, and \$40 million from this municipality. It's a five-year plan, looking for \$8 million a year over that five-year term. I should also point out that the city will also invest in the actual purchasing of the land, so the city's role is somewhat larger than one third. The benefits: 4,600 direct and indirect permanent jobs and approximately 4,000 person-years of construction jobs.

I'm going to give you a couple of examples of successes that we've had in the past and the kind of impact that has on the entire southwest region.

The Original Cakerie is one. They spend \$30 million a year on agricultural inputs: flour, eggs, cream, fruit, sweeteners, those sorts of things. Recently we opened Dr. Oetker pizza. They're expected to purchase approximately 11 million kilograms of high-quality ingredients from Ontario farmers and food processors. So there's definitely a return on investment there.

Secondly, investing in rapid transit and connecting it with high-speed rail: We're trying to create connectivity across our community to ensure that our workers can access newly created employment lands and that mobility is increased for all Londoners. Rapid transit is a 16-year plan. It fundamentally changes the way that we move across the city of London. We have congestion issues. Congestion issues are tough on our economy; they're tough on public safety, and hurt our quality of life and hurt our environment.

We've looked at a number of best practices in municipalities across Ontario and across Canada and we see rapid transit as the answer. We have a very extensive environmental assessment under way right now, and we need your help to bring this program entirely to fruition.

It's an ambitious plan. It's a 16-year plan with a \$380-million estimated investment over the course of the term of the investment. It's scalable and it's also a plan that will require investment over a long period of time. The municipality is ready to pay their share. We've just gone through a development charge review, and \$85 million has been earmarked within that DC to cover costs associated with our RT plan.

I'll highlight, just lastly, a need that is short-term. In 2015 alone, London could advance our RT strategy with an investment of \$5 million from the province. This \$5 million would be used to fund that EA I had spoken about earlier. It might also help with land acquisition, with work along the north-south corridor, and also to immediately provide some relief for commuters, including our student population.

Finally, I'll highlight the need connected to our infrastructure gap. We hear about that, I know, right across the province. We have a \$90-million transportation infrastructure gap. It's estimated to grow to \$260 million over the next 10 years. That's why we're seeking provincial support for this rapid transit plan. We don't see the solution as just adding more and more and more lane kilometres of road across the city as a long-term solution. We see it as fundamentally shifting our program. You can learn more about it at shiftlondon.ca, by the way, a website that we announced just yesterday.

It looks like I'm coming up to the tail end of my 10 minutes, so I'm going to just wrap up by saying that we have been hard hit by the recession and we're still recovering. We're making steps towards that recovery but we can't take anything for granted. We need to continue to invest. We're critically low on industrial land that's serviced and ready to go, which means that opportunities could pass us by. We are very focused on that file.

We're talking about 8,600 jobs and \$43 million in annual revenue for the province at full build-out. That \$40-million investment in terms of \$43 million in annual revenue for the province—payback comes in one year after full build-out.

Secondly, we see RT as a game-changer for our community and as a necessary step. It's a bold direction and it's a long-term direction, but we need to address our congestion problems. We also have an opportunity of a generation because we are conducting our official plan. We're actually developing a brand new official plan. The last was in 1989 and the one before that was in 1971.

We see an opportunity to fit our official plan, a rapid transit program, hand in glove with the province's high-speed rail program. We want to make sure that London not only moves people across the city but also is a key player in moving people across the region. I imagine someone from St. Thomas taking a quick trip into the south end of London, parking their car, hopping on our rapid transit system, heading downtown, hopping on a high-speed rail and being in Toronto in no time. That really is a game-changer for this community. Effectively, it moves us closer to the GTA, which would really kick-start our economy as well. Thank you.

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The Chair (Ms. Soo Wong): Thank you, Mr. Brown. I believe Mr. Fedeli will begin this round of questioning.

Mr. Victor Fedeli: Good morning, Your Worship. It's nice to see you this morning.

In your section—you didn't get to it—"Improve municipal fiscal health," you talked about simplifying reporting requirements, the police and emergency costs, the traffic act and development charges. Can you address what you think about those four in a quick sentence or two for each?

Mr. Matt Brown: Sure. I'll start with our emergency services costs. Of course, like any other municipality across Ontario, we have a budget pie, and as the pressures grow in that file, that piece of the pie grows and it puts pressure on the remainder.

We're doing many things locally. We are engaged in outsourcing internal audits within our police services board, which is a direction that is brand new for municipalities to try and find savings and efficiencies. We're working with other police service boards across the province with some bargaining strategies, but we're also looking to the province to help with that model as well.

Mr. Victor Fedeli: It says that you're urging the province to move quickly to bring high-impact measures to take action on police and emergency services costs. What do you want the province to do specifically?

Mr. Matt Brown: Specifically, when we look at what mechanisms are available at the municipal level to address those pressure concerns, there were few, and the mechanism that's available at the provincial level is certainly in line with some of the aspects focused around the arbitration system.

Mr. Victor Fedeli: Okay. So that was your recommendation number 6.

Mr. Matt Brown: That's right.

Mr. Victor Fedeli: So you're talking about the province fixing the arbitration. Can you just explain that briefly?

Mr. Matt Brown: Yes. What we looked at is a number of factors related to the arbitration system and the ability to negotiate locally. We would like a stronger ability to negotiate locally so that then we can take into account our ability to pay as a municipality. Certainly, increases that we've seen in the past, twice the rate of inflation, put significant pressures on our municipality and that means that we can't focus on other areas of the community.

Mr. Victor Fedeli: I know when I was first elected mayor of the city of North Bay in 2003, I remember, naively, having a study done in our negotiations. It was my first negotiation and I had a study done on our municipality's ability to pay. I remember handing it to the arbitrator and the arbitrator didn't even look at it. He simply slid it back across the table unopened and said, "My instructions do not include having to take your ability to pay into account." It was a rude awakening in 2003. Obviously many years have gone by and we still haven't seen any movement on that. That's still a key

factor for you, taking a municipality's ability to pay into account in wage settlements?

Mr. Matt Brown: That's right.

Mr. Victor Fedeli: Okay. You continued on with the highway traffic statute law. Can you explain what you mean by that? It was right after your—

Mr. Matt Brown: I'm just looking through my notes, if you can give me one moment.

Mr. Victor Fedeli: It's on the top of page 5, I presume. It's "Pass the highway traffic statute...." Can you explain that?

Mr. Matt Brown: Yes, absolutely. What we're looking for there is an amendment within the highway traffic statute law that would help municipalities collect unpaid fines.

Mr. Victor Fedeli: Do you know what the value of your unpaid fines are in your municipality today?

Mr. Matt Brown: I know it's significant. We spoke about it at—Grant, do you have that figure handy?

Interjection.

Mr. Matt Brown: It's about \$20 million, so it's really a significant dollar value.

Mr. Victor Fedeli: I know when I left the mayor's chair in North Bay it was around \$11 million in our community. It's impossible to collect, and I would really love to see the province move on that as well—to trigger something. I presume you're talking about the renewal of a licence or that sort of thing.

Mr. Matt Brown: All of those things; that's right.

Mr. Victor Fedeli: You talked about development charges in the next point. How does the province get involved in ensuring that the growth pays for growth. What would you do in that case?

Mr. Matt Brown: There are some specific policies. The amount of money that we're allowed to attribute towards development charges doesn't equal the amount. It comes close. It's in the 90% range, but it doesn't cover the entire amount.

The Chair (Ms. Soo Wong): Mr. Arnott.

Mr. Matt Brown: —and, of course, the statutory reductions as well.

Mr. Ted Arnott: Thank you very much. I've got a very quick question. You mentioned at the outset that you want to unlock prosperity in London. We agree with that. We want to support you any way we can, obviously. You're requesting \$8 million a year for five years from the province to assist in the servicing of the new industrial land. Have you made any applications to the government under the existing infrastructure programs in that respect, or are you looking outside of the existing program framework?

Mr. Matt Brown: We've had discussions, but the application process is pending negotiation with the federal government.

Mr. Ted Arnott: Okay, thank you.

The Chair (Ms. Soo Wong): Thank you very much, Your Worship, for being here, and for your written submission as well.

Mr. Matt Brown: Thank you. Stay as long as you like, and spend some money here in London.

The Chair (Ms. Soo Wong): Thank you for your hospitality.

DIETITIANS OF CANADA

The Chair (Ms. Soo Wong): Our next presenter is the Dietitians of Canada. I believe it's Leslie Whittington-Carter, Ontario government coordinator, who's presenting to us. Good morning. As you heard, you have 10 minutes for your presentation followed by five minutes of questioning from committee members. This round of questioning will be by the third party. You may begin at any time. Please identify yourself and your position with the Dietitians of Canada. Welcome again.

Ms. Leslie Whittington-Carter: Thank you, and good morning. My name is Leslie Whittington-Carter, and I'm the Ontario government relations coordinator for Dietitians of Canada. We're the professional association for dietitians across the country. We have about 3,000 members here in Ontario and a little over 6,000 members across the country.

Dietitians of Canada's vision is to advance health through food and nutrition. We do this by providing trusted nutrition information to Canadians and providing nutrition policy advice to all levels of government. Thank you for the opportunity to highlight our recommendations to you today. It's our goal to improve the health of Ontarians and support cost-effective health promotion and health care service delivery.

The committee will be receiving our complete submission electronically, which includes the background and the evidence behind our recommendations. The underlying theme of all these recommendations is access: access to credible nutrition advice provided by registered dietitians and access to healthy foods for all Ontarians. Today, I'll be highlighting our priority recommendations.

A bit of background about registered dietitians: According to Ipsos Reid consumer surveys, registered dietitians continue to be the most trusted source of nutrition information for Canadians, and for good reason. Dietitians complete rigorous university education and practical training to be eligible to write the Canadian dietetic registration exam, and we have to maintain ongoing competency requirements through the regulatory body. Here in Ontario, it's the College of Dietitians of Ontario.

Our recommendations for the pre-budget report are aligned with DC's commitment to ethical and evidence-based practice.

First, in order to support access to registered dietitians, we need to ensure that there are sufficient numbers trained to replace impending retirements and to ensure capacity to meet population needs. We thank the committee for including this recommendation in previous years' reports to act on this shortage; however, no specific action has been taken.

In 2012, the Task Force on Dietetic Education and Practical Training provided recommendations built on a

strong foundation of collaboration between the profession, the educators and the regulatory body. Currently, some provinces' university programs are moving forward with components of the proposed plan, but we need support for workforce planning in order to ensure that the education and training system is meeting the needs of the province.

We have evidence that access to dietetic services is not currently meeting needs. For example, according to the Public Health Agency of Canada's 2011 report on diabetes, only 26% of patients with diabetes have seen a dietitian. According to the clinical practice guidelines, patients with diabetes should be referred for counselling by a dietitian. So either the health system is not connecting patients with dietitians, or the shortage of dietitians is preventing these patients from getting adequate care.

Another piece of information on access is that, as reported in the 2013 National Physician Survey, over 40% of Canadian physicians who responded to the survey felt that access to dietitians was inadequate. Specifically here in Ontario, 43% of physician respondents felt that access to dietitians was inadequate. That number in Ontario was the second-highest among the provinces.

Our second recommendation around access is to continue funding for operation and promotion of the EatRight Ontario dietitian advisory service. This service, which I hope you're all aware of, is funded by the Ministry of Health and Long-Term Care and operated by Dietitians of Canada. It provides Ontarians with free access to dietitians through telephone, email and website.

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Evaluation has shown that consumer satisfaction is very high and that users act on the information they receive. This service is especially important to provide nutrition information to users who cannot access a dietitian in person, and to connect people with programs and resources in their own communities. The service is cost-effective and the cost per contact continues to decrease in each year of the program.

As well, EatRight Ontario has the infrastructure to support implementation of provincial policy and programs, and that's been demonstrated through supporting the school food and beverage policy, the diabetes strategy and Fresh from the Farm: Healthy Fundraising for Ontario Schools. We believe EatRight Ontario can play an even greater role in program and policy support, such as by supporting the implementation of the recommendations of the Healthy Kids Panel and the Living Longer, Living Well seniors' strategy. Continued funding for EatRight Ontario's operations through a multi-year funding agreement is needed to plan effectively for service and promotion.

Our third recommendation to improve access to dietitian services is in home care. The commitment to aging at home has led to targeted funding for some services. However, most therapy services, including dietetics, have seen decreases in referral rates through the CCACs, which leads to individuals not receiving the care they need.

Service provider agencies have difficulty retaining qualified professional staff due to the inconsistency in work available. For example, in 2013-14, only 0.13%—so that's one tenth of 1%—of home care visits in the province were for nutrition services. All therapy services in the home care system combined represented less than 5% of the total home care services provided in Ontario. Given the importance of nutrition in recovery from acute episodes and managing the effects of chronic disease, it's therefore likely that many home care clients who need dietetic services are not receiving them, and their home care service needs are likely extended due to that.

Nutrition services delivered through home care system supports help system objectives by maintaining independence and managing health conditions. Targeted funding to enhance therapy service delivery and home care is needed. Targeted funding initiatives for nursing staff and personal support workers are very important, but the home care interprofessional team needs the expertise of therapy professionals, such as registered dietitians, in order to achieve client outcomes.

Our organization has been actively involved with the Quality and Value in Home Care initiative and in providing the ministry and the OACCAC feedback on accessing dietitians' expertise in a cost-effective manner for home care clients.

Most consumers and health professionals assume there is good access to dietitians within the hospitals and the acute care sector. However, recent work by the Canadian Malnutrition Task Force found that only half of the patients who are malnourished according to standardized assessment protocols are referred to the dietitian for intervention. This study also found that 45% of patients admitted to hospital were malnourished. These patients had longer lengths of stay and were more likely to be readmitted within 30 days of discharge.

Given the prevalence and effects of malnutrition, adequate staffing and leadership for registered dietitians in hospitals is very important, yet some hospitals have downsized clinical nutrition services. The senior friendly hospital report indicated that nutrition/hydration protocols and monitoring procedures were not commonly in place, which puts patients at significant risk for functional decline, increased lengths of stay and higher rates of readmission. The capacity for nutrition services within acute care must be maintained to help correct these issues as well as support transitions in nutrition care from other sectors.

Improving access to dietitians enables individuals and families to improve their health. However, it's also important that all Ontarians have access to healthy foods in order to act on the advice the dietitian provides. The social assistance review demonstrated the importance of food security issues, and we continue to reiterate the need to consider the actual cost of purchasing food in specific regions when setting social assistance rates. Public health units around the province collect this data annually using a defined protocol known as the Nutritious Food Basket,

and it consistently shows that many social assistance recipients are unable to afford the cost of a healthy diet.

Dietitians of Canada's updated food security position paper will be available soon, and we will be sending all Ontario MPPs a copy, so watch for that in your email in the next few months. The position paper summarizes the evidence on the wide-ranging effects of food insecurity on both physical and mental health. Poverty reduction is the main recommendation to improve food security, so we reiterate our recommendation we have made over several years, that the findings of the public health unit's Nutritious Food Basket protocol be used as a starting point to determine an adequate amount for food in social assistance payments.

Access to adequate healthy food for residents living in Ontario's long-term-care homes is also a challenge due to rising costs that outpace the funding provided by the Ministry of Health and Long-Term Care. I know you're receiving a recommendation from the Ontario Association of Non-Profit Homes and Services for Seniors, OANHSS, for a 5% increase in the raw food costs per diem for funding. Dietitians of Canada's long-term-care action group is currently surveying long-term-care homes in the province to get more information on specific effects of the current funding levels, and we'll be sharing that information with the Ministry of Health and Long-Term Care once the report is complete.

A final recommendation is the development of a comprehensive and coordinated food and nutrition strategy for Ontario. There are many worthwhile initiatives under way—

The Chair (Ms. Soo Wong): Ms. Whittington-Carter, can you please wrap up your presentation? Thank you.

Ms. Leslie Whittington-Carter: The province is lacking an overarching strategy to provide measurable goals and objectives and strong leadership. The Ontario Collaborative Group on Healthy Eating and Physical Activity has developed a background paper and priority recommendations for such a strategy, and DC supports this as a means of improving health through nutrition. We urge the government to specifically analyze policy for its impact on health and to begin working toward a coordinated food and nutrition strategy for Ontario.

Thank you for your attention. I'd be happy to answer any questions.

The Chair (Ms. Soo Wong): Thank you very much. Ms. Fife, do you want to begin the questioning?

Ms. Catherine Fife: Thank you. I have a quick question and then I'll pass it off to my colleagues.

Thank you very much, Leslie, for bringing forward what I think are some very constructive recommendations. Not all of it is new information. It must feel a little bit like Groundhog Day some days. The connection between proper nutrition and quality health is obviously well documented, and we've actually heard across the province the voices of those who are on ODSP, on social assistance, and they've said very clearly to us that they can't access the healthy foods to keep them out of the

health care system. I think your recommendations are very timely.

Last year, you told the committee that there has actually been a decrease in referrals to dietitians. Have you seen any change over this past year that you would like to speak to?

Then the second part of that is, the government's home care review panel is going to be coming forward, I think, this Saturday or maybe early next week. Do you support the greater direct public delivery of home care services through the CCAC model? I think it would be beneficial for us to hear how you view that playing itself out.

Ms. Leslie Whittington-Carter: Sure. In terms of your first question, in terms of referrals to dietitians through the CCAC home care sector, it has remained about stable the last couple of years. There had been a very large decrease and then it has been holding stable at a very low level over the last couple of years.

In terms of the home and community care expert panel, we certainly provided a great deal of input to the panel and we feel that the CCAC system has some benefits. We think that it needs some work, definitely, in order to fully realize the benefits of providing home care and providing a true interprofessional approach. We do certainly agree that it needs some revisions. But in terms of some other groups' calls to scrap the system and go to something else, we have not made that same recommendation.

Ms. Catherine Fife: But you did address the absence, if you will, of targeted funding for dietitians within that system. I anticipate you're going to give us a written copy of your presentation.

Ms. Leslie Whittington-Carter: Yes.

Ms. Catherine Fife: Can you provide some financial analysis of investing early in proper diet care versus downstream, if you will?

Ms. Leslie Whittington-Carter: There is evidence on the health promotion side. For example, for diabetes care it's been found that nutrition counselling can reduce the impact of diabetes and can reduce the need for medications. Targeted nutrition counselling has been found to replace the need for a number of medications, and so forth. We do have some evidence of that, yes.

The Chair (Ms. Soo Wong): There are two more minutes. Ms. Armstrong?

Ms. Teresa J. Armstrong: Thank you very much for your presentation. Part of what you're talking about seems to be about preventive care. If you have access to a dietitian, it can prevent further complications. Specifically, I'm looking at diabetes.

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I'm the seniors' critic and am very interested in the home care delivery piece. You had said that there has been a lack of referrals to dietitians. What do you attribute that to? Is it access? Is it funding?

Ms. Leslie Whittington-Carter: It's primarily funding. From what we know, the case managers have a fixed—they're under a lot of pressure to meet their

budgets, so they have to make a lot of hard decisions about—

Ms. Teresa J. Armstrong: So they're prioritizing what they refer and therefore—

Ms. Leslie Whittington-Carter: Exactly. Sometimes that means that they cannot refer to all of the professionals that really should be involved in the care of the client or they may allow for one or two visits, which is probably not adequate for what the client actually needs.

Ms. Teresa J. Armstrong: In the interests of time, so I can ask this particular—

The Chair (Ms. Soo Wong): Okay. Thank you very much for your presentation, Ms. Whittington-Carter. If there's any written submission, can you please submit it to the Clerk by Friday at 5 p.m.?

Ms. Leslie Whittington-Carter: Definitely. Thank you very much.

GREATER KITCHENER WATERLOO CHAMBER OF COMMERCE

The Chair (Ms. Soo Wong): The next presenter is the Greater Kitchener Waterloo Chamber of Commerce. Mr. Sinclair, welcome. Mr. Sinclair, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questions will come from the government side. You may begin any time, and introduce yourself for Hansard.

Mr. Art Sinclair: Thank you very much, Chair, and thank you to the committee for the invitation again this year for the 2015 budget deliberations.

My name is Art Sinclair and I am vice-president of the Greater Kitchener Waterloo Chamber of Commerce. Following up on the earlier presentation by Dr. Brown, my back is in pretty good shape as a result of having a mother who was a school teacher who taught correct posture at a very young age, so I will try to adhere to that.

In past submissions to the committee, like a lot of other groups, we focused on the expenditure side of government—investments into our community and infrastructure, health care and educational institutions that have been quite beneficial over the last number of years. This year, I think the primary focus of our brief, which is being distributed right now, is more on the revenue side, and by "revenue side," I'm not talking about increasing taxes or fees. We're talking about increasing revenues to the government through increased economic activity.

The brief that I've submitted outlines a number of recent reports. I think probably most members of the committee and most members of the provincial government have seen these reports or similar documents from the banks, academic institutions and other think tanks that are essentially outlining the prospects for the province of Ontario, which, at this point in time, are quite positive.

Driving over this morning from Waterloo region I was reminded of something I was told a number of years ago by a senior manufacturer in our community. He said, "I read the forecasts from the banks and the academic institutions. I don't necessarily believe them. If I ever want to

determine how the economy is moving, I get in my car and I drive from Kitchener-Waterloo over to London. If there are more trucks on the road when I drive over than there were two months ago, I know the economy is in good shape." Driving over this morning, the economy must be moving because there were a lot of trucks on the road. At one point in time, I think around Dorchester, the inside two lanes were just solid with semis for about a mile. So is the economy moving? Yes, it is.

The focus of a lot of our presentation today is on one particular sector, and that's the manufacturing sector. Again, I'd like to reiterate what the earlier presentation from Dr. Frise mentioned: The manufacturing sector today is a lot different than it was a decade ago. I mention "a decade ago" because that's when we saw a particular change in the manufacturing sector here in the province of Ontario. That is when, because of the result of a higher dollar and some other factors, manufacturers started to leave Ontario and go to other competing jurisdictions. I think Dr. Frise pointed this out: Our manufacturing sector now is the high-end manufacturing sector. We do specialized products.

I think the best description would be provided by—I was at a conference four or five years ago, the Southwest Economic Alliance, and there was a panel discussion on manufacturing. One of the speakers was a gentleman who ran a company down in Simcoe, Ontario, that manufactured rain gear, primarily for the construction industry. He made a comparison between his operation and somebody in these lower-cost jurisdictions. "The distinction is," he said, "if a customer calls me on Friday afternoon and wants a product by Monday morning, I have to deliver it to him because I'm the high-end manufacturer. My product is a better product and I have to be able to adjust to what the customer wants."

The higher—

The Chair (Ms. Soo Wong): Excuse me, Mr. Sinclair.

Can I ask Ms. Armstrong and Ms. Whittington-Carter to go to the back of the room for their conversation so we can hear better? Thank you.

Sorry about that. I can extend by a minute for you. Thank you.

Mr. Art Sinclair: Thank you, Chair.

Again, to follow up on Dr. Frise's comments, we're in the high-end manufacturing, the advanced manufacturing field, and that's specialized products that require technology, that require innovation and research to be competitive in global markets.

This is the message that Jayson Myers from the Canadian Manufacturers and Exporters developed seven or eight years ago, as the recession started. This is the reality of Ontario manufacturing, and that narrative has not changed. I think it's evident in the brief, in fact. This is the reality of the current manufacturing industry in the province of Ontario right now. We have that niche for high-end products that require particular skills, and that's something I'm going to address later on in the presentation. But overall, I think our prospects are very strong for growth, and I think that with assistance from the provin-

cial and federal governments, there are a lot of opportunities that we can take advantage of.

Just one further comment about manufacturing: When I was here a year ago, one of the big concerns that we had was the closure of the Heinz manufacturing facility in Leamington and the Kellogg's plant here in London. That was, I think, as we're all aware, a significant bad-news story for the Ontario manufacturing and the food processing industries.

Today, I think we have a different interest with respect to the agricultural industry. This follows up somewhat with Dr. Frise's earlier presentation. Our interest is in an area called bioproducts, which is taking residues from agricultural products and using them for industrial production. The most prominent facility of recent times has been located in Sarnia: BioAmber. What they are doing there is taking sugar from corn stocks and using that as a base product for the production of chemicals for industrial applications.

That's the first in a number of research initiatives into commercial applications of using residues from agricultural production in manufacturing. It's a very interesting field. It's essentially combining Ontario's two primary economic sectors, manufacturing and agriculture, and developing advanced products—what I was referencing before—for the global market. I think that's something we're particularly interested in.

Our recommendation on manufacturing is—and this is a recommendation that we've made to the committee before—we would like to propose that the provincial government consider establishing a separate ministry for the provincial manufacturing industry. Our point, as referenced in the brief, is that there is a Ministry of Agriculture, there's a Ministry of Northern Development and Mines, a Ministry of Natural Resources and Forestry, and a Ministry of Tourism. The manufacturing sector is still the number one economic sector in the province of Ontario, so from our perspective—again, a lot of this is related to advocacy, having a person at the cabinet table who would be an advocate for the Ontario manufacturing sector. This is something we're very much interested in and we've been proposing for a number of years.

Related to the establishment of a provincial ministry of manufacturing, we would very much like to see some type of provincial manufacturing strategy. It's sometimes frustrating—and I think a lot of people in municipal economic development may disagree with this, but each municipality now—upper tier or lower tier—has their own municipal economic strategy. I think there's very much a need for a provincial strategy, one strategy that would guide economic development in the province of Ontario, say, for example, with the application of bioproducts and biotechnology. Sarnia-Lambton is the leader in that area. However, if there's technology, research and development happening in Sarnia that could be of benefit to farmers in our home community of Waterloo region, then we should be connecting.

In the same way, we have a particular strength in information technology and manufacturing. We should be

connecting, probably better than we do, with other municipalities and other businesses across southwestern Ontario. I think the province has a role that they can play in this.

My second point, somewhat related to manufacturing and economic development, as outlined in the brief, is post-secondary education and funding, particularly for infrastructure on both college campuses and university campuses.

When we were here seven or eight years ago, and the economy was somewhat more fragile than it is right now, we and our local post-secondary institutions—Dr. Blouw at Wilfrid Laurier; David Johnston, Governor General of Canada, formerly president of the University of Waterloo; and particularly John Tibbits, the president of Conestoga College—all of us, the chamber of commerce included, were making representations before this committee and other committees on the importance of investing in post-secondary infrastructure.

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Subsequent to those discussions—of course, some of you will remember—the 2009 Ontario budget, along with the federal Knowledge Infrastructure Program, put about \$1.5 billion to \$2 billion into provincial post-secondary institutions for infrastructure. Locally, Conestoga College, at the south end of Kitchener by the 401—you probably saw it on the way over this morning—received about \$100 million from provincial, federal and private funding. That's a pretty significant investment.

The issue now is, the investments are there, and, with the economy growing, to use a sports analogy, practice is over and the game has begun. It's very important now that the post-secondary institutions of the province—the colleges and the universities both—are in position to start producing graduates who meet the needs—

The Chair (Ms. Soo Wong): Mr. Sinclair, can you wrap up your presentation?

Mr. Art Sinclair: Sure. Again, it's very important, I think, for our local post-secondary institutions and colleges to be able to produce graduates who meet the demands of the local workforce. We have every confidence in the ability of Conestoga to meet our demands, because we have been working with the college for a number of years, and we think they are in an excellent position to assist employers in Waterloo region moving forward. Thank you.

The Chair (Ms. Soo Wong): Thank you very much, Mr. Sinclair. Ms. Vernile will begin the questioning.

Ms. Daiene Vernile: Art, good morning, and thank you very much for coming and speaking to our committee today and informing us of your concerns.

In my previous role as the anchor and producer of *Provincewide*, a local news and current affairs program produced out of CTV Kitchener, I had the opportunity to interview many of your colleagues on various issues, including your very successful physician recruitment drive. So congratulations to you on that. It shows that you are a very strong voice for business in your community, and you are driving regional growth.

You touched on manufacturing, and what an interesting idea: to have a ministry of manufacturing. I will certainly take that back to Queen's Park and make that suggestion.

I had a recent conversation with the outgoing mayor, Carl Zehr, about manufacturing. We did so during the election campaign. He said, "Daiene, during the first part of our century"—so 2000 to 2010—"we lost many jobs in manufacturing, and, in fact, we had the stuffing kicked out of us." But he said to me, and he said this to me in my capacity as a former journalist, "Why don't you report the good stories?" I said, "Tell me." He said, "We have recovered all of those jobs." I said, "Well, for instance, where?" He said, "Well, it's advanced manufacturing—places like Dare, Mitchell Plastics, Clearpath Robotics, Conestoga Meat Packers."

