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Thursday 21 January 2016

**Journal  
des débats  
(Hansard)**

Jeudi 21 janvier 2016

**Standing Committee on  
Finance and Economic Affairs**

Pre-budget consultations

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

Consultations prébudgétaires

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Thursday 21 January 2016

Jeudi 21 janvier 2016

*The committee met at 0930 in the Delta Waterfront Hotel, Sault Ste. Marie.*

## PRE-BUDGET CONSULTATIONS

**The Chair (Ms. Soo Wong):** Good morning. Welcome to Sault Ste. Marie. We're going to resume the Standing Committee on Finance and Economic Affairs. It's the pre-budget consultations.

## ESSAR STEEL ALGOMA INC.

**The Chair (Ms. Soo Wong):** The first witness before us is Essar Steel. Is she here? Thank you. Welcome.

**Ms. Brenda Stenta:** Thank you.

**The Chair (Ms. Soo Wong):** I believe we have Brenda Stenta here.

**Ms. Brenda Stenta:** Yes.

**The Chair (Ms. Soo Wong):** Welcome. As you probably heard—have a seat—you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will begin from the official opposition party. When you begin, Ms. Stenta, you need to identify yourself for the purposes of Hansard. You may begin any time.

**Ms. Brenda Stenta:** Thank you very much. Essar Steel Algoma certainly appreciates the opportunity to present our recommendations to the Standing Committee on Finance and Economic Affairs.

I'm Brenda Stenta, manager of corporate communications with Essar Steel Algoma. We're a four-million-tonne integrated steel manufacturer based here in Sault Ste. Marie. We employ approximately 2,700 people and we support a further 6,400 pensioners and their dependents. On average, we spend \$1.2 billion annually on goods and services, of which \$120 million is spent with more than 600 businesses locally. As a leading producer of advanced steel products, we are an integral supplier to major sectors of the economy such as automotive, energy, construction and light manufacturing.

We are also a leading consumer of energy and transportation services in the province of Ontario, amounting to an annual spend on electricity and natural gas in the range of \$80 million to \$100 million each year, and inbound and outbound freight volumes totalling an average of 24,000 trucks, over 18,000 railcars and approximately 350 vessels.

Today we're facing a crisis in the Canadian steel industry, one that has serious ramifications for everyone, not only here in Sault Ste. Marie and the region, but extending to communities across this country where 20,000 men and women are directly employed in the manufacture of steel. Two of Canada's largest steelmakers, of which Essar Steel Algoma is one, are currently operating under the Companies' Creditors Arrangement Act. Others, including Tenaris locally, have undertaken massive layoffs in response to the dire market conditions. Steel prices are at a 12-year low, hard hit by the collapse of world steel demand and a sustained slump in the energy sector. This has prompted a flood of low-priced imports into the Canadian market by international competitors who are not constrained by the same labour and environmental costs. In many cases, these companies are state-owned or subsidized by their governments.

We are currently building a plan and seeking partners that will enable us to emerge from CCAA a stronger, more sustainable, business. We are aggressively tackling those factors that we can control, but we also need public policies that will help us maintain a viable business model, one that allows us to attract and keep investment in Ontario, strengthening our industry and our customers. Specifically, we need:

- a strong manufacturing customer base;
- environmental standards that don't disadvantage us with competing jurisdictions;
- manageable operating costs and equal opportunity to supply into the Ontario marketplace; and
- support for skilled trades and the development of our workforce.

With respect to a pro-manufacturing agenda, the manufacturing base in Canada and here in Ontario is shrinking. This is our largest domestic customer. We, along with our customers, are seeking pro-manufacturing policies to strengthen all industrial sectors, the driver of much economic and employment strength in Ontario.

Steel is an essential part of the supply chain for key industrial sectors in Ontario. Three quarters of all manufactured goods contain steel, and thanks to continuous improvement and innovative new technologies, more than half of the steel grades that we manufacture today did not exist 15 years ago.

As Ontario manufacturers strive to remain competitive, we must continue to invest in industrial innovation. Funding assistance through the Northern Ontario Herit-

age Fund and through the Ministry of Northern Development and Mines is greatly appreciated and will go a long way in enabling us to make important investments in our steelworks, increasing our productivity and capability, and enabling us to expand our reach into new and growing markets.

As we look to remain competitive within the North American marketplace, manageable operating costs and a level playing field in the domestic market are important. On the energy front, electricity remains one of our leading operating costs. We commend the government on the continuation of the Northern Industrial Electricity Rate Program. The NIER Program is very important to northern Ontario businesses, as it helps us to compete while achieving greater efficiency in energy consumption. We support responsible resource development and we encourage you to deliver policies that keep the cost of industrial electricity competitive so that we can preserve Ontario jobs and attract investment.

With respect to environmental performance, steel is both energy-intensive and trade-exposed. Credit under a cap-and-trade regime for greenhouse gas reductions already made and recognition of fixed-process limitations would be positive measures toward ensuring Canadian steel producers are not competitively disadvantaged.

Infrastructure and government procurement represent a significant opportunity to drive economic growth. For the steel industry, infrastructure investments offer two distinct benefits. First off, they facilitate the movement of inputs in and out of our facility, while allowing our products to get to market competitively and without excessive time delays. Secondly, infrastructure and construction is one of our largest market segments. In Canada, we face open competition from imports for government procurement projects, yet we would face outright barriers or restrictions when we look to participate in projects in the US and elsewhere.

We support free but fair trade, and we encourage the government to exercise their rights in trade agreements to establish Canadian preference policies. Foreign steels have, on average, carbon footprints more than six times that of Canadian steel. To the extent that the government is seeking to reduce its environmental impact, we believe it should look to maximize the use of Canadian steels in infrastructure projects or, at the very least, hold foreign suppliers to the same environmental standards that we as Canadians value and that we as Canadian manufacturers must adhere to.

Ontario employers, both public and private, cannot compete with pension funding regimes in neighbouring jurisdictions. Global businesses see Ontario as one of many geographies where they can conduct business; however, they will not invest where pension regulations impose such a heavy burden on a company's cost structure. In addition to this competitive disadvantage, funds allocated by Ontario businesses to pension funding cannot be used to invest in operations, improve productivity or create jobs. It has been our experience that lenders charge more or simply refuse to lend to busi-

nesses whose cash flows are committed to pension solvency funding, and this drives up the cost of capital for Ontario businesses.

Ontario's strict solvency funding requirements, which were introduced in the late 1980s in a very high interest rate environment, have paradoxically decreased retirement income security in Ontario today. The burden of pension funding has caused a dramatic decline in defined benefit pension plan coverage as companies have closed their plans, replacing them largely with defined contribution plans. They have also reduced the competitiveness of the remaining defined benefit plan sponsors, contributing to a decrease in Ontario business investment and employment opportunities, as profoundly evidenced in the manufacturing and steel sectors.

We believe a viable plan sponsor is the best source of pension benefit security. When pension funding requirements threaten that viability, those funding requirements no longer serve their purpose.

We commend you and your government on your proactive review of current solvency funding rules for defined benefit pension plans. We believe your focus on plan sustainability, affordability and benefit security is appropriate, and we have a few recommendations. We recommend the Ontario government, in the short term, extend the amortization period for solvency deficiencies to 10 or, preferably, 15 years and retain the current permitted smoothing of solvency interest rates. These steps will help mitigate the immediate crisis, but they only treat the symptoms.

#### 0940

As we look for more sustainable solutions for affordable, secure plans, we need to look at alternative design options that other jurisdictions and sectors have adopted with increasing success:

—Quebec's new funding regime has eliminated solvency funding altogether and replaced it with enhanced going-concern funding. This structure effectively recognizes pension plans' long-term characteristics.

—The United States funding regime similarly does not require solvency funding—

**The Chair (Ms. Soo Wong):** Ms. Stenta, can you please wrap up? Thank you.

**Ms. Brenda Stenta:** Certainly. I understand that everyone has a copy of our presentation.

**The Chair (Ms. Soo Wong):** Yes. If you could just wrap up in one sentence, and then I'm going to go to the opposition side to ask you some questions about your presentation.

**Ms. Brenda Stenta:** Absolutely. Thank you for your time and the opportunity to provide our input. I'd be pleased to answer any questions you may have.

**The Chair (Ms. Soo Wong):** Before I turn it over to Mr. Barrett, I'm going to welcome Minister Oraziotti, who is joining us this morning at the pre-budget consultations in Sault Ste. Marie. Welcome, Minister.

**Hon. David Oraziotti:** Thank you, Chair.

**The Chair (Ms. Soo Wong):** Okay. Mr. Barrett?

**Mr. Toby Barrett:** Thank you, Chair. I want to welcome Michael Mantha as well.

**The Chair (Ms. Soo Wong):** Oh, I'm so sorry. My apologies.

**Mr. Michael Mantha:** I lost some weight. You probably missed me.

**The Chair (Ms. Soo Wong):** You look fantastic. I'm so sorry. I also want to welcome our colleague Mike Mantha, MPP for—which riding?

**Hon. David Oraziotti:** Algoma–Manitoulin.

**The Chair (Ms. Soo Wong):** Algoma–Manitoulin. That's right; I remember. Welcome and thank you for being here. Mr. Barrett?

**Mr. Toby Barrett:** Thank you again, Chair. Thank you very much to Essar for coming before this committee. To use your words, we do have a crisis in the Canadian steel industry, not only at Essar Steel but also Algoma, as I mentioned earlier, and, as you would know, at US Steel Canada, both at the Hamilton Hilton works and the Lake Erie works, which are located down in my riding of Haldimand–Norfolk and are also under the companies' creditor protection arrangement.

I appreciate your comments on pensions. You talk about skilled trades in here; you talk about the need for a more fair procurement policy with respect to markets for steel. Dumping is kind of a long-term issue. But in the short run, given the crisis, in my view, we need to continue to keep making steel. When the going gets tough, you just keep going. People want to work. I know that down on Lake Erie, our local union members are finding new contracts, finding the waste and looking for efficiencies.

In the short run, with the crisis with your company, with US Steel Canada, what can the Ontario government continue to do? I know that there has been some help on the health side of things. What can they do in the short run to even get us through the next year or so? Hopefully, there are maybe some bigger players that can come in and help out. Any comments, please?

**Ms. Brenda Stenta:** Certainly. I think that there's a very near-term opportunity with respect to infrastructure investment that's going to occur across this country and intensively here in Ontario. Where these government projects are being implemented, we think it's very important that the procurement policies are such that domestic producers have, at a very minimum, a preference to be providing into those projects and that we have a fair opportunity to compete. Where we're having to compete with foreign products that are perhaps state-subsidized or dumped here and are being used in government projects, then we believe that the government should, at least, force those suppliers to adhere to the same environmental standards that Canadian producers do.

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

**Mr. Victor Fedeli:** Thank you very much. You brought a couple of quick points up. How many pensioners did you say you had?

**Ms. Brenda Stenta:** We support approximately 6,400 pensioners.

**Mr. Victor Fedeli:** Pardon me for not knowing, but where does your pension fund stand? Are you underfunded? Are you fully funded?

**Ms. Brenda Stenta:** We are underfunded. We have three pension plans: a salary plan, an hourly plan and a wrap plan. Those are three defined benefit plans. We also have a defined contribution plan. But with respect to the defined benefit plans—well, each plan's funding position is slightly different, but on average, I would say that it's between 67% and 70%.

**Mr. Victor Fedeli:** Okay. The cap-and-trade: You spoke about that.

**Ms. Brenda Stenta:** Yes.

**Mr. Victor Fedeli:** You're looking for credit, is it, for the level that you have achieved today?

**Ms. Brenda Stenta:** Yes. We have achieved significant reductions and actually surpassed the original 2020 targets with respect to greenhouse gas emissions. We're asking for some recognition of that with the new cap-and-trade regime.

**Mr. Victor Fedeli:** Yes, you're not alone in that. We've heard that in a lot of the hearings. That's going to be an interesting point, to see how this is negotiated, whether indeed any recognition is made for leading companies who have already cut back. Virtually every day, we've heard from a major industry who says, "Look, we've already been the good guy and reduced. Where else can we go? Will you acknowledge what we've already done?"

**Ms. Brenda Stenta:** One of our greatest challenges is that in the steel-making process, 70% of the process is fixed-process technology. Until there is a step-change improvement in technology discovered in global steel-making practices, we don't have the ability to change the emissions out of 70% of our operations.

**Mr. Victor Fedeli:** So our message, then, is the cap-and-trade?

**Ms. Brenda Stenta:** Absolutely.

**Mr. Victor Fedeli:** And you're talking about the changing of the pension usage status.

**Ms. Brenda Stenta:** Yes, procurement practices. Certainly, we'd like to see reciprocity and, as well, preference for Canadian materials so that Canadian jobs and Canadian producers can actually benefit directly from those infrastructure spends.

**The Chair (Ms. Soo Wong):** Okay. Ms. Stenta, thank you very much for your presentation and also your written submission.

**Ms. Brenda Stenta:** Thank you very much.

## HOSPICE PALLIATIVE CARE ONTARIO

### ALGOMA RESIDENTIAL COMMUNITY HOSPICE

**The Chair (Ms. Soo Wong):** The next group before us is Hospice Palliative Care Ontario: Theresa Mudge. Welcome. The Clerk is coming around with your presentation—your written submission, I should say. Thank

you. As you heard earlier, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the third party. You may begin any time. When you begin, please identify yourself for the purpose of Hansard.

**Ms. Theresa Mudge:** Good morning, everyone. My name is Theresa Mudge. I am a board member of Hospice Palliative Care Ontario. I'm also the executive director of ARCH Hospice. Thank you for the opportunity to speak to you today.

ARCH Hospice is a 10-bed residential hospice located in Sault Ste. Marie. Since we opened our doors in 2008, we've served nearly 1,100 residents and their families.

Our local hospice has 43 full-time and part-time staff, over 140 dedicated volunteers and an annual operating budget of \$1.8 million. We offer compassionate care for those who are dying, supportive care for families, and we serve people of all ages at no cost.

It's the families we serve that best say what we really do at hospice. For example: "The care my brother received during his final days was beyond superior.... Comfort measures were in place throughout his short journey. The staff provided us with ongoing support as needed; provided us privacy and space as well. My brother sat with me the first day and said, with tears rolling down his eyes, 'This is the most amazingly beautiful place. There is no way I ever want to leave here. They are going to have to evict me or kick me out.' I am forever comforted and grateful for the care and compassion you gave my brother." This is the type of gratitude we hear daily from our community.

Today I want to talk to you about why increasing hospice funding is the most cost-efficient method of funding palliative care.

Essentially, what we do at hospices is keep families together. We allow a sister to be a sister rather than having to provide full-time care; a father to be a dad for his dying child, rather than feeling like he has to be everything—a nurse, a caregiver and a rock. It is a supportive environment where 24/7 care includes ensuring emotional, physical and spiritual comfort for the person who is dying, and their loved ones.

At ARCH specifically, we have a peaceful, serene setting in nature. Every room has a picture window that overlooks gardens and our wooded surroundings. We see deer, foxes and birds. Our rooms feel like home. There are no loud call-bells, no room numbers, and no one wears scrubs. We customize our meals to our residents' wishes. If one of our residents craves a strawberry milkshake at 2 a.m., we make it happen. If a daughter wants to get married while her father is still alive at hospice, we will help make that happen as well.

Recently, one of our residents' wishes was to see a horse. We reached out to a partner, and the next day we had two horses for her to meet and pet. This brought immeasurable joy to her and comfort for her loved ones.

Our philosophy is simple: If it will bring comfort, we will make it happen. We keep families together when more care is needed than can be provided in the home,

and offer quality moments during what is often a difficult time.

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I would argue that because of this our hospice has quickly become one of the most widely supported organizations in our district. Being a part of such important life moments makes our community members feel like they're part of something great and a larger family. They're supportive. They are engaged. They become volunteers and they become donors. They listen to what is happening in palliative care. They care what happens right now.

Right now, I can tell you that we need to fundraise \$750,000 each year for our local hospice, just to offer basic services at no cost. I can also tell you that our community is shocked when they learn that we do not have greater support from our government on the funding front, particularly when they learn that residential hospice care is more cost-effective than palliative care provided in a hospital. In fact, we know that hospices cost \$469 per bed per day, compared to hospitals at over \$1,200 per bed per day. Why are we fully funding a less cost-effective care environment and not fully funding hospices?

I've worked in virtually every sector in health care: acute care, long-term care, health authority, primary and palliative care. I can tell you that palliative care is the future of affordable, quality health care. It is the type of care that everyone will come to expect, especially when considering demographics. Baby boomers are entering their senior years. They're experiencing their loved ones dying. This is the largest demographic in history, and the demand for hospice care will only increase.

Right now, if we do not fundraise our minimum of three quarters of a million dollars each year, which is increasingly difficult, particularly in our current economic climate in a heavily resource-dependent city, we close our doors. If we can't afford to provide meals, care supplies, family support services and to heat our building, what does that mean? That means the 150 residents we serve each year are now taking up hospital beds, which are more expensive. This becomes all of Ontario's problem, an additional \$3.5-million problem. This is what it would cost to care for individuals—not their families—in hospital, whom we currently serve in our home-like setting. The simple solution? By funding 80% of hospice operating costs, stability will be provided in the sector. For us at ARCH Hospice, this is only an additional \$380,000 each year. At the end of the day, we are comparing government funding of \$3.5 million in hospital to \$1.3 million for hospice care. Let's invest in the more cost-efficient and higher-quality care setting.

We need investment beyond our front-line staff wages. We need to be able to heat our facility. We need funding to provide family support services. Currently, restrictions prevent us from using government funding to meet such basic needs as food, heat and care supplies. Let's remove these.

How would you rather see yourself or your loved one spend your final days? In a hospital bed? At home? In an

emergency department surrounded by beeping noises, scrubs and persistent strangers? In a hospice? In a peaceful, comforting environment that feels like home, surrounded by loved ones whose needs are being met?

Now is the time to be progressive and lead change in Ontario's health care system and funding allocation. Allocating funds to delivery models like hospices that provide high-quality end-of-life care to patients and families in a more cost-effective manner than traditional methods makes clear sense. Let's make this part of Ontario's future. Our public is waiting for this.

Thank you.

**The Chair (Ms. Soo Wong):** Thank you very much. I'm going to turn to Ms. Fife to ask this round of questions.

**Ms. Catherine Fife:** Thanks very much, Theresa, for coming in this morning. This is our fourth day on the tour, and Hospice Palliative Care Ontario and respective local hospices have made presentations to us.

The economic argument is compelling, and it makes sense. I think that you're right that a lot of people would find it really surprising that the government isn't funding the operational costs of the physical capital, the heat, the hydro and what have you of hospices.

The Auditor General found in 2014 that Ontario does not have a comprehensive palliative strategy. How do you see hospice care as integral to part of that strategy?

**Ms. Theresa Mudge:** Hospice care is integral to the strategy. I compare this to what happened with hospitals. In the late 1800s and the early 1900s, groups of committed citizens got together to fulfill a need. It's recognized that hospice palliative care is still relatively new, but I don't think that it should take us the decades that it took the acute care sector to get to that funding regime.

Again, I'll echo the point of higher-quality, more cost-efficient services. Our province simply can't afford the health care system as we know it. This makes clear sense. Invest the money into models that are lean, adaptive and efficient now, which the public responds to. I'm sure you would hear over and over again, not only at this table, but in your communities, that this is an option for care that people respond favourably to, so why not act now?

**Ms. Catherine Fife:** Absolutely. We actually heard in Thunder Bay yesterday that the regional hospital there is experiencing gridlock, really, because there are no options around palliative care, so you do have patients who are taking up those beds in a less compassionate setting.

Your timing is really interesting because there is this debate across the country, and across this province, I hope, on living with dignity and dying with dignity. I'm hoping that we do have a national strategy, but I also hope that in the absence of a national strategy we actually establish something in Ontario, because, as you pointed out, the demographics are there and we need to have the resources in place to deal with an aging population, for sure.

**Ms. Theresa Mudge:** Yes, and the working model is already there. It's not 100% across every community in

Ontario, but I really applaud this government's commitment to moving forward with additional hospice beds.