So let me ask you, with the chamber of commerce, do you agree with the outgoing mayor, Carl Zehr, that we have recouped all of those lost manufacturing jobs in your region and that they are well-paying jobs?

Mr. Art Sinclair: Oh, yes, I think we have. The statistics are indicating that.

I was at a meeting last week, and Janette MacDonald, from the economic development department from the city of Kitchener, did a presentation she substantiated with Statistics Canada numbers. In fact, we have essentially secured or maintained, or, I guess, retained, our level of manufacturing job loss.

Going back, we use the term—and I referenced this in the report. The global recession started in 2008 with the collapse of Lehman Brothers on Wall Street. Southwestern Ontario was in a recession long before that. Going back from our own personal experience in Waterloo region, the closing of the Goodrich tire plant in January 2006 probably was the start of the recession, because 2005 was a phenomenal year for us in Waterloo region. In 2006, we started seeing that capacity loss in manufacturing.

But I think the important thing to mention: We have to have a better understanding of what manufacturing is, because particularly in our community we seem to have this silo. You're either manufacturing or you're information technology. You mentioned Clearpath Robotics. They're often considered information, or "high tech" I guess is the better terminology. They're actually a manufacturer.

Ms. Daiene Vernile: I was just at the plant, and I saw what they were doing in the backroom. They are building those robots.

Mr. Art Sinclair: Yes, and I think it's an interesting application that they often refer to. It has got many applications, but one thing it's used for is, if you have a vulnerable position in a mine in northern Ontario, you send the robot down and it can provide the images rather than sending a person down.

So I think we have to get that definition of "manufacturing," because clearly they're considered high tech, because it is a high-tech product, but guess what? They manufacture it the same as Toyota manufactures cars. So

if you look at manufacturing from that perspective, it's a big industry and it's a lot of potential.

Ms. Daiene Vernile: You didn't mention this and I want to ask you very quickly about transportation in your area because it is really critical. We're investing \$300 million in your LRT. We have allocated \$29 billion for infrastructure spending, which is going to look at all-day, two-way GO train service to your region as well as doubling the number of GO trains by 2016, and we are looking at high-speed rail. There's currently an environmental assessment that's happening. How is that going to impact business in your area?

Mr. Art Sinclair: Obviously, I guess the ultimate goal is that two-way service so people can get from Toronto to Waterloo region and vice versa; people can get from Waterloo region back to Toronto at night. That's the ultimate goal, but the model that we frequently follow is Silicon Valley in California, where Silicon Valley is drawing from a pretty big area. I think that's the plan we have for Kitchener-Waterloo, Guelph and Toronto: that we have a connecting infrastructure that allows people to move in those three sections.

The Chair (Ms. Soo Wong): Mr. Sinclair, thank you very much for your presentation and your written submission. Thank you for being here today.

SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 2

The Chair (Ms. Soo Wong): Our next presenter is the Service Employees International Union: David Bridger, the vice-president of Local 2. Good morning and welcome. Mr. Bridger, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questions will come from the official opposition party. You may begin any time. Please identify yourself as well as your position for the purposes of Hansard. Welcome.

Mr. David Bridger: Good morning. My name is David Bridger. I'm the vice-president of the Service Employees International Union, Local 2. I'd like to thank you for the opportunity to appear in front of you this morning and bring you, in particular, the perspective of front-line brewery workers in Ontario working in the Ontario beer industry in London.

The Service Employees International Union is probably best known in Ontario for health care; however, we have a number of locals that represent a number of members in a whole host of sectors and industries, public and private, in Ontario and across the country. In particular, we have a proud history of representing members in London that work at the Labatt brewery.

That brewery was founded in 1847, and the people who work there obtained the union charter in 1907. Currently in London, the SEIU represents at the brewery 230 full-time employees and an additional 50 temporary employees. We are proud of our members there and are proud to be part of the community where most of our members live and raise their families.

When we look around the London area we know that the London economy has been hit pretty hard in the past few years, and parts of it have faced significant challenges. We've seen this first-hand in our other members' workplaces in the community, but Labatt has been an unusual success story in manufacturing, and it continues to be a big part of the agri-food economy in Ontario. We've held our own, and that has been in the face of an overall decline in the amount of beer being consumed in the province.

You'll understand that our members have been following the debate over the beer industry in Ontario with considerable concern. I'd like to relay to you that they are very concerned that the government of Ontario, being egged on by a media campaign, may make some serious mistakes: mistakes that would harm both our province and the livelihoods of our members right here in London.

Let me begin with our first concern, which is about the social implications of this debate. We're worried that the idea that the beer that we make needs to be sold in another 10,000 stores in this province: in every corner store, every Loblaws, every Walmart and every Costco. We love beer and we love to bring the products to the marketplace that we can bring, but these are alcoholic beverages. We also know, being representatives of our workers, what the other side of that coin is, and we would stress that it needs to be sold carefully, responsibly and in moderation, in every sense of the word. That being so, we urge you to ignore the privateers, dismantlers and hucksters promising to open new alcohol stores everywhere, on every corner and every street in this province.

I have the privilege of chairing a national committee called the Canadian Brewery Council, which comprises a number of unions that represent all the workers in most of the breweries across the country and also the distribution in a number of sectors across the country.

1020

We've seen what they've done in other provinces. We've seen the downside to that. What they have done in other provinces and whatever arguments they've made there, we would ask the government to continue to do it the Ontario way here in Ontario, and that means in moderation. Selling beer through the Beer Store and the LCBO achieves that goal.

Our second concern is based on the concerns of our members and what it directly means to them. Let me put the matter directly: Our workers don't deserve to be punished as a part of a change to the way that beer is sold in this province. They don't deserve to have additional burdens placed on them or for the province to arbitrarily take steps that make it harder for those of us who brew and package beer in London to compete with other breweries in other parts of the province.

As people who brew beer and make some of Canada's most popular beer brands right here in this community, we know the business very well. The truth is, in Ontario, beer is already very highly taxed; 44% of the price of beer in Ontario is taxed, and that comprises the main reason why in New York or Michigan it's much less expen-

sive to buy beer than it is here in Ontario. We realize, however, that that supports our communities, schools, hospitals and services that we depend on, but the high taxes also have an impact on price.

As new costs are contemplated for the beer industry, or even the beer industry where we work, we think this could have significant repercussions and consequences for us and elsewhere either through higher prices, more pressure on front-line workers like our members, or both.

I'll conclude by saying the following: We're proud of the community that we live and work in. We're proud of the work that we do. We're proud of the products that we brew, bottle and distribute, in one of the oldest companies in the country.

It hasn't been easy on this community in London. You heard his honour, Mr. Brown, speak about the unemployment rate, which has gone down in the last few years—it was much higher—but London has seen tough economic times. We all hope there are better days ahead.

We are encouraging the government not to make Ontario's social problems worse with an ill-considered, out-of-control dismantling of how we manage alcohol in this province. Don't make it harder for businesses like Labatt to invest in our community—that provides for our members—and don't arbitrarily tilt the playing field in favour of brewers in other parts of the province by charging them less and charging us more. Ultimately, this hits our front-line workers. In the beer business we've already seen year-over-year declines, so this makes continuing to do what we do very tough. We're already working very hard to partner with our employer and keep our work here in the city. Thank you.

The Chair (Ms. Soo Wong): Thank you very much. For this round of questions, Mr. Arnott, do you want to begin the questioning?

Mr. Ted Arnott: Thank you very much, Mr. Bridger, for your presentation. We found it very interesting and helpful. I just want to ask you, are you in favour of the status quo in terms of the retailing of beer in the province of Ontario, without any changes?

Mr. David Bridger: I think when we look at the overall structure, you can look at the system and how it works. I would suggest that any system can afford to be evaluated. We wouldn't just say that it has to be entrenched in a status quo, but I think that within the confines of the way that the system is currently set up for the distribution of alcohol, and having had many discussions with my peers in other provinces where they have a very different situation, we know very much what that means. For us it's mostly not a good-case scenario when it's completely dismantled, and what it means socially, the implications for the province, and would they do it—and then what it means for the employers where our members work, overlaying significant additional costs for distribution in other parts of the picture.

From our perspective, we always look at this as a two-pronged approach. We're always concerned about the social implications of it first, and secondarily, also, the

partnership and what it would mean with our employers, for a significant change.

Mr. Ted Arnott: So the Beer Store currently has a quasi-monopoly on the retail sale of beer in the province of Ontario, and of course the LCBO sells some beer, I think in six-packs, but nothing larger; I believe that's correct. I guess the public policy question is, going forward, is it in the public interest to continue this quasi-monopoly, and whether or not it should be broken up to allow further competition of some sort. Would that be in the public interest? What would you have to say to that data?

Mr. David Bridger: From our perspective, I would suggest the fact that 44% of the cost of beer is already taxed is a significant amount of dollars coming in to support the community through all the different areas where that money gets distributed, and it's a significant amount of money. This is a balance. We can talk about privatization and what competition would mean if it's not a quasi-monopoly, but we would also talk about the other pressures that would bring—possibly pressures on lowering the tax rate and others—in a non-quasi-monopoly situation. I think there's a bit of a symbiotic relationship there where we feel comfortable that we have a good handle on distribution as far as the social implications go, but we also feel that there's a significant benefit there for the province to continue to do it the way that we're doing it, at least within the current model of retail.

Mr. Ted Arnott: Am I correct in assuming that you would suggest that any increase in beer taxes would simply be passed along to the consumer, increasing the end cost of a case of beer?

Mr. David Bridger: I may take a different view, being a union guy rather than a corporate guy as far as how this would play out, at least in the PR realm, but our sense would certainly be that if there is an increase, somehow it will find its way passed down to our front-line workers in the way of either diminished benefits and/or wages to compensate, which means diminished ability to spend in the community, or somehow passed on to the consumer in some way.

Mr. Ted Arnott: The government is floating the idea of bringing in a so-called franchise fee of some sort—their words—with respect to individual Beer Stores, although they haven't really said what that means or how that would work. What's your assessment of that idea from what you know, and what would you advise the committee to recommend?

Mr. David Bridger: I won't comment on that because I don't know that I had enough discussion to talk about what that would particularly mean. We haven't contemplated that on our end.

The Chair (Ms. Soo Wong): You've got one more minute. Mr. Fedeli?

Mr. Victor Fedeli: You talked about beer being available in Beer Stores and LCBO outlets, but there are 218—if my number is correct—other places across Ontario that you can—I know that in my riding of Nipissing,

if you wanted to drive towards Quebec and you come to the Ontario community of Eldee, there's a gas station in Eldee that sells beer and wine. How would you categorize them? You used a couple of words to describe them earlier. Would they be part of that grouping?

Mr. David Bridger: Yes. We've seen some creative exceptions be made, or at least models where, in smaller communities, a Beer Store or LCBO is combined with other services. Sometimes it could be a gas station, but there could be other locations where, out of the 218, they're combined with another business or another function that's going on in the community. I think exceptions like that, so that the community is getting service in a reasonable way, are fine. I think it's sensible. Saying that you have to have this one-size-fits-all solution within the confines of the Beer Store or LCBO—

Mr. Victor Fedeli: So there are opportunities, then? You called them hucksters earlier. I was just trying to put the guy who owns the gas station in Eldee—I just want to know what category he falls into.

Mr. David Bridger: I think about my colleagues in Quebec and Alberta and I think about my trips to Alberta and Quebec and seeing what goes on there. I would believe that some of them are hucksters in what actually goes on in the way of back-door negotiations for what product sits where and who gets what. It enters into a whole bunch of complexities on the business front that I think is somewhat shadowy, and then on the social front becomes very complicated. I think we've seen a lot on retail store sales, cigarettes and others that give you—

The Chair (Ms. Soo Wong): Thank you, Mr. Bridger, for your presentation. If there's any written submission, please submit it to the Clerk by Friday at 5 p.m.

Mr. David Bridger: Thank you.

CANADIAN MENTAL HEALTH ASSOCIATION MIDDLESEX

The Chair (Ms. Soo Wong): Our next presenter is Canadian Mental Health Association Middlesex. I believe it's Mr. Don Seymour, the chief executive officer, along with Laurie Gould and Heather Bishop. Welcome. Please come on down and sit anywhere near the microphone.

As you heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questions will begin with the third party. You may begin any time. Please identify yourself and your position with Canadian Mental Health Association Middlesex.

1030

Mr. Don Seymour: Don Seymour, CEO, Canadian Mental Health Association Middlesex.

Ms. Heather Bishop: Heather Bishop, vice-chair of the Canadian Mental Health Association, and also a parent of a child with a mental illness.

Ms. Laurie Gould: Laurie Gould, chief clinical officer at London Health Sciences Centre.

Mr. Don Seymour: Today is Bell Let's Talk Day about mental health, so let's talk about mental health for

the next 15 minutes, please. It's a bit of irony that we're here on this day to talk about mental health, but we're very pleased for the opportunity.

If you've been watching the headlines in London, you know the conversation around mental health in the last few weeks, indeed, the last couple of years, has been bleak. It's the only way to describe it. Some people are saying we have an epidemic of mental illness. My colleague Laurie will speak more about the issues they're dealing with at the hospital in just a minute, but the fact is you've heard that London is in tough with high unemployment. The number of people on Ontario Works for the last number of years has been stagnant at about 10,000 people. High-paying jobs left the community, and jobs that have come back to London tend to be minimum wage service jobs.

The World Health Organization says that people living in poverty are twice as likely to have mental health or addictions issues, and London is proof positive of that very sad statistic. The only way we're going to turn this epidemic around is with new resources invested. We know that the Ontario government is in tough, and you have to make tough decisions. We know that part of the work of this panel is to look at how to reduce the deficit. The only way you're going to reduce the Ontario deficit is if you invest in community-based mental health and addictions services. Those services tend to be less expensive, tend to divert and tend to be more holistic in terms of their approach. Put money upstream and you will avoid those expensive services downstream.

We are not understating that this community is in crisis right now, in crisis in the community, in crisis at the hospital. With that, I'll pass the microphone over to my colleague Laurie.

Ms. Laurie Gould: Thank you. London Health Sciences, I would suggest, in our mental health area, has been in a crisis as well. For the past year, we have been running at 114% capacity, and that's for our acute care patients. We are a tertiary and quaternary acute care hospital—114% capacity for our mental health patients. On any given day, you can go down to our emergency department and find anywhere from seven to 14 patients sitting in the emergency department, waiting for an in-patient bed.

One has to ask the question, why? Is it because we don't have enough services—social services, support services—in the community? Or is it that people are just so sick that they need the acute care? I would suggest it's both. We do have people who need acute care, but I do want to highlight one individual. This is a story of a patient that we had.

We had a gentleman who in one year came to our hospital emergency department approximately 273 times; so, in one year, 273 visits to the hospital. This was an individual who had addiction problems, who had medical problems and who had mental health problems. In those 273 times, you can imagine the cost to the system: seeing a doctor, seeing a nurse, getting support services and whatnot.

We eventually got supportive housing for this gentleman. We had a community agency that stepped up for us and gave this individual supportive housing. In a few months, he went from a visit every day to two visits in a year. We went from 273 visits, approximately, to two. Why? Because he had a home, because he had the support he needed out in the community.

Acute care hospitals are for acute care patients. Now, in London, we're faced with an economic crisis. We've seen people with homelessness. We're seeing an increase in unemployment, which creates stressors. We've seen a huge number of patients with addiction issues. Crystal meth is an addiction issue.

I learned yesterday, surprisingly—and this is new to me—that there was a change in the recipe for crystal meth—

Interjections.

The Chair (Ms. Soo Wong): Excuse me. Gentlemen, can you move your conversation—gentlemen? Mr. Fedeli, can you move your conversation further back?

I'm so sorry. I'll give you an extra minute, because we cannot have this interruption for a presentation. I apologize. Ms. Gould, you may begin.

Ms. Laurie Gould: Thank you.

The recipe for crystal meth has changed, unbeknownst to us. What's been happening is, now, people who are taking this drug have actually become violent. They go into the emergency department coming down from their high, and they're sick. Because there's nowhere for them to go out in the community, what's happening is we're admitting them into our hospital because we can't send them away.

What we're starting to see in the hospital is sick patients and violent patients. In addition, we're seeing elderly demented patients who are coming into our hospital, but they have nowhere to go. They need spots out in the community that are safe for them. Until we find these violent demented patients a home out in the community and give them support, they end up in our emergency department and then in our mental health unit for days, months and, I would say, years.

As a system, we're working well together, but at LHSC, as you can tell, we're at full capacity. We've invested above our budgeted resources in order to support these needs, but we've become a stopgap in the community.

I think it's so important that we work with our partners, and we've worked as well as we can, but also that we start investing in a system to keep people out of the hospital, to provide acute care when they need it the most and to provide the right care when patients need it the most. In order to do that, we need to start investing upstream and focusing on what's really important to people—housing; support services; and resources where they can go to at different times so they don't get worse and end up in the hospital and then stay there.

Ms. Heather Bishop: As I said, I'm Heather Bishop. I'm the parent of a child with mental illness. She's actually turning 19 tomorrow, something I cannot believe.

She was diagnosed with a mental illness when she was seven years old. In spite of her age, we've been part of this system for a very long time. I've been on the CMHA board for more than four years now, and I can tell you that it has been an incredible journey sorting through the intricacies of adult mental health. We're very fortunate in that my daughter had a diagnosis prior to entering the system, and she had been diagnosed for a very long time. But many young people end up being diagnosed when they're in their teen years, and that transitional phase is a very difficult time. Often they have difficulties with their parents, and these are the young people who end up homeless, couch surfing, unable to find the services that they need to help them.

I run a parent support group, and I hear stories from parents all the time. I get calls from parents all the time: "Where do I get services? How do I get them?" Many parents are looking for services before their children are reaching a crisis point, and it's difficult for them to attain that help beforehand.

I think we've heard about some of the issues facing our hospitals and the CMHA. One of the things that we have noticed is that there have been investments in community mental health, but in spite of those investments, our wait-lists have doubled over the last number of years. That speaks to a much greater need.

I think that the state of the economy in London is an issue here. As I say, young people are feeling very disenfranchised. On top of that, they are increasingly demonstrating high anxiety, depression—things that need help, and we need to help them through that. But unfortunately, they're having to reach a crisis point before they can get the help that they need, and then they're ending up in hospitals and in acute care because of that.

I would like to see a system where people can access care when and how they need it so that we don't have to reach a crisis point before people can access care, where people don't have to get as sick as they've been getting. I'd like to see more emphasis on prevention at a younger age, helping these transitional-age people get help they need so that they're not homeless when they're 30 years old and so that they're able to function in our society and to learn how to deal with their illnesses.

I'm proud to tell you that because of the interventions my husband I were able to acquire when my daughter was younger, she's on her way to probably going to university in a couple of years. She's in grade 13 this year, and she'll be doing grade 14 next year, but she has plans to apply to university and get a degree. That's something, quite frankly, that nine years ago I didn't think was possible.

1040

The Chair (Ms. Soo Wong): Thank you very much. This round of questioning—Ms. Sattler, do you want to begin?

Ms. Peggy Sattler: Yes. Thank you very much.

Thank you so much for that incredibly powerful and compelling and urgent presentation.

London is in crisis. We've seen that in the London Free Press over the last little while. But this isn't a London problem. This is a provincial, even national, problem.

I wondered if you could talk to us a little bit about what needs to happen to address this issue on a provincial basis. You mentioned the need for supportive housing, and there's all kinds of great evidence coming out of the US and elsewhere about the effectiveness of housing-first approaches. Do you have some specific recommendations of what the province has to do to implement an effective housing-first strategy?

Mr. Don Seymour: Absolutely, and you've started, through the Ontario Poverty Reduction Strategy, but we fear it's coming too slow.

The fact is, if I could speak for the community, we support 2,000 people in London and Middlesex, Exeter and Goderich in various services, including housing—400 people in housing. Those people don't show up at the hospital, because they're getting the supports they need.

When we're talking about supportive housing, you've got agencies in London that are working together that have shifted a lot of their resources over towards a housing-first approach, housing with supports. Those supports are based on the needs of the individual. It's not just throwing people in a house and saying, "You've got a house. Everything is going to be better." Whether it's a psychiatrist, a recreational therapist, an occupational therapist, a personal support worker—whatever the supports that are needed, those go into housing-first.

We operate one program, for \$350,000, where we've integrated 20 people into a very large apartment building here in London. That program supports 20 people for \$350,000 a year, or less than \$50 a day. It's not expensive if you compare that to those expensive services that a hospital has to provide when people go into crisis or are acute.

You need to look at the whole basket of community services for people with mental illness or addictions. It's not just housing first; it's those community programs—vocational, employment, leisure and life skills. Those are all the things that people need to stay in recovery so they never end up going back to a hospital.

People transition. Through the regional divestment initiative, people transitioned out of regional mental health care who had been in the hospital for decades. It costs \$900,000 a year to support 10 people. That might sound very expensive, but those same 10 people cost \$4 million a year to support in a hospital setting.

The solutions are there. The issues are complex, but the solutions are there.

Ms. Peggy Sattler: I wanted to follow up on some of Heather's comments. It's just so wonderful to hear about your daughter's success. Unfortunately, not all young people have parents who can advocate the way that you have been advocating every step of the way for your daughter.

I wondered if you could talk a little bit about the kinds of investments that are needed to support young people

so they don't have to get into crisis before they can access services. I'm thinking particularly about supports, perhaps through the school system, and how those kinds of services can be strengthened to support young people like your daughter.

Ms. Heather Bishop: Thank you. I believe very strongly in the need for more services at the school level, particularly in high schools. I think in elementary schools too, there needs to be more training for educational assistants.

Something I didn't speak to but can touch on a little bit is the impact on families of having children with mental illnesses. I've seen so many parents struggle with mental illness because of the pressures of dealing with their own children with mental illnesses. We see job loss due to lack of care for those children. We see parents who are entering hospitals and having to have acute care provided because of the stress of dealing with these situations.

I think more educational assistants would certainly make a huge difference at the school level, but also the introduction of more social workers and people who can help young people to find their way, find supportive housing when they need it. A lot of these kids end up getting kicked out of their homes because the parents can't support them any longer.

The Chair (Ms. Soo Wong): Ms. Armstrong, do you have a question?

Ms. Teresa J. Armstrong: Yes, thank you. I want to congratulate the CMHA for their recent proposal on the 24/7 clinic that they're going to present. So I just want to ask you a little bit about, for the record, how that is being received by the government and what the timelines are.

Mr. Don Seymour: The timelines: We're hoping to have it open in September. But we plan, in the health system, in a vacuum. You come up with a plan and the solution and then you apply for the various funding streams. At this point, we've engaged an architect. We're hoping to have the building renovations start by September. That's entirely dependent on the health capital investment branch approving the proposal. We're still short \$1.4 million in operating funds.

How important is this? The default mechanism, as Laurie said, is the ER. A walk-in 24/7 mental health and addictions crisis centre with eight to 10 stabilization beds for non-acute mental health and addictions crisis will take pressure off the hospital. In less than five days, we diverted 11 people in a five-bed stabilization space we've set up through the crisis.

Ms. Teresa J. Armstrong: Quickly, do you have any suggestions on how you can help this government move this a little quicker for you or are there ways that the government can help you to get what you need accomplished to get this treatment centre in place?

Mr. Don Seymour: We need oxygen. We're not going to go away at this point. We're not going to be embarrassed to ask for money for people in need. So \$1.4 million sounds like a lot, but it's not, when you look at how many people we can divert. The renovations will be

under \$1 million, and we will create a state-of-the-art community pressure valve for folks in need.

Ms. Teresa J. Armstrong: Because of the crisis that we're facing, are there ways that the government can assist in getting this moved a little quicker along for you?

Mr. Don Seymour: Fast-track health capital investments and work with our local health integration network to help with the priorities for investment for community-based services.

The Chair (Ms. Soo Wong): Thank you, Mr. Seymour, and thank you to all the presenters for being here today.

FAMILY SERVICE THAMES VALLEY

The Chair (Ms. Soo Wong): Our next group is Family Service Thames Valley: Louise Pitre and Brian Phillips, I believe. Good morning; welcome.

Ms. Louise Pitre: Good morning.

The Chair (Ms. Soo Wong): As you heard earlier, you have 10 minutes for your presentation, followed by five minutes of questions. Come up and have a seat. This round of questions will be from the government side. Please identify yourself and your position with Family Service Thames Valley for the purpose of Hansard. You may begin any time. Thank you.

Mr. Brian Phillips: Thank you. I'm Brian Phillips. I've been involved with Family Services at the board level for several years, and I currently have the pleasure of being the board chair. My wife believes that's a sign of how desperate the group is; I like to think otherwise.

Louise?

Ms. Louise Pitre: No, I'm trying to set up the presentation—

Mr. Brian Phillips: Just introduce yourself for Hansard.

Ms. Louise Pitre: Okay. My name is Louise Pitre. I'm the executive director of Family Service Thames Valley, and also a member of the provincial organization Family Service Ontario.

We're trying to locate my presentation, so if I could just give some guidance for one moment.

Thank you very much to the all-party Standing Committee on Finance and Economic Affairs, and to the Ministry of Finance staff and MPPs. We're really grateful to have the opportunity to offer two mental health solutions for two very vulnerable groups: folks with mental health and addiction issues and male survivors of sexual violence.

You've already heard from the CEO of CMHA and the folks from London Health Sciences Centre and—what's next here? There we go—so you've already heard about the overcrowding in our emergency departments; you've already heard about some of the system issues that are being experienced in health care; and you've already heard about lots of the headlines here in London. As my previous colleagues have mentioned, the emergency departments have become the default point of entry of care for folks who have mental health and addic-

tion issues, whether they're mild, moderate or complex or in crisis. This leads to increased costs, increased wait times and, really, an inappropriate use of Ministry of Health dollars.

1050

We have a solution. The solution that we have is to divert people with moderate mental health and addiction issues away from expensive emergency department services and toward quick-access mental health walk-in counselling services.

Not all mental health issues require medication. Not all mental health and addiction issues require years of counselling. Not all mental health issues require psychiatric care.

We have a study that we did—this was conducted throughout the province by family service agencies who have counselling programs—most of us have counselling programs—where the effectiveness of counselling was demonstrated. The results showed that there was a 69% improvement in overall functioning—and I'm not moving this. Oh, I am moving the slides. Okay. It's showing up different here. Sorry.

What some folks with mental health and addiction issues—the mild to moderate—need is easy, inexpensive and quick access to mental health and addictions counselling services.

Interjection.

Ms. Louise Pitre: Thank you, Brian.

What are quick-access mental health walk-in counselling services? In Ontario, there are already three LHINs that have invested in this strategy: the Champlain LHIN, the North East LHIN and the North Simcoe Muskoka LHIN. What we have found is that we are able to decrease emergency department wait times, decrease psychiatric wait times and increase access to proven non-medical services that work.

You've likely already heard, that one in five people experience a mental health problem in Ontario—this isn't going away—and that the Ministry of Health spends more than \$2 billion each year on acute care, drugs and community services related to mental health and addiction problems.

Family Service Ontario—because we're here on behalf of Family Service Ontario—is asking that the Ministry of Health provide funding directly to the LHINs specifically to divert people with mental health and addiction problems away from expensive emergency department services and toward quick-access mental health walk-in counselling services offered by community-based family service agencies.

We've already got the infrastructure to do this. We already have three examples that are being funded by the LHIN and are having some success. Some of us, including Family Service Thames Valley, have been around for 75 years.

The second issue: male survivors of sexual violence. You may or may not know that at the end March 2015, the funding that the Ministry of the Attorney General had identified for male survivors of sexual violence will

come to an end. We need sustainable funding for male survivors of sexual violence. One in six men will, before the age of 18, have experienced sexual violence. One in six men will suffer in silence because, in our society, it is not cool to be a man who shows emotion, who discloses sexual violence.

We know, based on the number of men whom we have served at Family Service Thames Valley—and on a yearly basis, we have about 100 men that access our services—that we make a difference in their lives, because they tell us that they can live another day, because they tell us that they have their lives back, because they tell us that they're now able to stay employed.

In December 2009, you had the Cornwall inquiry, which made recommendations that male survivors of sexual violence receive support services. In September 2011, MAG came forward with a three-year pilot. So we're still in a pilot phase. It was extended.

We have served, so far across the province, almost 2,800 men. As of March 31, this funding is coming to an end. There's no guarantee that it will be renewed.

Here, locally, FSTV was told in early December by our lead agency that our money was running out because we had used it all. Consequently, I had to stop offering some of the services that we were offering to male survivors of sexual violence, and I had to move a group to the next fiscal year.

What we're asking is that the government provide agencies that deliver this program with an initial \$2 million in annualized funding and engage in a consultative process to further assess the real costs of providing the service across the province.

Just a couple of more slides.

Family Service Ontario member agencies serve over 250,000 people across the province. We're kind of like the family doctor of social services. Whereas the family doctor is the person you go to see to figure out what's going on, often for the people who come to family service agencies, the role that we play is a role of supporting initially and then helping them move through the different systems.

I have to put in a little plug for Family Service Thames Valley. We're celebrating 70 years. We've had 70 years of community impact, and we've had a tremendous impact. We've likely served over half a million people and, in that process, have been part of the mental health response, certainly for people with mild to moderate mental health. We've been able to achieve a lot of success and improve the health of our community.

Thank you.

The Chair (Ms. Soo Wong): Thank you very much. This round of questioning will begin with Ms. Albanese.

Mrs. Laura Albanese: Thank you for your presentation. I will start by congratulating you for having been in the community for so long and providing such great care for the residents of your area.

Ms. Louise Pitre: Thank you.

Mrs. Laura Albanese: You bring forward some very important points. I'll start with the quick access to the mental health walk-in counselling services.

I just wanted to point out also that I was Chair of the Select Committee on Developmental Services, and so was our Chair, Soo Wong—we were two of the members who toured the province, trying to see how we could solve the crisis that is there.

We heard from many families. We were very heartened when the government decided to make this unprecedented, if you will, investment of \$810 million over the next three years. We do realize there are a lot of wait-lists that need to be addressed, but it is a considerable investment. We're also trying to assist people with developmental disabilities in their employment journey and we're trying to assist the front-line workers. That doesn't mean that there isn't more work to do.

You mentioned that these walk-ins are already working in three LHINs, so you would like to see this across the province. That's basically your ask. Is that right?

Ms. Louise Pitre: Yes, it is. It is our ask. There's a precedent set. There are outcomes. The ask is for the funding to be directed to the LHINs, to be directed to the family service agencies. Right now, not all family services receive funding from a LHIN. If you're not at the table, therefore you're not part of the response, the overall systemic response, to mental health. The Ministry of Health and the LHINs hold a big chunk of money, right?

This is another way for us to contribute in an inexpensive way to a solution. It complements what you've already heard. I'll just leave it at that.

Mrs. Laura Albanese: I'm sorry, I don't know, but are family services present in each LHIN in the province?

Ms. Louise Pitre: Yes. Family Service Thames Valley has Middlesex county, Elgin county and Oxford county. There are family service agencies in Stratford, so in Perth county you have family services, and in Chatham and Sarnia. So, yes, in every LHIN there would be at least one family service agency, if not more than one.

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Mrs. Laura Albanese: Okay. In regard to the male survivors of sexual violence, we heard a similar presentation also in Cornwall, where this was brought to our attention. My understanding is that there is this pilot that has worked very successfully, and now that's coming to an end in March of this year. So you haven't received any word on whether the funding will continue or not?

Ms. Louise Pitre: No. Correct.

Mrs. Laura Albanese: Correct? Okay.

Ms. Louise Pitre: And so that makes it very difficult for planning purposes. We're not going to close our doors to male survivors, so then we end up either with a deficit or we end up looking for dollars and trying to figure something else out, but it's not a systemic approach. It's a fly-by-the-seat-of-your-pants approach, and I'm sorry, but I've come from the rape crisis centres, and male survivors of sexual violence deserve support. This is not the way to do it.

Mrs. Laura Albanese: Well, it's good that we had a pilot.

Ms. Louise Pitre: Yes.

Mrs. Laura Albanese: That means that we're investing into the idea, if you will, and we hope to see that expanded so that—that, I believe, is your ask. Have you seen an increase in males that are surviving sexual violence?

Ms. Louise Pitre: What we're seeing in our community—I don't know about other communities, but in our particular community we are seeing more male survivors come forward.

The Chair (Ms. Soo Wong): Thank you very much for your presentation, and thank you for your written submission as well.

LABATT BREWERIES OF CANADA

The Chair (Ms. Soo Wong): The next presenter is the Labatt Breweries of Canada: Chris Morley, senior director of corporate affairs. Mr. Morley, welcome. Can you please find yourself a chair in front of the microphone? You know the drill, Mr. Morley. You have 10 minutes for your presentation, followed by five minutes of questioning from the committee members. This round of questions is from the official opposition party. Can you please identify yourself for the purpose of Hansard? Thank you.

Mr. Chris Morley: Great, thank you. Chris Morley, from Labatt Breweries of Canada. Thank you for the opportunity to speak to you today.

Labatt Breweries of Canada has its origins in this city of London. Back in 1847, John Kinder Labatt began brewing beer on the banks of the Thames River not far from where we sit today. Today, our biggest brewery in Canada sits on the same site and is home to 400 employees who brew, package, distribute and sell our beer. Those London-based workers are joined by another 600 across the province: hundreds of them at a distribution warehouse in Mississauga and hundreds more at our national head office in Toronto.

As a company we support the provincial economy by purchasing a significant amount of goods and services from other Ontario companies. Across Ontario there are over 1,300 Ontario companies that form our supply chain. We buy everything from marketing services to cardboard for beer cases to trucking services from Ontario companies.

We're proud to be a big part of London's community, to be a cornerstone of the agri-food manufacturing sector in southwestern Ontario and to be a major part of the Ontario economy.

Representatives from the SEIU spoke to you a short time ago about their role in our local operations and to bring the perspective of our workforce to the debate about how alcohol is sold in the province. Today I want to complement what they offered by focusing on three points.

First, I want to emphasize that Labatt has hundreds of millions of dollars invested in our province. We have played by the rules and invested heavily in our province, both as a brewer and as one of the three owners of the Beer Store, which employs 7,000 people in every corner of the province.

The beer retail system in Ontario has always been evolving ever since it was first designed in 1927. It evolved through the latter half of the 20th century as consolidation happened in the industry. It's now evolving again as new brewers, many of whom did not exist three, five or 10 years ago, are being welcomed into the Beer Store as owners.

All Ontario small brewers now have the opportunity to become owners. They would pay less than Labatt itself pays to sell our own beer in the Beer Store and they would have complete transparency into our operations and financial statements. Through all this evolution, Labatt has invested heavily and counted on a stable investment climate to plan ahead.

My second point is this: Be conscious of unintended consequences. Here's an example. If the government pursues one of the policy options that has recently been talked about in the media—charging a tax to Labatt, Molson and Sleeman for its ownership of the Beer Store—there are consequences of that policy across the industry. For example, beer brewed less than a kilometre away from here by Ontario workers at the Labatt brewery would be subject to a higher tax rate than beer brewed by other companies in other parts of the world. That's right: higher taxes on London-brewed beer than beer brewed in other parts of the world. Intended or not, that is a consequence of adding to Labatt's tax burden, uniquely.

While other global companies who do not own the Beer Store would pay one set of Ontario taxes for brewing beer in Europe or the US, Labatt, who brews beer less than a kilometre from here and employs local workers, would have to pay an additional tax on its operations.

My third point is this: We believe that the government has a role to play in supporting the growth of locally made beer, but it's up to consumers to decide which beer they want to buy. Here's something that may surprise you: Budweiser, made right here in London, was the top-selling beer in Canada in 2014. Fully 45% of what we brew in this city is from the Budweiser or Bud Light families. There are a lot of jobs that depend on the sale of Budweiser in this province.

It is, of course, entirely appropriate for the government to try to encourage domestic brewing and to pursue policies that are good for all Ontario brewers, but we do think the focus should be on helping the growth of local production, not on trying to decide what brands people should drink or who makes them.

Here's one idea that the government could pursue to encourage growth of the domestic brewing industry. Despite what you might read in the headlines, the Beer Store sells a far higher percentage of locally made beer than does the LCBO. In the Beer Store, 89% of what is

sold is made by Canadians, the vast majority of that by workers in Ontario breweries. But how does the LCBO score in supporting Canadian breweries? Not nearly as well. While 89% of what is sold in the Beer Store is brewed by Canadians, only 59% of beer sold in LCBO six-pack stores is brewed in Canada. That's because the LCBO has made a conscious decision to market itself as the home for international beer. I encourage you, the next time you might find yourself in an LCBO, to just take a look around. You'll notice the number of brands that are not brewed in Canada. To be frank, it massively skews towards international brands.

We believe that the LCBO should increase its share of locally made beer. That would be good for local brewers and good for Ontario's overall economy. If the LCBO made some changes to its operations to better support local brewers and essentially bring Ontario up to the national average of domestic versus import, that would mean an additional four million cases of beer brewed right here in Ontario, which would be good for the overall economy.

In summary, I appreciate the opportunity to appear before you today. We're proud of the role we play in London's economy and the role we've played in the city's history over the last 170 years. This is our home. We've made investments broadly across the province, we've played by the rules, and we continue to successfully brew many of Canada's top-selling beers.

As you prepare your recommendations for the 2015 budget, I encourage you to support all Ontario brewers and to continue to support a retail system that offers a wide selection of brands and low prices to Ontario consumers. Thanks.

The Chair (Ms. Soo Wong): Thank you very much. Mr. Arnott, do you want to begin the questioning?

Mr. Ted Arnott: Thank you very much, Mr. Morley, for your presentation. I have to ask you about one of your statements: "If the government pursues one of the policy options that has recently been talked about in the media—charging a tax to Labatt, Molson and Sleeman for its ownership of the Beer Store—there are consequences of that policy across the industry." They wouldn't call it a tax, would they? They'd maybe call it a premium or something like that.

Mr. Chris Morley: I have some familiarity with that type of language. Again, these are things that have been floated in the media. As we started to look through it, SABMiller, which is launching in Canada in the spring; Carlsberg: Their beers are not brewed here. Those are big global companies. They have a very little domestic workforce, and they would essentially be paying a reduced tax burden versus Labatt, who happens to brew right here in London.

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Mr. Ted Arnott: The Beer Store recently announced changes to its way of doing business, I think in response to some degree to the public debate. You indicated that the opportunity for ownership now exists for craft brewers.

Mr. Chris Morley: Yes.

Mr. Ted Arnott: Have any taken up the offer? What have you heard? I read some media reports; some of them were not that enthusiastic with the offer.

Mr. Chris Morley: Yes. There are two changes that have been announced. The first is that all Ontario small brewers, regardless of whether they become owners or not, can list two products in the five Beer Stores closest to their brewery. The president of the Beer Store has been leading discussions with, to be frank, dozens of brewers, most of whom have never listed in the Beer Store before, who are excited about taking up that opportunity, because essentially while they would be selling from the retail store at the brewery right now and would be fighting to get into a couple of local LCBOs, this would give them access to five other stores. The receptivity to that has been quite good.

On the ownership option, a number of brewers have signed non-disclosure agreements to do the due diligence on the financial statements. Those conversations are ongoing. In fairness to them and to the Beer Store, a process of people looking at what they would be buying into is—it's a \$300-million-a-year operation in terms of the revenue inflow and outflow. It's going to take some time for them to do that.

I would say that the feedback we've had from brewers has been far more positive than what you might read in your daily clippings package.

Mr. Ted Arnott: We heard from the service employees union just before you came in—I think you were here to hear it—that about 44% of the retail cost of beer in Ontario is tax. Would you concur with that? Is that Labatt's number as well?

Mr. Chris Morley: Yes, that's based on research done by an econometrics company called Navigant Consulting. They looked at all beer sold in Ontario for 2013 and half of 2014 and that's what they found: that 44% of the price of beer is tax. Roughly 35% of that goes to the provincial government; the remainder goes to the federal government.

Mr. Ted Arnott: So we would assume that if the government brings in a so-called franchise fee for Beer Stores, that in turn would simply be passed along to the end consumer, causing an increase in the price of beer that has been imposed by the provincial government.

Mr. Chris Morley: Yes. I don't want to speculate on what the government might do because I think there's a bit of difference between what they've said and what, perhaps, some media outlets have said. There are consequences to various aspects of reform, should they go down that path.

One of the benefits of the system right now is that, despite a relatively high tax rate—44%, much higher than in Quebec; much higher than in neighbouring states—prices are actually quite low relative to other provinces. That's because of the efficiencies of the current system.

The Chair (Ms. Soo Wong): Mr. Fedeli.

Mr. Victor Fedeli: Thank you very much. When the Service Employees International Union was here we asked them, "Are you in favour of the status quo?" Let

me ask you the same question: Are you in favour of the status quo?

Mr. Chris Morley: I'd say that the Beer Store has always been able to evolve. In terms of the ownership changes that were announced in early January—and those were worked on for a number of months leading up to that announcement. Just to give you a sense of the history of it: In the early 1990s, because of international trade disputes, the Beer Store was essentially forced to welcome in beer made outside of Ontario for the first time. In the late 2000s, the Beer Store evolved to start building only self-serve stores, which are actually now recognized as quite popular amongst all brewers.

The industry has evolved. In the mid-1990s there was a period of consolidation. There were, to be frank, not many small brewers across the province. Now the Beer Store is evolving through its ownership model. I think it can evolve. The ownership announcement demonstrates that.

One of the things we're looking for as well is—the debate should not just be about the Beer Store because, as you as legislators know, there is a retail system that the crown owns as well. That's a big part of this as well.

The Chair (Ms. Soo Wong): Thank you, Mr. Morley, for your presentation and your written submission.

COLLEGE STUDENT ALLIANCE

The Chair (Ms. Soo Wong): The next presenter is the College Student Alliance. I believe it's Matt Stewart. Welcome, Matt. I think everybody knows we have a change in presentation this morning. Matt, you have 10 minutes for your presentation followed by five minutes of questions from the committee members. This round of questions is from the third party.

I think Mr. Clerk has told everybody that the London Home Builders' Association is not here this morning. They have cancelled. In their place is the College Student Alliance, and that's why Matt Stewart is here.

Matt, you may begin any time, and please identify yourself as well as your position with the College Student Alliance. Thank you.

Mr. Matthew Stewart: Firstly, good morning. Thank you to the Standing Committee on Finance and Economic Affairs for inviting me here to speak today. My name is Matthew Stewart. I am the president of the College Student Alliance, which is also known as CSA.

For those of you who are unfamiliar with CSA, we are a member-driven advocacy organization that proudly serves over 110,000 college students across Ontario. These students come from 18 student associations that represent 14 of Ontario's community colleges. CSA seeks to strengthen Ontario's college system for students in the areas of accessibility, accountability, affordability, quality and transferability.

But that's not the only hat that I'm wearing today. I'm also speaking to you as president of the Fanshawe Student Union, which represents over 15,000 college students.

I'm excited to speak with everyone here today, as it is an important process to further the conversation on Ontario's college system for students. Similar to the current government, CSA believes in providing a world-class college education in an efficient and accountable manner. In this way, CSA mirrors the government of Ontario's commitment to use scarce resources to the best possible effects. As such, I'll be detailing two targeted recommendations to help strengthen Ontario's college system for students.

Please note that I'll outline each recommendation in the following way: First, I will advance CSA's recommendation. Next, I'll detail the issue that serves as the basis for this recommendation. From this, I will briefly outline supporting evidence that serves to substantiate the issue. I will finish each recommendation by detailing the cost of adopting the recommendation.

CSA's first recommendation is to remove the student-owned vehicle asset exemption from the OSAP needs assessment process to better reflect current realities.

The issue is that students who receive OSAP and require a vehicle to commute get less funding if the cost of their vehicle is higher than the asset exemption level. Northern, rural and suburban students are particularly disadvantaged by this process, as public transit is not an option in many communities.

In 2012-13, over 4,000 single students and almost 2,000 married and sole-support OSAP applicants had their vehicles assessed higher than the asset exemption levels. During this year, a higher percentage of northern and rural students received less funding compared to other students as a result of this process. For example, 8.2% of Georgian students and 7.8% of Northern College students who received OSAP had vehicles worth more than the asset exemption levels.

It is important to note that other Canadian jurisdictions have removed student vehicle assessments from their loan programs to better reflect the needs of students who require a vehicle to commute or work while studying. In February 2014, the Canadian government removed the student vehicle assessment from the Canada Student Loans Program, or CSLP. As of November 2014, the government of Saskatchewan does not count a vehicle as a resource when determining loan eligibility.

MTCU has indicated that removing the student-owned vehicle asset exemption will cost between \$17 million and \$20 million. This comprised approximately 0.2% to 0.3% of MTCU's operating expenses for 2014-15.

The second recommendation I would like to outline for the committee is to amend targeted eligibility criteria for Ontario's 30% off tuition grant, or OTG, for aboriginal ancestry students to better reflect current realities.

The issue is that aboriginal ancestry individuals are disadvantaged in relation to particular OTG eligibility criteria compared to other students. This negatively impacts one of two key focuses of Ontario's aboriginal post-secondary education and training, also known as APSET, policy framework, which is closing the edu-

cational attainment gap between aboriginal and non-aboriginal people in the province.

To set the context, it is important to note that trends indicate that aboriginal ancestry students' enrolment in colleges has been decreasing from 2010 to 2013. During the same period of time, all other student enrolment in colleges has been increasing.

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I'll now explain how particular OTG eligibility criteria interact with aboriginal ancestry students compared to all other students. To do so, I'll first treat the specific OTG eligibility criteria and then I'll provide data-based evidence regarding aboriginal ancestry individuals and all other students interacting with these criteria. "All other" is Canadian, international—it spans all other students.

As you know, one of the OTG eligibility criteria is that you have to be out of school for less than four years, or less than six years if you have a permanent disability, or more than four years but less than five years if you are in the fourth or fifth year of an eligible co-op program.

From 2010 to 2013, approximately 33% to 39% of aboriginal ancestry students were 24 years of age or older. At the same time, 20% to 21% of all other students were 24 years of age or older. These figures indicate that a significantly higher percentage of aboriginal ancestry students are entering post-secondary college at the age of 24 years or older. As a result, a significantly higher percentage of aboriginal ancestry individuals are not eligible for OTG funding compared to all other individuals.

The government of Ontario has noted that aboriginal learners continue to experience financial barriers to participation in post-secondary education. The government has also acknowledged that many individuals of aboriginal ancestry enter the post-secondary education system as an adult. As such, this OTG eligibility criterion may inhibit or disincentivize aboriginal ancestry individuals from applying to and enrolling in Ontario colleges. To this end, this particular OTG criterion may act in contradiction to the APSET framework of focusing to close the educational attainment gap between aboriginal and non-aboriginal people in the province.

Another OTG eligibility criterion is that you are to be in a program that you can apply from directly out of high school—for example, an undergraduate level. It is important to consider the program choices by program credential for aboriginal ancestry applicants and students compared to all other applicants and students in relation to the OTG criteria.

From 2010 to 2013, approximately 1% to 3% of aboriginal ancestry students were enrolled in a graduate certificate program. At the same time, 6% to 8% of all other students were enrolled in graduate certificate programs. These figures indicate that a lower percentage of aboriginal ancestry individuals are enrolling in graduate certificate programs compared to all other students. Excluding the graduate certificate programs from OTG funding may disincentivize aboriginal ancestry individuals from enrolling in graduate certificate programs since aboriginal learners continue to experience financial bar-

riers to participation in post-secondary education. As a result, this particular OTG criterion may act in contradiction to the APSET framework, as discussed.

The last OTG eligibility criterion I will draw attention to is parents' gross income. The total before taxes is \$160,000 or less. To apply for the OTG, some individuals must indicate that amount on line 150 of their parents' or parent's tax return if they filed it within Canada. However, many aboriginal people do not file an income tax return; therefore, many aboriginal students are not able to apply for OTG. Moreover, more aboriginal ancestry individuals do not live with their legally defined parents, so it may be difficult for students to access the required information to be able to qualify for the OTG.

The cost of adapting this recommendation depends on future aboriginal ancestry enrolments in Ontario's publicly funded colleges. That said, historically, aboriginal ancestry enrolment rates can be used to help forecast potential costs.

I'll present two aboriginal ancestry enrolment scenarios based on historical enrolment rates to give you an idea of what this recommendation would cost the government.

In the first enrolment scenario, 1,993 aboriginal ancestry students received OTG. This figure is based on the number of students enrolled in 2013, which is the lowest over the past four years. Assuming this number, the cost of adopting the recommendation ranges between \$1.6 million and \$3.5 million.

Enrolment scenario two has 3,680 aboriginal ancestry students. This figure is based on a 50% increase in the number of aboriginal ancestry students enrolled in Ontario colleges in 2010, which is the highest over the last four years. The cost of adopting our recommendation ranges between \$3 million and \$6.6 million.

I'd like to conclude by summarizing CSA's recommendations. The first is to remove the student-owned vehicle asset exemption from OSAP's needs-assessment process to better reflect current realities. Doing so would cost the government between \$17 million and \$20 million, or approximately 0.2% to 0.3% of MTCU's operating expenses for 2014-15.

The second is to amend the targeted eligibility criteria from the 30% off Ontario Tuition grant for aboriginal ancestry students to better reflect current realities. Doing so would cost the government between \$1.6 million and \$6.6 million.

Thanks again for inviting me here to speak today on behalf of CSA and college students around the province. I welcome any questions you may have.

The Chair (Ms. Soo Wong): Thank you, Mr. Stewart. This round of questions is from the third party. Ms. Sattler, do you want to begin the questioning?

Ms. Peggy Sattler: Yes. Thank you very much. That was a very interesting analysis that you provided about the OTG eligibility criteria and its impact on one specific group of under-represented students. Certainly we see that First Nations students or aboriginal ancestry students are particularly disadvantaged by those eligibility criteria.

Are there other groups of students whom you feel are less likely to go on and attend a college education because of the restrictions in the eligibility criteria?

Mr. Matthew Stewart: Definitely. The reason that we focused on aboriginal ancestry students is based on the fact that at the moment, the decrease in their involvement in post-secondary is of the greatest measure.

At present, there are other demographics of students that would definitely benefit were the OTG to be expanded. Our research shows at the moment that aboriginal students are the ones who are affected the most at present. Our research, after this recommendation, would go on to see and research behind what other demographics would benefit from this expansion, but at the moment our research shows this one, and that's why that's our recommendation for this year.

Ms. Peggy Sattler: Okay. Thank you very much. The vehicle asset requirement that's currently in OSAP: Are there other requirements in OSAP that create barriers to students that you represent in accessing that pool of financial aid?

Mr. Matthew Stewart: Definitely. There are a lot of different barriers. As we all know, OSAP is very widespread on the questions and the formula that they use to get the end funding for the students. The parents' income is definitely something that has been suggested in the past, but we are focusing on the vehicle assessment because we believe that vehicles aren't necessarily something that are a necessity for education, but they are for some students. Therefore, it's putting students on an unfair playing field.

The biggest issue we see with OSAP at present is the car asset exemption. Just the figures around that: It's anything above \$5,000 for a single student and, for a single parent or for people of that class, it's \$10,000. Those are the barriers they have to face.

We take our membership, which is the 110,000 students across Ontario, and this is the feedback they've given us in the major barrier they face when trying to apply for OSAP.

Ms. Peggy Sattler: I hear a lot from students about the interest portion of debt repayment. I wondered if that is an issue for the committee you represent as well.

Mr. Matthew Stewart: We have discussed that. The College Student Alliance: Our belief is that we need money in students' hands now to be able to pay for the education, to be able to pay for the books, to be able to pay for everything outside the cost of just the education itself. The interest rate is definitely something that we're going to look into, but at present, we're trying to get money into students' hands because that is what they need. They need to be able to afford college and not have to drop out due to the fact that they can't afford it anymore. If interest rates afterwards are a problem with students—it's definitely something we're looking into, and we have discussed that with our membership. At present, though, the car is definitely the main issue.

The Chair (Ms. Soo Wong): Ms. Fife, I hear you wanted to ask a question.

Ms. Catherine Fife: Just quickly, I wanted to say thank you for raising the issue around aboriginal ancestry students, because this is a growing demographic in the province and in the country, and we want to ensure that this particular group has access to post-secondary education. So thank you.

Teresa?

Ms. Teresa J. Armstrong: I'll talk to you later—after.

The Chair (Ms. Soo Wong): Thank you very much, Matt, for your presentation and for being here today.

Mr. Matthew Stewart: Thank you so much.

MUNICIPALITY OF BROOKE-ALVINSTON

The Chair (Ms. Soo Wong): The next group is the municipality of Brooke-Alvinston. I believe Mayor Don McGugan is here. Gentlemen, welcome. There are three of you now, but there's only one name.

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For the purposes of Hansard, can you please identify yourselves, as well as your position in your municipality? This round of questioning is from the government side. You have 10 minutes for your presentation, followed by five minutes of questioning. Welcome, gentlemen.

Mr. Don McGugan: Well, thank you ever so much, Madam Chair. Just before I introduce my friends here, I just wanted to say congratulations to each and every one of you who has been either elected or re-elected last summer. I realize that each one of you is looking out for the best interests of our municipality and our province. So I wish you well as you do your budget.

The gentlemen with me today: On my far right is John Innes, who is the treasurer of Lambton county. On my immediate right is Joe McMillan, the treasurer of Brooke-Alvinston.

Looking at the agenda today, it looks as if you only have two rural presentations. I have a lot of information. My wife and the young lady on my left are handing out a little gift, I would say. Now, I'm not going to call it a gift, and we aren't going to share the wine today. This wine has to do with my presentation.

I have three things right off the bat. There is a presentation. I don't know if you have got it yet or not. There is a history of my municipality going back to 1833. My ancestors came from the Isle of Skye in 1850. So we are all really new Canadians; it just depends when we got here. I would like to have you at least look at it, a little history about it. We're very dynamic, agriculture-wise.

The reason you have the wine—and inside the wine jar is a little jar of honey: We have the largest honey producer in eastern Canada in Brooke-Alvinston, called Munro Honey and Meadery. We also have the first mead maker—that is honey wine—in the province of Ontario, not the first in eastern Canada.

The reason I bring this up is that our friends in Lambton county—we have three wineries. They cannot sell their wine at farmers' markets because the Premier of this great province, in January 2014, when she was the ag minister, declared that wine could be sold in farmers'

markets, but it had to be VQA authorized. These three wineries are not. With the stroke of a pen, I believe the government can change all of that and it would be a boon for our small municipalities. Agriculture is very rich in Lambton county.

Now, my next topic, and I know everyone will be really interested, is turbines. We have several hundred turbines in the province of Ontario. I have four in my municipality. I have real numbers. This is a \$6-million tower that goes up. Each one costs about \$6 million. The Ontario government somehow has decided to assess them for 2015 at \$42,600-some-odd. My friend to my right here tells me that in the municipality of Brooke-Alvinston, with our industrial rate, we'll get \$1,397.50 per tower. That's four towers. That gives me approximately \$6,000.

Now, these are multinationals. They're very rich. I know them. I know some of their salesmen. I had them at my kitchen table last week. They were talking about more turbines. If the Ontario government would like to give our big industrial a break from \$6 million down to \$3 million, my friend here tells me that if we had a \$3-million assessment on each tower in my municipality, that would be \$42,000 per tower, about \$165,000 or \$170,000.

Now, that leads me into my next thing, and I jumped off my topic. That's just about the same amount of money that the government has cut from my OMPF funding in 2015. It's really \$220,000. But if I could get \$160,000 or \$170,000, my friends on the street in the coffee shop would be so happy. They would want more towers, and I know many of you realize that towers are a challenge and they are a controversial talking point.

The other positive thing that the government could do with just a stroke of a pen is—and I congratulate you for passing the Local Food Act last year. In there, you have got that, as a food producer, if I make a donation to my local food bank, I should be entitled to a 25% tax receipt. My wife, Anne, and I—she was one of the ones who was handing out some of the brochures here. I give white beans—these are beans that you buy in cans—to the food bank in bulk: 100 pounds. They cost me \$100 each bag. This year, I had hoped to get a \$25 receipt for each bag. I found out I could not do that because—I'm going to blame the bureaucrats; I'm not going to blame politicians—they put in there somewhere that the beans have to be grown on my farm. My grandfather, my father and myself grew white beans for 75 years. We have since gone to some other types of crops. If I had grown the beans on my farm, I'd get the 25% credit. I didn't; I bought them from Thompsons. I think that's really wrong. I'm still giving; I'm still donating.