**Ms. Catherine Fife:** In 2014, it was part of their election campaign to create 20 new hospices. To date, that has not happened. So you being here today and adding pressure to this committee and reminding them that hospice care matters are important—so thank you for being here today.

**Ms. Theresa Mudge:** Thank you.

**The Chair (Ms. Soo Wong):** Thank you for being here and for your written submission as well. Have a great day.

#### MATERNAL CHILD PROGRAM, SAULT AREA HOSPITAL

**The Chair (Ms. Soo Wong):** The next group before us is Maternal Child Program, Sault Area Hospital. I believe it's Kierston Miron. Good morning. Welcome.

As you've probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin any time, and when you begin, can you please identify yourself for the purposes of Hansard.

**Ms. Kierston Miron:** Good morning. My name is Kierston Miron and I'm a registered nurse at Sault Area Hospital. I have been a registered nurse for 30 years and have spent 20 years working in the maternity department. I have worked as a front-line nurse, a clinical educator and, at present, I am the patient care supervisor of the maternal child department.

Labour and delivery is one of the happiest places to work in the hospital. To see new life being born is exciting, and, as a nurse, I have always considered it to be a privilege to be a part of a life-changing event in a family. However, when things go wrong, maternity is the hardest place to be. When an adult passes away, a family can take comfort in memories of a lifetime together. Families who experience an infant loss are denied those moments. Losing a parent is losing your past, but losing your child is losing your future.

Over the years of my working life, I have had many opportunities to spend with mothers and families who are experiencing the loss of their baby. These families have forever changed me. There are parents who have shown me a strength and dignity that I don't think I could have had in similar circumstances. I have held the hands of grieving mothers, fathers and grandparents, and cried many tears along with them. I have held their precious infants and attempted to give the families a lifetime of memories in a few short hours. I have left work and grieved for these families, hoping that in some small way I made their horrible experience more bearable.

Over the last seven years, we have had approximately seven to eight stillbirths and two to five neonatal deaths per year. Our birth rate has averaged at approximately 915 births per year over the same time period. Statistically, our losses are a small percentage of the births that

we do in a year, but each one is a tragedy for the families involved.

When a pregnant patient greater than 20 weeks' gestation presents at our hospital, they are sent to the maternity department for assessment. We, as nurses, are their first contact. Patients may come with stories of not feeling their baby move or vague symptoms of just not feeling well. The nursing staff listen for a fetal heart and many times are the people who discover that there isn't one. Dealing with the shock, grief and terror of the mother at this moment can be overwhelming, especially for new staff. Many times, the family learns of their infant's passing when they arrive at the hospital. At other times, they may have been informed only a short period before. In each situation, they are overwhelmed and in an emotionally fragile place.

#### 1000

Nurses are the ones who spend the most time with the mothers and families during the labour and the post-delivery period. We provide emotional support as well as physical care, not only to the mother but to the whole family, at the same time as we deal with the emotions that the situation causes within us. We often feel helpless and inadequate as we attempt to assist this grief-stricken family in what is often a crisis situation. I have personally gone over and over conversations that I've had with parents, wishing that I had said something in a different way and hoping that my choice of words did not make them feel worse.

At our hospital, women who are being induced for a fetal demise in their second or third trimester are admitted to the maternity department and cared for by our labour and delivery staff. Patients who experience early pregnancy loss are mainly seen in the emergency department. When the patients are admitted to our department, we try to put them in the birthing room that is farthest from other birthing rooms and the post-partum area in an attempt to give them privacy and prevent them from having to hear families who are celebrating the birth of their healthy child. We keep the patients in these rooms until discharge, if possible. We do not have a separate area where we can provide care, but we try to shelter these families as much as we can.

Nursing staff do not receive formal education on how to deal with these parents and families who are experiencing the loss of their child. We try as much as possible not to give this type of patient to a nurse until she has had at least a couple of years' experience in labour and delivery. We also attempt to ensure that they experience parts of the care of the mother and baby with a more experienced nurse before taking full-time care of these patients on their own.

Right now our bereavement program is run on a volunteer basis by one of our full-time nurses. Donations to the program are usually given by other nursing staff or retired labour nurses who try to assist in any way that they can.

Funding for perinatal and infant loss is needed. As part of the management team, I know that we need funding in

two distinct and important areas. First, we need funding to buy the supplies needed for our program. We provide each family with pictures on a memory card so that they can have a reminder of their baby. These memory cards are purchased by either staff members or donated by our dedicated group of retirees. We need to purchase the memory boxes and the keepsakes that go in them that we provide to each patient who delivers in our area. We would like to expand this memory box portion to all women who experience a loss, even in early pregnancy, but unfortunately we do not have the supplies to do so.

Secondly, we need funding to provide education. This education is needed for all staff members who come into contact with these mothers and their families. This includes physicians and nurses, not only in the maternity department but in the emergency department as well. Staff need to know how to properly support these women who experience loss at any part of their pregnancy. Staff need to understand how the care the mother receives at the hospital is critical in helping her and her family come to terms with this loss. Physicians and nurses need tools to assist them to support these families—correct ways to approach and speak to the mothers and their loved ones. A formalized education program needs to be implemented; however, at this time we do not have the funds to do so.

Bill 141 is a critical breakthrough for maternal health in our province. The quick passing of this bill by the government speaks of its awareness of the importance of and great need in pregnancy and infant loss. Expansion of education programs for health care providers, support of our existing programs and increasing public awareness will, in turn, help every woman and family who suffers a loss.

On behalf of my staff, I would like to thank you for providing me an opportunity to speak today, to give the nursing side of this story from both a professional and a personal standpoint.

**The Chair (Ms. Soo Wong):** Thank you very much for your presentation. I'm going to turn to Ms. Vernile to begin this round of questioning.

**Ms. Daiene Vernile:** Thank you, Ms. Miron, for your very comprehensive presentation this morning and informing us of the important work that you are doing. I'm a mother of three children and I remember my births as being a wonderful and joyous time. I know that you are having to deal not only with that, but with the heart-break that comes when it doesn't end in a joyous way. So I want to thank you and all of your colleagues for your dedication and the important work that you are doing.

You made reference to Bill 141. My colleague MPP Michael Colle is advancing this—pregnancy and infant loss awareness—and looking at research and care. You talked about how education is needed. Currently, how is staff educated in this matter, or are they?

**Ms. Kierston Miron:** There is no formal education program. We do not have speakers who come in; we do not have packages. Basically, we educate each other and we learn from experienced staff members. Years ago we would have speakers come in, but there's just not the



funding to provide that type of education at this moment. To have someone come in and provide a course costs money to replace nurses, to have nurses come in, and we do not have the funding at the moment.

**Ms. Daiene Vernile:** Now if you're in a situation where there is an infant loss, you're just hoping that the doctor and the nurses and the people who are attending are compassionate and will know what to do and what to say.

**Ms. Kierston Miron:** That's why we wait until they've at least had a couple of years' experience. We never let a new staff member go in there alone. If you were one of my staff nurses, before you took care of a mother and infant, I would make sure that you had been in there to see how we speak to these mothers, to see how to care. But yes, you're right: We just hope that they're compassionate.

**Ms. Daiene Vernile:** You also talked about having funding for supplies: memory cards, a memory box. Are you able to put a dollar figure on that? That helps us out a lot.

**Ms. Kierston Miron:** Actually, no. At our local hospital, it wouldn't be thousands of dollars. Like I said, we have a very small amount of births—statistically, births per year—where there's a loss. But I would probably say \$1,000 a year, or \$1,500. If we were to expand this program so that every woman who experienced a loss, even at six weeks' gestation, eight weeks' gestation—it's not a lot. A lot of this stuff we get from the dollar store. There are little boxes. We have people who make us little hankies that we give them, with an embroidered teddy bear on them. It's not a major commitment; it's just money that we don't have.

**Ms. Daiene Vernile:** I'd like to personally deliver a message to MPP Colle for you, if you'd like. What would you like to tell him?

**Ms. Kierston Miron:** I'd like to say thank you for putting this forward. Infant and perinatal loss is one of those hidden things in our society. No one likes to think about the fact that babies pass away or are not delivered healthy. I would like to thank him for bringing the awareness of this forward for all of the women in our communities.

**Ms. Daiene Vernile:** We appreciate your support on Bill 141. Thank you very much.

**Ms. Kierston Miron:** Thank you.

**The Chair (Ms. Soo Wong):** Thank you very much. Before you go, you have until February 2 at 5 p.m. to do any written submission, and you need to submit that to the Clerk.

**Ms. Kierston Miron:** All right. Thank you very much.

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

#### SAULT AREA HOSPITAL

**The Chair (Ms. Soo Wong):** The next speaker before us is Sault Area Hospital. I believe we have Vice-President Max—is it Liedke?

**Mr. Max Liedke:** It's Max Liedke.

**The Chair (Ms. Soo Wong):** Okay. As you've probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the official opposition party. When you begin, please identify yourself for the purpose of the Hansard. Thank you.

**Mr. Max Liedke:** Thank you, and good morning. Thank you for the opportunity to speak this morning. My name is Max Liedke. I'm the vice-president and chief financial officer at Sault Area Hospital.

In my role, I have what you would expect in a finance portfolio, consisting of finance, decision support, house-keeping facilities, health records, IT; all of those things. But also I have a unique role in my position. I'm also accountable for a large clinical portfolio. So in my role, I am also accountable for the emergency department, ICU, the medicine program, rehab complex, both inpatient and outpatient mental health services, all of our community mental health services, pharmacy, lab, and diagnostic imaging. So I have a large perspective on hospital operations, both from an administrative perspective and from a clinical perspective.

My background: I've spent 14 years working for large public companies. For the last 16 years, I've worked in the public sector: 10 years in education and six years in health care.

I would say that Sault Area Hospital is, by default, the health care provider in our community. So if there are not community services available, we are the default health care provider. People come to the hospital to receive services.

Sault Area Hospital is a large community hospital. Our next closest hospital is about a three-and-a-half-hour drive to Sudbury, so we do provide hub hospital services for the district of Algoma.

I was specifically hired at the hospital to address some of our financial issues. Six years ago, the hospital was running an annual deficit of around \$12 million a year. Over the last five years, it has had the ability to actually balance our operations—so the ability to generate a small surplus and to reverse that large trend of running significant deficits over those years.

In the last four years, though, from the Health System Funding Reform, we've experienced about \$12 million in cuts to our funding. We've had about \$14 million in increases to our compensation expenses. We've had about a 25% increase to our utility bills. Our general supplies and drug expenses have increased. So over the last four years, we've had to look at having to address about \$30 million worth of opportunities within the particular hospital.

Coming up into 2016-17, we still anticipate there to be continued pressures on the hospital and we're continuing to look at probably about another \$6 million that we need to look for—efficiencies within the hospital, between reduced funding, compensation increases and the normal increases we would expect in our supply costs.

**1010**

A couple of mandates that we've had in operating the hospital have really been, one, trying to make sure that we don't eliminate any services. As the default health care provider in the community, we want to make sure that we don't reduce services because we need to be able to provide those services. The second thing we've also looked at is trying to minimize any impacts on staffing levels at the direct patient level. Any staff that actually deliver direct patient care: We want to minimize any staffing impacts to them.

As we move forward under this environment, though, my fear is that the things that we've done in the past are no longer achievable, and the two options we are going to have to look at now are the services that we are providing and the level of staffing that we do have at the hospital to provide that particular service. We have looked at every opportunity over the last five years to improve the efficiencies across the hospital, but I would say that we are now at the point that we have to look at our services, which is very disappointing.

I would say that if I looked at some of the things that the hospital needs to do, I support the increased funding for home and community support across the province. I think it is a huge need. One of the things that we've experienced and we do see at the hospital is where we have a lot of what we would call alternate-level-of-care patients, people who are in the hospital who no longer require acute care but require some other form of community care. We continue to support that particular initiative. I would say that the concerns I would have at this particular time would be around the transition to what that looks like. Just because we are the default health care provider, we do experience a lot of times when we do not have access to those services and we do have those patients within our hospital, and that's one of the things we're trying to improve. But if we have issues or concerns over the next two years, as we progress down this particular path, that can also place additional pressures on the hospital in trying to accommodate that particular need.

From a system perspective, we also have to get much better at long-term planning, as a system, as to where we want to be. From the hospital perspective, what we're looking at is trying to envision what we will be three to four years out, in light of what that funding restraint might look like, and envision what that hospital will look like. That will mean a change in services that we provide and a change to the staffing that we have at the hospital.

From a staffing perspective, one of the things I would like to be considered is the ability for the hospital to have some right or some ability to employ physicians directly within the hospital. Physicians are, as you know, independent contractors. They have the right to admit patients and discharge patients to a hospital, but they are not directly employed by the hospital. One of the things that we have, as physicians run independent practices and then come to the hospital either before their practice opens in the morning or after their practice at the end of

the day, is that they're not available during most of the time to meet with families and patients, which is a huge frustrater to our patients and really adds to our length of stay.

We've seen models where physicians have been directly employed. Because they're part of the hospital and they're part of the integrated health care team providing that service, they're providing enhanced services to patients and families. That can significantly reduce the length of stay of patients, significantly increase the quality of care for patients and substantially reduce the cost at hospitals, all without costing the province any additional funding because they would just be what we would envision as transfer funding from OHIP into the hospital to be able to compensate that. So I think that would be a win-win situation for everyone.

Another issue that we would hope at some point would be addressed would be around collective agreements. I would say that during this period of fiscal restraint one of the things that we do struggle with when we have layoffs is the collective agreements that we have. So if we have someone that is employed on a particular unit and we are reducing the employment levels on that unit but increasing employment levels in another unit for a different type of service, our collective agreements require us to have a layoff on unit A and still recruit on unit B. To me, that's a phenomenal increase and a waste of taxpayer dollars because it's the same organization with the same need to provide care, but we're spending millions of dollars for that labour transition, which is really unnecessary.

We'd also like to look at the ability to generate additional revenue while not impeding wait times for Ontario residents. We are a border city and we do have opportunities with our partners to the south around increasing some additional revenue that could help us in some of our operational needs.

There are two other quick points I just want to make. One is around the current Health System Funding Reform and the structuring of that particular funding. One of the things that we're looking for is a new health information system by which we would be able to provide a complete electronic medical report that would be shared among all health care providers, not only within the hospital and the community but also within our district and within the province. The great difficulty in that is the way that the Health System Funding Reform is currently structured. As we increase the expenditures to provide that service, we will actually see reduced funding as a result of that. So it's a difficult decision to make on how we continue to improve the electronic medical record, enhance care, share that data, that information, with all health care providers across the city and the district, while we'll see, or be penalized with, reduced funding for that. We would ask if that could also be reviewed.

The last piece that I would look for is that we have been very fortunate, I think, in a couple of years to receive some additional funding for maintenance and

some upgrades to our withdrawal management facility. But I would say that one of the things we do see in our community is a very high level of substance abuse, both from alcohol and drugs. If I look across the LHINs, across the province, in our particular district, it is probably one of the highest, and we are struggling with one of the withdrawal management facilities that we have. The facility was originally designed in an old house, mainly to service alcohol withdrawal. The preponderance today, though, is that about 30% of our patients are going through alcohol withdrawal while about 70% are going through substance abuse withdrawal, which is a totally different withdrawal and requires a totally different makeup.

We have been lobbying for years for some additional funding to be able to support that. It is a huge and growing need, especially in the north, and one where we would like to see if we could have some special consideration for it to be addressed.

**The Chair (Ms. Soo Wong):** All right. Thank you very much for your presentation. I'm going to turn to Mr. Barrett to begin this round of questioning.

**Mr. Toby Barrett:** Thank you very much for the presentation from the Sault Area Hospital. Much of it is dealing in an environment of access to scarce resources—money.

**Mr. Max Liedke:** Yes.

**Mr. Toby Barrett:** Part of my context, I have to admit, is that my uncle was the administrator of Humber Memorial, back in the 1970s. His name was Len Burfoot. He was a very smart fellow. He has passed away.

I would say he was old-school. I would chat with him. I was working in the health care field at the time myself. Back in the 1970s, my Uncle Len, when crises like this would come up, would pick up the phone and talk to the Minister of Health. In the 1980s, the district health council system came along, and now, of course, the LHIN system and the CCAC and other systems. I have to admit, in our deliberations today, that I'm trying to think through the lens of Len Burfoot and how he would view all of this.

You are operating under what's referred to as activity-based funding.

**Mr. Max Liedke:** Yes, patient-based funding.

**Mr. Toby Barrett:** Patient-based, and essentially, there's no global funding, in a sense. How much management decision-making does that take away from you?

**Mr. Max Liedke:** The hospitals used to be funded under one global fund, which has now been split into three separate funds. So there still is a base component to our global fund. There's a health-based allocation methodology, and then there's our quality-based procedure funding, so there are three different pots. It still requires a lot of decisions around how you're going to administer that, because we don't have the same level of flexibility, but we're still required to provide services.

I'll give you an example under quality-based procedures or quality-based funding. It is funding for specific procedures or diagnoses or care types, and it is volume-

based. You're funded for X number of volumes at a certain price for what you're delivering in your community and the acuity level of the patients that you serve. If you don't achieve your volume, that funding is clawed back. If you exceed your volume, that is at your expense.

It's an easy thing to manage when you have elective surgeries like a hip replacement or a knee replacement. It is much more complex and difficult to manage when you're dealing with congestive heart failure or COPD or things for which you just don't control that particular volume. We have to provide that service when the patient shows up at the hospital to receive that service.

**Mr. Toby Barrett:** Okay. You mentioned the patients with alcohol and drug issues. Actually, Len Burfoot retired back in our home area—I'm Haldimand-Norfolk—down in the Simcoe and Port Dover area. The first thing he did was, he led the community to establish, or to re-establish, a detox across the street from the hospital, with everything funded through the Ministry of Health.

I was working for the Addiction Research Foundation at the time, to take that burden off the hospital and provide those services in a more cost-effective way.

**1020**

My question is: Why is there such a drain on your resources from alcohol- and drug-hurt people? Do you not have—

**Mr. Max Liedke:** We do. It's not as integrated as it needs to be. The facility is an old house that was being converted into a facility. It doesn't allow the ability to integrate all the services. If you are a patient who requires that particular service, you would need to have a detoxification. You might need a medical treatment as you go through that, which our community, unfortunately, doesn't have at this time. You also need some counselling and support to be able to deal with your addictions. It can't be provided in multiple locations with an effective end result. It really needs to be that consolidated, integrated, collaborative care that can address and help with those particular issues.

What we do see in our community is a higher preponderance of substances and addictions.

**Mr. Toby Barrett:** Yes. The \$12-million shortfall, or cuts that had to be made—you're looking at another \$6 million. You mentioned collective agreements. I'm sure you're electricity costs are going up. Your compensation and pension costs would be going up; purchasing; medical supplies. What is the mix there? What is the big draw? I'm sure it's everything.

**Mr. Max Liedke:** The biggest is compensation. Compensation is about 70% of our budget, so we have a compensation payroll of about \$100 million. On an annual basis, between their negotiated collective agreements—annual increases and step increases—it's about \$3.5 million a year to us in compensation increases.

**Mr. Toby Barrett:** That's 70% of the total budget?

**Mr. Max Liedke:** Total budget, yes.

**Mr. Toby Barrett:** Heating, plant, equipment?

**Mr. Max Liedke:** Yes. And we have been successful over the last number of years in reducing the size, from

running a \$12-million deficit to be in balance in negotiating and reviewing all of our contracts. It used to be—as you know in health care—standard increases of that 4% or 5% on an annual basis for drugs, any maintenance or anything. We've never accepted that. We always sign at a zero level and end up negotiating, probably, at 1% or 2%. But we have seen marked changes in that.

Other pieces that are outside of our control are, likely, electricity, which has increased 25%—a substantial cost to the hospital in this environment, yes.

**The Chair (Ms. Soo Wong):** I'm going to stop you there. Thank you very much for your presentation. You have until February 2 at 5 p.m. to submit your written submission to the Clerk, so that we can also have that written piece of your presentation.