I believe that the three things that I have just mentioned could all be changed with just a stroke of a pen. You could do that before breakfast.

In my presentation, I have many topics, and I will run out of time to talk about them. I do look forward to the questions, because that's the best part of all this discussion.

Last December 15, I believe, the federal government gave \$1.25 billion that I believe the Ontario government did not expect to get. I realize that there are lots of places for that money. I do want to say thanks for what we have gotten in the past—the OMPF funding, some water line work, some sewer lines—so I am appreciative of that.

We are very diverse. We have about a \$60-million gross in the municipality of Brooke-Alvinston.

I neglected to mention that our warden, Bev MacDougall, is unable to be here this morning.

Lambton county is very agricultural and has about \$600 million worth of gross. It was just in the paper yesterday that agriculture in Ontario is a \$34-billion business. I believe it's the largest of any business in the province. If we could just have some help—on OMPF funding, I know I'm getting over \$1 million. That was cut by \$359,000 in two years. That's about 8% of my budget. To raise that \$359,000, I'd have to increase my tax rate by 18.4%. I know that that cannot happen, and it will not happen. What do we do? We have to cut back, and we do cut back.

I'll just say, for information's sake, at our first meeting of the new council—we did have some new council members—we elected not to take a pay increase, and we elected not to get paid to go to meetings. So we have tried. That is really peanuts in the big picture; I understand that.

I have Sydenham River, which is a beautiful, lazy river that wanders through my municipality. We are involved with seven bridges on that, so we do have to look after that, and that is important.

I'm not going to talk any more about OMPF.

I do credit the Ontario government for at least trying to fix the OPP billing. You started, but you've got a long way to go.

I have 1,134 homes and businesses, and my cost last year was \$598,000. This coming year, 2015, the board that we are part of in Lambton county said, "We're going to do you a real favour. It will only be \$562,000." So that's a \$34,000 decrease. But now I may have to pay for extra services, which were covered before.

For me to get to the median in my municipality, which will take five years—I'm afraid inflation will have eaten it all up. I really believe that OPP costing has to be re-looked at and somehow adjusted.

What I would really like is for the Ontario government to take it back. They could do whatever they want with it: give whatever pay increases they want; do anything. Just take it back and let us fix the roads. That OPP cost is nearly one half of my OMPF funding.

There are a number of other issues. One is that rural Ontario is not interested in another tax. What I'm referring to is the suggestion about an Ontario Retirement Pension Plan. We have got enough problems in Ontario without one more tax.

I was here for the presentation by the gentleman from Waterloo. He talked about industrial and the growth and all of that, and I think that's really great.

As you can tell, I'm likely the oldest person in the room. I worked for Dow Chemical for 34 years in Sarnia. At one time, there were 1,650 employees there. Today, there are zero employees of Dow Chemical in Ontario. We have to have an industrial plan.

I have a copy that I came across yesterday—Nature Fresh, out of Leamington, are moving to Delta, Ohio. They're going to spend \$200 million to build a new plant to grow cucumbers and to grow—what's the other thing they grow so much of? Peppers; yes.

The reason they're moving is because of hydro costs. We have to get our hydro costs under control, and we have to have less government regulation. I'm also—

The Chair (Ms. Soo Wong): Mr. Mayor, can you wrap up your presentation so that the member from the government side can ask you some questions?

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Mr. Don McGugan: Oh. I have a lot more and it's in my handout. I'm happy to take questions, as well as my two gentlemen. We'd be here for quite a while if I got to all my topics. There's litigation, arbitration and POA. My friend Mr. Innes tells me that we are owed \$5 million in the POA; we could use some of that. I'll turn it over to questions.

The Chair (Ms. Soo Wong): Before we turn it over to Mr. Milczyn, thank you so much for sharing the produce from your community with all of us. I just wanted to say thank you on behalf of the committee. Mr. Milczyn, do you want to—

Mr. Don McGugan: And you are welcome. That's perfect honey.

The Chair (Ms. Soo Wong): Thank you. Mr. Milczyn?

Mr. Peter Z. Milczyn: Thank you, Your Worship, for coming to see us today and bringing us some of the bounty of your community as well that we can sample. No doubt it's going to be very sweet.

Mr. Don McGugan: Make sure the Chair shares it. She got a bottle; you didn't.

The Chair (Ms. Soo Wong): I just gave it to the Clerk.

Mr. Don McGugan: Oh, you gave it to the Clerk? Okay.

The Chair (Ms. Soo Wong): Yes. He's working very hard.

Mr. Peter Z. Milczyn: In any case, the best part of this morning is that you're actually here and talking to us.

You touched on quite a bit. You touched on the OMPF, and I just wanted to ask you about what happened just across the street from here last summer when the government announced the new Ontario Community Infrastructure Fund, which has both application-based funding but also dedicated formula-based funding which guarantees your community a certain amount of funding each and every year for the next five years, which I assume helps you budget and forecast better. How has that played out for your community?

Mr. Don McGugan: That is a positive. We did apply, and I understand from my treasurer here that we got \$35,000.

Mr. Joe McMillan: Yes, \$35,000.

Mr. Don McGugan: We got the minimum. It was \$35,000. We had projects in there. Maybe they didn't meet the criteria. We will be reapplying.

If I could just mention that we're starting a new four-year term. You guys have four and a half years left. If we could just know what we're going to get in 2016-17 and 2017-18, it would be appreciated. But that's a start. There's \$100 million there, right?

Mr. Peter Z. Milczyn: Yes.

Mr. Don McGugan: That would just fix me right up.

Mr. Peter Z. Milczyn: I'm not sure we can give you the whole \$100 million, but you'll get your share.

You also touched on policing costs.

Mr. Don McGugan: Yes.

Mr. Peter Z. Milczyn: I know that's quite a controversial issue, and it's complicated by the fact that there are wage negotiations and so on. But I just wanted to confirm that your share of policing costs, 2014-15, is actually going to go down.

Mr. Don McGugan: Yes, by \$34,000. We were one of the highest. If you go to northern Ontario, they're a lot higher, but we were one of the highest in southwestern Ontario: just about \$600 per household. This year we're going to be at \$525, so we've come down \$34,000.

Mr. Peter Z. Milczyn: But it's going in the right direction.

Mr. Don McGugan: Yes. It's just going to take a long time to get there.

Mr. Peter Z. Milczyn: I was curious about what you mentioned about the wind turbines, the production of sustainable energy in your community and that your community seems to be accepting of it. The issue you raised is really about MPAC and how it assesses those installations and whether there's a different way that they can assess them. That's your point.

Mr. Don McGugan: I guess what I really was trying to say is that it's only assessed at, I think, about 1% of the real value. There are \$6 million to put up, and why the government agreed to go at \$42,000, I don't know. These companies are willing to pay more. The gentleman I had at my kitchen table last week said, "Don, it's the cheapest tax rate in North America." Florida Power and Light was the gentleman who was at my place. It's called NextEra now. But I really think, yes, you've helped them; there are several hundred of them up. If I could get \$40,000 a tower, that would really be appreciated.

Mr. Peter Z. Milczyn: Are they assessed as industrial or are they being assessed as—

Mr. Don McGugan: Yes, the towers are assessed as industrial, and one acre surrounding them. In my municipality I only have four. Just north of me there are 40 within 10 miles of me.

Mr. Peter Z. Milczyn: I know that there's a lot of investment in your community in terms of supporting some new agricultural businesses. We've invested in a plant to help create new substances from corn, so that helps the agricultural sector and it also creates some industrial employment in your community.

Mr. Don McGugan: I'm glad you mentioned the industrial park, because Anne and I were the host farmers this year for the demonstration of taking corn stalks and making them eventually into plastic. The process is not quite as quick as I said it, but we did a whole bunch of bales. They're right now at GreenField in Chatham. They are processing them and they hope to be able to take that corn stalk, eventually turn it into sugar, and then turn the sugar into plastic that someday we'll make into Ziploc bags. We're three or four years away from doing that, but that's a positive. The Ontario government put money in there, and the federal government and a whole lot of private money. So that was a wonderful experiment and that happened on our farm in November.

The Chair (Ms. Soo Wong): Mr. Mayor, I'm so sorry. Thank you so much for your presentation and your written submission, and thanks to all of your colleagues who are here today.

Mr. Don McGugan: If you need contact information, it's in the back. We'd love to have you contact us. We'd even love to have you come and visit us.

The Chair (Ms. Soo Wong): Thank you for the invitation and your hospitality.

ONTARIO GOOD ROADS ASSOCIATION

The Chair (Ms. Soo Wong): Our next speaker before we recess for lunch is the Ontario Good Roads Association. I believe Mr. Tom Bateman, the president, and Joe Tiernay, the executive director, are here. Gentlemen, welcome. I'm going to ask you to take your seats. You have 10 minutes for a presentation, followed by five minutes of questioning. This round will be from the opposition side, gentlemen. Please identify yourselves for the purpose of Hansard. Thank you.

Mr. Tom Bateman: Thank you. Good morning and thanks very much for the opportunity to come meet with you this morning. My name is Tom Bateman. I'm the county engineer for the county of Essex and also have the pleasure of being the president of the Ontario Good Roads Association. I'm joined this morning by Joe Tiernay, our OGRA executive director.

Since 1894, the Ontario Good Roads Association has represented the interests of municipalities when it comes to public works and infrastructure. Today our membership includes 420 of the 444 municipalities, as well as 21 First Nations.

For the last number of years, OGRA has been a leader in promoting asset management and infrastructure stewardship at the municipal level. Our efforts have provided handsome dividends.

However, our current initiatives and efforts are not sufficient. If we are to realize the maximum potential of the generational investment that the government of Ontario has committed itself to over the next 10 years—the \$130-billion funding—together we must reimagine how we manage and fund our municipal infrastructure.

As such, we have three simple recommendations we'd like to share with you today that will ensure our money is

spent prudently, our assets are fully maximized, and all Ontarians derive the benefits that should be expected from renewed transportation and transit networks, water systems and social housing.

Our first recommendation is something the province can act on now. Currently, municipalities have to complete and file asset management plans with the province if they hope to access provincial funding dollars. The province continues to permit municipalities to use a variety of non-compatible data standards for cataloguing their assets. Moving forward, municipal asset management plans must include condition assessments. This will allow funding decisions and prioritization plans to be made using quantitative performance measures. These plans should then provide the government of Ontario with aggregate-level data on the extent and condition of municipally owned infrastructure. They should also provide decision-makers with the transparency and accuracy to rank and select their projects.

Currently, there is no uniformity among both the asset management plans themselves as well as the way in which the data is collected or the conditions are assessed. For example, the width of a pavement can be defined in three different ways. This can give a variation in the measurement on the same section of road upwards of 1.2 metres for the surface width—again, considering a normal curb has a width of 600 millimetres. Municipalities need the province to establish more comprehensive guidelines for the development of their asset management plans.

Secondly, we need a concerted effort to quickly accumulate the data and place it in a repository. In 2011, the Ministry of Transportation and OGRA collaborated on the delivery of a municipal grant program that was designed to improve the knowledge of municipal bridges and culverts across the province. The province invested \$1.1 million and provided that to Ontario Good Roads, which in turn awarded \$5,000 matching grants to municipalities for the purpose of collecting and inputting bridge structure data into OGRA's asset management tool.

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At a time when both the private and public sectors are determined to use big data to improve decision-making, the tremendous success of the bridge data collection initiative created a framework that could easily be replicated with the other priority asset classes that the Minister of Economic Development, Employment and Infrastructure has identified—namely, roads, water, waste water and social housing.

Today, there is still no structured effort to provide a macro-level province-wide aggregation of municipal infrastructure data. A concerted effort to quickly accumulate this data will allow improved decision-making. The time to do this is prior to spending \$130 billion, not after. This, again, would create a partnership between municipalities and the province and would optimize infrastructure investments while balancing the government's commitment to fiscal sustainability.

Road networks, water and waste water, and social housing represent three of the principal asset classes held by Ontario municipalities, yet the data on the asset condition and capital needs is consistently lacking, nor has it been aggregated across all municipalities.

Regardless of the sector, the evidence is clear: Data-driven decisions tend to be better decisions. Specifically within the field of infrastructure, numerous studies have demonstrated that the larger the data, the more accurate the forecast. Government leaders must embrace this thinking.

Lastly and most importantly, municipalities need to be given the legislative permission to pursue new revenue streams. Municipalities can do all the planning needed to realize a perfect asset-management scenario and still find themselves undone by their inability to pay. In Ontario, this is especially true. The unfortunate reality is that Ontario municipalities cannot maintain the infrastructure they have, or invest in what they need, without new sources of revenue. Underfunded infrastructure represents a major threat to the long-term prosperity and well-being of Ontario.

Presently, municipalities are saddled with a tax framework that provides inadequate funding and offers little year-over-year stability. Moreover, municipalities are not allowed to run deficits in their operating budgets. This, in turn, leads to chronic underinvestments in infrastructure maintenance and building, and erodes the ability to keep up with ever more rapidly deteriorating assets.

Infrastructure costs are driven by two primary factors: maintaining and renewing the existing assets, and building new ones to accommodate the growth of a municipality's population and its service needs. Efficiencies, savings, and alternative financing and procurement are worthy pursuits, but they will not provide the tens of billions of dollars needed to close the infrastructure deficit. The current system of transferring funds between levels of government is not stable and often ends up meeting the priorities of the donor and not those of the recipient.

When the smallest municipalities in Prince Edward Island have considerably more options to raise revenue than do Mississauga or Ottawa, then the time has come for a mature and honest conversation between Ontarians and all levels of government about the importance of infrastructure investments and the need for better means to pay for them.

OGRA believes that incorporating these practices will ensure that the buy-in and success of these changes will be widespread and meaningful. Our suggested conditions are that funds collected through any new tool must be earmarked for public infrastructure investment; revenue streams should be subject to a prescribed sunset review; absolute transparency on policy and revenue-generation objectives; rigorous cost-benefit analysis of economic and social implications of any new revenue tool; ensuring the maximum value for money for taxpayer dollars spent through the adoption of best-in-class project management and financing models; and, finally, that fairness in the

distribution of costs and benefits to different groups, and between individuals and businesses, include mitigation measures—i.e., rebates or exemptions—for those who are unfairly impacted.

This process and this discussion about new revenue tools does not promise to be an easy conversation, but that difficulty should not dissuade us.

The Chair (Ms. Soo Wong): Thank you very much, Mr. Bateman. I believe Mr. Fedeli will begin the questioning.

Mr. Victor Fedeli: Thank you. Welcome, Tom. Welcome, Joe. Nice to have you here today. It's good to see both of you. I know that we'll have extensive conversations very shortly at Good Roads—OGRA/ROMA, I still call it from my old mayor days.

My friend Alan Korell was our engineer at the city of North Bay while I was mayor. We hired Alan. He served a very, very powerful role, in my opinion, on OGRA, and really was somebody who educated a lot of us mayors on the role of Good Roads in our own municipalities. So I thank you for taking on this extra burden as well.

The asset management plans: I know you were here to talk about standardizing. That's well understood, and something that I do also believe that should be happening so that we are comparing apples to apples. What are you seeing out there? Forgetting about the standardization for a moment, what are you seeing out there in terms of the amount of money that it's going to take to bring up our infrastructure in municipalities? What's shocking you out there?

Mr. Tom Bateman: Thank you; that's a great question. One of the challenges in answering that question, of course, is that we really don't have that data across the entire province for all the asset classes. We've got a very good handle on it—the bridge deficits; some of that data was collected. Probably the easiest way to answer that is to take a municipality—mine, for instance. We've identified that our annual spending for rehabilitation of our assets—bridges, culverts and roadways—should be in the range of \$11.5 million a year.

Mr. Victor Fedeli: Which sized community? Population.

Mr. Tom Bateman: We have 175,000 people; seven lower tiers, and we're the upper tier in the county. We maintain a network of just shy of 800 kilometres.

We need about \$11.5 million a year. We're currently funding about \$8.5 million, so we have a \$3-million-a-year sole maintenance rehab gap. That's fairly typical, I think, in the percentage of most municipalities of our size. As you become smaller, that gap spreads. Although the value of it isn't as large, their gap is quite large.

Mr. Joe Tiernay: I might just add to that. During the Provincial-Municipal Fiscal and Service Delivery Review, there was some modelling done. It was estimated that, province-wide, there's about a \$6-billion deficit a year on maintaining our infrastructure.

Mr. Victor Fedeli: I'd be surprised if it's that low, to be honest. I know that when we did our asset management review, we had the vehicle that drove through every

single street in North Bay and did the thermal review of the sewer, the water, the pipes, all of the goodies underground, of our sidewalks and our roads, and detected the service. I think we were at \$880 million in the city of North Bay alone, population: 54,000. That's what the bill would be to upgrade.

I remember that when we dug up Fisher Street we pulled out a piece of sewer pipe that was a barrel stave. It was 17 feet long, but it was wood with metal rings around it. It looked like a massive barrel. We put it in the museum. That's what we dug up on Fisher Street, which gives you an indication of how old a lot of this infrastructure is.

I also agree very much with your plan to replicate the bridge data collection. The money was a great investment in bridges and would be an equally great investment in the new program that you describe.

Where I have difficulty, as a good fiscal conservative: To be quite frank, I've never found a tax that has ever created one job. So giving new revenue tools for municipalities: That's a very, very tough one. I understand that, unlike the province, a municipality cannot run a deficit. That's just not allowed, plain and simply. More like your home, you have to balance your budget every year. Living within your means is one way of doing it. Finding a new tax has got to be a last-ditch effort for you. That sounds more like a Hail Mary pass than being creative and working within your means.

Our party has proposed to share the gas tax that's already being collected with all 444 municipalities, rather than the 93 that it's shared with today. Is that something that would help the rest of the municipalities within Good Roads?

Mr. Joe Tiernay: Oh, absolutely. I agree that any additional revenue transfers from the province or the federal government would be welcome. However, in response to your comments—and we had this discussion when we were in Toronto in November at our advocacy day. I'm sure you've had many delegations from municipalities here, and I see them listed on the agenda, asking for financial assistance in various aspects of their responsibilities. We're saying that by allowing municipalities to have the option to pursue other revenue tools, it takes them away from coming to the province, hat in hand, asking for these tools and gives them the option of looking within their own organizational structure to establish new revenue tools that make sense in their communities. We're not suggesting that the town of Bracebridge go out and put a toll road down the main street of Bracebridge. But if it makes sense for a local community with a local council to generate those additional revenues, they should be given that option, much as the city of Toronto currently is.

Mr. Victor Fedeli: "Revenue tools" is a pretty nice, new word, but that's a tax. We're talking about increasing taxes. Are we talking about increasing taxes?

Mr. Joe Tiernay: Absolutely.

Mr. Victor Fedeli: Okay. So “revenue tools” is a tax. Municipalities already have many ways to increase revenue and increase services at the same time.

I know, as mayor of the city of North Bay, when we looked at economic development, we increased our revenue by selling surplus land that we had in the municipality. We put that money in reserves, so it wasn't as if that money paid off the instant bills. That money went in reserve, but it sold property that allowed for housing to be built—

The Chair (Ms. Soo Wong): Mr. Fedeli, can you wrap up the questioning?

Mr. Victor Fedeli: —and we increased the tax base that way, as opposed to increasing taxes. Would you consider that to be something that other municipalities should consider doing?

Mr. Joe Tiernay: We think municipalities should be able to look at all options. However, the city of Toronto currently has additional revenue tools that were granted to them in the City of Toronto Act. We're simply saying that all municipalities should be given equal status.

The Chair (Ms. Soo Wong): Okay, gentlemen. Thank you very much for your presentation, as well as for your written submission.

Ladies and gentlemen, we're going to recess until 1 p.m. for lunch. Thank you.

The committee recessed from 1201 to 1301.

The Chair (Ms. Soo Wong): Okay, I'm going to resume the committee hearings for the pre-budget consultations. It's 1:01. Time is of a critical essence here today.

ONTARIO MEDICAL ASSOCIATION

The Chair (Ms. Soo Wong): The first presenter is the Ontario Medical Association, Dr. Michael Toth, the president-elect. Dr. Toth, please join us at the table. I'm not sure you heard this morning's presentations. You have 10 minutes for your presentation, followed by five minutes of questioning from the committee. This round of questioning will be coming from the third party. You may begin any time. Please identify yourself for the purposes of Hansard. Thank you.

Dr. Michael Toth: Thank you very much for that introduction. My name is Dr. Michael Toth and I'm a family physician from Aylmer, which is a community not far from here. I've practised there for over 25 years. I'm also the associate lead physician of the Elgin family health organization. I am the medical director of Terrace Lodge, which is a home for the aged in Aylmer. I also sit on the medical advisory committee of St. Thomas Elgin General Hospital.

With me today is Mr. Frank Rubini, who is the regional manager for this district in the OMA. As you pointed out, Chair, I also serve on the Ontario Medical Association board of directors for district 2, which includes London, and I am the OMA president-elect at present, and will be president next year.

I'm pleased to be here today to discuss the importance of a well-funded and sustainable health care system in

Ontario, specifically for London and the surrounding communities. I represent not only the physicians in those communities but also the 34,000 doctors and medical students across the province.

I'm here today to call on the Ministry of Finance and the Ontario government to adequately fund our health care system, one that is facing pressures from growth in patient numbers and in need.

As you may know, recently, following months of negotiations, the government gave the Ontario Medical Association a take-it-or-leave-it offer. After years of the doctors of Ontario and the government working together to meet the needs of the patients of Ontario and the challenges inherent in a very complicated health care system, the government threatened that if the OMA didn't agree with their cuts, they would move ahead without us and cut even deeper. The OMA said no and the government plans to cut even deeper. That's not a partnership and that's not what is needed.

I want to take a few minutes to explain why this decision is so critical to understand, as we believe the government's recent actions have serious implications for our patients and their families across the province.

One of the building blocks of a healthy economy is a healthy population. The fact is that Ontario's population is growing and aging, but the government has decided to fund less than half of the additional care that will be needed. They don't even want to pay for new doctors to treat existing patients who are struggling to access the care they need. We think this is not right and we can't support it.

By the Ministry of Health's own estimates, demand for medical care will grow by at least 2.7% per year. That's due to population growth, the aging population that needs more complex care, and the need for new doctors to treat existing patients who currently can't get timely access to the care they need. Yet the government is only willing to fund 1.25%, or less than half.

Looking back over the past five years, growth for medical services has increased by an average of about 3% a year. Why has this happened? It's because the doctors treat the patients who need care, and we want to provide that care. It's happening because our population is growing and aging. More care and more complex treatment is being delivered across the province, and the government knows that this need is increasing. Every year, 140,000 new patients come into our health care system. That's almost the population of the province of Prince Edward Island.

The South West LHIN, which includes London, is home to about 924,000 people, about 7.5% of the population of Ontario. The communities that make up the network have a higher than provincial average of seniors, and therefore of chronic conditions such as high blood pressure, obesity, and pulmonary or lung disease. As the need for more complex care increases, so does the need for physicians to deliver that care, and the government's imposed solution makes that worse.

In the South West LHIN, we also have about 39,000 unattached patients. Those are patients who don't have access to a family doctor or a primary care provider of any kind—5% of the population. This doesn't include children under the age of 16. London itself accounts for about 15,000 to 25,000 of those unattached patients. Again, the government's imposed agreement will make that situation worse, because under the contract proposed by the government, doctors end up being penalized if they see too many patients. This leads to longer wait times to see a family doctor, to have diagnostics done, to get surgery done. We think this is unacceptable, particularly for a region with more seniors than the provincial average.

I'll point out that recent agreements with physicians in British Columbia and Alberta demonstrate how those governments have accounted for changing needs of their populations and have made the changes required by funding system growth. However, in Ontario, the government is shirking that responsibility.

Ontario's doctors offered the government a two-year freeze on our fees, and that still stands today. This means no increase in fees paid for any physician service, from a standard assessment with your family doctor to the most complex of surgery. All the OMA asks is that the government accept its responsibility to fund new doctors to treat the patients we have today and provide the extra care needed to treat Ontario's growing and aging population.

Ontario's doctors understand and acknowledge the economic challenges facing the government. A freeze on the fees and a government commitment to fund growth are the right things to do in today's economic environment. In 2012, Ontario's doctors accepted a 5% cut, and in doing so we helped to save \$850 million in the system. We did this because, working together, we could make cuts in places that had minimal impact on patients. Now, less than three years later, the government wants to cut another 4% from medical services. This pattern is unsustainable. It's unrealistic if we want to have the best care for our patients and if we want to have the best doctors available in Ontario. It's a race to the bottom. It's not right, and we can't support it.

Moreover, it is important to acknowledge that OHIP billings are calculated before expenses. For example, doctors' rent for office space, staff salaries, office supplies and equipment are all paid for from the OHIP billings. Doctors are employers. In fact, a doctor employs, on average, four full-time jobs in their community. In all, physicians employ about 96,000 people across the province. The government's attempts to demonize doctors by equating billings with salary are unfair.

The government cuts are real. We think that last week the government took a 180-degree turn in the wrong direction. We were astonished to see that the biggest part of the cuts the government is imposing is focused squarely on family practice, and specifically the group and team-based models of delivering primary care. These are models that we've spent the last 10 years building and developing to improve access and quality of care for patients. Now the government is really dismantling them,

taking us back to a time when millions of people couldn't find family doctors, students didn't want to become family doctors, and doctors were leaving the province in droves.

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When government imposes these terms, doctors will do everything we can to limit the impact that these cuts will have on patients, but make no mistake: There will be negative impacts.

Our message is clear. We want the government of Ontario to fulfill its obligation and responsibility to Ontarians, to fund the unmet needs of our current population and the natural growth to provide care to our aging and growing population. Patients in Ontario, including London and the surrounding communities, deserve this from our government.

I'm happy to take any questions.

The Chair (Ms. Soo Wong): Thank you very much, Dr. Toth. Ms. Fife, do you want to begin the questioning?

Ms. Catherine Fife: Thank you, Dr. Toth, for coming in and shedding some light on what is a very uncomfortable situation. Quite honestly, it's very—I think you used the right word when you said “demonize.” It's shocking for us to see the Minister of Health engage in a fight with you on Twitter, for instance. We've never seen this kind of conduct before.

I want to ask you a couple of quick questions, just for clarity. On July 9, the Premier stood in the Legislature and promised, “We're not going to cut health care.” From your perspective, has the Premier broken that promise by imposing a contract on physicians that fails to fund growth and the need for medical services?

Dr. Michael Toth: Certainly I would agree with that. I think that these cuts—and that's what they are—are cuts to services for the patients of Ontario.

Ms. Catherine Fife: Thank you. And one of the concerns that you've raised with us, in this committee and across the province, is around enrolment in medical schools. There was an increase of 22% from 2005 to 2013. First-year postgraduate trainees increased 64% in that time period, and in that election the Premier promised that every Ontarian would have access to a primary care provider by 2018. Will the imposed contract allow the government to keep that promise and ensure that all of these doctors can practise in the province of Ontario?

Dr. Michael Toth: We did, over the last decade or so, work very hard with the government to make family practice more, if you like, popular and enticing for medical school graduates to undertake, and I think we were successful in that. We did work very hard to transform primary care in Ontario, and we did make great strides.

Having said that, there are still some 900,000 people in Ontario without a family doctor. Because of the imposed cuts in this contract, it's going to be difficult, if not impossible, for new physicians to enter into the kinds of team-based care that we worked on over the last decade, in which they've been trained. I suspect that we are going back to the days where people will have more difficulty

finding family physicians, so I don't believe that every Ontarian will have a family physician by 2018.

Ms. Catherine Fife: The government has been using a figure that we would like to get some clarity on. The Minister of Health is estimating that the demand for medical care is growing at 2.7% annually. Can you provide documentation to this committee so that we can have some assurance that that's a real number? Is that a real number, in your estimation?

Dr. Michael Toth: That is a real number, in our estimation, and we can provide that to the committee. We will do that through the OMA's economics department.

Ms. Catherine Fife: Thank you. This does come down to, quite unfortunately, a he-said, she-said situation, which I don't think anybody wants. I think we can all agree that it's not in the best interests of the people in this province. It comes down to accountability and transparency around where those health care dollars are going. What is your recommendation for increasing the accountability and transparency of physician billings so that everybody can see the actual sacrifices that physicians are making and the actual funding requirements needed to meet a growing need in the province?

Dr. Michael Toth: Certainly we're all interested in transparency and ensuring that taxpayers get value for their tax dollars. We can certainly look at the numbers we have for the work that physicians do. Those numbers are available.

If you're asking whether or not we support individual doctors' billings, as has been asked for in some of the newspapers—if you're asking whether we support that kind of transparency—I don't think we're necessarily against that. I think it just needs to be taken in context, in talking about the fact that billings do not equal take-home pay, also understanding that—

The Chair (Ms. Soo Wong): Thank you, Dr. Toth.

Ms. Catherine Fife: That's a fair point. Thank you very much.

The Chair (Ms. Soo Wong): Thank you for your presentation and your written submission.

ONTARIO NURSES' ASSOCIATION

The Chair (Ms. Soo Wong): The next group coming before us is the Ontario Nurses' Association, James Murray. Mr. Murray, you have 10 minutes for your presentation, followed by five minutes of questions. This round will be coming from the government side. Thank you.

Mr. James Murray: Thank you and good afternoon. I'm James Murray. I'm a registered nurse and I am the bargaining unit president for local 100 of the Ontario Nurses' Association, or ONA.

My background in nursing includes 29 years as a registered nurse, with experience in hematology, oncology, hemodialysis, mental health and emergency nursing. I have worked at Toronto General, North Bay Psychiatric, and St. Joseph's Health Care London, and currently work at London Health Sciences Centre. I have been the

bargaining unit president for the 3,600 registered nurses at London Health Sciences Centre since 2011.

ONA is Canada's largest nursing union, representing 60,000 registered nurses and allied health professionals, as well as 14,000 nursing students and affiliates, who provide quality care each and every day in hospitals, long-term care, public health, the community, clinics and industry.

Registered nurses are extremely concerned about the extent of understaffing that exists in hospitals in southwestern Ontario and the resulting impact on quality of care for our patients.

In ONA's region 5 here in southwestern Ontario, registered nurses have identified significant challenges to the delivery of safe and quality care as a result of ongoing restructuring of acute care clinical services, overcapacity and overcrowding in units, and the implementation of staffing mix models that have replaced RN care with less qualified staffing. These changes in the delivery of patient care are being implemented solely as a result of budget constraints and not for clinical reasons.

First let me reiterate the basic facts on the extent of RN understaffing in Ontario. Overall, Ontario has 71 RNs per 10,000 population, compared to 83.6 RNs per 10,000 people in the rest of the country. This ratio is the second lowest in Canada. This creates a significant gap in RN care for Ontarians while in hospital, and then when our patients are discharged into the community or placed into long-term-care homes.

This afternoon, I want to provide you with some examples from southwestern Ontario that demonstrate the dire need for more registered nurses in our hospitals to meet the increased care needs of our complex and unstable patients.

When you talk directly to Ontarians, they will tell you that they experience the lack of enough registered nurses every time they seek care in an emergency, recover from surgery, or seek other critical treatments or care. The state of RN staffing in our hospitals is creating high-risk situations for our patients and is firmly on the minds of many Ontarians. It is becoming a serious point of conversation in our communities.

There is extensive evidence in support of higher RN staffing levels in hospitals and improved quality of care outcomes for patients. From the evidence, we know that higher levels of RN staffing in hospitals are essential to care for patients with complex and unpredictable conditions. Adding one patient to a nurse's average caseload in an acute care hospital is associated with a 7% increase in complications and in patient mortality. RN staffing is associated with a range of better patient outcomes, reduced hospital-acquired pneumonia, unplanned extubation, failure to rescue, nosocomial bloodstream infections and length of stay.

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In Ontario, however, three years of frozen base operating funding for hospitals has resulted in the elimination of millions of hours of RN care. For example, at London Health Sciences Centre, approximately 150,000 hours of

registered nursing care have been eliminated over the last three years. These cuts to RN hours continue, while unregulated care providers are introduced at the same time as the complexity of care that our patients require increases.

As well, Leamington District Memorial Hospital has announced a plan to close its obstetrics and gynecological unit, possibly deferred till June, which will eliminate another 15 registered nurse positions and another vital hospital service for patients.

Health care decisions should not be based on finances but on the needs of our patients.

In addition, Regional Mental Health Care London has eliminated approximately 70 mental health beds, creating a crisis in access to mental health services.

London Health Sciences Centre has experienced, and continues to experience, critical bed shortages and is chronically over-census. The hospitals in London are experiencing critical over census in all care areas due to the high volume of patients requiring admission to in-patient units.

Our mental health units, and medicine units specifically, are routinely over-census. Our mental health patients routinely are asked to sleep on stretchers in non-patient rooms or vital beds, due to a lack of beds in service. The standing committee should know that it's not uncommon for mental health patients to spend an average of three to four days segregated in emergency departments while they wait for a bed on an in-patient unit.

Because our psychiatric intensive care beds are chronically occupied with patients needing high levels of care, and not necessarily acute care, the status of patients waiting in the emergency department is often downgraded from requiring a psychiatric intensive care bed, just to get them out of the emergency department, which results in unsafe situations for patients and nurses on the units.

The Ministry of Labour has been called in because of the unsafe working environment for nurses in several departments due to a lack of staffing.

In fact, the incidents of violence and injury directed towards nursing staff on the mental health and medicine units have reached crisis proportions. Violent attacks on our nurses have grown from a total of 18 in 2013 to 360 in 2014, and there have already been 36 incidents in the first few weeks of January alone. Nurses have received head injuries and broken bones. London Health Sciences Centre has experienced up to five violent incidents on a single day.

Gaps in measures and procedures are leaving nurses vulnerable to violence. These gaps include staffing shortages; a shortage of panic alarms; a lack of willingness on the part of the hospitals to implement short-term measures; inadequate medication of patients; a lack of training and resources; and a lack of violence risk assessments that include specific measures for the prevention and reduction of violent incidents.

The situation at London Health Sciences Centre is consistent with the fact that Ontario has cut the number of hospital beds significantly: 18,500 fewer hospital beds since 1990, which is the lowest number of hospital beds per capita in Canada.

Hospitals are assessing patients in high-risk areas of high occupancy for discharge to the most appropriate setting in order to create capacity in in-patient clinical areas—in other words, move patients out of the hospital because there are not enough beds or nurses.

Each clinical area, including medical, surgical and mental health outpatient units, is being assessed for potential cancellations in order to create stretcher capacity or to free up nursing staff to be deployed in other areas. In lay terms, this means hallway nursing and not enough nurses, creating chaos for patients in our hospitals.

The safety of our patients and of our nurses is at risk under these escalation strategies.

Elective surgeries are being cancelled, while emergency rooms are overcrowded and patients are being redirected. Regional referrals are restricted, except for those critically ill. Patients are being sent back to community hospitals that are already over capacity and understaffed.

The Vice-Chair (Mr. Peter Z. Milczyn): Mr. Murray, could you just wrap up so that we could have time for questions?

Mr. James Murray: Certainly.

These facts on the ground in southwestern Ontario are entirely consistent with research and literature. One study, for example, has shown that improved patient care from additional RN staffing prevents nosocomial complications, mitigates other complications through early intervention, and leads to more rapid patient recovery. This creates medical savings and shows the value of professional RN staffing, let alone the impact on saving lives.

ONA is calling on the government to end underfunding of our hospitals. The simple fact, based on the evidence, is that health care outcomes for patients in hospitals suffer when fewer registered nurses are part of the staffing mix.

The Vice-Chair (Mr. Peter Z. Milczyn): I'll stop you there. We do have questions from the government side. Ms. Wong, you have five minutes.

Ms. Soo Wong: Thank you very much for your presentation, Mr. Murray. I want to thank you for being here today and also thank the members of the Ontario Nurses' Association. I want to be on record as a former member of ONA back in the 1980s, so I certainly know your organizations, coming from the community. Can you just go on record to share with the members of the committee, ONA represents—the largest membership of your association is from the acute care sector. Am I correct?

Mr. James Murray: That is correct.

Ms. Soo Wong: Okay. I also noticed in your presentation this afternoon to the committee that your focus is specifically in the acute care community. Am I correct?

Mr. James Murray: That's correct.

Ms. Soo Wong: Okay. On page 2 of your presentation, you shared with us some statistics, and you said here, “Overall, Ontario has 71 RNs per 10,000 population compared to 83.6 RNs for 10,000 people in the rest of Canada.” Is that data based on the acute care setting versus the other settings?

Mr. James Murray: That is all settings.

Ms. Soo Wong: All settings; okay. The other thing here is, can you share with the committee a demonstration, in terms of evidence-based, that more RNs are better, not just for patient care but improving health care in general in terms of the system?

Mr. James Murray: There are numerous studies out there that have been done by nursing leaders that demonstrate that increasing the RN numbers decreases the complications of patients at hospital.

Ms. Soo Wong: So it’s in the hospital sector as opposed to—

Mr. James Murray: It is in the hospital sector.

Ms. Soo Wong: Okay. I also want, because time is limited—this morning we heard from your colleague Ms. Gould, from the London Health Sciences Centre, who presented for the Canadian Mental Health Association Middlesex. There has been a lot of conversation here because your colleagues across Ontario have presented to this committee. There has been lots of conversation about early intervention, preventions and what have you.

I also want you, as a presenter today, to share with the community, because acute care is tertiary care, the most expensive health care, so what measure—you’re talking about numbers, more and more RNs. How do we sustain the numbers, with the aging population? We heard this morning from the folks from the Canadian Mental Health Association, along with Laurie Gould. They talked about early intervention and prevention. How is your sector, meaning the acute care sector, working in collaboration with the community? Because I know you have members from the community. Can you share with us how we sustain, because we’re already spending \$52 billion in health care—how do we sustain this number?

And furthermore, how do we address this issue of the aging population? We need to hear some solutions. In the same breath, there’s more RNs, not just in acute care but also more RNs in the community, because you know the government has transformed health care. More money and more dollars have been going out to the community. Your members in the community could attest to that.

Mr. James Murray: I don’t see that, but—

Ms. Soo Wong: Okay, but I do know that through the LHINs, through the CCACs, there is evidence that there is more care provided in the community. So can you share with this committee, how do we address the whole issue of sustainability in terms of health care?

Mr. James Murray: Well, I don’t see it the same way as you do. I do not see the increased costs in the community, as you say. If that were the case, then we would not have the current overcapacity in the acute care centres, especially in mental health.

Ms. Soo Wong: Okay. So with regard to your members, I also want to ask—you talked a lot about the whole issue of staffing mix. I know your members don’t represent RPNs. Do you represent NPs, nurse practitioners, in the acute care setting?

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The Vice-Chair (Mr. Peter Z. Milczyn): I do have to stop you there to keep us on schedule.

Mr. Murray, thank you very much for your deputation today. The Clerk will make copies of what you have provided in writing, to make sure that every member of the committee receives a copy. If there’s anything additional that you’d like to provide in writing, do so before 5 p.m. on Friday.

Mr. James Murray: Okay. Thank you.

COUNCIL OF ACADEMIC HOSPITALS OF ONTARIO

The Vice-Chair (Mr. Peter Z. Milczyn): Our next witnesses are from the Council of Academic Hospitals of Ontario. If you could please provide us your names and titles for the record. You have 10 minutes. Following that will be five minutes of questions from the official opposition.

Ms. Karen Michell: Great; thank you. I’m Karen Michell. I’m the executive director of the Council of Academic Hospitals of Ontario. With me today is Dr. David Hill, who’s the vice-president of research at our local London hospitals, and also the head of the Lawson Health Research Institute. We’re here to talk to you about yet another part of the Ontario health care system, which is the research and development arm of our health care system.

Any major sector or industry knows that, in order to provide high-quality services efficiently and at the best price, you have to invest in R&D to ensure that your service constantly improves to meet these standards. In fact, those are exactly the challenges that we’re facing in Ontario’s health care system today.

All of us in health care—doctors, nurses, hospital administrators—are committed to providing the best care for our loved ones, but research hospitals have the additional responsibility of inventing tomorrow’s care and applying it today. When we do that, we help to make Ontario healthier, wealthier and smarter.

Let me tell you how. I’m going to share two stories from our scientists in Ottawa, both in the basic science area and the applied research area. Dr. Harold Atkins, who works at the Ottawa Hospital Research Institute, has applied stem cell treatment, often used for autoimmune diseases, to a rare brain disease called stiff person syndrome, which is characterized by debilitating muscle stiffness and spasms. This breakthrough treatment with stem cells restores quality of life to the point where patients are telling us that it’s really hard to describe what it’s like to have their lives back.

Better care for patients can also be delivered at less cost to the system. For example, the Ottawa Hospital Re-

search Institute has also introduced a clinical decision support tool that's based on research evidence that helps emergency department doctors decide if a patient who comes in with COPD has to be admitted to hospital or not. We know who's at risk, who needs hospital care and who can safely go home. An economic assessment of that research-based decision support tool shows us that it could save the health care system over \$115 million over three years.

In order to realize the value of this type of discovery, we actually need to use what we discover. At CAHO, we have created a program called Adopting Research to Improve Care, or ARTIC. That helps to ensure that these discoveries that happen in research hospitals are used right across the Ontario health care system. The Ontario government has invested in ARTIC, and we've addressed key challenges like combatting resistance to antibiotics, better care for the elderly in hospital settings, and enabling the transition of long-term mental health clients back into the community safely.

This last point refers to the transitional discharge model, which was developed by a researcher, Dr. Cheryl Forchuk, right here in London. With ARTIC program investment, the transitional discharge model was deployed in nine hospitals across Ontario. Over 580 clients received this transitional support over the last two years, and the results are very positive. I can, of course, quote you statistics. The average length of stay for these long-term mental health clients has been reduced by an average of 10 days, and staff are reporting fewer readmissions of these clients.

In addition to statistics, it's important to understand how the use of research evidence can actually even save lives. Consider this: In the first month after discharge, 43% of suicides occur in this population, but as a result of this new care model, clients are reporting feeling less overwhelmed and lonely and more reassured, and they have a safety net as they go back into the community.

The ARTIC program's model of supporting and accelerating the use of research evidence means that we're able to do so a lot faster. We're able to do this in two years across the system instead of the 17 years that it has traditionally taken. Let's face it: A generation is really too long to apply what we know from discovery.

As a result of this success, CAHO has partnered with Health Quality Ontario, a provincial agency, in order to deliver the ARTIC program right across the health care system in Ontario, beyond our hospitals. We're very pleased and very proud to offer ARTIC as a provincial resource.

But as we all know, innovation doesn't just happen. We need to invest in it. Fortunately, investment in health research generates a significant return, so let's look at the numbers. Some \$1.4 billion is spent annually by the CAHO hospitals on health research. That's a significant investment in knowledge generation. But we're also significant employers of knowledge-based jobs. We have over 16,000 researchers and research staff working in our hospitals, in addition to our doctors and nurses. You have

a handout in front of you with many more statistics in that regard.

But I think that in an economy where we want to stimulate investment and create new opportunities for growth, one of the most interesting things about health research is that our research hospitals are a real magnet to attract investment from industry. Fourteen per cent of our investment in health research comes from private industry funding. That's more than twice the OECD average for business investment in higher-education R&D. Relative to other sectors, our research hospitals are really punching above our weight in terms of our ability to attract private investment.

Health research is now also a part of the new economy in many of our communities. I'll just give you an example of Sudbury. CAHO's member hospital there is Health Sciences North, and their research institute is the Advanced Medical Research Institute of Canada, or AMRIC. AMRIC employs 80 full-time highly skilled employees and contributes multiple millions to the local economy each year. New companies are forming in Sudbury to commercialize the leading-edge health research that's coming out of this research institute. For example, there's a company called Rna Diagnostics which was formed by a scientist at AMRIC to bring one of their technologies to market. The technology allows patients to know early in treatment whether or not they're responding to chemotherapy. What that allows them to do is to switch to other treatments quickly if they need to in order to get better outcomes and avoid harmful side-effects.

Now, according to Statistics Canada, metal ore mining is, in fact, still the largest employer in Sudbury. They employ more than 5,000 people. But in the next 10 years, which sector is likely to grow? The creation of new companies such as Rna Diagnostics, the attraction of globally renowned scientists, and the match of investment from industry and advanced research and infrastructure is a new platform for growth and also improves patient care. The same is true for our communities right across the province. So the return on health research is real and measurable, but the challenge is sustaining the investment.

Our statistics show that only about 20% of the base costs that we have in order to do research at our hospitals are paid for by external, indirect cost-recovery programs, which means that hospital foundations and investment income are filling the gap. Of course, those are both unsustainable sources of funding. It's compounded by the fact that many research-granting agencies are reducing the absolute number of real dollars that they're investing and many of them are looking for a co-funded model wherein institutions like our own and universities are asked to match the direct costs of research. Putting this all together, Ontario's research hospitals are increasingly required to contribute more to the cost of research while receiving less investment. Of course, in any business, that would be an unsustainable model.

We'd just like this committee to consider three things as you advise on budget 2015.

We do need to continue to drive discovery. Specifically, we'd like to ask that you would maintain the commitment made in budget 2014 for the \$250 million of Ontario Research Fund investment over three years. It's a long-term investment in our future.

We also need to translate the discovery into value for patients and for the economy. The ARTIC model is a proven model of success to do that. We're asking that the Ministry of Health and Long-Term Care preserve \$3 million a year from their budget in order to fund our partners at Health Quality Ontario to do that work.

And just to wrap up, we also need to align health system funding reform for hospitals with the accountabilities that our research hospitals have.

Ontarians do rely on us to invent the future of health care, make sure it's used and to take care of the sickest patients in the province. We're simply asking that the funding reform makes sure that we invest in these roles.

Thank you very much for the opportunity to present. We look forward to questions.

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The Chair (Ms. Soo Wong): Thank you very much. Mr. Arnott?

Mr. Ted Arnott: Thank you, Madam Chair. Thank you very much, Karen, for your presentation. We're following this sort of rushed format, and you didn't get a chance to explain fully the three recommendations. Would you like to repeat them again and elaborate a little more on them?

Ms. Karen Michell: Sure. Yes. Thanks very much. Maybe what I'll do is ask David Hill to give a few London examples as well.

With what we're thinking of as hydraulic pressure in this country on research funding, there is a bright spot in Ontario, frankly, which is the long-term multi-year funding for research. Health care has historically won competitive grants of about 50%, and that allows us to transform what is in fact half of the provincial budget, our health care system. We are the R&D arm. We're saying, "You know what? Let's continue that as a province." Let's continue to have that one bright spot for our scientists and keep that multi-year funding through the Ontario Research Fund.

But you've got to use what you know. Anyone in business will tell you that change management is something that you have to invest in. That's what the ARTIC program is all about. For \$3 million a year, on a \$50-billion health care budget, we think it's a sensible investment in order to make sure that you can use what you know.

David, why don't you give a couple of examples of how that's happening right here in London.

Dr. David Hill: Sure. At Lawson, as in all of our hospital-based research institutes, we really think carefully about the research projects that we undertake. We undertake projects that are going to have a tangible effect on the quality of health care or the cost of health care.

I'll give you an example of a recent study. As you all know, we rely heavily on a very aging nuclear reactor, Chalk River, for many of our medical isotopes. If that

goes down, we're in trouble—deep trouble. So Lawson, together with a network of other institutes, created a network of cyclotrons.

We have a cyclotron here in London that's able to make radioactive isotopes for medical use in a much safer and cheaper way than a nuclear reactor—that whole network of 17 cyclotrons set out to test the capacity of the system and create just one medical isotope, Technetium-99, which is used in imaging for cardiology and for cancer.

We showed that that network all pulling together and integrating our resources and expertise can supply the whole country's need for Technetium-99. So if that reactor goes down, and it will have a life expectancy—at some time, we should retire it—we can actually become self-sufficient in medical isotopes. The cyclotron just in London can supply this whole city with all of the medical isotopes that it needs for those particular indications.

Another example that comes out of the imaging field is how do we get to grips with the increasing number of elderly patients who are suffering dementias—an enormous cost to our health system. If we're going to intervene, if there are intervention therapies, then we really have to deal with patients at the very earliest stages of disease.

At Lawson, we have been developing new biomarkers which will tell us, at the very earliest, biochemical changes that will occur in patients' brains who are destined to get dementias like Alzheimer's. Through the innovative use of imaging biomarkers, we have been able now to push out the diagnosis of Alzheimer's 15 years earlier than you would normally identify it by clinical cognition surveys. That means that if we can intervene, we can identify the population of patients who will respond best to our interventions.

Ms. Karen Michell: I think that's just a great example of where, if you invest some money in health research in our hospitals, it also draws in partnership with industry, because the application for patients is great. It does demonstrate how we can make Ontario healthier, wealthier and smarter by investing in health research.

Mr. Ted Arnott: I think I can say that, on behalf of all the members of committee, we appreciate the work that our research hospitals do for the people of Ontario. We thank you for your presentation today.

Ms. Karen Michell: Great.

The Chair (Ms. Soo Wong): Thank you very much for your presentation and your written submission.

Ms. Karen Michell: Thank you.

ONTARIO PETROLEUM INSTITUTE

The Chair (Ms. Soo Wong): The next group coming before us is the Ontario Petroleum Institute: Frank Kuri, the president, and Hugh Moran, the executive director. Gentlemen, welcome. As you heard earlier, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questions will be from the official third party. You may begin any time. Please

begin by identifying yourself and your position for the purposes of Hansard. Thank you.

Mr. Frank Kuri: Good afternoon, and thank you for inviting us to this forum. My name is Frank Kuri. I'm the president of the Ontario Petroleum Institute. One of the best-kept secrets in Ontario is that Ontario was the birthplace of the oil and gas industry. I'm just going to take a couple of minutes and go through the history, and then I'll pass it off to Hugh Moran, who is the executive director of our organization.

The Chair (Ms. Soo Wong): Can you sit down, Mr. Kuri, for microphone purposes?

Mr. Frank Kuri: Yes. In 1858, James Miller Williams, a coachmaker from Hamilton, dug into the tar-like gum beds of Enniskillen township to find their source. At a depth of 14 feet he struck oil, a full year before Colonel Drake drilled his oil well in Titusville, Pennsylvania.

This is how they drilled wells back then: They used spring poles. A spring pole is a long tree trunk. It's levered over a Y-shaped tree trunk, and there is a rock attached at the end of here that's the counterweight. The drillers jumped up and down on this platform, causing this tree trunk to go up and down. This chain goes up and down. At the end of this chain is a heavy steel drill bit. It crushes the rock and the well deepens.

In January of 1862 the spring pole method of drilling led to one of the greatest oil discoveries of the era. Hugh Nixon Shaw, at a depth of 157 feet, brought in the world's first oil gusher. Drilling tools flung skyward and oil towered over treetops. This started a drilling rush around Oil Springs.

By the end of 1862, over 400 wells were drilled in Oil Springs. Production from these wells varied from 50 to 750 barrels of oil per day. Twenty refineries were built in Oil Springs to handle the flow of oil, but it was too much for them, so the oil was sent by wagon over the newly constructed plank road to Sarnia to access the St. Clair River and export markets. So Sarnia is rooted in the oil fields of Ontario.

Imperial Oil was founded right here in London, Ontario, in 1880.

The first offshore gas well was drilled in 1913. Glenwood Lake Erie No. 1 was drilled to 411 metres.

Since then, over 2,100 gas wells were drilled in Lake Erie without impacting the environment. Over 25,000 oil and gas wells have been drilled onshore in Ontario, from Windsor to Sarnia, up to Owen Sound to Niagara Falls, and everywhere else in between.

Let's just look at one little community. Leamington, which has some of the most productive farmland in Ontario, also happens to sit above one of the largest oil and gas fields in Ontario. There are literally hundreds of gas wells that blanket the area. Here, greenhouses and oil wells stand side by side. Royalties from the oil wells helped landowners with seed money to build many of these greenhouses. The economic spinoffs of the oil and gas industry are enormous. This is still some of the most productive farmland in Ontario, even after 30 years of oilfield development.

The Ontario Petroleum Institute was founded in 1963 and represents oil and gas producers, related industries such as gas storage and cavern storage, and service providers.

This is where I hand things off to Hugh.

Mr. Hugh Moran: Thank you. We've had our history lesson; now we have to go to work on what's going on today. I'll have the opportunity to hopefully share that with you.

The oil and natural gas industry has benefited Ontario for 155 years, with economic activity of employment, job growth, tax revenue and royalty revenues that all go back to Ontarians—farmers and other folks—and the Ontario government. In 2013, we had 700 full-time employees who were involved in the oil and natural gas industry. We can pick anywhere up to 2,000 or 3,000 more beyond that who may be involved in indirect support of the industry.

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Madam Chair, the Ontario industry is challenged. This graph will show you that since 1990, drilling activity for both oil and natural gas has diminished substantially, up to 90% since that time, from a peak period of 1995. Production, likewise, has also been reduced, from 1.8 million barrels in 1995 to under 400,000 for 2014. The same with natural gas; we produce a third of the natural gas that we produced some 15 years ago.

The combined value of production in 1995 was \$101 million. In 2014, it will be around \$76 million. If we can get this industry back to the area where it was in 1995, you'll see that we'll double the revenues for 2015 and beyond.

This is an example of the royalty payments that go mostly to Ontario landowners and to the crown. The royalties from all offshore drilling go to the government of Ontario. The other royalties, which are around 12%, go to landowners who hold the mineral rights to oil and natural gas minerals in Ontario.

This gives you an example of the number of companies and organizations that we have involved in the industry. On the production company side, we've got about 100 companies that are involved in the industry; on the support services side—drilling contractors and others—we also have about 100 companies that support the industry.

For all of you who obviously represent us in the Ontario Legislature, oil and natural gas production is throughout constituencies in various parts of the province, while mostly in southwestern Ontario. The oil is down towards Sarnia and Windsor, natural gas towards Niagara Falls, in that particular area. And then, as Mr. Kuri mentioned, there are 500 producing wells on Lake Erie.

There's obviously no lack of opportunity for oil and natural gas—especially natural gas, and even oil, for that matter. These are projections out to 2035 as to what kind of consumption will be required.

It's understood that about 50% of the original reserves of oil and natural gas still remain in the province. This

gives you some indication of the established reserves and what the potential is. Part of the reason we have this reduction is that we're working off of information that's a bit dated. We need to get our geological studies upgraded so that when companies come in and explore, they have a greater chance of success. It's pretty capital-intensive to drill for energy products, and obviously we want to have the best information available for them.

The industry, as I've mentioned here a couple of times, has had a positive impact on landowners and agricultural finances because a lot of this stuff is done mostly in rural Ontario. It's been a general wealth and job creator for communities and for government over its 150 years of existence.

The key question, though, what we'd like to ask the government of Ontario and you, as Ontario citizens, is this: We import 99% of our oil and natural gas. We have a reserve here; we have less than 1%. Will we have an opportunity to provide more? Yes, we will. Should we be doing that? That's the question. Is it a priority? We obviously want to collaborate with the government on opportunities for jobs and other opportunities in the sector through exploration and development.

We have a list of five objectives.

First: We, the industry, are part of Ontario's long-term energy plan, so hopefully we'll get a commitment from the Minister of Energy to contribute to that plan. Three areas where we can contribute are that we can supply natural gas and power to the power grid; we can help underserved communities with product because of our infrastructure and expertise to be able to supply those communities—the agricultural community especially wants access to natural gas; and obviously the increasing demand that I showed in the graph—we can contribute to that increasing demand.

The Chair (Ms. Soo Wong): Mr. Moran, can you please wrap up the presentation?

Mr. Hugh Moran: Yes.

The Chair (Ms. Soo Wong): Thank you.

Mr. Hugh Moran: We need to upgrade our surveys; I mentioned the geographical surveys.

We'd like to talk about a tax incentive for the industry, to help support that drilling. We also would like to have an assessment review of the industry's assets done, because industry assets are a depleting resource, and we want to be able to correct that, especially the difference between a pipeline for an oil battery and a pipeline to deliver natural gas.

We have been actively promoting Ontario outside of Ontario for the last two years at conferences throughout Canada and the US, to invite companies to come here. We would like to ask the government to include us in their plans for economic development, to support key industries like ours and small business.

We have a library. It's a jewel of a resource that has data information going back 100 years. Anybody who is coming into the province who wants to explore, that's the first stop that they make.

We have the Ontario Geological Survey, which highly supports the mining industry. We'd like it to support our industry.

The Chair (Ms. Soo Wong): Okay, Mr. Moran, I'm going to stop you here, so I can ask my colleague Ms. Fife: Do you want to begin the questioning?