**Mr. Max Liedke:** Great.

**The Chair (Ms. Soo Wong):** Thank you so much for being here, and have a great day.

**Mr. Max Liedke:** Thanks for your time.

#### SAULT COLLEGE

**The Chair (Ms. Soo Wong):** The next group coming before us is Sault College. I believe the president, Ron Common, is here. Good morning, Mr. Common. The Clerk is coming around with your written submission, so thank you. Welcome.

As you've probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the third party. You may begin any time. When you begin, please identify yourself for the purposes of Hansard. Thank you.

**Dr. Ron Common:** Thank you, everyone. Good morning. I'm Ron Common; I'm the president of Sault College. I have with me Cecilia Bruno, my chief financial officer.

I'm actually in my 48th year of being an educator, and 30 of them were spent at university, so I frequently will be providing observations in terms of college realities versus university funding. A significant inequity exists there, which I find irritating.

This will not be news to you because many of you are from northern Ontario, and if Canadore was sitting here or Cambrian was sitting here or Confederation was sitting here, they'd be saying similar things. The northern colleges have significant sustainability issues. We have challenges due to the underfunding of the colleges and we have challenges due to the demographics. In the Algoma region, the average age is 47, and we're in the youth education business, so we have challenges.

Most of the colleges in northern Ontario, and even many of the colleges in the rural areas of southern Ontario, are meeting their sustainability challenges through attracting international students. This is a very difficult thing for northern Ontario colleges to do. In 2012, only 1% of all the international students coming into Ontario went to northern Ontario. The international students who come to Ontario want to be in the GTA. It's

a big challenge for us to try to backfill our funding shortfalls with international students.

I should say that it's also a challenge that when we do get the international students—in Sault College—2.5% of our students are international students—we have the challenge of what are colloquially called “jumpers”: People come for one term and then jump to the GTA. That's a phenomenon that's certainly affecting, I know, Cambrian College to a great degree.

Some of our specific challenges are that the funding formula that we have, the GPOG formula, is basically a model that one size fits all. The northern colleges are quite unique. They don't fit that size. I'm on page 3. Here's what's unique about Sault College:

—We have 24.5% of our students who are identified with disabilities;

—We have 31.5% of our students who are first generation, the first people in their family to attend a post-secondary institution, so we're making a very big difference in people's lives; and

—We have 25% of our students who are aboriginal.

This is all good news, but if we want to succeed with these students, which we would call an at-risk population, we have a great deal of additional cost that we have to focus on in providing services in order for those students to succeed.

I think that Sault College does an incredible job, given our key performance indicators in terms of our success rate and in terms of student satisfaction rate. Sault College, in terms of overall student satisfaction, is ranked number one out of the 24 colleges. But we definitely need stable, predictable funding to support the at-risk student population.

We also need to recognize that we have a need in terms of special-needs funding. Students with special needs get funded throughout high school and the funding follows them, but then it ends when they come to a post-secondary institution. We think that special-needs funding should follow the student from high school into post-secondary institutions. In high school, funding seems to average around \$1,200 following the student; we think that it should follow into the post-secondary system. Their needs didn't end when they graduated.

Accommodations that we currently have for students with disabilities: mental health services, which we're currently getting funding on a special project basis, but it's not permanent funding. It's fantastic, this project. It's making a real difference. It's impacting students with mental health issues. We're conducting mental health first aid training of our professors and our support staff. We're able to identify students with difficulties very early in the process.

It's having an impact in terms of some very obvious things. Prior to our mental health funding, every year that I have been president of Sault College, we had students committing suicide. That's just a devastating statistic. The mental health funding has made inroads on that and is having a real impact on it.

We need increased resources to support the first-generation students so that they succeed. Sault College,

with 25% of our students being aboriginal—we want us to be an education destination for aboriginal students. We provide a great deal of support for those aboriginal students. We have elders whom we have employed who are providing the necessary counselling and support. We're providing tutor support for the aboriginal students.

One of the things that we have to do at Sault College: We recognize that 50% of the aboriginal population live on First Nations, and we believe that 50% of our aboriginal programming should take place on First Nations—community-based programming, so that the students do not have to pick up, leave Manitoulin Island and come to Sault Ste. Marie and try to bring their families and find accommodations, which is a big challenge. We are currently running programs in First Nations communities and we want to increasingly do that because there are many students whom we are getting into our program who wouldn't be there otherwise if they had to leave their homes and their family support and move here.

I know a considerable amount about aboriginal education. In aboriginal education, women are succeeding at a far higher rate than the males. In terms of gender distribution, there are a lot more aboriginal women coming into post-secondary institutions than there are men. That's another problem. We have to figure out what kinds of programs and support we have to have in place in order to attract aboriginal men into post-secondary education.

**1030**

Relocating is an especially difficult task for aboriginal women with families, so we would hope that the funding that is created would recognize that there are additional costs in running a program on a First Nation. We need to have that.

I want to speak to you very quickly about infrastructure funding. Sault College has 600,000 square feet of buildings. Many of them are flat-roofed one-storey buildings. We have wait-listed programs that require new infrastructure. We have to have modern equipment that we don't have. We need to look at the allocation methodology that currently exists, which is based on enrolment share of the system.

We think that you need to look at the allocation methodology and take into consideration the age and condition of the facilities. Many of our buildings are between 40 and 45 years of age, and when we take a look at the funding in terms of deferred maintenance, we get \$186,000 in deferred maintenance for these aging facilities. Thankfully, the province is increasing the allocation next year, and that will help, but our deferred maintenance costs on this aging facility are over \$20 million.

I can give you an example. If I get \$186,000 in annual funding for deferred maintenance—I was told last week that I need a new roof on one of my oldest parts of my building, and the roof is going to cost \$400,000. I have \$186,000 to address \$20 million in deferred maintenance. The money has to come from operational funding that's intended to be used in terms of our instruction and our students, not the buildings.

In terms of equipment, Sault College gets \$172,000 in equipment. We have to have equipment that parallels the best equipment in industry if we're going to prepare our students properly to meet industry needs. Sault College just opened up a robotics lab. A robot costs \$200,000. Our actual robotics lab costs \$600,000—

**The Chair (Ms. Soo Wong):** Dr. Common, can you wrap it up?

**Dr. Ron Common:** Pardon me?

**The Chair (Ms. Soo Wong):** Can you wrap up your presentation?

**Dr. Ron Common:** Oh. All right.

A flight simulator for our aviation program costs \$650,000, and we have \$172,000 in funding for the equipment.

The one thing I want to leave you with, then, if I have to wrap up quickly, is that the one program that is intended to address the unique needs of northern colleges is the small northern and rural grant that exists. That funding has been static since 2008. It is unchanged, and obviously our costs are going up. I would hope that we are taking a look at altering and increasing the small northern and rural grant, which actually does recognize unique differences among the colleges in Ontario. Thank you.

**The Chair (Ms. Soo Wong):** Thank you very much, Dr. Common. I'm going to turn to Ms. Fife to begin this round of questioning.

**Ms. Catherine Fife:** Thank you very much for your presentation. Perhaps my colleague might also have a question.

Aside from the funding disparity or inequity between universities and colleges being annoying to you, can you talk about the real impact of that inequity in funding? Colleges are unique, and especially play a huge role in the north.

**Dr. Ron Common:** One of the things that I'd like to draw your attention to is that the ministry capped tuition increases at 3% and is very proud to say that it was a 3% cap. The average college tuition at Sault College is \$3,700, versus university tuition. You should not have the same cap on a university tuition versus a college education.

College tuition is a seriously undervalued proposition, and there should be an opportunity for increased tuition. We have very high costs in terms of our labs and our facilities. While Ontario university tuition is allowed to reach the level where it's the highest tuition in Canada, college tuition is among the lowest in Canada. It's two different realities, treated as if it's a single reality.

**Ms. Catherine Fife:** So you would argue that the colleges are more accessible, though, because of those tuition fees.

I'm interested in the mental health hub—is it a pilot project?

**Dr. Ron Common:** Yes, it is.

**Ms. Catherine Fife:** This is the time to make the case for sustainable funding. Can you tell us a little bit about that? How is it funded currently right now?

**Dr. Ron Common:** What do we get in terms of the special project funding?

**Ms. Cecilia Bruno:** This past year, we got about \$300,000. That's what we'll be getting for the next fiscal.

**Ms. Catherine Fife:** How much is it?

**Ms. Cecilia Bruno:** Just under \$300,000.

**Ms. Catherine Fife:** Three hundred thousand—and how many years is the project?

**Ms. Cecilia Bruno:** Our fiscal 2016-17 will be the last year.

**Ms. Catherine Fife:** The last year.

**Dr. Ron Common:** Premier Wynne came, and she met with students who are accessing the services at the mental health hub. She announced the additional year that we currently have in terms of the project funding.

**Ms. Catherine Fife:** I'm sure you have the evidence and the research to back it up for sustainability.

**Dr. Ron Common:** Absolutely. We have mental health workers employed that we never had before, and our students have access. One of the challenges I assume almost all colleges have, but certainly northern colleges, is that people come to our community of Sault Ste. Marie and they may have underlying problems, and health workers and health support, but they become orphans in the sense that they arrive in Sault Ste. Marie without that support.

**Ms. Catherine Fife:** We're hearing a lot about that from a First Nations perspective across the province, as well.

Yesterday, at the talent and skills summit, the Premier admitted that the aboriginal population in Ontario First Nations and Métis are not meeting their potential in our economy and from a skills-trade perspective. How important would increased resources to support first-generation academic and personal goals be to address that gap for the aboriginal population?

**Dr. Ron Common:** It's a wonderful question. This is a tremendous human resource that we have available. We have to ensure that these students succeed. The average age on a First Nation is 23; the average age, as I said, in Algoma is 47—two different realities. We need to meet the needs of those students and prepare them for the job opportunities that are out there. We can't afford for those students not to succeed.

**Ms. Catherine Fife:** Thank you. My colleague.

**Mr. Michael Mantha:** First, I want to commend Sault College for the work they have been doing with the aboriginal communities. I know, personally, having worked with Sault College through a resource centre that I was involved with in the Wawa, Dubreuilville and White River area, of the amount of work that you've done with them. I would encourage you to continue doing that, because that's where our future workforce is going to come from. It's only going to increase and benefit us, going forward.

You talked about the community-based programming. I've seen the good successes that have come with that. It's providing the training there in the community, where people are most comfortable, because that's where

they're going to be working and that's where they're going to be delivering the service. The amount of increase: What level of increase would be appropriate in order to address the need for that community-based programming?

**Dr. Ron Common:** I don't have the answer to that. I will work on the answer and provide it to you in the written submission. Obviously, we have increased costs of travelling professors to drive to the First Nation, and we obviously have smaller classes. We have single-section classes, not multiple sections like we might have at Sault College, so there are lack of economy-of-scale opportunities. But I'll get you that information.

**Mr. Michael Mantha:** Coming from northern Ontario, and this is something that I hear consistently, there is a difference between operating a hospital and there is a difference between operating a college in northern Ontario versus other parts of this province. It's just a fact. That's just how it is and how it operates.

**Dr. Ron Common:** But the grants don't recognize it.

**Mr. Michael Mantha:** That's right. Again, I would appreciate, in your written presentation, what an appropriate level of increase to this particular area would be a step forward, recognizing the vast challenges that we do have in northern Ontario.

**Dr. Ron Common:** Okay.

**The Chair (Ms. Soo Wong):** Thank you very much, Dr. Common, for being here. You have until February 2 at 5 p.m. to do your written submission or any additional information you would like to share with us and to answer Mr. Mantha's questions.

**Dr. Ron Common:** Thank you for your attention, everyone.

**The Chair (Ms. Soo Wong):** Thank you so much, and thank you for being a lifelong learner.

MS. MARGO DALE

**The Chair (Ms. Soo Wong):** The next presenter before us is Margo Dale, I believe. She's on our list. Ms. Dale has a written submission for us, so the Clerk is coming around with your written submission.

Good morning, Ms. Dale.

**Ms. Margo Dale:** Good morning.

1040

**The Chair (Ms. Soo Wong):** As you've probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin any time, and when you begin, please identify yourself for the purposes of Hansard.

**Ms. Margo Dale:** My name is Margo Dale.

Our hospital needs more funding. Many residents of Sault Ste. Marie are afraid to go to the Sault Area Hospital. They wait as long as they possibly can until there's no other option.

My family is pretty representative of an average family in the Soo. Let's walk through some of our health ordeals at the hospital.

Noreen, my late mother-in-law, spent 15 traumatic days there. She went to the hospital because she felt terrible; we couldn't help her enough to keep her clean when she made terrible messes, and she couldn't eat and found swallowing liquids was difficult. At the hospital, she didn't see the dietitian, but was given pop and juice. They gave her medication to cover up the symptoms. Finally, we asked to see the dietitian. The dietitian recommended a supplement that we needed to bring to her. The dietitians don't work on weekends and holidays; there aren't enough trained front-line workers to meet the needs of patients. This is a budget issue.

At some point, there was a visit to Noreen by a social worker. She had Noreen convinced that it would be possible for her to go home as there would be support from a community service. There needs to be more staff to allow for improved communication between the doctors and other workers of the team. We have to think that that was the issue. We would be horrified to think that this social worker was that incompetent to think that a patient in Noreen's condition would be able to manage with a couple of hours' support several times a week. The other explanation is that they needed her bed because of bed shortages, so they try everything to push people out, even when they're too frail and don't have the resources they need at home.

In order to help make decisions about her treatment, we needed test results. The biopsy test took 15 days to get, partly because critical diagnostic analysis of tissue samples and blood tests must be sent out of town. This is a budget issue.

We were fortunate to have a teleconference with a cancer specialist from Sudbury. There wasn't even a medically trained person with us in the room to talk to the specialist. There aren't enough front-line, medically trained workers at SAH. Because the biopsy test result and other necessary diagnostic blood tests and her intensive care records weren't in her file to be shared with the specialist, he wasn't able to give us any feedback as to the best treatment for her. Over one and a half hours was wasted for the cancer specialist. The whole ordeal was totally upsetting and fatiguing for Noreen, and she gave up.

Patients go hungry because they can't reach the tray, sometimes because they are hooked up to machines, other times because they're too frail. There is no help from hospital staff. Family members can't afford the \$60-per-month parking fee. Because of decreased staff, the food delivery people only have minutes to deliver all the trays on a floor. Obviously, there is a lack of staff. This is a budget issue.

Each day was one miserable failure after another. There were 15 days plus a lifetime of knowing that all that was able to be done was not done.

My son Mike was admitted because of a growth full of pus that closed in his throat and made it very difficult to breathe and drink, and impossible to eat. They sent him ordinary trays, so we brought nutritious liquids to him. He was in emergency for eight hours before he was seen.

He was admitted and lay on a stretcher in emerg. Another patient accompanied by a police officer was yelling all night. Obviously there wasn't a bed open to put this person to relieve the added stress on all the patients in emergency. Mike was finally sent to a floor, but put along the hallway where the bright lights and hallway traffic made it impossible to rest, let alone sleep. Then he was put in an area designated as storage for stretchers. There was just a curtain across the opening; there was no call button. Next, he was put in a room designed as a lounge area with no call button, no oxygen outlets, and out of the main traffic area. How safe is this?

Finally, the doctor did the procedure in the hospital room. He poked a hole in the growth and it drained out onto the bed. The doctor told Mike that he would be in the hospital for two days. The next day, staff came in and said that they needed his room. He had to leave. Because they insisted that he had to leave immediately, he went home in his underwear and winter boots.

The citizens of Sault Ste. Marie are well aware of the code that goes out forcing those in charge of the floors to determine their least-ill person and discharge them immediately, whether they have vital things in place at their homes or not.

Patients are discharged too frail or sick, and end up back in emergency or dead because of lack of beds as a result of budget shortfalls.

Rickey, my husband, went for a prostate biopsy at the hospital. He contacted sepsis, blood poisoning, and nearly died. SAH has a bad reputation for infections. There is a lack of cleaning staff.

My granddaughter Christyne was totally torn open from under her nose through her lip as a result of a dog bite. She was sent to Fast Track until 9 p.m. Then Fast Track closed, so the room full of patients who were there were moved to emergency. She waited in emergency for seven and a half hours, bleeding the whole time.

My niece Carol was admitted to hospital with poor circulation in her left leg. She had two operations. She got sepsis after the surgery to put in a coil. She started to bleed from the surgery area, had surgery to remove the coil and was sent home.

The next time Carol went to the hospital, she was admitted to ICU. Bill, her husband, came to see her. He saw that blood was running from under the sheets onto the floor. Bill called for assistance. If her husband hadn't been there, she would have died. Obviously, there is a lack of staff due to budget cuts.

She was told she would have to have her left leg amputated or she would die. She had her right leg amputated because the blood blew out of it during the operation. After ICU, she was put on surgical stepdown and she got MRSA in the hospital, so she was quarantined. The staff came in about once an hour, even with her history of bleeding out three times. Obviously, there is a lack of staff due to budget cuts.

She was on the rehabilitation floor for two and a half months. If they buzzed the nurse, it usually would take from 15 to 20 minutes for a response. Obviously, there is

a lack of staff due to budget cuts. She was sent home. Now she has another infection.

My friend Mary's husband Jack was admitted to hospital on a Tuesday. On Wednesday, he was moved to a treatment room at the back of the emergency area. It was noisy, away from nursing staff, and he was still lying on the uncomfortable gurney.

When Mary came to visit, she noticed that his arms were moving in an unusual way. The nurses didn't know why. Mary noticed that his legs were turning colour. The nurses hadn't noticed. He became totally agitated because of the pain. They were told that he was terminal. They agreed that he would be kept comfortable and pain-free.

On Thursday, he was put in a hospital bed on a floor at the end of a hallway. The palliative care doctor on duty didn't see him, but ordered oral meds by phone. Because of the condition of his throat, Jack couldn't swallow them.

He was trying to get out of bed. Mary had to try to physically keep him in the bed. There was no help for her, as the staff was too busy with others. One nurse told her of a medication to clear his throat, but it was past 10 p.m., so the pharmacy in the hospital wasn't open.

The toilet in the room had overflowed. It wasn't fixed until the next day. Mary was scared to leave him long enough to go to the bathroom or get something to drink. The family shouldn't have to run down the hall trying to find the nurse who is assigned to him because they have too many patients.

The palliative care doctor on duty on Friday didn't see him until late in the afternoon, two hours before he died. This was the only palliative care doctor to actually see him. This doctor said he had been busy at his office seeing patients. Obviously, there is a lack of staff at SAH.

No one came in to talk about transition to ARCH. No one came in to talk about end-of-life occurrences. The family was not prepared when they saw him foaming at the mouth, having the symptoms of a raging fever and visible palpitations in his chest.

Mary spent her last days with Jack with a feeling of total abandonment and frustration, physically having to try to restrain her beloved husband. Basically, he was left in a corner to die and the unprepared family was left to witness it. The whole family has been left traumatized by their experience at SAH. Obviously, there is a lack of staff. This is a budget issue.

These are personal stories of my family, but tragically, there are many more that could be told by other people in this community. Unfortunately, people in third world countries have to expect health care at a level that is less than it should be and conditions that don't take compassion and the patient's dignity into account. Patients in Ontario shouldn't have to.

The citizens of Ontario deserve to have quality health care. Anything less causes a lifetime of knowing that all that was able to be done was not done, and it causes unnecessary deaths. For those of us who have spent

considerable amounts of time and money raising funds for new hospitals, the news of bed closures and staffing cuts is heartbreaking and very frustrating.

**The Chair (Ms. Soo Wong):** Ms. Dale, can you wrap up your presentation, please? Thank you.

**1050**

**Ms. Margo Dale:** This is not what we were promised by the provincial government when we were promised a new state-of-the-art hospital and improved patient care. Thank you very much for allowing me to speak.

**The Chair (Ms. Soo Wong):** Thank you for your written submission. I'm going to turn to Mr. Milczyn to begin this round of questioning.