Ms. Catherine Fife: Ms. Sattler.

The Chair (Ms. Soo Wong): Ms. Sattler?

Ms. Peggy Sattler: Thank you very much for the presentation. You had to sort of rush through the recommendations that you brought to this committee. I wondered if there were any of those particular objectives that you wanted to elaborate on.

Mr. Hugh Moran: Thank you very much. The Premier's mandate letters call for the Ministers of Energy, Natural Resources, and Economic Development to steward energy, implement a long-term plan, and service underserved communities.

Economic development supports other sectors, including mining and forestry. We'd like to ask for support for our sector.

If we can increase the production to that of 1995, we'll double the number of jobs in the industry from 700 to 1,400.

Anybody who follows Economics 101 knows that housing starts create enormous activity. Drilling starts would do the same—all kinds of activity. We're promoting the industry. We are encouraging investors to come to Ontario. We'd like the government to support that too.

The industry has been a long-time contributor to the economy. We'd like to work together with this government to be able to enhance that industry for the benefit of the citizens of Ontario and make a contribution to the economy.

Thank you.

Ms. Peggy Sattler: Recommendation 4, around promotion of the oil and natural gas industry, recommends that the industry be included in the government's economic development programs that support key industries etc. Are you currently not included? Can you elaborate a little bit on this aspect of the recommendation?

Mr. Hugh Moran: I had a call from one of our members in Calgary, who was attending a conference in Calgary. The province of Alberta's ministry of economic development was there, promoting oil and natural gas. They were promoting, and rightfully so, the companies that provide goods and services to the Alberta energy patch. They were there promoting that industry. We would like them to help support us when we're out promoting the industry to have companies come to Ontario.

I know there are various programs with the Ministry of Economic Development. We have not engaged in them; that's part of what we want to do. But we wanted to bring it to this committee to indicate that this is an area of economic development of which we believe we should get support.

Ms. Peggy Sattler: I had a question about the graph on the projected growth, on page 11 of the slide deck: "Projected Growth in Ontario Demand for Oil and Nat-

ural Gas from 2013.” How were those projections determined? Where did they come from?

Mr. Hugh Moran: The Richard Ivey School of Business, at Western University, as you’ll see in our document, provided us with an economic profile of the oil and natural gas industry in March 2014. The information that we’ve prepared in this presentation comes in part from that economic profile. Many of the statistics in that profile came from Statistics Canada.

Ms. Peggy Sattler: Would these projections take into account new forms of energy production?

Mr. Hugh Moran: That projection is for potential energy use on the consumer side. That’s what those projections are. That’s what that graph means.

Ms. Peggy Sattler: Would it also incorporate increasing conservation and things like that?

Mr. Hugh Moran: That, I don’t have an answer for.

Ms. Peggy Sattler: Okay.

Mr. Hugh Moran: When you look ahead at projections—for instance, in 2035, regardless, we’ll have a growing population, which will increase our needs. But at the same time, if we’re committed to sustainability, hopefully those increased needs will certainly be offset by whatever responsibility has to be taken for the environment and—

The Chair (Ms. Soo Wong): Okay, Mr. Moran, thank you so much for your presentation, Mr. Kuri. Thank you, both of you, for being here and for your written submission.

I believe there’s a cancellation for 2 p.m.

1400

COMMUNITY LIVING LONDON

The Chair (Ms. Soo Wong): Community Living London: Are they here? That’s great. Thank you.

Murray Hamilton, member of the advocacy committee, and David Hill, member of the New Vision Advocates: Gentlemen, you have 10 minutes for your presentation, followed by five minutes of questioning from the committee. This round of questions will be coming from the government side. When you begin, please identify yourself as well as your position for the purpose of the Hansard. You may begin anytime. Thank you.

Mr. Murray Hamilton: Thank you. Good afternoon. My name is Murray Hamilton. I’m here today representing Community Living London. Community Living London is a not-for-profit organization that has been providing services and advocacy on behalf of people with intellectual disabilities for more than 60 years. With me here on my left is David Hill. He is the president of the New Vision Advocates. This is an organization of persons with disabilities who advocate on their own behalf for the services that they need. We’ll be sharing the presentation.

There are a number of issues that we would like to address pertaining to services to people with intellectual disabilities. These include residential services, day sup-

ports, employment services, respite support, workforce stabilization and Ontario disability support payments.

We’d like to begin on a positive note. We were pleased that the government, in the 2014 budget, allocated \$370 million in new annualized dollars to address some of the immediate pressures facing people with developmental disabilities and their families.

We’d also like to congratulate all the parties in the Legislature for your participation in the Select Committee on Developmental Services, which was chaired by Laura Albanese. The report was tabled in July 2014. It was gratifying to see all of the parties working together on such an important social issue. The recommendations are comprehensive and far-reaching.

In its guiding principles, the select committee identified two key issues that we would like to address today. The first is waiting lists. Currently, there are more than 14,000—let me say that again: 14,000—adults and children on waiting lists for residential services, many of whom are living with aging parents. There are more than 9,000 people on waiting lists for day supports, many of whom are young men and women who have recently completed high school without any prospect of employment or a day activity program.

To quote the committee, “All people have a right to appropriate and timely supports and services throughout their lives. The provision of developmental services and support should be mandated and wait-lists eliminated. The elimination of ... wait-lists must be the top priority for government.”

I would just like to speak for a moment to some of these points. First of all, the right to services: We believe that all people with intellectual disabilities have a right to services. Years ago, when we had institutions in Ontario, people were admitted to these institutions as a matter of right. Since they were closed, people no longer have a legal right to services. We believe that they should have those rights and that they should be mandated.

We support very strongly that the waiting lists be eliminated. The results of not eliminating the waiting lists lead to the issue of perpetual parenthood. Parents can no longer be satisfied with raising their children to the age of 20 or 25 and then seeing them go out the door. Adults are continuing to live with their parents into their 40s, 50s, 60s, 70s and 80s.

The government, we believe, has a social contract with these families to address these issues. This social contract has not been addressed in recent years.

A second guiding principle that was addressed was “building capacity.” This requires the injection of new funding and the development of a multi-year plan, in consultation with families and service providers, to develop those services that are necessary at every stage along the journey. One of the keys here is that it’s a multi-year plan and that it focuses on services that are required along the journey. These services change as people age and as their needs change.

In residential supports, there are currently 14,300 people on the waiting list. They have a broad spectrum of

needs. Some require intensive specialized supports in a structured environment. Others can be supported in a group home with three or four housemates on a 24-hour-a-day basis. Still others can live relatively independently with a few hours a day of support with food preparation and financial management. The recent allocation from the government addressed only 1,200 of the most critical situations. There's a long way to go.

Given the increasing cost of housing, particularly in the large cities—metropolitan Toronto, Ottawa and Hamilton—new, innovative models of public housing, along with support services, must be developed. As well, investors in the private sector must be engaged to assist in building affordable inclusive housing.

Day supports: Of the 9,000 people on the waiting list for day supports, the new Passport funding has alleviated some of the most urgent need; however, here too there's still a long way to go. Many families require many more hours of support than has been funded to date. If you are the parents of a young person who has just left school with no prospects of further education, a job, or an activity program, what do you do? This is a question facing thousands of Ontario families every day. Many parents are forced to give up their jobs and stay home and act as a full-time provider. Here again, new funds must be injected into the service system to support those families who are still the primary caregivers of their adult children. When do they get to retire?

Thirdly, we'd like to discuss the shortfall in the service system of respite care. Families who are the primary service providers for their children need a break. Sometimes these breaks can be scheduled; at other times they cannot. Significantly more dollars need to be invested in a more comprehensive respite care system to relieve those families worn down by the responsibility of caring for a loved one with very demanding needs.

Finally, I would like to address the issue of workforce stability. If community agencies are to provide professional, high-quality service, it is essential that the support workers and their supervisors and managers have a deep personal commitment to the people they support as well as the skills and the training to do their jobs with confidence and competence. They must also be fairly compensated. The government, the agencies and the unions have been working over the past few years to develop a template for a skilled workforce; however, front-line employees of community agencies continue to earn 25% less than their counterparts in the public service, who are doing essentially the same work. Not only are wages, pensions and benefits too low; the pay equity system introduced 20 years ago to address these issues is a debacle. It has not brought equity to the sector and has saddled service providers with legal obligations that they cannot meet without government support. In short, it needs to be overhauled or altogether scrapped.

I would like to invite my colleague David to address issues related to employment and the Ontario Disability Support Program.

Mr. David Hill: Good afternoon. My name is David Hill; I am the co-chair of the New Vision Advocates group. We are a group of people with developmental disabilities who advocate on behalf of people with disabilities. I am here on behalf of the New Vision Advocates to speak to the need for the government to take real, concrete steps towards improving the Ontario Disability Support Program, which currently forces people to live under the poverty line.

The majority of people like me who live with a developmental disability must rely on ODSP as their main source of income. The needs of people who receive ODSP benefits for an adequate income, dignity, and social inclusion have been neglected for too long.

The government has indicated its plans to continue the process of reform of OW and ODSP that began with the report of the Commission for the Review of Social Assistance in Ontario, but the recent changes to ODSP regulations made to date, with the exception of the \$200 earnings exemption, have made life more difficult and stressful for ODSP recipients and their families. Eliminating the Community Start Up and Maintenance Benefit, the Home Repairs Benefit, and the upcoming elimination of the \$100-per-month working benefit are all actions which actually increase the poverty of people with disabilities.

We are asking the standing committee to urge the government to raise the level of support to the monthly ODSP allowance to cover the real cost of living. The current rates do not even come close to covering living expenses or the cost of inflation.

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Increase the monthly ODSP allowance for all recipients by at least \$100 a month to help people better afford rent, to eat healthier and to participate in their communities.

Reinstate the Work-Related Benefit. This \$100 per month assists all of us that can work, even if it's only for a few hours a week. This benefit helps to pay for transportation costs, clothing or other related items needed to work.

Unlike Ontario Works, ODSP does not provide recipients with a bus pass. This is a huge barrier for many people who want to work, as a big chunk of their income must go towards the transportation cost of getting to work. People should not have to choose between spending money on groceries or getting a bus pass.

We'd also like to talk about expanding the employment supports for people on ODSP to include supports for all ranges of the differing needs. Just because a person is supported to get a job and to learn how to do the job does not mean they will not require support in the future to maintain their job. Funding is needed to allow for long-term employment supports for people with developmental disabilities that would be available to assist people to maintain their jobs throughout their working life.

On behalf of the New Vision Advocates, thank you. I will turn it back over to Murray to end our presentation.

The Chair (Ms. Soo Wong): Mr. Hamilton, can you wrap up? You're over the 10 minutes, and I do want the government side to ask both of you some questions. Okay?

Mr. Murray Hamilton: Okay, I will just be 10 seconds here.

All people with developmental disabilities require a fair and equitable access to supports and services, not just those in crisis. Current pressures and wait-lists need to be addressed, but within a system that will exist and support future generations of people with developmental disabilities. The plan must be able to respond to people and families before they are in crisis. Crisis response is often more costly in the long run than well-thought-out preventive strategies. If a long-term strategy is not created, sustainability of service and the quality of supports will be compromised. It is essential that Ontarians have access to a stable, professional and responsive developmental service system.

Thank you.

The Chair (Ms. Soo Wong): Okay. Thank you very much. Mr. Baker, you're going to begin the questioning?

Mr. Yvan Baker: Thank you, and thank you both for coming in and for all the work that you're doing. I have to say that, since being elected in particular, I've had a chance to meet with a number of constituents who are struggling with developmental disabilities and can appreciate the challenges that folks face. There's a lot of work to be done; no question about that. I think my colleagues feel the same way.

One of the things that I've come to appreciate is how much work needs to be done, but also the work that the government has tried to do. There are a number of things that I've learned. Laura Albanese is here with me, and she has shared with me a lot of information about—

Mr. Murray Hamilton: Congratulations. Great job.

Mr. Yvan Baker: So there are a few things that come to mind, and what I'd like to do is just talk about a few of them, if I may, but then ask for your reaction on how these are working or not.

Of course, there's an investment of \$810 million over three years to strengthen community and developmental services for folks. The idea, of course, was to provide funding for more families and to address the wait-list of families waiting. I know that part of this investment was to provide residential support for about 1,400 people with the most urgent needs. I also know that since the last budget until October, so over about a six-month period—or less than that actually, a three- or four-month period—about 7,900 people and their families were approved for direct funding. So that's another issue.

I know that as of October 1 of this past year, the government updated the eligible services, so expanded the scope of services, essentially, that are funded by the Passport Program—a couple of things, so that they could take part in community classes; hire a support worker; develop work, volunteer and daily life skills—

Interjection.

Mr. Yvan Baker: Respite; that's right—get some respite for their caregivers. That is important.

I know that we recently appointed David Onley as a special adviser on accessibility, to champion opportunities for folks in the public and private sectors. What I was hoping to do, as someone who is relatively new to this issue, but as an elected member who is seeking to learn—tell me a little bit about how this has impacted folks, whether it has been effective, and if so—

Mr. Murray Hamilton: Well, I'm not new to the field; I've been in it for 30 years. First of all, I think it's important that you recognize that the \$810 million over three years is not annualized dollars. That's 372 million annualized dollars. The way that the money was rolled out and the way that it was presented is that they kind of added annualized money and fiscal money together to come up with this \$810 million, but it's really \$372 million of base money. So far, that has gone to alleviate the 1,200 very high-needs persons, many of whom were wards of the children's aid societies who had reached adulthood and needed immediate service. There are still, as we said in the presentation, 13,000-some people who need residential supports. Some of them are very high-needs persons. Many of them have moderate needs, but they're living at home with families who are 50 and 60 years old, and sometimes it gets to the point where they are looking after those families. So it is really very critical that a comprehensive residential program be developed. The provincial auditor has just done a comprehensive report on residential services, so you can have a look at that. There are a lot of good ideas in there.

The Passport initiatives that have been introduced since the budget are helpful. There's no question about that. But, for the most part, they do not provide people with sufficient money to gain true independence. They provide a few hours of service. In some cases, families may not have been receiving any money at all, and now they may receive a little bit of money. That has been important, and that program needs to continue to expand, particularly to address the day support needs that we have identified, because there are many, many people who need day supports.

In the area of employment, I think the point that David was making is a very important one. There is government money now for people to develop an employment plan, but once that plan is developed and they go and get their first job, then the money disappears and there are no more support services. It's really, really critical that people continue to have a contact person, a support person, because people lose their jobs or they have problems at work or they have problems with colleagues. There needs to be constant follow-up—forever, really—to ensure that those jobs remain real.

In terms of the ODSP allowances: It has always been a program that people are fiddling with around the edges, and some of the recent fiddling, in terms of reduction of some of the services, has just not been helpful. The reduction of the \$100 earnings allowance has been really hurtful to those people who are earning very little money.

So if you're earning less than 100 bucks a month, or if you're earning between \$100 or \$200 a month, that is now gone. It's really important that they continue to have that money.

The Chair (Ms. Soo Wong): Mr. Hamilton, I'm very sorry. Your time is up. Thank you very much, both of you, for being here today—not just for the presentation, but for your written submission. Mrs. Albanese and I are both very involved with this file. As the parliamentary assistant to Minister Jaczek, I will certainly bring back your concerns.

Mr. Murray Hamilton: Thank you for having us.

ST. CLAIR COLLEGE

The Chair (Ms. Soo Wong): The next presenter is St. Clair College. I believe the president, John Strasser, is here today.

Good afternoon, gentlemen. I believe that you are both here—oh, the Clerk just gave me the name: Mr. Dolph Barsanti. Gentlemen, you have 10 minutes for your presentation, followed by five minutes of questioning from the committee. This round of questioning will be coming from the official opposition party. You may begin any time, and please identify yourself for the Hansard. Thank you.

Mr. John Strasser: Good afternoon. My name is John Strasser. I'm the president of St. Clair College. I'm joined today by my colleague Dolph Barsanti, who is the chief financial officer of St. Clair College.

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First of all, thanks for the opportunity to speak to you about our suggestions and to maybe provide some input for the upcoming budget. We are eager to collaborate with the province to support the investing-in-people pillar. We're focused on addressing the problems of students as they seek post-secondary education.

We have prepared a hard copy of our submission, and you have that; it's this one. We only have a short time to highlight some of the key points. I'd like to do that in about five key headings.

The first one is leadership. The Windsor-Essex region has one of the highest unemployment levels in the country. It has one of the highest poverty levels in the country. If you look at figure 1 and figure 2 in the submission, you will see where those numbers are relative to other major parts of the province of Ontario and where those numbers sit on unemployment as they apply to the regions surrounding the Great Lakes.

While we can celebrate \$2 billion of investment by Chrysler in the Windsor assembly plant, for example, to have leadership celebrate the addition of call centres—all jobs are good; we'll give that as a given. But to have a celebration to celebrate that is not correct.

From a post-secondary education level, we've posed a question in appendix A, which you can read. It basically says, "Does a university/college have a responsibility to prepare a student for the workforce or guarantee them a

job?" There are a lot of things in there that I think are important.

If we go to number 2, expectations in a post-secondary education environment: Again, if you go to appendix B, there's a focus on post-secondary education from several perspectives. I'd like to read some of them; they are excerpts from articles that have been written, and the sources of those articles are also contained in appendix B.

From Scott Schneider from Costa Mesa in California—and I'm quoting him now:

"I am a hiring manager at a Fortune 150 company. For the past six years, I have reviewed hundreds of resumé's for IT auditors, and it has been an ongoing struggle to find even minimally qualified people, meaning my jobs sit open year after year. I am aware of similar hiring challenges at other companies. While I am all for expanding one's personal life experiences, the stark reality is that you have to have something to offer your employer." I'll repeat the last words: "you have to have something to offer your employer. A large part of the responsibility should also be laid at the steps of the colleges and universities which create 'fluff' programs to create revenue streams for themselves.

"In the meantime, businesses will continue to fill their staffing requirements with educated, motivated and 'eager to learn' resources from offshore because without qualified American college graduates"—and you can substitute "Canadian" in there just as easily—"there is no other choice. Wake up, America!"

The second article, from the perspective of the student, was contained in the *Globe and Mail*. A student writes under the title "Bachelor of Jeopardy:

"I, too, have felt the sting of rejection from prospective employers who were more interested in practical job skills than my sweeping knowledge of 18th-century British literature.

"As a holder of not one but two undergraduate arts degrees (a bachelor of arts in English and history, and a bachelor of fine arts in creative writing), I am quickly reminded by the working world that being intelligent and capable is no longer enough. You have to do something that makes somebody money." Again, I'm going to repeat those last words: "You have to do something that makes somebody money."

"BA grads aren't completely unemployable. We're just marginalized.

"For 10 years I made a half-decent living as a community newspaper reporter, as I will in my new career as freelance writer.

"Then again, tradesmen with six-month apprenticeships make twice the money."

From the perspective of a secondary school teacher, and this is from a high school English teacher in Virginia, "The result of these grand plans ... is that 'we are ending up with kids in upper-level math courses who do not know how to add, subtract or divide unless they use a calculator and who are lost when it comes to fractions.'"

He goes on to say that one of the frustrations is that we are zoning in on creative thinking and the big picture, and, “The result is seniors who are not just incapable of multiplication, but also unable to identify the verb in a sentence or come within 100 years of placing the Civil War.” This, again, is from the perspective of a school-teacher.

From the perspective of parents—I don’t want to run out of time—there’s also the thought that in the National Occupational Classification, a federal government publication, there are more than 25,000 job titles, so when we are advising children to go into post-secondary education, we’re not even aware of the options.

Then, finally, from the perspective of the policy-maker, the last sentence says, “... we value the trades so little in Canada. Official Ontario Ministry of Education policy is to treat the post-secondary options—college, university and trades—as equal. But many parents and teachers still treat the trades as second best, despite the employment opportunities.”

So the expectations are important in terms of the government funding.

If you look at the funding for post-secondary education, if you look at table 1 and at figure 3, student funding for college students is 25% lower in 2013 than it was in 1992. The per student funding is the lowest in Canada, and it’s certainly lower than for universities and high schools. That’s just not acceptable.

If you go to narrowing the skills gap, the polling research done by Colleges Ontario shows that two-thirds of Ontarians say the main purpose of post-secondary education is to teach specific skills and knowledge that can be used in the workplace.

If you take all the data that’s contained in that brief summary that I have, if you take 20 students today and they go to any university in Ontario and they take a three-year bachelor of arts program in classical civilization as a major—my son has a minor in classical civilization, which is the reason I picked that one, and I’m not speaking disrespectfully to all those people who want to do classical civilization. But if you take three years of classical civilization and take a three-year advanced diploma in automotive product design, the government of Ontario, in the course of the three years, will spend \$160,000 more, roughly, educating those classical civilization students than they will on automotive product design. That’s important in terms of your deliberations. Where do you spend the money to make it the most value for you as a province? If it is in creating classical civilization students or anybody else, that’s fine, but you should state that up front rather than saying that you can’t meet a skills gap because you don’t have enough money to train students.

Finally, the last one, efficiencies: There’s a plethora of service providers in this province and it’s actually getting to the point where it’s confusing. If the rest of the province is like what we have in our region, people are trying to find ways to get help and they don’t even know where to go anymore.

Thanks for the opportunity. I’d be happy to discuss any of this, or if you want to come to us privately to ask follow-up questions, I’d be happy to do that too.

The Chair (Ms. Soo Wong): Thank you very much. Mr. Fedeli, do you want to begin the questioning?

Mr. Victor Fedeli: Thank you. Well, it’s a rather sobering discussion, to say the least.

Mr. John Strasser: Thank you.

Mr. Victor Fedeli: It has to be our role as legislators and as the provincial leaders to ensure that we provide students with an education in a field where there will be a demand. If you were talking to a student today—I’m looking at one of your pages here, “Does a university/college have a responsibility to prepare a student for the workforce or guarantee them a job?”—what would you send somebody into today? Where’s our biggest demand today? Where should you be sending them and where should we be investing our money, rather specifically, here?

1430

Mr. John Strasser: That’s a hard question to answer because some of it depends on aptitude—

Mr. Victor Fedeli: All things being equal.

Mr. John Strasser: What we don’t do is expose the students to choices.

Coming through the secondary school system, we force them to take university math, for example, applied math. So they’re already making choices, and they’re making choices on something they know nothing about.

From my perspective—and I’ll speak strictly from my perspective, not even from our college’s perspective—we’re trapped in a system that I believe is colonial at best. We’ve got an education system that says, basically, if my child is smart, he’s going to go to university, and if he’s not so smart, he’s going somewhere else. That’s wrong, in this century, with the demands that we have and the global economy we have. When you superimpose upon that now that a person going through and getting a trade—a lot of the trades don’t work in a dirty environment. That picture is painted: The windows are all covered up, and people are getting dirty. It’s not that way anymore. To be somebody who’s skilled in automotive product design, for example, you have to have a lot of talent, and you can make a lot of money.

So if you have an aptitude to go in those directions—I have advised parents with children in high school to go into some of our classes, sit there for a class or two, get a feel for what’s involved, because they may be a lot better doing that in the end.

One of our graduates from last year, Jason Fabok, is now one of the leading writers for Justice League comics. He could just as easily have gotten a BA in something at a university. He came into our system, he liked what he saw in animation and design, and today he’s spending most of his time in LA doing that.

It’s all about exposing them to choices—because at the end of it, you’re not guaranteed a good job. When I graduated from university, as long as you had a post-

secondary credential, you were probably going to get a good job.

Mr. Victor Fedeli: We find, when we have these discussions throughout Ontario and within our ridings and with other stakeholders, that there's a lot of parental pressure: "I didn't go to university; therefore, you have to go." It's targeted towards that. Is that something that you would agree with or have heard anecdotally as well?

Mr. John Strasser: Oh, it's absolutely the case.

There were two recent ads that have disappeared from TV screens, and I think I know why. One has cars coming up to a shop. One licence plate says "lawyer," and they're driving a Volvo. The next one says, "manager, marketing," and they're driving a Toyota or something. The third one is a Maserati, and it's a tool and die maker. It disappeared because that's an image that—and the other one is a guy sitting behind a desk, and a lady comes by and says, "Can you make a copy of this?" He says, "Don't you realize I have an MBA?" She says, "Right. We have to train you first."

The perspective has to change in terms of choices. You can't have people at the age of 35 sitting in their parents' homes hoping that they can save enough to get on with life, because they're working two or three part-time jobs.

Mr. Victor Fedeli: Dr. Rick Miner, in his paper *People Without Jobs, Jobs Without People*—I think that title so aptly describes what's happening here. We have 600,000 people out of work. But if you're a tool and die maker, or if you're in a machine shop—try to find a welder today. We've got a need for 5,000 aircraft maintenance engineers coming up in the very near future, 5,000 pilots, but we don't see them being trained. We have a crisis coming up. We can acknowledge that we have an unemployment crisis and we have an employment crisis.

Mr. John Strasser: I think that's true. I know Dr. Miner; he's a colleague of mine who is now doing some good work in trying to provide a greater perspective for—

The Chair (Ms. Soo Wong): Mr. Strasser, sorry about this, but time for your presentation and your comments this afternoon is up. Thank you for your presentation as well as your written submission.

Mr. John Strasser: Okay. I appreciate it. Thank you.

TOWNSHIP OF DAWN-EUPHEMIA

The Chair (Ms. Soo Wong): The next group coming before us is the township of Dawn-Euphemia. I believe His Worship is here joining us, Alan Broad, the mayor, and it looks like there's a delegation from the township.

Good afternoon, Your Worship. I see that you have a couple of your colleagues. They are welcome to join you at the table.

Mr. Alan Broad: They're just going to sit behind us. Thanks.

The Chair (Ms. Soo Wong): Oh, okay. Your Worship, I know you have a gentleman sitting beside you on your left. Can you please identify yourself and him as

well for the purposes of Hansard? You have 10 minutes for your presentation. This round of questioning will be from the third party. You may begin at any time.

Mr. Alan Broad: Thank you, Madam Chair. My name is Alan Broad. I am the mayor of the township of Dawn-Euphemia. I have here with me Bradford Fox, the treasurer of Dawn-Euphemia. Behind me I have Councillor Bill Bilton, Councillor Paul LeBoeuf and Councillor Leslea Williams. The council for the township of Dawn-Euphemia welcomes this opportunity to participate in the government of Ontario's 2015 pre-budget consultations.

The township of Dawn-Euphemia is located in south-western Ontario, in the southeast portion of Lambton county. The current population of the township is 2,049. Within the community, there are a number of small hamlets, including Florence, Shetland, Oakdale, Edys Mills, Rutherford, Cairo and Bentpath. The largest hamlet is Florence, with a population of approximately 150 persons.

The township has developed around an economy based primarily on agriculture, particularly cash-crop farming. The township's core infrastructure for maintenance purposes comprises 44 kilometres of hard-top roads, 389 kilometres of gravel roads and 109 bridges and large culverts. Our land mass is 44,500 hectares.

The township is home to the Union Gas Dawn operations centre. That includes the Dawn compressor station and underground storage pools, which are known as the largest in North America. The station is a major hub in the gas distribution network.

Our submission offers the council's views and recommendations in a few areas, including rural infrastructure funding and cuts to the OMPF fund.

Rural infrastructure funding: History has shown that when a stable, consistent and long-term framework is in place, investing in our municipalities creates jobs and improves the quality of life for Ontarians. According to the Conference Board of Canada, improving our roads, bridges and water systems generates up to \$1.20 in real growth GDP for each dollar invested and an average of 16,000 person-years of employment for every \$1 billion spent.

Predictable investments in core municipal infrastructure are vital to keeping municipalities healthy and safe. The current infrastructure funding model tends to support rehabilitation and replacement of existing infrastructure while ignoring new municipal infrastructure needs, such as sewage treatment facilities required to replace failing private septic systems. Partnering on important new municipal waste water systems will allow communities to meet federal and provincial standards and help protect our environment.

Cuts to the OMPF: Council is particularly concerned about the design changes and ongoing cuts to the OMPF fund, which has been the main transfer payment to rural Ontario municipalities for the past 15 years. In 2015, the fund was reduced by \$35 million to \$515 million. Enhancements to elements within the fund totalled \$5

million, which was a total of \$40 million removed from the transitional envelope within the fund.

In front of you, you will see the components of it. The two I want to point out are the bottom two. The fiscal circumstances in 2014 was \$50 million and in 2015 was \$55 million, which was a 10% change. The big one was the transitional: In 2014, it was \$134 million and in 2015, \$94 million. You can see at the bottom: in 2014, \$550 million; in 2015, \$515 million, which was a decrease of 6.36%. In 2016, the fund will be reduced a further \$15 million to \$500 million from the transitional envelope.

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The impact that these cuts have has been significant on our municipality. Our municipality has seen its 2015 transfer of \$745,600 reduced by \$534,400 from its 2009 level—a 42% reduction. The cumulative reduction totals \$1.556 million.

The magnitude of this cut is significant for a municipality where a reduction of \$20,000 represents an increase of 1% on our municipal tax levy. The 2015 reduction is equal to an increase of 8.34% to our general purpose tax rate. It has been 17% over the past two years.

The loss of OMPF funding creates impacts on our ability to deliver basic services to rural Ontario. We are concerned about the transitional nature of the OMPF allocations for our municipality. The transitional component has gone from 0% to 82% of our transfer under the new plan design.

The bulk of the annual transfer for most rural municipalities under the prior OMPF design was attached to a farmland component. In our case, it was 78% in 2012. The loss of the farmland component is deserving of special attention/recognition with respect to rural Ontario and provincial government policy. It has been part of the OMPF and its predecessor programs since 1998.

For several decades prior to 1998, successive provincial governments have recognized the value to the entire province of a strong rural economy by way of a property tax rebate program for farmlands. Qualifying lands received a direct payment from the provincial treasury of all Ontarians. This provincial policy rebated 75% of the annual property taxes.

In 1998, the property tax system was amended under the Municipal Act. The farmland rebate was streamlined by simply taxing qualifying properties at 25% of the base residential tax rate. This was a fundamental change to the funding of a provincially mandated policy. A policy that is presumably for the benefit of all Ontarians would no longer be paid for by all Ontarians. Under the new property tax mechanism, it is being paid by the non-farmland properties in rural Ontario: rural businesses and the homes of those living and working there. The rural farm community is now effectively rebating itself.

In recognition of this change, the farmland component was included in the original CRF, the Community Reinvestment Fund. This transfer program was designed to create revenue-expenditure neutrality for municipalities, resulting in the provincial uploads and downloads initiated in 1998. This funding by all Ontarians for a

provincial policy benefiting all Ontarians has now been removed from provincial transfers to rural Ontario. The 2013 redesign of the OMPF program has removed any farmland component.

Some \$1,919,500 in funding to our community would have been received from the provincial treasury had the old farmland rebate mechanism still been in place in 2014. In 2015, the township will receive only \$745,600 under the restructured OMPF program. This amounts to local subsidization of a provincial policy by at least \$1.2 million annually.

Rural sustainability: The impact—unintended in most instances—from the one-size-for-all-Ontario provincial policies and regulations in these past 25 years has devastated rural Ontario. The self-sustaining micro economies of hundreds of rural communities have disappeared. The survival of those remaining and the agri-business economy/farm gate that flows from them for the next 25 years will be critical to Ontario.

The ratio of road network to land mass in our township is approximately 1 to 100, which is that one kilometre of road accesses 100 hectares. This ratio is likely the norm for most of rural Ontario since the townships of southern Ontario were all laid out in the early to mid-1800s using the same basic grid template.

Lambton workforce studies reveal that the smaller the population of a rural community, the higher the likelihood that employed residents will be commuters. In our township, that rate is approximately 88%. This would include seasonal off-farm employment.

This access infrastructure is the single largest expense for rural municipalities. The decline of access is inevitable if the only source of funding the infrastructure is the farmland itself.

A comment from my colleague from Enniskillen in his recent guest editorial columns put the cuts to these transfers into perspective. The government recently announced funding of some \$45 million for homeless musicians in the GTA.

Rural Ontario could easily suggest it is a program that we are funding.

It is not a matter of insufficient provincial revenues, but rather a matter of spending priorities. Dawn-Euphemia council is asking the Wynne government and the current provincial Legislature to reinstate the farmland component of the OMPF transfers and to fully fund that component. Full funding means acknowledging that the long-standing farmland/food security support program is for the benefit of all of Ontario and must be funded by Ontario.

On behalf of the council of the township of Dawn-Euphemia and myself, I thank you for this opportunity and your attention.

The Chair (Ms. Soo Wong): Thank you very much, Your Worship.

Ms. Sattler, do you want to begin the questioning?

Ms. Peggy Sattler: Yes. Thank you very much for your presentation. I have a couple of questions.

The first is around the infrastructure piece. Do you have an estimate on what your current infrastructure deficit is in Dawn-Euphemia? And perhaps you could speak more generally about infrastructure deficits in other rural communities in southwestern Ontario.

Mr. Alan Broad: I'll turn that over to Brad.

Mr. Bradford Fox: In our five-year capital program on large culvert and bridge structures, just that in and of itself is in the neighbourhood of \$200,000 to \$300,000 annually, which is one structure per year. In looking at the cuts that we've just seen in the two years of restructured OMPF, there are two structures that will not get rehabbed in our five-year forecast.

Ms. Peggy Sattler: Okay. That actually leads to my next question. With this loss of OMPF funding and the impact on your ability to deliver basic services, what kinds of things have you had to limit or reduce because of the loss of this funding? You've mentioned not being able to undertake these infrastructure repairs, but what else has been affected?

Mr. Bradford Fox: The level of service on the entire road network is starting to decline. Hopefully, you are all familiar with rural Ontario, which does feed the province. They are gravel roads. The gravel needs to be maintained on an annual basis. In our case, we spend approximately \$500,000 a year just on applying minor amounts of gravel on that network. That doesn't include any significant rehabs or any improvements. As we mentioned in the presentation, the network is very similar throughout southern Ontario. The way it was laid out, for the lands to be accessed to continue to be farmed over the next 25 years, the network has to be maintained. Without a rural economy, without a rural population, without small rural businesses paying property taxes, the only payer left is farmland itself, which would be paying 25-cent dollars.

Mr. Alan Broad: We have a \$400,000 structure that was washed out approximately two years ago now—it would be going on two years—that we haven't fixed yet because of a lack of funding or a lack of being able to apply in to the programs to get funding. It's a townline road, so it's a joint with one of our neighbouring municipalities, which is going through the same problems that we are. So we now have a road sitting in Dawn-Euphemia that has been non-operable for two years, waiting for funding to come for it, because we just can't afford the \$400,000 to fix it today.

The Chair (Ms. Soo Wong): Ms. Armstrong?

Ms. Teresa J. Armstrong: So the government changed the formula of OMPF. What explanation did they give, seeing that farmland is the majority of what your assets are in your municipality?

Mr. Bradford Fox: In 2014, when the allocations were announced at our upper-tier clerk-treasurers' meeting, we invited staff from the OMPF directorate to give us a presentation and some explanation. I asked a question regarding whether there had been any sensitivity analysis conducted on where shifts in the pot were going. To my astonishment, the answer was, "No; we had not done any," and that's why they found themselves so flatfooted

when they were starting to realize the impact on the small rurals.

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What has happened is that there has been a large shift to large rurals. The greater the population—I don't know how rural you would consider the city of Windsor, but the city of Windsor and the city of Sarnia have seen a combined increase in their OMPF of some \$3 million to \$4 million. There has been a significant shift of the OMPF pot into the higher-population centres in rural Ontario and out of the townships.

Ms. Teresa J. Armstrong: Would it be a fair conclusion to say that they would like smaller townships to maybe merge and populate that formula so that they could get a bigger piece of the funding?

Mr. Bradford Fox: It wouldn't have any impact.

Ms. Teresa J. Armstrong: It still wouldn't have any impact?

Mr. Bradford Fox: It wouldn't have any impact, the way the formulas are set up. Again, our costs are the basic road networks. For most of rural Ontario, your property tax pays for the basic road network, policing and fire protection.

Ms. Teresa J. Armstrong: Where do you see your taxes in your township going in order to pay for those ongoing maintenance costs? How far do you go?

Mr. Alan Broad: That's the whole thing: How far do we go? The \$187,000 we're getting cut for 2015 is approximately 9%. That doesn't include anything with OPP policing; we are going to have a slight reduction there. That doesn't have anything to do with our regular costs for maintenance of gravel, snow removal and all that. It can go nowhere but up.

Ms. Teresa J. Armstrong: And what is this government's response to your challenges that you have expressed?

Mr. Alan Broad: The government made a response to one of our fellow municipalities that was, "Just go raise your taxes. The farmers can afford it." That was the response that the government had given us.

The Chair (Ms. Soo Wong): Okay, Your Worship, thank you so much for your presentation—

Mr. Alan Broad: Thank you.

The Chair (Ms. Soo Wong): —and Mr. Fox, and thank you to all the councillors who are here today. Thank you for your written submission as well.

MR. JEFF WESLEY

The Chair (Ms. Soo Wong): The next presenter is Jeff Wesley. Is Mr. Wesley here? Mr. Wesley, thank you very much for coming early. As you probably heard, you have 10 minutes for a presentation, followed by five minutes of questioning from the committee. This round of questions is from the government side. You may begin any time. Please identify yourself or the organization you represent for the purposes of Hansard. Thank you.

Mr. Jeff Wesley: Thank you, Madam Chairperson and honourable members. Good afternoon. My name is

Jeff Wesley, and I am here today as a citizen, father, grandfather, the last mayor of Wallaceburg, a current Chatham-Kent councillor and the chairperson of the Sydenham district hospital, as well as a vice-chair of the Chatham-Kent Health Alliance. I'm proud to call Wallaceburg my home, and I'm a great neighbour to Dawn township, who were up just before me.

I sincerely appreciate and thank you for this opportunity. I acknowledge with great respect the health care expertise of Chair Soo Wong and the assistance that my local MPP, Monte McNaughton, has provided in allowing for this opportunity today.

My topic will be the need for local and accessible health care in our small and rural communities. Although my message is about Sydenham district hospital in Wallaceburg, I believe my comments apply to small and rural communities across Ontario.

In 1956, Sydenham District Hospital opened. In 1990, our community raised \$2 million for needed upgrades. In 1994, 2003 and 2010-11, our community rose up, packed our local school with overflow crowds and made it very clear that our hospital stands for the tears, blood and sweat shed so willingly by so many over so many years. In my mind, no other hospital catchment area in Ontario has been as strong and passionate about a hospital as Wallaceburg, North Kent, South Lambton, Walpole Island First Nation and St. Clair township.

Why is Sydenham district hospital so important to us? Our emergency department, supported by a helipad, serves a catchment area of 25,000 people, including Walpole Island First Nation, and sees an average of 17,000 visits annually. Our emergency department is very successful, financially stable and well supported by five local physicians. It is also a department that is adapting to the emerging changes in health care. For example, with the full implementation of point-of-care testing, our patients and providers have a timelier lab result, saving about 45 minutes per test, which means faster diagnosis and less waiting—put another way, better care and improved patient satisfaction.

It was previously announced by the Ontario government that there was a need to improve emergency services in rural and northern Ontario. Our 24/7 emergency department is part of that solution. It's also worth noting that the Central Ambulance Communications Centre for the local area is also located on this hospital site.

While growth is occurring in the GTA, do not forget about rural Ontario. We are still here and our populations are aging and less healthy and the need for services is increasing.

Small and rural hospitals contribute to the local economy—jobs, taxes, purchases from local business—and they are a drawing point for industry and business looking to locate there.

Chatham-Kent Health Alliance serves an expansive geography. The emergency department at the Sydenham district hospital provides a significant number of people

access to emergent care services. It is a core program and a necessary part of the Chatham-Kent Health Alliance.

We recognize the financial pressures facing all levels of government, but the Ontario government and members of all parties have the opportunity to step up and support new models for health care delivery that can address the unique needs of our communities. In making strategic, directed investments in rural communities, the government and all members can signal a commitment to enhance the quality of life and attract/retain talent and business, a signal that also shows that you have not abandoned rural southwestern Ontario.

Chatham-Kent Health Alliance is leading health system innovation and collaborative efforts that are having a profound impact on our patients and our community. We have been told that our campus of care model is one such innovation. This request is your opportunity to allow us to continue to demonstrate how system integration and leadership can thrive in a rural community.

Our hospital, built in 1956, is in the lowest quartile for building condition—one of the most deserving needs in all of Ontario. We need a decision from the Ministry of Health to approve moving forward to stage 2—functional program—and stage 3, which is preliminary design, and the resources allocated to support it. We have the support of the local communities and of Walpole Island First Nation. We have the approval of the Sydenham district hospital board, Chatham-Kent Health Alliance and the Erie St. Clair LHIN to move forward. We are waiting for a response from the Ministry of Health.

This project is a unique partnership between the hospital, the Chatham-Kent Community Health Centres and Canadian Mental Health Association Lambton-Kent. Our proposal supports continued access to emergency department services while also offering better access to other care options that may be more appropriate for patients, all located on one site. Essentially, it creates a more cohesive health care delivery system in a rural community that we believe will enhance the overall health of the population, once realized.

It should be noted as well that this project, as presented, delivers \$3 million in annual cost savings from current set-up of operations, savings that can offset the funds needed to move forward. Local communities are ready to do their share, both from a financial and volunteer point of view, and rally behind a solution to our long-running local health care concerns.

The communities in the catchment area of Sydenham district hospital built and paid for our original hospital. We know how to get the job done and we are ready to get to work, but we need to be given the green light.

Thomas Edison said, "Our greatest weakness lies in giving up. The most certain way to succeed is always to try just one more time." Winston Churchill simply stated, "Never, never, never give up."

Our local communities have been vigorously and courageously supporting local health care and Sydenham district hospital since 1990. We will keep trying one more time, then again and again, as local health care is so

important to all of us that we will never, never, never give up.

Thank you for this opportunity.

The Chair (Ms. Soo Wong): Thank you very much, Mr. Wesley. I'm going to turn to Mr. Milczyn to ask you some questions.

Mr. Peter Z. Milczyn: Thank you, Councillor Wesley, for coming out this afternoon to speak to us. It's certainly a very important issue to your community and you're obviously a very passionate advocate for your community, I'm sure, on a lot of issues, but certainly on this one.

I was just wondering: How long ago was the latest application put in to the Ministry of Health?

Mr. Jeff Wesley: It was in 2013, and then we had some discussions from the Chatham-Kent Health Alliance in early 2014 to determine the status. Hence, we're coming forward saying that we need to push that status forward.

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Mr. Peter Z. Milczyn: Okay. Because we're in a finance committee and we're talking about budgets, I assume you're aware that the government announced, in the last budget, an infrastructure plan for the province of Ontario of \$130 billion over the next decade, and \$29 billion of that is for transportation infrastructure. The balance, \$101 billion, is for health care, education and other institutions. So there's certainly significant funding that is being planned for, and much of that will go into the health care sector. I assume you're aware of that.

Mr. Jeff Wesley: Yes, and I would suggest that if you told the Ministry of Health to move us on to the next stage, we could tell them that it's already paid for.

Mr. Peter Z. Milczyn: I, myself, in the riding of Etobicoke-Lakeshore, have a project that we're working hard to get the Ministry of Health to advance on as well.

It has been about a year and a half since your application was put in. You're waiting for the green light to go to the next stage. Have you been given any indication of when that green light might come?

Mr. Jeff Wesley: No, we have not. I should back up and just correct that we were in contact in early 2014 and 2013, but it actually started around 2012. But, no, we have not been given any indication on when we might expect a decision on that.

Mr. Peter Z. Milczyn: Well, I'm happy to follow up on that for you.

Mr. Jeff Wesley: I appreciate that.

Mr. Peter Z. Milczyn: I believe my colleague has some questions for you, as well.

Mr. Jeff Wesley: Thank you.

The Chair (Ms. Soo Wong): Ms. Hoggarth.

Ms. Ann Hoggarth: Good afternoon.

Mr. Jeff Wesley: Good afternoon.

Ms. Ann Hoggarth: Thank you for your presentation.

When this government was elected, we were told very clearly that people did not want to lose a lot of services, but they also wanted us to make sure that we try to get our financial house in order. I'm sure you agree with that.

I wonder if you realize that what people in Ontario pay in federal taxes versus what our transfer payments are is \$11 billion short. I have told several people in the past two weeks of these presentations that perhaps they need to speak—everyone in Ontario needs to ask for what Ontario is due. I wonder whether you had spoken to your MP about this.

Mr. Jeff Wesley: I can assure you that our MP and MPP and everybody else in our local area is well aware of what I'm saying here today and the fact that everybody has to come to the table and be part of the solution.

Ms. Ann Hoggarth: Great. Thank you very much.

The Chair (Ms. Soo Wong): Thank you very much, Councillor Wesley, for your presentation and your written submission.

Mr. Jeff Wesley: Thank you.

COMMUNITY LIVING TILLSONBURG

The Chair (Ms. Soo Wong): The next group coming before us is Community Living Tillsonburg. I believe Mr. Graf, the chief executive officer, is here.

Oh, there are three of you. Okay. Gentlemen, welcome. Good afternoon. You have 10 minutes for your presentation, followed by five minutes of questioning. This round of questions will be from the official opposition party. Can you please identify yourselves as well as your position with Community Living Tillsonburg for the purpose of the Hansard? Thank you.

Mr. Doug Cooper: Thank you, Madam Chair. My name is Doug Cooper. I'm vice-president of the board of directors.

Mr. Steve Martlew: I'm Steve Martlew, director on the board of directors for Community Living Tillsonburg and past board member of the Canadian Mental Health Association in Oxford.

Mr. Marty Graf: I'm Marty Graf. I'm the chief executive officer for Community Living Tillsonburg.

Mr. Doug Cooper: On behalf of Community Living Tillsonburg, we thank the Standing Committee on Finance and Economic Affairs for the opportunity today to provide you with recommendations for the developmental services sector.

Our organization has over 60 years of experience working with children with special needs and their families. We have provided you with a submission to the Standing Committee on Finance and Economic Affairs provided by the Provincial Network on Developmental Services, and are providing you with some of the highlights from this report.

The submission states: "The standing committee on developmental services made some encouraging and bold recommendations to help create a sustainable system that still recognized and upheld the rights of individuals with a developmental disability to be included, respected and valued in our communities across Ontario. It is important that the intent and recommendations outlined be aligned with annualized funding and a long-term strategy that helps put developmental services on solid ground. People

with a developmental disability have much to contribute to society, to the Ontario economy and the diversity of our communities. What is required is a plan that supports that vision.

“We were very pleased to see the recent investment in the 2014 budget, which included funding to reduce wait-lists, increase employment opportunities and residential options, and provide stability to the sector through wage increases to front-line staff. In total, the investment increases the developmental services budget by over \$300 million.

“Fiscal funding is extremely helpful in addressing current crises and short-term needs of the sector but annualized investments are a necessity for long-term sustainability and capacity within the system. A good example of short-term solutions is the housing task force that was created in partnership with MCSS.”

We are now starting to see the benefits from the announcement from last year’s budget. The staff in developmental services will be receiving the benefits of the \$36 million announced fiscally for this year and next. We anticipate staff will have access to those funds before the end of March. Our children’s services staff will be benefiting from an increase of an average of \$1 per hour that is effective January 1 of this year, which was recently announced by the Ministry of Education. Both investments will be addressing the wage increases that our staff deserves as well as providing stability to our workforce.

At the same time, we are hearing from families that are getting approved through Passport and Special Services at Home funding. We are seeing the benefits of these investments as individuals and families are being taken off wait-lists. Some of these families have been on waiting lists for seven years. We are already hearing that they are accessing respite that has been made available by these funds.

We would like to make reference to the data summary report that we have provided in our briefing to you. This data has been provided by Developmental Services Ontario South West Region. The data shows that for the past year there were 1,291 requests for group living and 1,251 requests for supported independent living in the South West region. That’s an increase from the previous year. Of those requests, 30 people were able to get group living supports and 20 people were able to get supported independent living supports.

In Oxford county, there were 60 requests for group living and 97 requests for supported independent living. In the county, two people received group living and five people received supported independent living supports.

A report by the Auditor General stated that “the number of people waiting for adult residential services and supports stood at 14,300 as of March 31, 2014, compared to the 17,400 who received services in the same year. Furthermore, wait-lists are growing faster than capacity; between 2009-10 and 2013-14, the number of people waiting for adult residential services increased 50% while the number served increased only 1%. We calculated that at this rate, it would take 22 years to place everyone who

is currently waiting for one of the two types of residences that house the most people—assuming no one else joins the list.”

We recommend that the government of Ontario recognize the dire need to address all service requests in a timely manner and seek the funding to meet the required need, such as:

—a long-term investment plan be created for developmental services that will create a responsive, flexible and sustainable system that will address current and future needs of people as their needs change. This will help to ensure that future waiting lists aren’t created and that community inclusion for people remains at the core of the vision of transformation.

—the plan and recommendations of the housing task force be supported and encouraged as a sustainable, long-term option beyond its mandated two years to address the lack of housing opportunities for people with a developmental disability and mitigate future wait-lists. Any residential plan needs to consider future needs and to accommodate a person’s choices and support level required.

Mr. Steve Martlew: Community Living Tillsonburg has reviewed the materials that the ODSP Action Coalition presented to this committee, and we support the material dated January 6, 2015, that recommends:

(1) A move towards adequate rates of income support. The current rates do not allow most ODSP recipients to adequately pay for shelter, utilities, nutritious food, transportation and other necessities.

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(2) Reinstate the Work-Related Benefit. The Work-Related Benefit provided \$100 per month to ODSP recipients and their adult dependants who have earnings from employment or self-employment. It was introduced in 2006 to recognize the costs of employment, such as transportation, clothing or other needs related to going to a job. In 2014, the government announced changes that will eliminate this benefit in 2015.

Community Living Tillsonburg, along with People First of Tillsonburg, Community Advocates Tillsonburg, and the ODSP Action Coalition recently held a session to review these changes with people who are accessing ODSP support. Many people voiced their concerns about how they will be affected by the loss of the Work-Related Benefit. Some of the comments were:

“Less money for food, shelter and clothing.”

“I wouldn’t be able to afford transportation to work, buy work clothes, uniforms or would have to use” other monies “or quit working.”

“I work three jobs, and every time I go to work, ODSP takes” monies away from “my husband,” who is on ODSP. “Our family loses money. The stress of working multiple jobs puts strains on my relationships.”

“Without the benefit, there is no incentive to work.”

Another consideration is allowing more people to keep more earnings, like in the province of British Columbia, before the clawbacks can take place. British Columbia allows earnings of \$800 a month.

Mr. Doug Cooper: We ask the standing committee to urge the government to set up an expert panel, including people who have lived experience of poverty, to provide research and advice on the criteria that should determine the level of income support for OW and ODSP.

In the meantime, a significant raise of at least \$100 per month should be provided for all social assistance recipients to make a start towards a level of income that will let people pay the rent, eat healthy foods and participate in the community.

We ask that the standing committee urge the government to reinstate the Work-Related Benefit for all ODSP family members.

We thank the committee today for the opportunity to present to you and look forward to your questions.

The Chair (Ms. Soo Wong): Thank you, gentlemen. Mr. Arnott, do you want to begin the questioning?

Mr. Ted Arnott: Thanks very much, Madam Chair, and thank you, gentlemen, for your presentation. I really appreciate it.

We heard earlier in the day from Community Living London, so it's great that we're hearing the local perspective from the Tillsonburg area as well.

Thank you for acknowledging the work of the Select Committee on Developmental Services. That was a committee that was comprised of members from all three political parties. I think they worked in a collaborative way, working together, which is something that we should do more so in the Ontario Legislature. I know that my colleague Christine Elliott was involved in the private members' resolution that struck it. The committee made some good recommendations, and the government needs to continue to work towards implementing those recommendations.

You said on page 3 of your report here that there were 1,291 requests for group living, and 1,251 requests for supported independent living in the South West region, an increase from the previous year.

How much has it increased in the previous year? Is there a percentage? Do you have numbers for the previous year, so we can compare?

Mr. Marty Graf: I wouldn't have that, but I can try to get that from the office.

Mr. Ted Arnott: Clearly, demand is continuing to grow.

Mr. Marty Graf: Yes. I believe it's probably in the neighbourhood of about a 20% increase—the number of people wanting to get into the system.

Mr. Ted Arnott: Then you further reference the report of the Auditor General that said “that the number of people waiting for adult residential services and supports stood at 14,300 as of March 31, 2014, compared to the 17,400 who received services in the same year.” The people who are waiting are almost as many in number as the people who are currently being served.

Mr. Marty Graf: Yes. That is a considerable amount of people waiting for service.

Mr. Ted Arnott: Absolutely.

Mr. Marty Graf: There is a need for developing more options for people. Some will require the more expensive options, but some will be able to get by with smaller amounts of resources.

Mr. Ted Arnott: But it underlines the magnitude of the problem.

Mr. Marty Graf: It has been there for quite a while.

Mr. Ted Arnott: On page 4, you said, “Another consideration is allowing more people to keep more earnings, like in the province of British Columbia, before the clawbacks can take place. British Columbia allows earnings of \$800 a month.”

What is the threshold in Ontario now?

Mr. Marty Graf: I believe it's \$200; \$200 is the amount that they can earn before the clawbacks begin.

Mr. Ted Arnott: In comparison to other provinces, I assume BC is the highest.

Mr. Marty Graf: I believe they have the highest, yes. It was Toby Barrett who had put forward a private member's bill about three or four years ago. I believe the target in his bill was \$700 before clawbacks would occur.

Mr. Ted Arnott: But certainly that would provide a greater incentive for people to get working—

Mr. Marty Graf: It certainly would encourage people to participate. It would give them more income. Again, most of this income would be spent in their community.

Mr. Ted Arnott: And many of them would transition into financial self-sufficiency over time, I would think.

Mr. Marty Graf: That's the hope. The reality, though, is that the Ontario economy needs to be growing and allowing for more participation of people with disabilities in the workforce. That is part of something that we're working on: trying to help businesses understand the importance of having an inclusive workforce and the value of having an inclusive workforce.

Mr. Ted Arnott: One of your last recommendations is asking that the government “set up an expert panel, including people who have lived experience of poverty.” This particular government likes to set up panels. They have struck a number of panels over the years to study problems. I would hope that the government would give consideration to following up on that recommendation.

Do you have any specific suggestions as to who should be on that panel to make these recommendations?

Mr. Marty Graf: I have had the luxury of being connected to people from the ODSP Action Coalition. These are people across the province who are sharing their stories and sharing their experiences. They're wanting to provide guidance to the government on how we can improve the way people are supported to be able to participate in the economy. Maybe if they're not able to participate by working, they can make volunteer contributions to our communities as well. There are many talented people from that group who would be willing to participate.

Mr. Ted Arnott: Again, thank you very much for making this presentation today on behalf of the people in Community Living.

Mr. Marty Graf: Thank you.

The Chair (Ms. Soo Wong): Thank you, gentlemen, and thank you for your written submission to the committee.

NEIGHBOURHOOD LEGAL SERVICES

The Chair (Ms. Soo Wong): The next group is Neighbourhood Legal Services. Are they here? That would be great. Thank you. Mr. Jeff Schlemmer: You're the executive director. You have 10 minutes for your presentation, followed by five minutes of questions. This round of questions will be coming from the third party. Please begin your presentation by identifying yourself and your position with Neighbourhood Legal Services.

Mr. Jeff Schlemmer: Thank you very much. As you said, my name is Jeff Schlemmer, and I'm the executive director of Neighbourhood Legal Services, which is one of 78 legal clinics in Ontario funded by Legal Aid Ontario, which is funded through the Ministry of the Attorney General.

I should just clarify, then—sorry, is it 10 minutes that you would like me to talk, or five—

The Chair (Ms. Soo Wong): No, 10 minutes for your presentation followed by five minutes for questioning.

Mr. Jeff Schlemmer: I might be quicker than that. I was expecting five minutes.

The Chair (Ms. Soo Wong): No, no.

Mr. Jeff Schlemmer: Hopefully you won't mind too much. We'll see. I apologize as well. I've got a cold. I've got my cough medicine handy here and my Fisherman's Friends out as well to get through this.

Thank you very much for the invitation to speak here today. We really appreciate the opportunity to provide feedback at budget time. The focus that I'd like to talk about this year is housing. As you might expect, our clinic is a poverty law clinic that serves London and Middlesex county, so our particular interest is poverty. The area of practice that we have is largely, these days, disability benefits—people applying for Ontario Disability Support Program benefits—but we also serve low-income Londoners by way of providing services for housing in the sense of providing attendant duty counsel at the local Landlord and Tenant Board and in providing representation for tenants who are facing problems with residential housing.