**Mr. Peter Z. Milczyn:** Good morning, Ms. Dale. Thank you very much for your presentation this morning. It was interesting, because we had a senior person from your hospital presenting earlier. I was just going over some of the materials. I wanted to pass on a few things to you to consider and hear your feedback.

Your local hospital, over the last decade, had about a 40% increase in funding. Our government, over the life of its tenure, since 2003, has increased health funding each and every year. This year, overall health funding is increasing by 1.2% to a record \$50.8 billion, and there's a specific 5% increase in home and community care investments. With those hard facts, it's not to say that there aren't bad outcomes in hospitals—in every hospital in the province, I'm sure we can find bad outcomes—but there are many good outcomes.

Are there specific services within your local hospital that you think need to be improved compared to other services? Do you think you're getting too much service in one area and not enough in another?

**Ms. Margo Dale:** I'll tell you, Ontario is the lowest supported by provincial government—the lowest province in Canada, and I find that really devastating. The same thing with numbers of nurses—they're the lowest in Canada as to having staff. These people at the hospitals are dedicated, solid people—professionals. They deserve to have the support to help the patients, because other than that, what happens is, they lack morale and there is totally stress and burnout.

As for services, all of the services here have been cut. We have waiting lists of months for services. All of the services have been cut. There isn't one service that is up to par.

**Mr. Peter Z. Milczyn:** I know that Minister Oraziotti wants to ask you a question, but I noted that in 2014, in your local hospital, 86% of high-acuity patients received treatment within target times, and 96% of low-acuity patients received care within target times. Those seem like pretty good figures to me. There's always room for improvement; it's not 100%. But they're pretty good figures.

**Ms. Margo Dale:** I really don't know where you got those figures from, because when you ask the citizens themselves, that is not the reality here. It is not the reality here, not by a big stretch of the imagination.



**Mr. Peter Z. Milczyn:** That's how you perceive things. Minister Orazietti—

**The Chair (Ms. Soo Wong):** Okay, I'm going to turn to Mr. Orazietti to ask you some questions.

**Ms. Margo Dale:** Sure.

**Hon. David Orazietti:** Thank you, Ms. Dale, for your presentation and for sharing some of your personal stories here with respect to your family and informing us of that. I think that's obviously very helpful for the committee.

I think locally we know—and because the budgetary numbers are what they are—that the Sault Area Hospital, since we've come to government in 2003, has had a 46% increase in its budget. Overall, every year, the Ontario government, since we've to government in 2003, has increased the overall global spending of health care in the province of Ontario. There's not a single year, under our government, where health care spending has gone down. Now, you can take individual communities or individual examples, whether it's particular hospitals or organizations, but overall, spending each year has gone up, and we are driving more resources into community care.

What I hear from citizens in our community is that they want more care and service in the community. The hospital, for most people, is the last place they want to be, although we obviously need to make sure that the hospital has the support and the resources that they need. If we look at the numbers, more than 10,000 nurses have been hired in Ontario since we've come to government; over 4,000 new doctors; a new medical school in northern Ontario; new hospitals built in the province—services that we never had here, like cancer radiation therapy services, that were never provided here in Sault Ste. Marie before our government was in office.

What I want to ask you is: How do you help to drive, or do you think it's important to drive resources into the community so that more people can receive services closer to home? Do you think that should be a priority of the government, or should we continue to—because we have to choose; there are finite resources. There's not a limitless amount of money to put into health care. How do you think, between long-term care, home care—on the continuum of care for residents—that those dollars should be allocated?

**Ms. Margo Dale:** I think it's a travesty to pit one service against another, in that you're trying to have hospitals competing with long-term care or competing with home care. That is not ethical. The fact is, these other things are not in place and our patients now are needing the services. You can't send a person out of the hospital to a long-term facility where the people aren't trained to deal with dementia and violent patients. It is just criminal. The whole thing has to be revamped and your funding formula has to be done differently.

**Hon. David Orazietti:** Okay. When I was elected in 2003, I had a lineup of people in my office because they couldn't get their mother or father home care services—no one would come to see them—

**Ms. Margo Dale:** Three years' wait it is, here.

**Hon. David Orazietti:** They had to go into the hospital because no one would come. I don't have those kinds of lineups in my constituency office—

**Ms. Margo Dale:** There is a three-year waiting list here now.

**Hon. David Orazietti:** I'm telling you from my experience in the community to get those services. We're not talking about pitting one area against another. What we're talking about is the reality that there is a limited amount of resources that we can spend on health care services, and we're trying to allocate that as best we can. So putting more resources into community supports I know is making a difference in the lives of people in Sault Ste. Marie.

I appreciate the time that you've taken to come here today for your presentation.

**The Chair (Ms. Soo Wong):** I'm going to stop here. Thank you very much, Ms. Dale, for your presentation as well as your written submission.

#### SAULT AND AREA HEALTH COALITION

**The Chair (Ms. Soo Wong):** The next group before us is the Ontario Health Coalition. I believe the Clerk has the written submission for the committee members. Good morning. I believe—I hope I've got the name right—is it Folgo?

**Mr. Folgo Della Vedova:** Yes.

**The Chair (Ms. Soo Wong):** Folgo—is it Vedova?

**Mr. Folgo Della Vedova:** Della Vedova, yes.

**The Chair (Ms. Soo Wong):** Thank you. Welcome. As you heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questions will be coming from the official opposition party. You have 10 minutes. Will you please identify yourself for the purposes of Hansard. You may begin.

**Mr. Folgo Della Vedova:** Good morning, Chair and members of the committee. My name is Folgo Della Vedova. I'm a retired principal of St. Basil's school in the community here, and I'm here today as the past chair of the Sault and Area Health Coalition and I'm representing that organization.

My presentation has two objectives: one, to provide evidence and personal accounts demonstrating a profound need to restore critical hospital care services in our community and across the province, and two, to implore your committee to recommend to the provincial government adequate funding to our public hospitals and long-term-care facilities and services.

The following patient disclosures and grave concerns have been revealed to me and other representatives of the Sault and Area Health Coalition. These cases occurred in our community and are as recent as days, weeks and months ago. They are typical of many ongoing patient health care experiences.

Case 1: Ray was told in May 2015 that he had an enlarged prostate requiring a surgical procedure and he would be placed on a waiting list. When he could not urinate, he was administered a catheter that is still with

him today. Each time he contracted an infection he was given antibiotics that often required changing as each one became ineffective. He is scheduled to have surgery in February of this year, hoping that it will not be postponed. If realized, this would mean that he would have been waiting for 10 months, suffering from those needless infections, discomfort and a real possibility of increased health risks.

Case 2: A volunteer of the hospital reported that she saw many patients who did not get opportunities to eat. She had seen some patients cry with hunger. Sometimes the patients could not feed themselves because they were too weak. Sometimes the patients had tubes that were not long enough to allow patients to reach the tray. No one checks to see if patients have eaten because no staff is assigned to feed patients. She saw food go into the garbage. It is expected that family members, friends and volunteers will assume feeding responsibilities.

Case 3: A woman reported that her hospitalized husband had a prostate problem requiring a urinary bag. At one point, she had to call a nurse to say that the bag was completely full. She knew that there were not enough nurses around to assist. Now her husband needs prostate surgery and was told there is a six-month waiting period.

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Case 4: Another woman came to us with this story. She said that her husband's behaviour was so unusual and troublesome that she brought him to the hospital. The emergency doctor told her that he was in delirium crisis mode and would need to be temporarily placed in an emergency lockdown room. They later moved him to a bed on a floor where he walked out of the room and began taking items out of the supply room. He thought he was in his garden. After four days, he was discharged and placed in his wife's care. She is a senior citizen with health problems of her own and cannot take care of him properly.

Case 5: Gerald told us that his wife had bladder cancer and on September 11, 2015, she was taken to the cancer clinic. The cancer clinic said that she would be admitted to wing 3B, but at 6 p.m. she was sent to emergency because the clinic was closing for the day and there was no space on 3B. She waited 140 hours—that's from September 11 to 14—in emergency for a medical bed on a floor. She was placed in a small alcove with a curtain across it while suffering from extreme diarrhea. Getting on and off a commode to access the bathroom down the hall was very difficult in her weakened condition. Also, the lack of privacy made the situation almost unbearable.

She was finally admitted on to wing 3B, where, at that time, a stool sample showed that she had *C. difficile*, a very infectious disease. She was not quarantined at the clinic or at emergency. She was in the hospital for 51 days. She could not go to ARCH, our local hospice, with *C. difficile*. Once cleared, she might have gotten there sooner, but the stool sample that they sent the last time for testing was too small to test. She eventually remained at ARCH for 14 days. The misery of her last days at Sault

Area Hospital has made the grieving process very difficult.

Case 6: A man stated that he suffered a heart attack on a Monday. There was a 100% blockage of a coronary artery and major blockage in others. He was told that Sault Area Hospital had arranged transportation to St. Michael's Hospital in Toronto for surgery. Twice per day, from Monday to Thursday, he was prepared by the Sault Area Hospital staff to go to St. Michael's Hospital until, on the last day, he was removed from the transportation list because of a higher-priority case. There was no transportation available, even though St. Michael's Hospital was ready to receive him.

Case 7: Another person stated that he had to wait at least six months for hip replacement surgery.

Case 8, final case: A senior citizen relayed that he is on a waiting list for a nursing home. He said, "I was told that there is a three-year waiting list."

The citizens of Sault Ste. Marie and area are appreciative and proud of our new hospital, its facilities and dedicated physicians and staff. We acknowledge that our provincial government has put tax dollars to good use in our community in this respect. However, we understand too that new bricks and mortar and staffing alone comprise only part of the challenge to achieve quality health care that is universal, accessible, timely and effective.

The missing key components are adequate funding, staffing and resources from the Ministry of Health and Long-Term Care to meet patients' needs. The patient cases described above are clear and real examples that the status quo in health care is not and has not been adequately and effectively meeting the needs of patients.

On December 17, 2014, it was announced that Sault Area Hospital, in response to a \$10-million shortfall in provincial funding, would streamline its services and cut an equivalent of 35 full-time positions and seven part-time positions by 2016. Thirteen of those eliminated positions are full-time registered nurses and one part-time registered nurse. Sault Area Hospital stated its intent to close 20 acute care beds and cut down on admissions by establishing a medical outpatient clinic. At the end of December 2015, CEO Ron Gagnon reported that Sault Area Hospital has an operating deficit now of \$200,000. This may appear to be good news, but it is not.

Departments across the hospital have been cut, including operating rooms, ICU, oncology, surgery, hemodialysis, infection control, patient care coordination, nursing and personal support. More than 59,000 hours per year of nursing and direct patient care have been cut and, in 2015, 56 beds were slated for closure. This is despite the fact that Sault Area Hospital has been in a fairly constant state of over-capacity, according to Ron Gagnon, Sault Area Hospital president and CEO.

The most recently announced cuts, as of this January, at Sault Area Hospital include one full-time registered nurse and one bone health nurse, along with the funding to that program. In wing 3C, the 40 acute medical beds are now divided into 20 acute short-term beds and 20 beds scheduled for the overflow unit. That's an additional

20 less acute medical beds this year—this month, actually.

It was also announced that as some of the registered nurses retired, they would be replaced with registered practical nurses. Wing 1B, a 30-medical-bed unit, remains closed as these beds are considered non-funded beds.

The hospital continues to experience on a regular basis 10 to 30 patients waiting in the ER for medical beds. Parking fees, by the way, just went up by \$1—that's a 20% increase—making it a \$6 fee. Sault Area Hospital's president and CEO, Ron Gagnon, stated this Monday that the government's decision to cap Ontario hospital parking rates means health care facilities must steer toward other means of securing dollars necessary to maintain standards of care: "We look at" parking fees "as a way to sustain quality health care." He further stated that hospital funding has changed "dramatically," pointing to no increase to base funding over the last four years and heading into the fifth year of frozen hospital budgets.

I present to you three recommendations. We are deeply disturbed at the devastating cuts we are seeing to needed public hospital and long-term care in our community. Therefore, our health coalition is calling on the Ontario government through the standing committee to:

- (1) stop the devastating cuts to our Sault Area Hospital;
- (2) stop the privatization of our local hospital services; and
- (3) restore our public hospital funding formula to at least the average of all the other provinces in Canada.

Ontario currently ranks at the bottom of the country in public hospital funding per capita and eighth out of 10 provinces in hospital funding as a percentage of the provincial GDP.

I thank the Chair and members of this committee for conducting these consultation hearings across the province and for including Sault Ste. Marie on your busy schedule. I am appreciative and grateful to you for providing me the opportunity to speak before you today. Thank you very much.

**The Chair (Ms. Soo Wong):** Thank you very much. I'm going to turn to Mr. Barrett to begin this round of questioning.

**Mr. Toby Barrett:** Thank you for that very detailed presentation. It's a lot to absorb and I appreciate everything documented in this brief. This is the third presentation we've had with respect to the hospital, as you know, this morning.

**Mr. Folgo Della Vedova:** Thank you.

**Mr. Toby Barrett:** We know that the funding has been frozen for four years, and the label is "activity-based funding" rather than "global funding." I understand the hospital representative indicated that didn't take away local decision-making so much within the institution, but I'm wondering—two of your recommendations are asking for more money and the third one is to stop the privatization. I don't know whether you listed the

services that have been privatized in the hospital. What are they?

**Mr. Folgo Della Vedova:** I think there are some of those in the larger report that you have there.

**Mr. Toby Barrett:** Yes. What would they be? Is this all stapled together? I guess I haven't gone through all of this.

**Mr. Folgo Della Vedova:** There are privatized clinics showing up here and there. In some cases, you have to pay additional fees for a variety of services related to health care, whether it's physiotherapy, those kinds of services. Are those the ones that you are making reference to?

**Mr. Toby Barrett:** Yes. You mentioned "stop the privatization of our local hospital services." I just wondered—

**Mr. Folgo Della Vedova:** In some cases where you had blood tests and things going on at the hospital, for example, some of those are no longer there. They're no longer presented as they were before, so now you have to go outside the hospital, and in most cases you're paying additional costs above and beyond what OHIP would cover.

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**Mr. Toby Barrett:** Yes, we certainly have private hospital blood testing services. As you mentioned, chiropractic services, optometry; there have been changes in a lot of those—

**Mr. Folgo Della Vedova:** Yes.

**Mr. Toby Barrett:** —not necessarily right in the hospital.

Beyond your three recommendations, any other specific recommendations beyond increasing the budget? I think you made mention that this Ontario government has, I understand—I don't know how significant this is; it's more of an emotional thing—put a stop to the increases in the parking fees, but the issue is much bigger than that, obviously.

**Mr. Folgo Della Vedova:** There's another example where we're subsidizing our public health care by charging people parking fees. And now, with a cap, there is going to be less revenue coming out of that particular practice. But it saddens me to think that we have to use parking fees to subsidize our health care system in this province.

**Mr. Toby Barrett:** My colleague just mentioned bed closures, which you've outlined. Mr. Fedeli, I think, has a question on that.

**Mr. Victor Fedeli:** I just wanted to get an accurate number of the bed closures. In your written speech you talked about 20 acute beds and then in the submitted one it talks about 20 here and 30 medical bed units. Can you just give me a number?

**Mr. Folgo Della Vedova:** As early as the day before yesterday, I spoke with representatives of ONA, the Ontario Nurses' Association, who work very closely with the hospital. As recently as this month, 40 medical beds have turned into 20 medical beds and 20 of those 40 are now assigned to overflow beds on a particular floor. Does that clarify the 40 and 20?

**Mr. Victor Fedeli:** I'm just trying to get a number—oh, I see the 40 now. There's also another reference to wing 1B: 30 medical beds remain closed.

**Mr. Folgo Della Vedova:** Yes.

**Mr. Victor Fedeli:** What does that mean?

**Mr. Folgo Della Vedova:** That means beds are there, but they don't want to use them because as each bed is used in a particular room, it's going to cost a given amount of money.

**Mr. Victor Fedeli:** So how many altogether in the facility are closed? I'm just trying to get an idea.

**Mr. Folgo Della Vedova:** When it was announced in late 2014, I think there were 56, if I recall correctly. Yes, 56 beds were slated for closure in 2015.

**The Chair (Ms. Soo Wong):** Mr. Della Vedova, your presentation time is up. Thank you for your written submission. If there's any additional information you want to submit to the committee, you have until Tuesday, February 2 at 5 p.m. to submit it to the Clerk.

**Mr. Folgo Della Vedova:** Thank you very much. I appreciate it.

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

#### SAULT STE. MARIE ECONOMIC DEVELOPMENT CORP.

**The Chair (Ms. Soo Wong):** The next group coming before the committee is the Sault Ste. Marie Economic Development Corp. I have Tom Dodds, chief executive officer. The Clerk is coming around with your written submission. Mr. Dodds, you may begin any time. Please indicate who you are for the purposes of Hansard. You have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the third party.

**Mr. Tom Dodds:** Thank you very much. My name is Tom Dodds and I'm the chief executive officer for the Sault Ste. Marie Economic Development Corp. On behalf of the corporation, both our directors and staff, we welcome the committee to Sault Ste. Marie and thank you for taking the time to come to this city in northern Ontario as part of your budget planning process, and thank you for the opportunity to share our thoughts.

I think some of this is going to be a familiar refrain to some of the folks on the committee, and certainly there are faces around the table that are not strangers to me. We particularly appreciate your making the effort to come to the north and in what I would characterize in the dead of winter, perhaps an ironic and appropriate metaphor for the extraordinarily challenging global, financial and economic climate that Ontario and this Legislature must consider through its budget process. I venture to say that nowhere is that more plainly evident than here in Sault Ste. Marie.

My remarks—which you'll find occasional typos in, by the way—will broadly focus on three areas: recognizing the extraordinary impact that the Ontario government's economic, financial and fiscal management

policies and programs have on this region and community; an expression of our gratitude to the province and particularly the Ontario public servants who live in the region, call it home and have contributed to its growth and development.

Our need and our discussion are going to focus on five areas: supporting industrial sectors in each of Ontario's economic regions, particularly those of strategic importance to the province and the country's global competitiveness over the long term; strategic infrastructure investments throughout the province and support for Ontario and this region's economic growth; attraction and development of human resource talent to the region; ongoing assistance to communities in transition who, as a result of structural changes in the economy and perhaps as a result of provincial policy changes, may be facing a highly uncertain economic future; and finally, encouraging this committee and the Legislature to remain focused on tackling the deficit and provincial debt.

Before I get rolling, I just want to share with you a bit of my background. I'm a kid from New Jersey who moved to northern Ontario. I married a girl from the Soo. I have spent most of my career in economic development at the provincial, federal and, for certain periods of time, with First Nations in this area. So I come at it from kind of a two-lens state: that you can never really quite unravel how the economy operated because it's so highly integrated and such remarkable sectors there, to a single-industry town where there's reliance on steel and growth of this community. Like many communities in northern Ontario, it is very tangible to see how the economy works.

I would argue that the growth and development of northern Ontario, more than any other region, is shaped by government decision-making. Certainly, in the Soo, that's no more evident. If you look at things historically, the growth of our natural resources, railways into areas and the combination of partnerships of businesses, entrepreneurs and the government of Ontario have all aligned to allow the growth of this area. We have living examples of that, some more recent, some of previous governments: the Northern Ontario Relocation Program; the Ontario Lottery and Gaming Corp, a critical investment in this area that derived and has benefited growth of the knowledge-based economy and really sustained this economy in areas that we wouldn't have otherwise; the participation of the government of Ontario in ways that probably people don't appreciate in the restructuring of Algoma/Essar Steel—and unfortunately, it's the third time, but we hope that they will continue, and I'll get into details of that; Algoma Central Railway; of course, Roberta Bondar Place, next door; the growth and development of the port of Algoma, probably the most recent and most significant infrastructure; and your continued support of NOHFC, MNM and MNR. These are really quite important to us, and I think we are tied hand in hand.