We're also involved in liaising and urging government at various levels with respect to the areas that involve us. I wanted to talk about a few of those today.

1520

As you well know, the government's five-year poverty program, for this go-round, is focusing on homelessness and housing. I think that's consistent with the thinking nowadays about ways of alleviating homelessness—through something that you've probably heard of called Housing First, the idea being that if stable housing can be provided for people, then that will do more than just about anything else to help them to establish a stable life. The thinking now is that you do that before you work on addiction, for example. That's something that the city of

London is certainly looking at, and I think it's a good idea. Within the context of that, there are a number of things that are going on, but broadly speaking, I wanted to talk to you about some problems.

Before I do that, though, I should acknowledge that I think it's fair to say that, under the present government, a lot of work has been done in the area of poverty. We are grateful for a variety of things that have happened. Just to list a few: the increase in the Ontario Child Benefit, the expansion of dental care for low-income families, the expansion of nutritional programs, increases in Ontario Works rates, increases in legal aid funding. Those things are important.

I think we increasingly recognize that the average poor person in Ontario is not somebody who is chronically unemployed. They are people who are temporarily employed and then unemployed. The way our system has been structured, traditionally, is that if you want to go on Ontario Works, on welfare, you essentially have to impoverish yourself and get rid of all of your assets and your means of getting yourself up on your feet before you can continue on.

I think that increasingly the government has recognized, and certainly studies have recognized, that, because the typical person who is poor goes through a cycle of having a fragile, low-paying job that ends; then they may qualify for some unemployment insurance and receive that for a bit, and that ends; then they go on Ontario Works; and then they eventually end up in a temporary low-paying job again—there is this cycle, and it makes sense to support them through all of the stages of that cycle, not just the time that they're on Ontario Works. That's why we've seen the move to improving things like dental care and the Ontario Child Benefit. That is obviously provided to the working poor, as well, and I think that is a good idea. The more things we can do to facilitate that move towards employment, even though it may be temporary, it may be a crappy job, that's all to the good.

We never want to have the kind of stereotypical situation that we hear about: that somebody is better off on welfare than they are working. That really doesn't happen in Ontario, but that's something that we hear about from time to time, because there are certain benefits that people on welfare can get that working poor people do not get. I'll come back to that in a minute.

I want to talk briefly about another issue, and that is the concept of downloading in relation to some of these programs. I mentioned the Community Start Up and Maintenance Benefit. That was cut in half by the province last year. That is a benefit that was traditionally provided to assist people who were on social assistance if their housing was in jeopardy. Our tenant duty counsel program would often utilize that. Typically, if people are being evicted, it's usually over one or two months of rent, and it's because something has gone wrong in their lives. These are people who live cheque to cheque, and if there's one thing that goes wrong, then they cannot pay the rent, and then they face eviction. The theory of the

program was that it was cheaper to pay that one month of rent to get them over that hump than it was to dispossess them and have them left out in the cold—not only the costs for them in terms of moving, but the costs for the landlord in having to re-rent and so on. That program has been very effective. In London, there are about 90 eviction applications every week, and of those we try to negotiate resolutions and are often able to resolve them based on help from that program. Because the province cut that program in half, the program has been significantly reduced. It's run by the municipality, and we have found that the uploading that the government has done in some other areas has not resulted in the municipality then taking that money and applying it to make up for the shortfall in programs that have been cut, like this one. For example, now that program is operating on the basis of a loan rather than a grant, which is not really practical for people who are on social assistance. They're also not providing help with moving anymore. These are all things that are bars to permitting us to negotiate resolutions of these cases, to get the person or the family over that one hump.

Similarly, a few years ago, the government passed a law requiring municipalities to implement granny flats. Municipalities are not happy about that. In London, the position that staff have taken is that they will permit granny flats, but as grudgingly as possible. The draft legislation that they've prepared with respect to the zoning bylaw is to say, "We will permit granny flats, but we will not permit them in a 12-kilometre-by-6-kilometre area of the city" where we know the granny flats to exist, which we call the greater near-campus area. They want a complete ban on that.

Now, God bless Mike Harris—first time I've ever said that. In 1995, he grandfathered granny flats and said that any built before that would be legal forever. So it's granny flats built within the last 20 years that we're talking about, and again, the province has clearly signalled their support for them. But because the legislation doesn't clarify to the municipality, "We're really serious about this," municipalities are trying to get away with things like, again, saying, "We'll permit them in the industrial areas of the city, but we're not going to permit them where they actually are."

Finally, group homes: We had a tragic experience in London a couple of months ago where a fellow died in an unlicensed group home. This caused us to realize that there are these homes that are completely unregulated. They are homes that are providing care and supervision for mentally ill people without any government oversight except to the extent that the municipality can control the building because they can control the property standards. As it happens, today the operator of that group home continues to operate because there's no law against it, and absolutely nobody is investigating the care or supervision of this home.

The response of the Ministry of Health and Long-Term Care so far has been to say, "We're not going to deal with it"; it's downloaded to the municipality. I sub-

mit that it's something that really should be the responsibility of a Ministry of Long-Term Care, because that's exactly what it is. It's not really the best answer to say the municipality is going to have to deal with it, because it's not really within their area of expertise. The province does oversee all kinds of other group homes, but all too often, as we see, it's the mentally ill who are the last to be dealt with. There's a serious gap in the supervision of those homes at this point.

I should mention just in passing as well—my time is running down—the idea of trying to help people who are poor move from social assistance to non-social assistance. We've urged that some incentive should be given to single mothers on social assistance to collect child support. As it stands right now, if they collect child support, 100% is taken away by the province, so between the father and the mother, they are left with less money to raise the children. It has been recommended that the mother should be able to keep some of that money to provide her with an incentive to try to get that child support and be satisfied that some of that money is going to remain within the—it's not a family unit anymore, but between the mother and the father, that the money will remain available to help the children.

Those are my submissions, subject to any questions you have. Thank you very much.

The Chair (Ms. Soo Wong): Thank you very much, sir. Ms. Armstrong, do you want to begin the questioning?

Ms. Teresa J. Armstrong: First I want to say thank you for coming to present to us.

One of the things that have highlighted some tragedy, as you mentioned, was the Oxford Street apartment building which ended up in a fatality and heightened the issue about mental illness, particularly in our city, and people having access to adequate housing and the fact that there were professionals going in and out of those buildings and no one took any action. Because that is the last resort that people were faced with. It was either having that residence or being on the street.

Interruption.

Mr. Jeff Schlemmer: I'm sorry; my timer just went off.

Ms. Teresa J. Armstrong: So I want you to speak a little more to that. You did mention the licensing of homes. How do you see the province taking a role in that licensing of homes? Do you think that's going to further the quality of housing for people with mental health issues?

Mr. Jeff Schlemmer: Yes, and I think that it is a carrot-and-stick thing in the sense that there are a lot of groups homes that are privately owned and operated, and that's fine, but they are overseen by the province. They're required to be licensed. I noticed in the Toronto Star last month that there was a seniors' home in Toronto that has lost its licence and is in the process of being shut down, for example. I think the public would expect that that exists.

I have to admit that when I found out that there was no oversight of this place, I was quite surprised, and everyone I've talked to has been quite surprised, because we just assumed that the government is somehow overseeing these places. As you say, there are certainly government workers involved in one way or another. There are social workers coming and going. The office of the public trustee is paying rent to the landlord. But we found that there was definitely a gap amongst us as service providers, because we all assumed somebody else was looking after it.

1530

So again, it's just one of those things that happens: We have laws to cover a lot of problems, and every so often, we find a problem that we haven't legislated yet. This really has uncovered the problem. As I say today, the fellow operating this place is perfectly free to continue to operate legally, even though the conditions are terrible. There is just no law against it, and there really should be.

So I think that, by extension, the kind of supervision and oversight that is provided—for instance, there is a statute called the Homes for Special Care Act; it licenses group homes. There are four of them in London; they provide 40 beds. This kind of oversight that they are providing, or that the Ministry of Health and Long-Term Care is exercising with respect to those homes, should be extended to these other homes, where they are found.

Ms. Teresa J. Armstrong: Going on that theme of housing, there was another fire that occurred on Dundas Street in a hotel, and it was no surprise that people who live in poverty—that was their option for housing. Can you tell us what your vision is, or what your thought is, about the government playing a role in assisting, or being a partner at the table, when it comes to affordable housing for people who are vulnerable, be it mental health issues or addictions or poverty—geared to income? We haven't seen a lot of construction with respect to that, probably since the mid-1990s.

Mr. Jeff Schlemmer: No, that's right. It's a problem because, as I've been told many times, if a builder is going to build a housing unit, most of the construction cost is going to be the same, whether it's a luxury unit or a low-income unit. So it's just not profitable to make units for low-income people. We have certainly seen some construction, but nothing like we used to, in terms of low-income housing.

Frankly, I have to admit, between the private and public ownership part of it, I don't really care. To me, we should do whatever is cheaper and is going to get the job done.

One of the things that we have suggested in our submission is that perhaps there should be a housing benefit paid to people so that low-income people, as they transition from social assistance to low-paying jobs, have stability so that they can continue to pay rent and not be dislocated. So I think that solutions like that may help a lot as well.

It's not always a matter of putting shovels in the ground, although that's part of it. But I'm conscious, as

well, that most of the low-cost housing that's being built now is not really affordable for people on social assistance, that the assistance that's usually provided to the housing provider is by way of help with mortgage and so on. They are required to charge rents that are beyond the means of people on Ontario Works. So for people who are the poorest of the poor, we're actually doing a lot less in housing than we used to, and that is a problem.

Sometimes I wonder whether that's because it's attractive to say you're building an affordable housing unit, but you kind of blur over the part that, yes, and in order to be able to afford that, you're going to have to be working, because if you're on social assistance, it's too expensive. It's not really that affordable.

The Chair (Ms. Soo Wong): Thank you very much for your presentation, Mr. Schlemmer.

Mr. Jeff Schlemmer: Thank you.

The Chair (Ms. Soo Wong): Thank you for your written submission as well.

Our next presenter is Violence Against Women Services Elgin County. Are they here?

FOOD AND BEVERAGE ONTARIO

The Chair (Ms. Soo Wong): I'm going to call the next one: Food and Beverage Ontario, Mr. Beal, executive director. Welcome, Mr. Beal. As you know, you have 10 minutes for your presentation, followed by five minutes of questioning from the committee members. This round of questioning will be coming from the government side. You may begin. Please identify yourself for the purposes of Hansard.

Mr. Norm Beal: Thank you very much. I guess you guys are saving the best for last today; that's nice to see.

Good afternoon, Madam Chair and members of the committee. My name is Norm Beal, and I am the executive director and chairman of Food and Beverage Ontario. On behalf of our members, I want to thank you for providing this opportunity today to inform you of our efforts to increase jobs and investment in Ontario.

You will have heard from many individuals representing Ontario's manufacturing sector. Undoubtedly, you will be informed of the many challenges facing our industry in the competition for new investment and growth. Our members face these challenges every day. But I'd like to spend a few moments today focused less on the challenges and more on the opportunities.

The food and beverage processing sector is Canada's largest employer. The sector has proven to be resilient to recession and is the primary customer of thousands of families employed on Canadian farms.

Ontario food and beverage processors recognize the importance of growth in the sector to our employees and our partners, to Ontario farmers, and to millions of Ontario consumers who depend on our sector to provide healthy, local food and beverage products. That's why we've invested considerable effort over the past two years to refocus our organization and build a plan for growth. Our members are committed to reaching a target

of 185,000 jobs in our sector by 2020. That goal reflects an increase of over 60,000 jobs. To achieve this goal, we will need more than the collective effort and acumen of our members. We must lever the efforts of our partners in the research and agricultural communities. That is why our partnership with the Ontario government through Growing Forward 2 is critical. In 2014, we entered into an agreement with OMAFRA that will provide a capacity to map and support research, share innovation, incubate emerging industry opportunities and develop the talent we need to grow. These are exciting opportunities that will pay dividends in the growth of our sector.

Today, I want to touch on some of the other initiatives that will help to ensure that Ontario is a leader in the food and beverage sector.

Given the fiscal events of the past couple of months, it will come as no surprise to you that the competitive environment is, to say the least, dynamic. We compete in a global food and beverage environment, where investment in growth is determined by many factors, including currencies, petroleum and oil and energy derivatives, transportation and production costs, availability and quality of raw materials, regulatory requirements, and the availability of a trained labour force. We believe it's important to understand the competitive environment, particularly as it pertains to other jurisdictions.

Given the dynamics of the marketplace, it is critical to have a sophisticated understanding of how Ontario compares with other states and provinces in attracting investment in the food and beverage sector. While reaching our growth target will require new investment in innovation and the incubation of emerging categories, a development and retention strategy for existing processing is equally important.

Between 2006 and 2014, Ontario job losses from food processing plant closures were over half of the total sector job losses in Canada. Of even more concern, Ontario lagged behind other provinces, notably Quebec, in attracting new investment to replace those job losses. This trend must be reversed. That is why we will focus some of our attention on developing a retention and investment strategy informed by our research into jurisdictional competitiveness. We will work with the government to identify the factors that can help make Ontario a more attractive location for food and beverage processing, and recommend strategic improvements and investments that will grow jobs in Ontario.

In closing, I'd like to emphasize three important factors that are critical to reaching our growth target. First, we believe the partnership with OMAFRA is the cornerstone for growing food and beverage processing in Ontario. We are proud to be a partner with OMAFRA in this challenge. Secondly, we believe Ontario food processors and consumers give us confidence in the future of food and beverage processing. Simply put, the increasing consumer awareness of the importance of food and beverage quality and safety bodes well for Ontario processors and producers. Third, our members are committed to growing in Ontario. We believe that our industry is

well suited to lever investment, grow jobs and build a healthy Ontario.

Thank you again for this opportunity. I look forward to addressing any questions.

The Chair (Ms. Soo Wong): Mr. Beal, thank you very much for your presentation. Is there any possibility for you to submit your presentation to the Clerk by Friday at 5 p.m. so that we all have a copy of it?

Mr. Norm Beal: Absolutely.

The Chair (Ms. Soo Wong): Thank you. Ms. Vernile, can you begin the questioning?

Ms. Daiene Vernile: Good afternoon, Norm. Thank you very much for coming and chatting with us today. I will say that every single person in this province has an interest and a stake in what you do, so thank you for informing us of the important work of your association.

I want to ask you a little bit more about this concept of retention. I know that in your delivery you don't get a lot of time to get into details, so I'm going to give you that opportunity now. Talk to us about what you mean by retention.

Mr. Norm Beal: As you know, we've had several major plant closures over the course of the last year or so. Another one was announced again yesterday: Quality Foods in Toronto is closing their plant or relocating and shedding about 200 jobs.

1540

Ontario has some phenomenal attributes from both a producer and food and beverage processing sector perspective. We have the highest standards in the world in terms of food quality and food safety. We have great raw materials grown by all of our very successful farmers in the province of Ontario. We have tremendous diversity in the raw materials that are produced in Ontario. So for a plant that's operating in Ontario, they have pretty much everything they need. What they need now is a good economic environment. That means competitive electrical rates; that means a labour environment that needs training and skills development that allows us to bring people into the industry and create opportunities there.

I'll give you an example. My far past is in the commodity trading business. I spent a lot of time in the US, trading oil. But for the last 15 years I have owned a winery I built from scratch in the Niagara Peninsula.

Ms. Daiene Vernile: I knew there was a reason why I liked you so much.

Mr. Norm Beal: When I built that winery, and it was a very significant investment—it's one of the larger wineries in southern Ontario—my biggest risk factor happened to be, "Where do I find good wine-making skill? Where do I find good salespeople that understand about the tourist and hospitality business?" I have a restaurant attached to my business. And there weren't many skilled people. Actually, my first winemaker that I employed in my winery was from France. I brought his family, his wife and children, over from France because there was no Ontario-based talent. He no longer works for me. I have a winemaker who was a graduate of Brock University in their oenology department. My assistant winemaker

is a graduate from Niagara College from their wine-making program. About 50% or more of my staff are all recent graduates, or graduates over the last 10 years, from educational institution settings specialized in my business. That is critically important to retaining businesses in Ontario because, frankly, if they can't find those skill sets here, they'll have to move to other locations.

I just want to comment, because it's very, very important: In 2008 and 2009, during the last recession, a number of states in the United States suffered tremendously, much more than the Ontario economy, as you probably know. In states that border along the boundaries of Ontario—Ohio, New York state, Michigan—the governments of those states went through dramatic changes. I'm not proposing that Ontario take such a dramatic process, but they rewrote labour laws. They changed tax incentives. They changed the way they taxed that industry. They have, overall, managed to stop the hemorrhaging in terms of the food and beverage processing sector in those states, but they're now growing again. That's something we need to look at. We need to look at the competitive advantages that they have now gained over Ontario as we move forward.

The Chair (Ms. Soo Wong): Mr. Beal, I believe Mr. Baker has a question for you before we wrap up your presentation.

Mr. Norm Beal: Sure.

Mr. Yvan Baker: Thanks very much for coming in today and presenting to us.

One of the things that I was hoping you could talk a little bit about—you alluded to it, but I'd appreciate it if you could talk a little bit about your relationship, and the industry's relationship, with the provincial government. For example, I understand that Minister Brad Duguid recently announced \$49 million towards the industry. So I'd be curious to know—I guess it's a two-part question. The first is, can you talk a little bit about your relationship with the provincial government and how that's helping to support the industry, and where would you like to see that \$40 million invested?

Mr. Norm Beal: That's a great question, and thank you for asking it. First of all, I would like to say that if you go back three or four or five years, I don't think the Ontario government realized that we had a food and beverage processing sector. I don't think they had any idea that it was the second-largest employer in the province and the second largest in terms of GDP for the province.

I can guarantee you right now that Premier Wynne understands our sector as well as any Premier probably ever has and understands the importance of our sector in terms of creating jobs. That's why she has come out and really put forth this 120,000-job challenge. She has really put that on our shoulders in our sector. Frankly, Food and Beverage Ontario is going to lead with that challenge.

I believe right now that through Minister Duguid, Minister Leal and the Premier of this province, we're front and centre. They're counting on us and we're counting on their support to create those 120,000 jobs.

To the second half of your question, the Jobs and Prosperity Fund has just recently been announced. I think the devil will be in the details. There are a lot of different ways in which the government can help. I don't necessarily believe that it's all writing cheques to our industry; I think there are other ways that we can help leverage business opportunities for the food and beverage processing sector. Some of those should be through tax credits rather than through applying for government grants, whether it's GF2 or Jobs and Prosperity. But we'll have an opportunity, I think, over the course of the next six to eight months to a year to be able to give feedback to the government about how those programs can be best suited.

We certainly have been asked to give our advice to Minister Duguid on the jobs and prosperity funding. We have done that, and we will continue to engage him as he engages us to make sure that that program gets the best value for its buck. But let's face it: Three years ago, Growing Forward 1 was a producer-funded program. Growing Forward 2 had a third of its component directly related to the food and beverage sector. I can tell you, I know many organizations, companies, that have taken advantage of Growing Forward 2 and driven real efficiencies into their organization as a result, so that's driving real results.

The Chair (Ms. Soo Wong): Mr. Beal, thank you for your presentation. We look forward to seeing your written submission by Friday.

VIOLENCE AGAINST WOMEN SERVICES ELGIN COUNTY

The Chair (Ms. Soo Wong): Our last presenter, I believe, is Violence Against Women Services Elgin County. I believe it is Liz Brown, executive director, who will be presenting this afternoon. Ms. Brown, can you come forward? While you're getting ready to sit down, I just wanted to give you the administrative piece. You have 10 minutes for your presentation, followed by five minutes of questioning from the committee members. This round of questioning will be from the official opposition party. Please take a seat and identify yourself for the purposes of Hansard. Thank you.

Ms. Liz Brown: Hello. My name is Liz Brown. I'm the executive director of Violence Against Women Services Elgin County. I feel like the microphone is miles away from me, so I might have to lean forward a lot.

Thank you for having me here today. Our agency provides safety and counsel to women and children from across St. Thomas and Elgin county who have experienced abuse. We do this with a 24-hour help line, community-based counselling and specialized counselling for women who have experienced sexual trauma, which we believe is a fundamental violation of the mind, body and spirit and, as a result, necessitates a profoundly complex and compassionate response to foster healing.

We provide counselling for little beans as young as four years of age and as old as 18 who are boys and girls whose mums have suffered abuse at the hands of often

their fathers and sometimes people who have loved them. And 24 hours a day, we provide safety in our emergency shelter.

For 35 years, we have literally saved lives and changed futures for thousands of women and children. It's difficult, because really what makes abuse hard is that it happens in the context of relationships. It's not a stranger; it's not someone we don't know; it's someone whom we know intimately and often love or trust. As a result of that, there are many costs that abuse has on the youngest people that we serve, which are little babies who have just been born and who have been abused in utero while their mother was living with the abusive partner. The oldest woman we served last year was 92. She was being sexually abused by her son-in-law, who was her caregiver. This is the spectrum of people we serve every single day. In communities across this province, this would be real where each of you are from.

There's a huge economic cost to abuse. The most recent estimate is \$7.9 billion across Canada.

You already know that there are 13.6 million Ontarians. When you take that percentage of the population by the percentage of the cost, you get \$2.99 billion—which is wild money for me—that it costs in the effects of violence against women and children every year in the province of Ontario. That only encounters the costs in our justice system, the costs to the primary victims and the costs to third parties, such as children.

1550

We also know, and I think it's real to say, that the costs of this form of violence are way more than dollars and cents. They affect our hearts, our minds and our bodies. They affect our capacity to hold down work and our capacity to be able to contribute to our communities and our economies. And yet, each and every single day, families leave abuse and they come to our door and they come to the doors of literally hundreds of shelters that you fund across the entire province of Ontario. There they find safety, they find hope, they find counsel and they find support.

They tell us every single week what that means to them: that it has literally saved their lives and kept them on this very planet that they wish to be upon to be able to create safety for their children.

Now our infrastructure needs huge reinvestment to be able to continue this life-changing legacy. Our shelter in St. Thomas is in a 98-year-old single-family home. In fact, it's 99 years old this year. There are seven bedrooms and two bathrooms, and as I sit here today there are 25 women and children crammed into that space seeking safety. Every year through those doors we see 300-plus women and children. We are the only shelter in a community of 87,000.

We need more space. We need the kind of space that has dignity so that families can heal from the trauma they have experienced and do so by sharing a room together, not with strangers. We need to have the kind of space where children of all ages can play and release the fear

and worry that they carry as a result of trauma and violence and abuse.

We need to be able to continue the partnership that we have with the province of Ontario to create this space, and we need to do this in partnership with our community. In June 2013, we asked our community to have a very painful conversation. We actually asked to be invited into people's homes, businesses and service clubs to talk about abuse, to talk about their friends, their neighbours, themselves and what was happening in their homes.

We had many men come forward and talk about sexual violation as children. We had many women come forward and talk about the same, and we had many women talk about what was happening in their day-to-day lives. We asked for 1,000 conversations; we had 1,557. We asked for \$1 million; we raised \$1,125,000 in 12 months in St. Thomas, the hardest-hit economic community in the province of Ontario, because people want to see a home for women and children that has respect at its core and a place where our community can come together as women and men in the same space to dialogue, to problem-solve, and to let the reality of abuse settle into our bones and to act to fix it.

At the same time we launched that, we also sent an infrastructure proposal to the province of Ontario. It is for a very small amount of money in the broad scheme of things. In my world, it's huge. It's for \$1.93 million—one-time, no additional annualized operating expenses required for that new building. We've actually had an engineer cost out the cost to have it run based on the fully complete technical drawings we have, and it's the same as the cost now to run a building that is only 1,500 square feet compared to one that is 7,000. It will have the space for people to heal; it already has the community support.

Literally at my office—and I intended to bring them today but ran out of time to get here a little bit earlier—I have toilets; I have all the toilets for the new emergency shelter at my office. Fortunately, we have a storage unit downstairs. I have every faucet for the new space because Masco Canada gave them to us. We have doors for every single part of the new shelter because a local company here in London, which covers the entire North American market, has given them to us. They are walnut, and inside is a steel body that cannot be penetrated by bullets, but outside is a warm wood surface to provide welcome and hope. As a side note for the political nerds in the room, of which I am one, they have supplied those doors to the White House—kind of fun.

We have land. It's remediated. It's shovel-ready. It has been rezoned. It has site plan approval by the city of St. Thomas. The city of St. Thomas dipped into their reserves and gave \$50,000 towards making this happen. Nobody in our neighbourhood appealed to the Ontario Municipal Board; we went door to door to each of them and asked them about their mothers, their daughters and the hopes and dreams they had for their community. They want us, and they're ready for us. The land is there. The plans are complete. The construction manager is hired. The tender is prepared and ready to go. It can be

out and on all of the respective websites within four hours of you granting those funds.

We can continue what has truly been a life-saving legacy for over 35 years only in partnership, I believe, fundamentally, between communities of kindness and provincial governments of conscience. This is what has made 35 years of keeping women and children on the planet possible.

I thank you for your consideration of this request.

The Chair (Ms. Soo Wong): Thank you. Mr. Arnott, do you want to begin the questioning?

Mr. Ted Arnott: Thank you, Ms. Brown, for your passionate and powerful presentation. I think it has had an effect on all of us. We appreciate the work that you do.

If I can ask, what more will the building encompass? You said \$7.9 million—

Ms. Liz Brown: No, not \$7.9 million. The total cost of the building is \$3.2 million.

Mr. Ted Arnott: Sorry.

Ms. Liz Brown: That would be a big building.

Mr. Ted Arnott: The \$7.9 million, I guess, was the economic cost of—

Ms. Liz Brown: Yes.

Mr. Ted Arnott: Sorry. Tell me a little bit more about the building.

Ms. Liz Brown: Certainly. The building has two parts to it, which is quite extraordinary and, actually, unheard of in the province of Ontario to date. Everyone will be coming in through the same door.

There is a space for the community to gather, both women and men, to be part of the solutions needed. There's a space for the community to cook full meals for the women and children staying there, to be able to bring their donations and their gifts towards creating safety together. There's space to do that while protecting the privacy and confidentiality of women and children who are staying there.

There's an acre of land, and there's a good-sized property that we are not going to be building on, where we're going to have a garden. We're going to grow our own fruits and vegetables, and we're also going to sell them at the Horton market. This sounds kind of funny, but our counsellors are going to sell cabbage. In doing so, they're actually going to take away many of the stereotypes and fears people have about speaking to a counsellor and about talking about the reality of harm. So we have a self-sustaining space in the building as well.

We have a beautiful play area that has been fully financed by a private donor from an estate that allows for children of all ages—up to 320 pounds, actually, the play equipment is tested at—to be able to play and to enjoy the routine of childhood.

We have bedrooms that allow adjoining doors so that women from our Mennonite community can have all of their family sleeping in one room.

Mr. Ted Arnott: You'll have fundraising efforts ongoing, I assume, too. Is that correct?

Ms. Liz Brown: No, we are done. We have \$1.125 million. We have done more than the million-dollar goal we set for ourselves. We are really clear that, because it is a partnership, this province does not want to have a shelter anywhere in it that was 100% fundraised by donors—because together, we can create the safety. So we raised almost half, and we're waiting for the other part.

Mr. Ted Arnott: I see in your document here that your current facility has 18 beds, but you said that you have 25 people there.

Ms. Liz Brown: That's correct.

Mr. Ted Arnott: How do you possibly house 25 people with 18 beds?

Ms. Liz Brown: Well, we have three pullout couches and we have cots. We never say no. This is unusual. Different shelters have different practices about this. We know how much it takes for a woman to get to the door, so we are never full. If a woman calls today, we have room. We will make room. Other women will offer to go to another shelter for a temporary period of time to make room for a woman and her family.

We've gone as high as 27. It's not dignified. It's not facilitative of healing. It does keep people on the—

Mr. Ted Arnott: But at least people are safe.

Ms. Liz Brown: Yes.

Mr. Ted Arnott: Well, you certainly live your passion, and we appreciate the work that you do.

Ms. Liz Brown: Thank you.

The Chair (Ms. Soo Wong): Thank you very much, Ms. Brown, on behalf of the committee. Thank you also for your written submission.

Ms. Liz Brown: You're welcome.

The Chair (Ms. Soo Wong): Committee, I think this was the last presentation, so I'm going to adjourn the committee to Toronto tomorrow. Thank you.

The committee adjourned at 1600.

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