In terms of provincial return on investment in these kinds of efforts, you've got a strong OPS, and the

presence of ministries and crown corporations is critical to the growth and development of the north; your support for post-secondary education and, for that matter, education generally; supporting the opportunities for knowledge-based workers; growth and diversification and the transition of economies in the north; leveraging private sector investment—and next week, I'll be passing the baton to a company that is highly successful, as an example here, where the government of Ontario, the government of Canada, and the municipality and the economic development corporation supported the efforts to establish what was then G-P Flakeboard, which is now owned by a multinational, Arauco, a highly successful company in Sault Ste. Marie, but a classic example of the kind of efforts that we've done together.

I think also that one of the key points that I wanted to make in terms of some of the things that we've done is talk a little bit about the support and significance of the contributions of the province. We really have done well in terms of the employees. We have a very strong team in the Ministry of Natural Resources, the Ministry of Northern Development and Mines and other ministries that have come in, and they really have got an experienced team in front of them. I wanted to speak to that particular matter. That significant contribution has really helped us align a little bit better with our priorities in growth on a global basis. Building that capacity is critically important.

**1120**

One of the other areas that I wanted to talk to you about was this matter of strategic sectors, specifically the area of steel. I think it's at a critical stage for the province and the country. Really, the question is: Does Ontario and does Canada want to continue to have steel manufacturing capacity? It's a remarkable economic multiplier. Depending on who you look at, it's between three and seven times in terms of investment. China is capable of producing all the steel the world needs. Really, the question is: Where does Canada, and where does Ontario, think they should be engaged in continuing that capacity in this country and in this province?

Unfortunately for us right now, we have sort of a perfect storm of negative financial and market conditions. This restructuring is much different than the others in the past. Inevitably, the province will have to be engaged in one fashion. I think you've heard previously about some of the priorities that the company has in its process, but I think there are some real changes. Certainly the province has been involved in addressing this before, notably pensions. But I think there's a more fundamental question on strategic priorities for the province, and what does it see for sectors like the steel industry and what does that mean for them?

Another comment I would make with regard to strategic infrastructure investments is that we very much encourage alignment with the federal government programs. We look at the long term in terms of investment, the focus on global competitiveness, and long-term growth for the region. Also, take a look at the role that

transportation investments have. As part of the Growth Plan for Northern Ontario, there's a multi-modal strategy, and I know that the focus has looked historically on the transportation activity that has occurred and tried to map that out, but I think it really needs to look at transportation infrastructure in terms of growing and improving the efficiency and the access to resources, markets and products. The Ring of Fire, of course, is one example, but there are other areas as well. We'd encourage you to take a look at the port of Algoma.

Finally, in terms of Sault Ste. Marie, it is a community in transition. Unfortunately, last year was probably the worst employment situation that we've experienced in the last 20 years—I should say “as of last year,” unless there has been a huge change in the last month, which I doubt. We probably have the smallest number of people employed in the last 20 years; the lowest participation rate—less than 50%; the smallest labour force; and significant losses from last year. There's a market change. Unfortunately, 2014 happened to be a very good year for us. We got an excellent credit rating—probably the envy of many provinces—of an AA-. I don't think that's going to be the case here.

The modernization of Ontario's lottery and gaming is a big question mark. It's a risk and an opportunity, but I think it's important for that to be taken into consideration.

**The Chair (Ms. Soo Wong):** Thank you very much, Mr. Dodds. I'm going to turn to Ms. Fife to begin this round of questioning.

**Ms. Catherine Fife:** Thanks very much, Tom. You covered a lot of issues. I want to say that we're appreciative of your comments, in particular around infrastructure and the investment that's needed in infrastructure. We heard this loud and clear in Thunder Bay yesterday from a variety of delegations. I think that the infrastructure piece, the transportation piece, is a key to connectivity, which is obviously key to productivity. Yet there are some gaps, even in the maintenance of the current stock of roads that we have currently in Ontario.

Are you familiar with the Auditor General's report, which found that the Liberal government was using performance-based contracting out and procurement processes for the maintenance, particularly for the northern highways, and that those highway maintenance contracts were not kept up to par?

**Mr. Tom Dodds:** I'm familiar. I guess I look at it from two perspectives. First of all, I've been on the roads so I know of what you speak—

**Ms. Catherine Fife:** So you know. You don't need an Auditor General's report.

**Mr. Tom Dodds:** I don't need an Auditor General's report to understand the challenge. But I do think the intent was correct, which was to reduce costs.

Now, the question is, is there an appreciation of what maintaining roads in northern Ontario is like? Again, I argue—and I think the member from Sault Ste. Marie would agree—that the issue of roads is really critical to our region, and that investment is worth recognizing. It's

not unlike the investments made in southern Ontario for mass transit. The lifeblood of the north is the ability to move from resources to market.

**Ms. Catherine Fife:** Absolutely. That's actually the point that I wanted you to make, so thank you very much for that.

Go ahead, Michael.

**Mr. Michael Mantha:** Things are different up here. I think you highlighted that quite well. It's something that I recognize, being a member from northern Ontario.

If we're going to attract new investment, if we're going to attract industry, if we're going to attract development in northern Ontario, how much of a hindrance—do you see the electrical prices putting us at a disadvantage here in northern Ontario, with the constant increases that are happening to them?

**Mr. Tom Dodds:** Bear in mind that I'm wearing an economic development hat, and I'm sandwiched between two provinces that offer much, much lower prices in energy. I'm grateful for the program—and I certainly hope that it continues—that helps support northern Ontario industries. I think that's absolutely critical. Without that, we would not be competitive. It's a huge cost.

But at the same time, it is a real challenge. I understand why the policies were done before. I also recognize at the same time that it's unsustainable—I shouldn't say that. We can't be successful if we don't have all of our various inputs to any business competitive.

**Mr. Michael Mantha:** I think you just touched on one of the points I wanted to raise, which was the northern industrial energy program. Having Company A, who has benefited and who was up and operating when the program was available, versus Company B, which is now a new company, which is at a disadvantage because they are not eligible for the NIER Program, has caused an enormous amount of costs and uncompetitiveness with their competitors. It's difficult to attract those individuals and to let them know, "Listen, come to Ontario. We're here and we're available to you."

Your thoughts on, first, the impacts, whether positive or negative, in regard to the ongoing pursuit of the sell-off of Hydro One: How is that going to affect us as far as development in Ontario as a whole?

**Mr. Tom Dodds:** First off, I'd say that perhaps I'm not as knowledgeable as I should be about the details of that. I would just say, in the simplest of terms, the lower the energy prices that we can achieve, the better.

I understand there have always been issues. We have a whole argument to make around energy, global warming and economic development. I would suggest that, for example, the ability to keep the distance between the production of energy and the location where it's being expended as tight as we can—I would use Essar Steel Algoma as a perfect example. We can have steel produced in China. It will take three months to get over here. It's being produced in an area that has got an environmental record that we don't need to talk about. It comes over here and it causes all sorts of challenges. But it really affects the price.

Then we have companies that are within the Great Lakes region that could be easily accessed. So the carbon footprint that's reduced by simply making some adjustments to that incenting can be very, very helpful. We've got remarkable renewable energy resources in the north.

My thought is, how can we get from where we have prices now to where we have prices that make us competitive? I don't have all the answers to that. I see there is a role for government, perhaps more strongly than it has now. I find that the analogy that we used in terms of delivery of service as it relates to maintenance of roads—there are some parallels with that on the production of energy as well.

There is a role for government to play in that. I think there's a levelling of the playing field that needs to be required—

**The Chair (Ms. Soo Wong):** Mr. Dodds, thank you for your presentation, and thank you for your written submission.

**Mr. Tom Dodds:** Thank you for your time.

#### OPSEU

**The Chair (Ms. Soo Wong):** The next group before us is OPSEU: Mr. Jeff Arbus. Good morning, Mr. Arbus.

**Mr. Jeff Arbus:** Good morning.

**The Chair (Ms. Soo Wong):** I think the Clerk is coming around with your business card. Welcome. As you probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin at any time. When you begin, please identify yourself for the purposes of Hansard.

1130

**Mr. Jeff Arbus:** Thank you. Good morning and welcome to Sault Ste. Marie, those of you from out of town. I'm Jeff Arbus. I am the regional vice-president for the Ontario Public Service Employees' Union—OPSEU—for an area that we call Region 6, which is northeast Ontario. As a member of OPSEU's executive committee, my remarks today do represent OPSEU.

I'm going to focus on public health care, as other presenters will no doubt comment on the devastating impact of frozen levels of spending on other public services such as corrections, environment and northern highways, to name a few.

Our public health care services are suffering from obscene levels of underfunding across all areas. How bad is it? Last year, my daughter went to emergency at the hospital for a medical condition that they confirmed was, indeed, an emergency. It was three hours before she saw a doctor, four-and-a-half hours before she got a bed in emergency, and she lay in that bed, in the hallway of the emergency department, for 43 hours. It got so bad and there were so few staff that, because her bed was in the hallway near the entrance, she found herself giving directions to people who were coming into emergency to see family members. This is not an uncommon occurrence in northern hospitals. How can anyone justify this?

Another example: Last year, a friend of mine was admitted for cancer treatment. When I would visit her, I noticed a man in a bed in an alcove in the hallway of the unit. The alcove was originally designed to store carts for the staff. This poor fellow, middle-aged and being treated for cancer, lay in his bed in this alcove, in full view and with no chance to even dim the lights, for several weeks. There was no other bed. Yet not far away, there was another unit recently closed in order to cut staff. I've learned that this is not uncommon in Ontario hospitals and has become increasingly common in the past 10 years. How can anyone justify this? How can anyone claim that these are tolerable situations? Would you tolerate any of this if it was your partner or your child?

Because of corporate tax cuts under both the Conservatives and Liberals over the past two decades, the Ontario budget is short, by some estimates, by up to \$20 billion a year. Corporate taxes are too low to maintain the quality of health care and services that Ontarians expect and deserve, and yet we can afford public health care services. Ontario's GDP per capita is at high levels. The next generation faces a bleak future with the rise of precarious employment, and yet corporations are sitting on billions in dead money that is not being spent to create jobs. The average salary of the top 100 Canadian CEOs is now nearly \$9 million a year.

There is money in the province. We can afford public services and are better able to afford them than we have ever been before. But we are not getting that kind of leadership. Instead, in the north we get this:

—New Liskeard closes its operating room for 50% of the time, one in 10 of the total staff gets cut in an isolated community with few options for patients needing these services;

—Timmins, in October, cuts 26 remaining beds, 16% of their total; closes physio; cuts 40 staff;

—North Bay cuts mental health rehab with no community services to pick up the load, and also cuts as much as 300 staff, including nursing, lab techs, social workers and other direct care providers; and

—here in the Soo, cuts of 50 beds, including acute and complex care, all in a hospital that is in code gridlock the majority of the time, and cuts to emergency have resulted in an additional 200 hours of paramedic time wasted on delayed offloading.

It is not just nursing staff being cut. Social workers, occupational therapists, lab techs and diagnostic imaging techs have also been cut. North Bay hospital is a major example of severe cuts to these areas, again, with inadequate or absent services to pick up the slack created by these cuts.

So people suffer, communities suffer, nowhere more vividly than in the north. The north is especially hard hit, since we have rural areas and challenging transportation distances and inclement weather. More and more people feel punished for simply living and working in the north.

I ask, where is the show of concern from Ontario's Liberal government? When will they say, "Enough is enough," and provide the needed funding increases?

Well, they will say—and we've heard it—"We have increased dollars spent on public health care." But they mask the truth by not factoring this against inflation and by including dollars specifically earmarked for special projects, not always about global direct patient care.

The government has continually put forward privatization as a solution to underfunding problems, yet rather than fixing the problems, privatization is making them worse. Ontario's for-profit nursing homes have a mortality rate that is 16% higher than non-profit homes and a rate of hospitalization that is 33% higher. Home care privatization is out of control, and we hope that the current review will realize that public and non-profit providers are best placed to provide home care.

The government has now made it easier for private clinics to provide medical procedures, such as cataract and colonoscopy services, previously provided by hospitals. We know that patients have been charged user fees in contravention of the Canada Health Act, and that self-referral continues to be a problem. Practically all laboratory testing has been privatized, increasing the hardship for those in rural areas. Physiotherapy services continue to be cut from hospitals and transferred to private providers. Right across the system, we are seeing privatization that is costing more and delivering less.

Privatization has failed to deliver on its promises to the public. It has only succeeded in delivering huge profits to companies like CarePartners in St. Catharines, a company, like so many of them, that has made large donations to the Liberal Party.

Many of our sectors are being restructured right now, but no amount of restructuring can compensate for the disappearance of services. Base operating funding for all of Ontario's public hospitals has been frozen for four years. The Ontario Health Coalition has provided the statistics, so I don't need to go over them here; you have them. You have the sorry picture of the nature of the cuts to health care services resulting from the frozen budget.

The Canadian Association of Emergency Physicians identified that hospital overcrowding has been escalating and recommends "that governments sufficiently increase the number of functional acute care beds to achieve regular hospital occupancy rates that do not exceed 85%."

Mental health services continue to remain the poor cousin of the health care system. Since the Michael Kirby report in 2009, we are still waiting to see the implementation of a framework that will create lasting change so that our jails are no longer the mental health facilities of last resort.

The North Bay hospital cut its mental health rehab program last year, and a spokesperson told me that they knew there was no community provider. So when I asked where the patients were to go, the person shrugged and said, "Sudbury, I guess": an hour and a half drive each way, on a good day, for a person with mental health problems of a level requiring three or four professional contacts a week. I hardly think many patients will make the drive. It is shameful.

Ontario's public sector could have the capacity to do what we used to do, which is to manage public funds

effectively to deliver the programs we need. We built medicare. Privatizing the work and the oversight of the public sector as we have with public-private partnerships has been a disaster, as proven by the Auditor General, and will continue to be so.

This budget needs to turn the page on the last seven lean years of austerity and restore public health services and confidence to their proper place as a vital, vibrant and healthy part of every Ontario community.

Thank you for your time today.

**The Chair (Ms. Soo Wong):** Thank you very much. I'm going to turn to Ms. Hoggarth to begin this part of the questioning.

**Ms. Ann Hoggarth:** Good morning, Mr. Arbus. How are you today?

**Mr. Jeff Arbus:** Good morning. Fine, thank you.

**Ms. Ann Hoggarth:** Thank you for your presentation. As a former union leader, I thank you for your hard work that you do on behalf of your members.

In the last three days, we have heard from many OPSEU members, mainly correctional officers, and parole and probation officers as well. I do understand your concerns. We have heard people's concerns in the last four days about the issues that you've talked about. As my colleagues have said, the health budget has risen quite a lot, not just since 2012 but in the last couple of years as well.

I'm going to turn it over to Minister Oraziotti now to talk to you.

**The Chair (Ms. Soo Wong):** Minister Oraziotti, you may begin this round of questioning.

**Hon. David Oraziotti:** Thanks, Chair, and thanks, Mr. Arbus, for being here today. I appreciate your long-standing interest and advocacy on behalf of the members you serve, and the community as well.

**1140**

I want to highlight a couple of things and perhaps get your perspective on this. We have, over the last number of years, increased the number of nurses in the province by over 10,000. There are 4,000 more doctors in Ontario today. We have continued, globally, on the provincial budget with respect to health care—we're now over \$50 billion.

Granted, in the years 2005, 2006 and 2007, for example, we increased the provincial health budget at a level greater than we have in more recent years, given some of the economic pressures, but in each and every year, individually, the allocation toward the Ministry of Health and spending in the province has gone up, albeit perhaps not as much as we all would have liked it to go up.

You reference issues around taxation and corporations and whatnot. There are many examples in this province of a challenged economy. We have several steel mills, for example, that are in bankruptcy protection. We have other manufacturing jobs and companies that have packed up and left to go to jurisdictions where they don't have environmental regulations or worker standards or other higher costs associated with manufacturing. That's

a constant challenge. We're trying to ensure that we both protect the economy and keep manufacturing jobs alive here, because a strong economy helps us invest in public services.

I think we would probably all agree that we have an ongoing challenge in protecting the public sector jobs that are in Ontario today and the wages, benefits and pension investments that are currently being made by the government today. We want to keep good public sector jobs in Ontario. That has been something we demonstrated through one of the worst downturns that we've seen since the Great Depression in more recent years.

The costs around health care in particular and the transformation that we have been trying to make, which is driving more resources into the community and changing that dynamic of seeing hospitals as one-stop shopping, as the only place you could go for anything that you needed, has taken some time. We didn't get to this particular point in time, where the hospitals were seen as the only place to go—we didn't get to that overnight. That took many years.

To get to a place where we can have resources in the community that are more affordable for home care, for long-term care, for mental health services and these other types of services—I'd like to hear your thoughts in terms of prioritizing health care spending and how we can make the health care system more sustainable long-term, because clearly what was happening before was not sustainable. Health care costs going up at 10% a year was just not sustainable where it is simply a hospital catch-all process.

We have a new hospital in Sault Ste. Marie, and granted, bricks and mortar alone—we've heard that—are not significant to make a difference. But the investment in staff and the 46% that we've increased the hospital budget from 2003 to today has made a difference.

I'd like to hear your thoughts in terms of how we make health care sustainable long-term.

**Mr. Jeff Arbus:** Thanks, and thanks back to you, Minister, for your work as well. I travel around the north-east quite a bit. I have been in the North Bay hospital and have seen the impact of cuts to mental health services, with nothing in the community to pick up the slack. I've been in the Timmins hospital and have seen the impact of cuts there, with nothing in the community to pick up the slack. I've seen the impact of private providers in both the P3 model and private home care, and the impact of that on seniors who have difficulty navigating the system.

When you talk about placing services in the community, if what you mean is placing private providers in the community who are going to double-charge fees in contravention of the Canada Health Act, I don't think that's really right. I think we don't have a system that provides sufficient oversight. We don't have a system that supports those who are in most desperate need in our community, who are the ones really suffering.

I look at the situation for seniors and those with mobility problems just trying to access services. Physically relocating in a community may work in larger



centres where there is that sustainability, but in some of the smaller communities in the north and northeast, I can tell you that it just is not happening. Whoever is telling you that this kind of stuff is going on has not been in the same communities that I've been in in the northeast.

**Hon. David Oraziotti:** From my own personal experience in our constituency office over the last 12 to 13 years, I've seen a difference in terms of supports in the community, but—

**The Chair (Ms. Soo Wong):** I'm going to need to stop this conversation. Mr. Arbus, if you have any written submission, please submit it to the Clerk by February 2, 5 p.m. Thank you very much for your presentation.

#### SAULT STE. MARIE INNOVATION CENTRE

**The Chair (Ms. Soo Wong):** The next presenter is the Sault Ste. Marie Innovation Centre. The Clerk is coming around with your written submission, Mr. Vair.

Thank you, and welcome. Good morning. As you've probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. In this round, the questioning will be coming from the official opposition party. When you begin, could you please identify yourself for the purposes of Hansard. Welcome.

#### *Interjections.*

**The Chair (Ms. Soo Wong):** Folks, could you please quiet down on the right there? Okay. Mr. Vair, you may begin.

**Mr. Tom Vair:** Thank you. Good morning. My name is Tom Vair. I'm the executive director of the Sault Ste. Marie Innovation Centre. We're a non-profit organization and our mandate is to grow the science and technology sector in the Algoma region. I thank you for the opportunity to present this morning.

In the past year, our organization has helped to create 60 jobs and attract over \$1.8 million in funding to the community and support over 70 science and technology companies, as well as do quite a bit of work in outreach, trying to promote entrepreneurship and youth retention and youth involvement in science, technology, engineering and math careers.

We also undertake market development projects for our community related to a number of different things. We operate a Community Geomatics Centre, which has 18 staff doing projects across Canada. We are implementing the community Smart Energy Strategy. We have a game development studio. Also, we have the Rural Agri-Innovation Network working with NORDIK Institute at Algoma University, helping some of the agricultural producers in our region.

Some priorities for us, obviously, are to continue to try and grow our private sector economy here and diversify the economy in the knowledge-based world, related to careers in science and technology. We are a member of the Ontario Network of Entrepreneurs. There are innovation centres across the province that have served over 1,200 companies and this past year attracted over half a

billion dollars raised by these companies in Ontario, across all of the innovation centres in the province.

We're seeing emerging trends in our region here. We've got growth amongst our incubator clients and our SMEs in the community. We've working with global firms on projects in Sault Ste. Marie. The OLG modernization process that Tom Dodds mentioned earlier is a key priority for our community and something we're working on proactively. I'll touch base on that in a moment. We've received a lot of attention for our Community Geomatics Centre Community Information Utility model.

In terms of budget input, what I would like to say is that the province has made an investment in the Ontario Network of Entrepreneurs at the innovation centres across the province, and we would certainly ask that that support continue because we're seeing the fruits of the labour of all these innovation centres and the positive results of the companies. This also includes support for the Business Acceleration Program and Youth Business Acceleration Program that are administered through MaRS but that we access here in Sault Ste. Marie as well.

Obviously, the Northern Ontario Heritage Fund plays a critical role in our community in supporting our innovative start-up companies, and we would like to ask that these programs continue to be funded because they are being very effective in providing critical resources for the development of our innovation economy here in the north and they're making important contributions to our community in terms of job creation, innovation, youth retention and business growth.

We're also working on a couple of special initiatives here in Sault Ste. Marie that I wanted to mention. Tom Dodds touched earlier on the modernization process at Ontario Lottery and Gaming. We have over 580 workers in the head office here in Sault Ste. Marie. The modernization process can present opportunities, but could also present some risks. As a community, we have been very proactive in working to ensure that this process is a positive for our community. Obviously, with Essar Steel in bankruptcy protection, OLG is a key employer in our community, a key employer of knowledge-based jobs.

We're working on a strategic exercise now to look at how we can attract new jobs and looking at innovation happening across the world in the global gaming sector. We've been working with gaming experts as part of a gaming task force in Sault Ste. Marie, and I think we have identified some opportunities. We'll be looking to try and grow a lottery and gaming cluster in our community and work with the new proponents that are selected as part of this modernization process to do just that.

#### **1150**

Secondly, our Community Geomatics Centre has created a platform that has been recognized internationally and works across multiple sectors: social services, health, economic development, and municipal and utility operations. We've seen great value in a common data platform for the community, where information is shared.

We believe an opportunity exists to create a regional information utility network here in northern Ontario that will truly create a smart jurisdiction and bring co-ordination amongst all of our different community players to optimize the resources that we have.

Innovation takes place across Ontario, not just in large major centres but in small communities, medium-sized cities and certainly here in Sault Ste. Marie. So as new strategic initiatives are put forward in Ontario, we would ask that the government continue to remember that there is consideration given to northern communities and how we can participate in building our knowledge economy, diversifying the economy of the future and building a strong and prosperous northern Ontario. Thank you.

**The Chair (Ms. Soo Wong):** Great. Thank you very much for your presentation. I'm going to turn to Mr. Fedeli to begin this round of questioning.

**Mr. Victor Fedeli:** Thank you very much, Chair. It's much appreciated.

Thank you for the presentation. I want to ask you—in the second of the new initiatives, this geomatics centre—a regional information utility network. Can you tell us a little bit more about what you mean by that?

**Mr. Tom Vair:** Sure. In Sault Ste. Marie, we've been able to build a platform—and it started with our municipality and our utility working together and sharing a common geographic information system repository. We brought in social services, health care and economic development data into that database, and now we have multiple organizations using it.

We've had a lot of interest from other communities in northern Ontario: "How do we create the same thing?" What we're proposing, actually, is that we would have nodes in each of the major communities—North Bay, Sault Ste. Marie, Sudbury, Thunder Bay—and tier 2 nodes in some of the smaller communities, where data would be captured, shared—

**Mr. Victor Fedeli:** Utility data?

**Mr. Tom Vair:** Not only utility data. What we're looking at here, and what we've done in Sault Ste. Marie, is that we've got census data, health information and social service data. We've even got information about community resources—what energy projects we have in the region, and what our wood basket is in the region.

All of this data is on a common platform and maintained and kept up to date. It allows these agencies to actually access data, ask questions and solve problems in a way that is done in a coordinated fashion, which we haven't seen anywhere else.

**Mr. Victor Fedeli:** You also seem to have a particular bent towards entrepreneurs. I tend to agree with you, when we talk about filling the skills gap. Just think about the fact that we have 700,000 companies in Ontario. If only half of them each employed one new person, you would have solved our unemployment issue in Ontario.

Do you have any thoughts about entrepreneur training?

**Mr. Tom Vair:** Absolutely. We've rolled out some programs and workshops and mentorship series. In fact,

just yesterday, we had a fellow from Sault Ste. Marie, who has opened a business in Halifax, do a business workshop here in Sault Ste. Marie. We have ongoing training programs.

To your point, where we see opportunity and growth is—a lot of our start-up companies and small companies are just at the stage where they're starting to go global. Providing them with resources—and there are some new programs that have been made available—to assist them in exporting their goods and services, helping them navigate attracting new clients in other jurisdictions and using the trade network that is out there is a critical point of helping our companies grow.

**Mr. Victor Fedeli:** Your last point that you made: "As new, large programs are announced in economic development or research, consideration must be given to how northern Ontario can participate."

I take your point. The Auditor General was very clear in her report that came out in December that of all the billions that were announced, none of it was for northern Ontario. Since that Auditor General's report came out, we have done an analysis back to 2010, and we found only two grants since 2010, of all those billions, that actually came to northern Ontario. So your point is very, very well taken. I'm not sure I can presume that what you were referring to in that was the Auditor General's report.

**Mr. Tom Vair:** There's the Auditor General's report. Also, we looked at other countries. The Scandinavian countries do a pretty incredible job of creating research institutes around their entire country, in smaller communities spread across their entire country. Because of Ontario's vast geography, I think there's a tendency for a lot of these things to happen in southern Ontario, but we've shown through our initiatives that we can attract skilled people and we can take on innovation in northern Ontario. I think that that's something that should be supported.

**Mr. Victor Fedeli:** I think our job as legislators, and northern Ontario folk as well—I'm from North Bay; I represent Nipissing—is to make sure that we bring that Auditor General's report to light and shine a light on the fact that those funds have been really centralized. Again, I followed up with the research. We're going to present that in the Legislature when we return: that there was one in 2010 and one in 2011 and no others. It's going to be, I think, a major revelation, so I thank you for presenting that here.

**Mr. Tom Vair:** Thank you very much.

**The Chair (Ms. Soo Wong):** Thank you very much for your presentation and your very brief, concise report to the committee. As you can appreciate, we have lots of reports. Thank you for your presentation, and have a great day.

I'm going to turn to the committee to see if there's any business before we recess for lunch. Ms. Albanese?

**Mrs. Laura Albanese:** Thank you, Chair. I would like to ask for unanimous consent for the Sault Ste. Marie

Chamber of Commerce to present to the committee this afternoon.

**The Chair (Ms. Soo Wong):** Okay. Do we have unanimous consent? There's no debate; just yes or no. All those in favour? Opposed? We're going to go ahead. Mr. Clerk, you can contact this particular witness, and they can come as the last presentation, at 3:45.

We're going to recess until 1 p.m., everybody. We'll see you after lunch.

*The committee recessed from 1203 to 1300.*

#### DOMTAR

**The Chair (Ms. Soo Wong):** Good afternoon. We're going to resume the Standing Committee on Finance and Economic Affairs with pre-budget consultation hearings.

I believe the first group before the committee this afternoon is Domtar. Is Annabeth Reitter here? Good afternoon. Welcome.

**Ms. Bonny Skene:** Good afternoon.

**The Chair (Ms. Soo Wong):** Welcome to the standing committee. I believe the Clerk is circulating your presentation and written submission, so thank you for doing that.

You have 10 minutes for your presentation, followed by five minutes of questioning. Shortly, my colleague from the third party will be joining us, so you may begin at any time. When you do begin, please identify yourself for the purposes of Hansard.

**Ms. Bonny Skene:** Thank you, Madam Chair. Good afternoon. My name is Bonny Skene. I'm from Domtar. I'm the regional public affairs manager for Domtar in Ontario and British Columbia. My colleague Annabeth Reitter extends her regrets.

On behalf of my colleagues at Domtar, thank you for affording us the opportunity to address the standing committee. As you may be aware, Domtar is a leading provider of a wide variety of fibre-based products, including papers, pulp and personal hygiene absorbent products. We have approximately 9,800 employees, serving over 50 countries. We're driven by a fundamental commitment to turn sustainable wood fibre into products that people use every day.

We've circulated a slide deck—it's very brief—that I'd like to take you through, if you wouldn't mind following along.

In Ontario, we have two operations. The first one is at Espanola, and it is a specialty paper mill, producing about 340,000 tonnes of pulp annually and about 63,000 tonnes of specialty paper. When we talk about specialty paper, we talk about food wrappers, muffin cups, surgical gowns—that type of thing. We employ 550 people at the mill in Espanola, and it is a regional hub of activity and an economic driver for the region. Suppliers include local sawmills, and there are about an additional 100 people employed in supplying fibre in the form of logs to the mill and another 800 in terms of transportation.

The economic integration—and I'll get into this a little bit later—is very important when you consider a pulp

mill, because its source of fibre is sawmills, so those who are producing lumber. The pulp mills take the waste. When you think about economic impact, it's quite a reach.

On the next slide is a photo of our Dryden pulp mill, which produces about 325,000 tonnes of softwood pulp annually, employing about 340 people at the mill and another 450 either in harvesting or transportation-related jobs having to do with the harvesting of fibre. Dryden manufactures softwood pulp, primarily for coated-paper customers like magazines, and, also, household products like tissues and towels.

On slide 4, we really want to stress that—and this is not specific to any area of policy, but in general—we find that generally there is a need for political direction to come to ensure policy choices, whether they be financial or other, and recognize that the pulp and paper sector is the platform for a long-term bio-economy in Ontario. We all talk about the bio-economy, and pulp mills really serve as an anchor or the hub of that kind of model. A viable pulp mill anchors the region's economy, as I said, by utilizing waste streams, or the leftovers—the sawdust, the chips—that come from the regional sawmills. It's a symbiotic relationship because the sawmills need an outlet for those chips; otherwise, they become an environmental issue, and the pulp mills need it for raw material for the products that go into that. When we say that it's an integrated industry, that's what we mean. It's that symbiotic relationship where we're interdependent.

On slide 5 you'll have a short overview of Domtar's operations in North America. These are manufacturing operations in pulp, paper and personal care. The two red dots: In Canada you'll see one at Kamloops, British Columbia; the other at Dryden, Ontario. Those are our market pulp mills. The blue dots are paper mills. You'll see the dot there in Espanola. Those are our two Ontario operations.

The key point on this slide is that our Ontario operations compete with those sister mills for investment dollars. That's why we're keenly focused on ensuring that we have competitive hosting conditions for those operations in Ontario so that we can attract the capital investment that is required to maintain the operations, but also as we start to think about this concept of the bio-economy, attracting those investments that will lead to the next generation of bio-refining, if you will.

When we talk about priorities for success on slide number 6, a key priority is ensuring a reliable, cost-effective, sustainable wood supply. Two points for the consideration of this committee that we'd like to bring forward: ensuring that the Crown Forest Sustainability Act is not diluted as the underpinning of sustainable forestry in Ontario. That act has been in place for many years. It serves a purpose. When you look at our footprint, we operate in many, many jurisdictions. We can tell you that the framework for sustainable forestry is very robust in Ontario.

We also have worked with the government to improve the competitiveness of electricity pricing for industrial

members of the northern economy. We would encourage this committee to consider continued support for the Northern Industrial Electricity Rate Program. There has been a commitment made through 2017. We would certainly support that being continued.

On slide 7 we'd like to highlight just a couple of key points that we think are very important from a context standpoint when we start to talk about another topic, and that is carbon policy and cap-and-trade. When you think about the forest sector in Ontario, 80% of energy requirements are already met with renewable cogeneration from biomass and from wood. As a sector, we're able to do that because it's the nature of the pulping operation that causes that to be so. We generate 50% less greenhouse gas emissions per tonne of product than the average competitor in Asia. That's an important point when we start to talk about leakage to other jurisdictions. There has already been a 30% reduction in greenhouse gas emissions achieved. In the big picture, as a sector, we represent just less than 2% of Ontario's total industrial greenhouse gas emissions. The key message on that slide: We're very biomass-based, relying on renewable fuel sources, and we represent less than 2%.

Having said that, key priorities that we would like to see reflected in cap-and-trade policy: We support the vision of a prosperous province with a low-carbon future, and we need the regulatory framework that's being developed to support that. We would like to encourage policy development to recognize already-low-carbon sectors. For example, 85% of the energy needs at the Dryden mill and the Espanola mill already come from sustainably managed biomass. Recognize the fact that we've already reduced, at those two operations, our emissions by 30% and surpassed the Ontario target of 15% by 2020 from 1990 levels. We're already double that goal. We really would not like to see the facilities penalized for having taken the right steps early, and we need that early action recognized.

**1310**

Incorporate incentives to recognize and reward the use of biomass and other renewable sources: We just think that makes sense so that we're not getting into the idea of fuel-switching between fossil fuels. We would like it recognized that renewable energy sources ought to be incorporated into that framework.

Sustainable forestry: As I said, a very robust framework in Ontario should be the underpinning of that low-carbon economy. There are lots of opportunities there; the science certainly supports it. There are currently economic impact analyses going on around carbon policy. We're working closely with the technical people who are putting that together, and we would like to see that available at the outcome.

That brings me to the end of our key priorities. I'd welcome any questions you might have.

**The Chair (Ms. Soo Wong):** Thank you very much. I'm going to turn to my colleague Mr. Mantha.

**Mr. Michael Mantha:** Hi. How are you doing? You're looking at a prior Domtar employee. I used to

work out of the mill up in Gogama, the Ostrom mill. We were there for quite some time, and then it got turned over to Eacom.

**Ms. Bonny Skene:** Right.

**Mr. Michael Mantha:** Prior to that, I was actually servicing an area up in White River. I worked very closely with Mr. Garneau making sure that we kept that White River mill up and running. Unfortunately, we didn't. One of the major reasons why: energy.

With the recent decisions that have been made by the Liberal government in regard to their energy prices, where they've decided to sell off Hydro One, at any point in time did they pick up the phone and call you and ask what kind of an impact this would have on your industry?

**Ms. Bonny Skene:** I'm not aware of any calls that were made. As you know, Domtar is a big company, and I may not be aware of all conversations that have taken place. When you think about it, since you were with Domtar, our structure has changed considerably from the standpoint that we no longer are in the solid wood business, the sawmilling business. We are in the pulp and paper business in Ontario, and our mills are almost self-sustaining from an energy generation standpoint. The cost of electricity is important and the northern electricity rebate program has been key, but the portion of the cost pie that energy represents is becoming smaller as we find ways to become more and more self-sufficient.

**Mr. Michael Mantha:** The Espanola mill is also in my area—fabulous, and it's a niche market that you have there. Keep it; don't talk about it; save it. Don't tell anybody about it.

What I do want you to do is explain very clearly what you mean by leakage, particularly when it comes to the carbon tax. I think it's very important that this committee understands what leakage means and the potential negative impact that it may have on industry in Ontario.

**Ms. Bonny Skene:** Thank you for the question. What we mean by leakage is, pulp and paper—we are a trade-exposed industry, which means we are price-takers. We compete in those commodity markets. What we can control is our cost structure. If the costs become higher and higher, either for regulatory reasons or cost-of-fibre reasons, then there is a possibility that capacity will move to less costly jurisdictions, or it will leak out of Canada to other lower-cost jurisdictions.

That's something that we would like not to see happen as a result of cap-and-trade policy. We've been encouraging the government to recognize the unique position that the forestry sector has in the context of cap-and-trade so as to prevent that.

**Mr. Michael Mantha:** Again, I want to stress the fact of leakage because that is going to be a huge potentially negative impact not only on forestry but other resource-based communities. How do you bring a message across to policy-makers so that they can recognize the advance and the technological changes that you have already done so that that is already recognized, so that you get a recognition for that amount of work?

If you were ahead of the ballgame in regard to other jurisdictions—which we are; I fully know that we are—

that leakage will not be prevented. So how do you see making sure that the policy-making decision-makers recognize the advances that you've already done?

**Ms. Bonny Skene:** That's our big challenge, and I can tell you we're working very hard at it. We're working closely with the people developing the policy, and what we're sensing is that there is an affinity—I think we would all understand that it's much easier, much simpler, much cleaner to put in a one-size-fits-all policy across the board. We would like to see that not happen, for the reasons I've outlined, and I think that's where political direction comes. There needs to be a fundamental understanding of the uniqueness in our sector that warrants not an exception, but a recognition of the early steps that have already been taken. We shouldn't be penalized for having taken those early, ahead of the time frame in which cap-and-trade was introduced.

**Mr. Michael Mantha:** Okay.

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

**Ms. Bonny Skene:** Thank you.

#### ANISHINABEK POLICE SERVICE

**The Chair (Ms. Soo Wong):** The next group coming before us is the Anishinabek Police Service. I believe the Clerk said they do have a written submission that they'll be sending to us electronically.

Welcome, gentlemen and ladies. I only have two names here, so I'll let you do the introductions yourselves. As you introduce yourselves, please also tell us your positions with the police service. This round of questioning will be coming from the government side. You have 10 minutes for your presentation, followed by five minutes of questioning coming from the government side.

**Chief Tom Bressette:** Good afternoon. My name is Tom Bressette. I'm an elected chief of the Chippewas of Kettle and Stony Point First Nation, and we are members of the Anishinabek Police Service. To my left here is Dave Whitlow, the deputy chief of police of the Anishinabek Police Service. Our chief was called away on business today, so he's not able to be here. This is Leslie Zack-Caraballo. She's our head administrative person who deals with our financing in our office.

We'd like to thank you for the opportunity to address the committee today. I'm sorry we don't have handouts for everyone. We brought five of them with us, and I apologize. It's my job to do this, and I was out on the road. I didn't get the opportunity to have this done right, but we're here and we have the presentation for you.

What we're discussing today is the wages and the situation with our police service here in Ontario. If you look at the way it is with the history of self-administered aboriginal police services, the First Nations Policing Program was established in 1991 as a result of the Indian Policing Policy Review that occurred in 1990. First Nations police are self-administered agreements that

allow First Nations the ability to provide policing services that are culturally appropriate.

In 2010, an evaluation of the program determined that there is a continued need for professional, effective and culturally appropriate aboriginal policing services in First Nations. Regardless of funding levels provided, they failed to provide equitable resources to support comparable salaries and benefits.

The Anishinabek Police Service has operated since 1994, providing police services to 16 First Nations communities that have transferred their Ontario First Nations policing authority agreements to our service.

When we move on to look at our histories and our rates of pay, historically the rates of pay for First Nations officers reflected an adjustment to allow for non-taxable income. I'm not sure why people are based on that, because the issue of whether we're taxable or not is not our doing. That's federally legislated. That's protected under federal legislation, so I don't think it should be used as a discriminatory clause when dealing with a specific group of people such as ourselves.

The reason I say that is that we have claims of aboriginal title against this government where we have not surrendered the title to the land to the country, so we in fact are rights-holders. We are not stakeholders; we are the rights-holders of this country to the land. Those are the reasons these matters are being raised.

#### 1320

Clearly, this discrimination has been allowed to continue within this program. Our taxation status is of no business to anybody outside. That's the federal government that created an act of legislation that made it illegal for taxing of our people. That wasn't of our doing. So many things need to be considered.

In 2013, the federal government announced that the First Nations Policing Program would commence a five-year policing agreement. The 2013-14 budget and subsequent years provided a 1.5% increase to base salaries only, with 0% provided for all other budgeted items. That's just putting somebody out there to do a job and giving them no equipment. We feel the impact of that, trying to carry on the tradition and the practice of looking after making sure the law is provided.

The increase was provided to staff salaries as it was part of the tripartite requirement. The increase of 1.5% was the first increase to our annual operating budget since 2008. Our services operated without any increases for five years prior. Salaries and benefits for both the Ontario Provincial Police and the Ontario First Nations policing program have continued to receive increases since 2008, leaving a significant gap between our service and the OPP and the OFNPA.

The OFNPA are First Nations that are attached to the OPP through their police program. They're not operated on their own by themselves. We've got historical funding levels that show that from 2005-06, our funding was at \$9,225,043, and over the extent, you can see the base wage parity went from \$9,933,000 and then up in 2007 to \$10,265,795.

Saugeen, one of our communities, left our service at that time because of issues within the agreement. Their chief was a lawyer, and he said that some of the things were questionable in the agreement and he wanted to challenge it. The rest of us wanted our police service to continue, so we didn't initiate any court challenge. We just accepted this service and moved forward with the 3% increase that came in 2008. That put us up to \$10,573,795.

As you go down the figures, there were no increases from that point on until we get to 2014, when the 1.5% increase in base salary only came into effect. Again, from 2014-15 to 2015-16, 2017-18 and 2017-18, the 1.5% increase to the base salary is the only increase that we see in our service.

In March 2015, the Minister of Community Safety and Correctional Services provided confirmation of a one-year agreement to provide Ontario's 48% share of the 8.55% salary increase to OFNPA officers, so they got more money than ours did. This is keeping with the principle that OFNPA officers would be at a wage parity level with the OPP, whereas our officers in the stand-alone are not given the same treatment. The adjustment was to be provided retroactive to January 1, 2014.

The minister further committed to ongoing discussions with OFNPA communities to improve delivery and sustainability of the First Nations Policing Program. We looked at this sustainability. The 2013 announcement of a five-year agreement was a welcome outcome to the efforts to secure a multi-year agreement.

The FNPP continues to operate hand to mouth. The impact of one-year extensions does not allow for long-term planning; it negatively impacts the recruitment and retention of front-line officers, due to instability of funding; and retention of trained officers is difficult, as they seek services of stability, better salaries and construction of detachments that meet provincial adequacy standards. That's something that we have a problem with. Our detachments are not up to the standard that the OPP's are, so we are below the standard of policing.

As a direct result of that, up in the Mushkegowuk area, up in the James Bay coast area, two men burned alive inside a jail that was in the basement of a building, because they couldn't have an adequate lock-up there. Those two fellows burned up in there. This underscores the need that our people need to be put into safe places if they're to be detained and ready for court.

The state of our detachments: The instability of funding equals our inability to provide financial institutions the comfort required to support community infrastructure development. The provision of detachments is a community effort which requires the securing of funding for construction. Our service then enters into a long-term lease with the community.

The majority of structures are far from functioning police detachments, best described as administration centres where community members can discuss police matters. Those should be private, where you've got security, and oftentimes, the community can hear through the walls, so there's not much trust in that.

**The Chair (Ms. Soo Wong):** Chief, can you wrap up your presentation? I have to turn it to the government side so that they can ask you some questions about your presentation.

**Chief Tom Bressette:** I guess, essentially, that's what we're looking for. There's a whole lot of things that the lack of funding does. It hits us hard, and it impacts on the governance of our police services while we're trying to improve that.

**The Chair (Ms. Soo Wong):** I'm going to turn to Ms. Albanese to start this round of questioning.

**Mrs. Laura Albanese:** Thank you for your presentation today, Chief Bressette. If I understood correctly, one of the main concerns that you have is wage parity with the OPP.

**Chief Tom Bressette:** Yes. It has an impact because it draws our trained officers away from the community for better wages. We're left retraining police for the OPP all the time, and that's where all our money goes.

**Mrs. Laura Albanese:** Right now, you have an agreement until—you said five years, right?

**Chief Tom Bressette:** It's 2018.

**Mrs. Laura Albanese:** Oh, 2018, and so that's cost-shared by the federal government, Ontario and the respective First Nations?

**Chief Tom Bressette:** It's 48% and 52% by the two governing bodies.

**Mrs. Laura Albanese:** Oh, by the two government bodies. So there is a federal share in that too, and it's typically renewed every—

**Chief Tom Bressette:** They're renewed on a five-year basis, but it's like we negotiate every year for money. We've got a five-year agreement, but every year, we wind up asking for additional resources.

**Mrs. Laura Albanese:** I see. Aside from that, you also have talked about the detachments not being up to standards, so there would be also the need for some infrastructure funding.

**Chief Tom Bressette:** Yes. The reason I say that is we've got a big issue with missing women. That's a major issue for us. Really, some of the problems are that we don't have the ability to stay on top of these cases when people go missing, and they get lost in the system. I guess maybe the deputy could explain that process a lot better than I could. The people get lost in our system. Once we do as much as we can, then we have to turn them over to other services, and we can't maintain and follow up and understand what is happening with those missing people.

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**Mrs. Laura Albanese:** Okay. Did you want to add something to that?

**Mr. Dave Whitlow:** Sure. I'm Dave Whitlow. Really, what it boils down to is, we depend on the OPP for that service. We've had lots of occurrences; it actually happens. We have a couple of communities where we have youth homes. Those kids are marginalized to begin with and then they go to the local centre and we lose them almost weekly. However, we've put a lot of effort

into making sure they don't—we find them, but it takes a lot of extra effort. In the summer, we had an incident where we had to depend on the OPP and their helicopter and their tactical teams. Everybody had to come in and help do searches.

Because we actually police from Thunder Bay to, I guess, to Peterborough to Sarnia, that's a big area that we cover with our communities. Our resources: We depend solely on the support of the OPP. This summer's problem was that the Pan Am Games were going on at the same time and their resources were put there. It's a sharing thing. We work really well with them, but we're subject to their needs, which—

**Mrs. Laura Albanese:** Which vary.

**Mr. Dave Whitlow:** Yes. You know, it's just hard.

**Mrs. Laura Albanese:** As far as the infrastructure needs and the detachments: How many would there be? I'm just trying to get an idea of what that would entail.

**Mr. Dave Whitlow:** We have 12 policing detachments, and seven of them are basically just administration centres that are part of other buildings. We share with the local band officer—almost like a storefront, where you have the ability to come in, but we don't have proper facilities or proper lock-up facilities. The OPP also, for the most part, care for our prisoners. They're not police facilities. They don't have proper interview rooms. It's almost like: A section off of this is where our building gets put into. We do have a couple of great facilities that we've recently built. The community built them, and we pay rent. That's basically what it was.

**The Chair (Ms. Soo Wong):** Thank you so much for your presentation, Chief, and your staff for being here. We look forward to seeing your written submission. I know the Clerk has already indicated to me—so that all the committee members know, they will be getting a written submission from your police services. Thank you and have a great afternoon.

**Chief Tom Bressette:** Thank you.

#### UNION OF ONTARIO INDIANS

**The Chair (Ms. Soo Wong):** The next group coming before us is the Union of Ontario Indians. The Clerk just told me that the presenter is Gary Dokis. Am I getting that right?

**Mr. Gary Dokis:** Pretty close.

**The Chair (Ms. Soo Wong):** Good afternoon, sir. Welcome. There is a written submission being circulated by the Clerk. As you heard earlier, sir, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the official opposition party. You may begin any time. Welcome.

**Mr. Gary Dokis:** I think I've seen that fella before.

Good afternoon.

*Remarks in Anishnaabe.*

My name is Gary Dokis, political adviser to Grand Council Chief Patrick Madahbee. I bring greetings today from Grand Council Chief Madahbee, who had other

commitments when we were invited and couldn't attend, so I'm attending here in his place.

My role here this afternoon is to do the submissions of the Anishinabek Nation. I work for Grand Council Chief Madahbee, and as Chief Bressette reminded me, as one of the Anishinabek chiefs, I also work for him, so he's keeping an eye on me here, I'm sure, which he always does.

We share some common goals, the Anishinabek Nation and Ontario. We look for common objectives in improving First Nation outcomes. The areas we're going to talk about today are education, resources and economics, social and child welfare, health, and employment and training.

Our presentation is based on the Anishinabek Nation—Ontario Action Plan. The Ontario action plan was developed in late 2014 and, over the last year, we presented it to the government in various forums. We have a continued partnership with the Ministry of Aboriginal Affairs through a bilateral process where we meet twice a year.

One of the key elements that we had last year was an Anishinabek Nation—Ontario Summit. This was held in Thunder Bay in August of last year and included the Premier and eight cabinet ministers who attended, and we also had regional chiefs from our association who presented our objectives on the action plan. This was a positive example of First Nation—provincial relationship-building, and it was a good opportunity to advance Anishinabek Nation priorities.

In the area of education, we're recommending:

—that Ontario allocate financial resources to support the implementation of the Anishinabek Nation—Ontario Master Education Framework Agreement, which was signed in 2015, so that the Anishinabek Nation and Ontario's staff can begin the process of implementation discussions;

—that Ontario allocate resources to secure a mandate to negotiate comprehensive self-governance with the Anishinabek Nation as part of an overall process to increase self-reliance; and

—that Ontario allocate resources to support lifting provincial post-secondary institute funding application restrictions in order to allow the Anishinabek Educational Institute and other such First Nation institutes to submit an application. We have operated a post-secondary institute called the Anishinabek Educational Institute quite successfully for a period of approximately 20 years. It has grown to serve many First Nation students, not just in the Anishinabek Nation but all throughout Ontario.

In the area of resources and economics:

—that Ontario commit financial resources to develop options as it relates to the Anishinabek Nation growth and recovery plan submitted to aboriginal affairs in 2014 and to develop supporting action plans for investment opportunities, such as the Anishinabek Nation—Ministry of Natural Resources and Forestry forestry framework memorandum of understanding, the global Anishinabek Nation—Ontario bio-economy partnership strategy and the

Anishinabek Nation–Ministry of Northern Development and Mines mining strategy partnership. The Anishinabek Nation growth and recovery plan is intended to foster partnerships between the Anishinabek Nation, Ontario government and natural resource sector key industry leaders for mutual benefit and recovery of the industry.

Second under resources and economics, one of our key platforms when we presented at the summit last summer was:

—that Ontario commit financial resources to support an Anishinabek resource revenue and resource benefit-sharing framework as a vehicle for long-term participation in the economy, which will help us to implement the Anishinabek Nation economic blueprint, sustaining current and future initiatives such as green energy projects as well as maintaining a proactive approach to assessing new and emerging economic opportunities. Back about five years ago, we developed the Anishinabek Nation economic blueprint, which is a good step for a First Nation to become successful economically. We have been implementing it, but slowly, over the last few years.

In the area of child and social welfare:

—that Ontario allocate resources to continue to work with the Anishinabek Nation toward formal recognition of the Anishinabek Nation Child Well-Being Law and the negotiation of a framework agreement with the Ministry of Children and Youth Services to transfer all child welfare authorities to the Anishinabek Nation Child Welfare Secretariat. We have passed a Child Well-Being Law in the Anishinabek Nation and are currently working on an implementation plan;

—that Ontario work with the Anishinabek Nation to develop a mechanism to support a Treasury Board transfer of resources to the Anishinabek Nation Child Welfare Secretariat by April 1, 2017, which is the anticipated effective date of the Anishinabek Nation Child Well-Being Law, and the implementation for that is being developed for that at this time;

—that Ontario allocate resources to renegotiate the provision of a comparable funding allocation for the Office of the Provincial Advocate for Children and Youth in support of the development of our own Anishinabek Nation children and families advocate office; and finally,

—that Ontario allocate additional resources for prevention for First Nation agencies to ensure that effective supports for family unity are in place to address the overrepresentation of First Nation children and youth in protection services. I think we can all agree that money is well spent when we spend it in prevention rather than aftercare treatments.

In health:

—that Ontario commit to engaging the Anishinabek Nation in expanding the scope of any existing prescription drug abuse programming, including mental health and addictions, and reformatting the distribution of funds to strategic methods that better address the challenges faced by Anishinabek citizens;

—that Ontario commit financial resources to engaging the Anishinabek Nation on increased annualized funding

for the FASD program and develop a parallel and culturally appropriate multi-year strategic plan and framework; and finally,

—that Ontario allocate dedicated resources to fund an FASD diagnostic clinic at Health Sciences North in Sudbury.

In the area of employment and training, we have two recommendations:

—that Ontario allocate resources to enter into a formal partnership with the Anishinabek Nation for the development of a forum to discuss ways of better coordinating the delivery of federal and provincial employment programs for First Nations in Ontario; and

—that Ontario commit resources to support a partnership with the Anishinabek Nation and to conduct research to develop a comprehensive labour market strategy and framework that links planning for employment and training services strongly to economic development initiatives led by ministries, industry and employers in Ontario.

That's our presentation. Meegwetch.

**1340**

**The Chair (Ms. Soo Wong):** Thank you very much. I'm going to turn to Mr. Fedeli to begin this round of questioning.

**Mr. Victor Fedeli:** Thank you very much, Chair. Gary, it's great to see you.

**Mr. Gary Dokis:** Yes, likewise, Vic.

**Mr. Victor Fedeli:** It's a nice surprise to see you here today.

Your points that you've made—at the beginning of it, you referred to a meeting that was held with the Premier and cabinet ministers. What kinds of agreements would have been made at that particular meeting that are reflected in the discussion that you just had?

**Mr. Gary Dokis:** One of the key outcomes from that meeting was the educational agreement. It was agreed to in principle at that time and we actually signed the master education framework agreement at our November assembly here in Sault Ste. Marie.

A lot of the initiatives at that point, Vic, were more about opening the door, and like I said, it's not the first time we presented the action plan. We're trying to be consistent so that we're not coming one year with one set of objectives and a whole new set the next year. So in the last year, we tried to be more strategic and more consistent on how we're presenting our objectives to the government. I guess from last year, that was probably the key outcome from that.

But I think from our perspective, the chance to have our chiefs present to the ministers directly applicable—because a lot of times, as you understand, we write proposals and send letters in, and they're reviewed by probably lower-level staff, and we don't have the opportunity to actually address cabinet ministers.

**Mr. Victor Fedeli:** Yes, that's fair. That's a fair statement, Gary. Thanks.

On this Anishinabek–Ontario master education agreement, where are we with it?



**Mr. Gary Dokis:** At this point, we're getting pretty advanced. We need both partners. We've been working with Canada since 1997, negotiating the Anishinabek educational system. At one point, we had to bring Ontario into it because they provide the curriculum for our own educational systems. At this point we actually are going to ratification at the end of this year. I was at a session this morning that was being held in the building about constitution-building. They're gearing our communities to have a vote on accepting the master education system in November of this year.

What we have been doing with Ontario was to bring them on board so that they can participate as far as the end of—because of the curriculum, because obviously once they leave our system, they have to be able to go into the provincial system.

That's where we're at with that. We're pretty advanced. The fact that we signed a master education framework agreement, although it's just a framework agreement, allows us to negotiate more details.

**Mr. Victor Fedeli:** You talked about the fact that you're being more consistent in the presentations that you've done—an overall theme and you're sticking with them. Is education, that agreement, is that the number one, Gary?

**Mr. Gary Dokis:** It's number one in the sense that we're advanced in it, but really, anybody who is aware of First Nations issues, and I know you are, Vic, certainly, from our past history, all our priorities are pretty—as you know, if we could discuss, and we would need a lot more time to discuss all the needs for First Nations, but we've highlighted over the last year that these are what we need to move forward. It doesn't mean that in one-off situations for individual chiefs, we don't bring other issues forward, but education is important right now in the fact that we're getting very close to implementation.

**Mr. Victor Fedeli:** What can we do to help you in the Legislature? What do you need us to continue to discuss in the Legislature?

**Mr. Gary Dokis:** Take our action plan that we presented—and if you don't have one, I can certainly forward a copy to you as well. I know that we've presented to the Ministry of Aboriginal Affairs and they have a copy. But as the issues come forward, we do have our bilaterals with Minister Zimmer. We meet twice a year and we present issues to them. We always go through the action plan. The last meeting we had was in November, I believe. We did an outcome of the summit because those are important to us. Certainly anything that comes forward from aboriginal affairs—we'd appreciate your support on that behalf.

**Mr. Victor Fedeli:** How's our time, Chair?

**The Chair (Ms. Soo Wong):** One more minute.

**Mr. Victor Fedeli:** Are we knocking anything off the lists, Gary?

**Mr. Gary Dokis:** I've been in this position for a year and I'm excited. I don't know if you would say we're knocking things off the list, but we are moving forward. We've got 30 First Nations signed up to approve our

education or bring it for ratification this year, which is good—30 out of 39.

We have 30 that are working on the master education framework agreement that was signed with Ontario. We have five community constitutions and more that are developing. From our perspective, we're gaining steam. Like I say, we just want our government partners to be with us.

I don't think that quite answers the question, but—

**Mr. Victor Fedeli:** No, you have.

**Mr. Gary Dokis:** —that's our objective, so we'd like you on board with us.

**Mr. Victor Fedeli:** Yes. I appreciate it, Gary. Thanks.

**The Chair (Ms. Soo Wong):** Thank you very much for your presentation, and thank you for your written submission. Please thank the chiefs and the entire community for all your good work.

**Mr. Gary Dokis:** I will. Meegwetch.

#### ONTARIO COUNCIL OF HOSPITAL UNIONS

**The Chair (Ms. Soo Wong):** The next group coming before us is the Ontario Council of Hospital Unions. I believe it's Michael Hurley. Good afternoon, Michael. Good to see you. Welcome.

As you probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the official third party. The Clerk is coming around with your written submission. Please begin any time, and when you begin, can you please identify yourself for the purposes of Hansard?

**Mr. Michael Hurley:** Sure. Thank you very much. I'm Michael Hurley, president of the Ontario Council of Hospital Unions of CUPE.

First of all, I'd like to thank the members of the committee for conducting these committee hearings across the province. I know it's gruelling to travel, but it's really appreciated to have the opportunity for people to be able to present on what are really significant budget questions for many of us.

The Ontario Council of Hospital Unions of CUPE represents about 35,000 health care workers, primarily working in hospitals in the province of Ontario. Of those, many work in northern Ontario: Richards Landing here, Thessalon, Blind River, Geraldton, Hornepayne and Hearst, etc.

In my presentation I'm going to spend a bit of time on the particular problems of health care in northern Ontario. But first of all, I'd just like to address what is probably our primary interest in your budget deliberations, which is that when this government made a decision to reduce the level of corporate taxation to what we calculate to be the lowest of any jurisdiction in North America, we believe that you created a revenue problem which has required what are in fact fairly significant cuts in health and social services. I'm not personally convinced, and I'm not sure that others are convinced

that the government's policy of reducing corporate taxation to that level has actually been rewarded with the kind of investments which perhaps were anticipated.

This is a key issue in formulating the next budget: whether there will be some reconsideration around your revenues. But I would say that around the expenditures for the hospital sector, we're in a terrible box. In north-eastern Ontario—I'll use that as an example—you can see this roll out. The population of northeastern Ontario is burdened by the lowest incomes of any region. It has more single-parent families. It has a huge First Nations population relative to the rest of Ontario, and that population is often living in conditions which are unhealthy.

This is a population that does not have access to a family physician by any means in the same proportion that people do in southern Ontario. This is a population which is afflicted with higher levels of chronic medical conditions like diabetes. This is a population which has more cancers and has more problems around addictions, including alcohol, drugs and smoking.

What has been happening in the Ontario health care system, particularly in the hospital system, has had a significant impact on this population in northeastern Ontario, and it's a bit of a microcosm.

1350

What do you see? You see a fairly dramatic downsizing in the acute care hospital system here in the Soo, in Thunder Bay, in Kenora, in North Bay—North Bay is the worst, in my opinion, in terms of staff cuts, bed reductions and cuts to programs like psychiatry—and Sudbury. New Liskeard closed half its operating rooms. Timmins shut a significant number of beds in its community. Obstetrics went in Geraldton. What does that mean, practically, in northeastern Ontario? Well, people are told that if they want to give birth in a place like Geraldton, to go and stay in a hotel or motel in Thunder Bay for a week prior to their due date, and \$100 of that is covered by the Northern Health Travel Grants. The full burden of this is being shifted to these individuals.

Ontario had, going into what have been nine years of budget cuts, the most efficient hospital system of any in the Organization for Economic Co-operation and Development. We had the fewest number of beds, the fewest number of staff for those beds and the shortest lengths of stay. We have been cutting these budgets in the last three years, we would say, very conservatively estimated, by something like 15%. The impact of those reductions is occurring at a time when the population is aging and growing. As a result, there are significant access problems and it's not tenable.

I thought the ludicrousness of the situation was summed up with the recent decision of the government around parking for hospitals, restricting the income that they can charge to visitors, which is good news for visitors but bad news for patients, because the hospitals are in a horrible box financially. Their budgets are being cut in real terms. The drugs that they provide free of charge to patients go up 15% a year. Medical technologies: all this stuff bought from the United States and with

our dollar in the condition it is in, but also just in terms of the cost of surgical instruments and medical equipment—the hospitals are in fact cutting beds and services in dramatic terms, and that's just not sustainable.

So I'm here today on behalf of the people we represent to ask the government to reconsider, first of all, whether it couldn't do something on the revenue side with respect to corporate taxation. Secondly, I'm here to make a plea on behalf of the women and men who are working in the hospital system to address the fact that the hospitals cannot continue to operate when their budgets are being cut by something like 5% a year in real terms, year after year after year, while the population queues up at their doors demanding vitally necessary health care services.

Thank you for the opportunity to present.

**The Chair (Ms. Soo Wong):** Thank you very much. I'm going to turn to Ms. Fife to begin this round of questioning.

**Ms. Catherine Fife:** Thank you very much, Mr. Hurley. You started off really quiet, and then you sort of—you're a passionate advocate for publicly funded health care. I think with the stats that you provided us on page 2—just the comparison lines between Canadian hospitals and Ontario hospitals—it's so very clear that Ontario's hospitals, under the direction of this government, have not kept pace with the rate of inflation and the needs of the citizens.

A 1% increase in corporate taxes would probably not address the seriousness of this funding gap. This is going to take some time to address. But the other issue—you didn't make it through your entire presentation, but as the finance critic, I'm trying to follow the money: where the money is going, where our health care dollars are actually going, and why they're not getting to front-line patient care.

The Auditor General, through her report in the fall on CCACs, found that 39% of the funding was actually going to administration, bureaucracy and profit. Do you want to comment on that? Because that's the other side of the equation, don't you think?

**Mr. Michael Hurley:** Absolutely. Nothing drives people who work in the hospital system more crazy than to look at some of the decisions that have been made around private-public partnerships, which have proven to be hugely more expensive and inefficient. North Bay is saddled with a private-public partnership hospital and as a result its cuts are much deeper.

The privatization of the air ambulance service, the electronic health records system, the privatization by a previous government, and the introduction of a market into the home care system and the commercialization of that service and, as a result, the increased direction of precious health care resources which should be directed towards making sure that somebody who's struggling in their own home can stay there and be able to cope with their health condition—the diversion of that money to profit. So yes, I would absolutely agree with you that privatization, in my mind, has no place, really, in the delivery of health care. In fact, as a principle, every cent

that we have should be spent trying to make people well. It shouldn't be diverted to shareholders. It shouldn't be diverted to lawyers and accountants. It shouldn't be diverted to the owners of these huge corporations, etc., but that's what's happening right now.

**Ms. Catherine Fife:** Yes. To your other major theme around northern hospitals and communities: Yesterday, in Thunder Bay, I asked the administrator—because everyone ends up in these regional centres because there isn't a comprehensive home care system or something for chronic pain or long-term care. They experience a great deal of gridlock because they're trying to fill the gap for all of those, or a lack of services.

I appreciate the fact, and I see that you also wrote a report back in 2015, *Pushed Out of Northern Hospitals*.

**Mr. Michael Hurley:** Yes.

**Ms. Catherine Fife:** So they are being pushed out.

The other thing we heard about yesterday is around the mental health piece, and these patients landing in hospitals, but then, of course, the violence that happens and the criminalization of mental health patients as well.

I want to thank you bringing such a comprehensive economic report. I will read it at length. Thank you for bringing these important voices.

Michael, do you have anything else to say?

**Mr. Michael Mantha:** A budget freeze in Ontario, or a 0% increase: Would you agree that it's more than likely equivalent to a 2% or 3% cut in a hospital's bottom line?

**Mr. Michael Hurley:** It's at least that because every patient's drugs in the hospital are provided free. But the drugs are escalating over 10%—I'd say maybe 15%—a year, and the cost of the medical technologies are rising significantly. Actually, if you track doctors' salaries, although there's some dispute about that, in this year, generally speaking, doctors' salaries have been rising over the rate of inflation and over the rate of other public sector workers. These costs are driving up hospital costs above the normal rate of inflation. So when you get a zero, you're really being cut by that amount. That's the reality. That it happens year after year after year is unsustainable.

**Mr. Michael Mantha:** I'm glad you touched on the reality because that's the consistent message that we have been hearing. When we hear Minister Oraziotti, who was here this morning, indicating that in his world there are actually increases that are happening, is that reality to you?

**Mr. Michael Hurley:** I'm sorry. Did he say there were increases?

**Mr. Michael Mantha:** That there were some substantial increases since, I believe, 2003. He indicated this morning that there was a 46% increase to hospital budgets since 2003. Is that a reality to you?

**Mr. Michael Hurley:** You can track that fractionally. Health care spending, hospital spending is increasing. When you chart it against its real inflation costs, though, it's significantly under. It's actually significantly under what Don Drummond said would be a heart-wrenching change for the health care system. The government is

actually cutting much deeper than Drummond did. In the difference between what the real costs are and the zero, and in that sense, while health care expenditures are rising—where are they rising is another question—where is that money going?

**The Chair (Ms. Soo Wong):** Mr. Hurley, I'm going to stop you here. Thank you for your presentation as well as your written submission.

**Mr. Michael Hurley:** Thank you very much.

1400

#### OPSEU

**The Chair (Ms. Soo Wong):** The next individual coming before the committee is Lynn Dee Eason. Good afternoon, and welcome. I understand from the Clerk that you are presenting from OPSEU.

**Ms. Lynn Dee Eason:** Yes.

**The Chair (Ms. Soo Wong):** Okay. Before you begin, I just wanted to give you the instruction that you'll be speaking for 10 minutes, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin any time. When you begin, can you please identify yourself for the purpose of the Hansard? Thank you.

**Ms. Lynn Dee Eason:** Thank you, and good afternoon. My name is Lynn Dee Eason and I am the president of Local 613 of the Ontario Public Service Employees Union. My local represents some 200 faculty at Sault College, including counsellors, librarians, instructors and professors. As well, I'm a member of the divisional executive, representing nearly 10,000 faculty at Ontario's 24 colleges of applied arts and technology or, as we're known, CAATs, affectionately. In total, my union represents 17,000 support staff and faculty at our Ontario community colleges.

As a professor for over 30 years, I remain passionate about student success and have recently seen big and disturbing changes. I've been fortunate to be here this morning, and from what I've heard, I sense that many of us are experiencing a disturbance in the force.

Probably the biggest change is the fact that Ontarians no longer have publicly funded post-secondary education in our province. We now have publicly assisted post-secondary education, in our own ministry documents.

When the first CAATs opened their doors in 1967, approximately 75% of our operating funding came from the province. Now the province accounts for approximately 48% of CAATs' operating funds. There was a temporary increase in operating funding as a result of Bob Rae's review into post-secondary education in 2005. However, the fiscal situation for colleges has badly deteriorated since the late 2000s. In real dollar terms, the government has cut funding for the CAATs. According to Colleges Ontario, in 2014-15, real operating grants per student were almost \$1,000 lower than 2007-08.

Per student revenue from operating grants and tuition fees for Ontario colleges are the lowest among all of our provinces. Tuition fees here make up an increasing share

of college and university funding. They now account for approximately 20% of the operating revenue of the CAATs. This is unconscionable. Post-secondary education is a public good. An education system that provides highly skilled graduates ready to excel in the workplace is obviously a benefit to our whole society, economically and socially.

Our union believes in quality, accessible post-secondary education. Implicit in the meaning of “accessible” is that education must be affordable. Being accessible to people in their local community, particularly under-represented groups, is a critical component of the CAATs’ mandate. Almost 30% of college students report household incomes of less than \$30,000, and 55% of college students report household incomes of less than \$60,000. Our students struggle to pay tuition and all their household costs. Many work part-time while attending college. Sixty per cent of college students don’t enter college directly from high school. They are more likely to be living on their own, often with families of their own, and are returning to college to retrain or to learn new skills so they can do better in a very challenging job market.

The government has made much of its 30% off tuition grant, however, this tuition grant is not doing enough to make post-secondary education affordable. Students are graduating with thousands of dollars of debt. That’s no way to start off.

There is also a very specific barrier that our college students face in accessing this tuition grant. Again according to Colleges Ontario, 38% of college students receive the grant. Many aren’t eligible because they are mature students who have been out of high school for more than four years and are just now returning to school to improve themselves.

The tuition grant can only be seen as flawed and a partial fix to a much bigger problem. On the one hand, the colleges say that they face a net funding gap of \$86 million in 2016-17. The cause, they say, is years of cuts to their operating grants in real dollars and constraints on how much they can increase tuition fees.

On the other hand, it is very clear to everybody, from our view, that operating funds cannot come from tuition fee increases. Our students can’t afford it. As it is, they bear far too much of the burden of funding the college system.

There are a couple of non-starters with regard to answers. The answer is not for colleges to find funding sources through questionable contracts at home and abroad. The answer is not for colleges to cut costs by increasing the proportion of teaching done by part-time, contract faculty.

First, I will talk about the questionable contracts here at home. There are 24 public colleges in Ontario and more than 400 private colleges. The public colleges are now contracting with private colleges, or for-profit colleges—and it is a tangled web to figure out—and giving them licence to deliver a number of the CAAT programs.

In one example, Cambrian College contracted with Hanson International Academy, licensing Hanson to deliver a number of Cambrian programs in its Toronto and Brampton campuses. These programs had been offered at Cambrian’s main campus in Sudbury; some no longer are.

The private college recruited students based on the Cambrian programs. It used course outlines developed by the Cambrian faculty. The students graduated with Cambrian diplomas. But the students were not taught by Cambrian faculty.

We know that at the very heart of quality education is the teaching and learning experience. It is our view that the students of the private college were misled. They thought they were getting a true Cambrian education. They paid almost four times the price. The private college’s website lists the tuition for one program, hotel and restaurant management, at \$26,976; the equivalent at a community college is around \$8,000. The reputation of a public college and the years of public funding and faculty experience that went into developing these quality programs were used to recruit students for a profit-making enterprise.

We’ll look at the colleges’ questionable contracts abroad. You’ve possibly heard more about this on the news today. Our union has been actively seeking answers from the government about the campuses that Algonquin and Niagara Colleges have established in Saudi Arabia, a country with a human rights record that has gone from bad to worse in recent months. The mass execution of 47 people in a single day earlier this month sent shock waves around the world.

We wrote to Premier Wynne on this matter 10 months ago and have received no response. What did the government know about its colleges’ deals in Saudi Arabia? Were they given the green light? Are we chasing dollars at the expense of human rights?

Finally, I want to turn to a tragic consequence of the funding crisis in Ontario colleges: the increasing proportion of teaching done by part-time faculty. Union success at maintaining living standards for full-time, permanent staff has led college employers to flood the workplace with low-paid, non-union, part-time staff. In some cases, part-time college faculty earn a fraction of the going rate for teaching credit courses. The ratio of full-time to part-time is approximately 1 to 3 across the province. At some colleges, the ratio of part-time is now 70% to 75%.

They are paid by hour spent in the classroom only. They prepare, mark, attend meetings and work with individual students on their own time, often earning less than minimum wage for the total time spent at work, forcing them to seek multiple jobs. They have the required post-graduate degrees and experience, yet they have to re-apply for their own jobs every 14 weeks, year after year.

The reliance on non-full-time professors is a threat to quality education. It’s not due to the lack of skill of the contract faculty; rather, it’s the lack of full-time, available faculty that means less time for helping students,

less time for course and program development and a greater challenge to maintain consistent academic standards. We must have adequate funding to support good jobs on our 24 public college campuses.

It is sadly ironic that even as students attend college in order to obtain a good job, the colleges themselves rely so heavily on precarious labour. Appropriate levels of funding must be restored.

I would be pleased to take your questions.

1410

**The Chair (Ms. Soo Wong):** Okay. I'm going to turn to Mr. Milczyn to begin this round of questioning.

**Mr. Peter Z. Milczyn:** Thank you, Ms. Eason, for your presentation this afternoon. You started off by mentioning the Ontario grant program for lower-income students, where they can get a portion of their tuition refunded, and you said about 38% of community college students receive that. Do you see the value in how that increases access to a good education for tens of thousands of students in this province?

**Ms. Lynn Dee Eason:** There's always value in increasing the numbers of students who are able to come, but in my classroom I have sometimes one or two high school students who would be eligible for that; that's it. The rest of my students are people who have often single-income families, where they have children they're supporting; they're rushing from school to part-time jobs, trying to do a compressed course, in my case, as well as provide for their family through their work and spend time with their family. In my case, I see very few students who actually have access to that grant.

**Mr. Peter Z. Milczyn:** So would one of your recommendations be that we look at the eligibility criteria for that program?

**Ms. Lynn Dee Eason:** For sure.

**Mr. Peter Z. Milczyn:** Okay. Thank you.

I don't know the specifics of your particular college, but I know that throughout many parts of the province we see tremendous investments in the infrastructure for post-secondary education. Certainly a lot of community colleges have gotten modern facilities, facilities where they have more computer technology, more advanced technology, where they can provide the programs that will prepare students for the knowledge economy and for the types of jobs that employers are saying they need young people—all people—trained for.

Have you seen in the case of your college or in northern Ontario the benefit of these infrastructure investments in post-secondary education?

**Ms. Lynn Dee Eason:** I've certainly have the opportunity in our own college and as I've travelled to other colleges across the province to see the infrastructure changes. Obviously Sault College was not number one in student satisfaction, mostly because of our facilities, for many years. Once the new buildings came into play, we did have that increase in our student satisfaction.

However, I believe you heard Dr. Common this morning say that he has \$186,000, I believe it was, to look after that building, and he needs a new roof with a

\$400,000 expenditure. We work in buildings—and I actually don't teach in the new building at all because I teach in the computer area. The building that I work in has had to have new siding for many, many years, and each and every year we look at the windows and the mould and the various leaks and whatnot and say, "We don't have the money to look after it."

Cleaning staff are not sufficient in order to be able to look after the new parts of the building. It was lovely to have that ribbon-cutting ceremony and I welcomed the opportunity to have new facilities, but there is a back-up cost to that that must be considered. There are long-term requirements for funding in order to look after those buildings and to make sure that they remain in the good and wonderful condition that they started off in.

**Mr. Peter Z. Milczyn:** You are aware that there is a \$130-billion infrastructure program over the next decade, and many billions of that is targeted at post-secondary education, for new facilities, for renovations, for refurbishments. There is a continuing stream of money being invested in the post-secondary sector.

I was also—

**Ms. Lynn Dee Eason:** Can I just say: I'm looking forward to that and I look forward to the improvements, but I would then come back to the fact that you need the people in those buildings in order to provide the service, which is our core, which is education.

**Mr. Peter Z. Milczyn:** I know that in various parts of the province, we've also been seeing the programs that we're implementing assisting in a better partnership between private sector employers, unions and post-secondary institutions in apprenticeship programs and in training that's tailored to jobs that are out there that employers are seeking. Have you seen, in the case of your college, those types of programs being implemented to support the types of jobs that are in the north?

**Ms. Lynn Dee Eason:** I don't know that I can speak directly to that because, even as president, for a smaller, local college it's difficult for me to follow all of the pieces. Sometimes I see that there seems to be money, such as for the robotics, but the faculty tell me that they don't understand how that's being integrated into the program and how that's actually going to assist in their teaching.

The apprentices come and go on different schedules, and I know they're out there. I think it's extremely important to have those partnerships so that they have placements to go to and have that partnership in that way, but the core teaching is still required at the college. There is an important link there, but you have to have the basics.

When I talk to the faculty about apprentices coming in, it will really vary from one class to the other. For example, we have a class that has come in that the faculty are just raving about because they're so well prepared and ready to take the training that is being given to them.

**The Chair (Ms. Soo Wong):** Okay, Ms. Eason. Thank you very much for your presentation. If you have any written submission, please send it to the Clerk by February 2 at 5 p.m.

**Ms. Dee Eason:** I will. I also have a report that I'll send in.

**The Chair (Ms. Soo Wong):** Yes, absolutely. Send everything. Thank you.

#### SERPENT RIVER FIRST NATION

**The Chair (Ms. Soo Wong):** The next group before us is Serpent River First Nation. The Clerk has the written submission.

Welcome. Good afternoon. I believe you're Elaine Johnston? Welcome. You've probably heard that you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the official opposition party. You may begin any time. Please identify yourself for the purposes of Hansard.

**Chief Elaine Johnston:** My name is Elaine Johnston. I'm the chief of Serpent River First Nation. I acknowledge that we are on the traditional territory of Garden River First Nation, and I acknowledge our ancestors and give thanks to our Creator for being here today.

I also acknowledge the Minister of Finance, Charles Sousa, and members of the finance committee. Greetings from Serpent River First Nation, and thank you for the opportunity to address the Ontario legislative finance committee for the pre-budget consultation in preparation for the 2016 spring budget.

I am the chief of Serpent River First Nation and a registered nurse by profession. I have lived and worked with the First Nations in the Far North and within my home territory.

My Anishinawbe spiritual name is Waawaskonhkwe, which means "Flower Woman." My great-grandmother gave me this name upon my birth as she saw me in a dream before I was born. My elders advise me that the significance of this name means that my purpose on this earth is to be a healer and a teacher—to plant seeds of knowledge. Flowers have seeds that are taken by the wind and birds to be replanted on the earth. Flowers are also used in medicines for health purposes. So I am here today to plant seeds of knowledge for the recommendations for the finance committee's consideration.

Serpent River First Nation is of the Anishinabek Nation, located along Highway 17 between Sault Ste. Marie and Sudbury. Our population is about 1,300, with about 400 living on-reserve. My father was chief, as was my great-grandmother. I come from a large family, with 28 nieces and nephews and 11 great-nieces and -nephews.

I am the granddaughter of two strong Anishinawbe women who were the backbone of our families. My paternal grandmother, Verna Petronella Johnston, owned a large home in the city of Toronto. She took in indigenous children in the city, and was just honoured for her contributions within the city. My maternal grandmother, Agnes Commanda, was a local midwife who worked with the local doctor to deliver many of the children of our community and area. She too cared for many children

in our community. Both my grandmothers and many of the women made sure that the children were the centre of what they did, to ensure the children were fed, clothed, supported and loved. They did this despite the tough times of the day.

I share my story to give you the context regarding my presentation today. Many of our First Nations families are large, with large extended families. Family structures were fractured by the introduction of drugs and alcohol and the forced removal of children, either by children's aid into care or to the residential schools. Loss of culture and language almost destroyed many families, and we are still feeling the effects today.

We need to place children at the centre of everything we do. The investment for our children is the best investment for the long term.

I asked Serpent River First Nation council, our management team and some elders about what I should present. I also placed tobacco upon our Mother the Earth to ask for guidance. I was advised to remind you that the children are our future—all our futures.

There are so many needs that we the First Nations have. Some of us have been successful in mainstream Ontario, but not without manoeuvring through the many challenges of the residual effects of the residential school system, the Sixties scoop of our children, the Indian Act and being confined to reserve lands, lack of resources, racism and negative government policies, to name a few. Many have not been successful and live in poverty, with numerous issues to deal with. The gaps are numerous: education, child welfare, health, social assistance, housing, infrastructure, justice, health, loss of culture and language, lack of jobs and a lack of an economic base.

#### 1420

I note that the 2015 budget theme was "Building Ontario Up." I also note that there was no mention in the budget speech about the indigenous people. Please don't misunderstand me. I know there were some funds for indigenous people within the budget. However, there was no mention of the indigenous people and how we are part of building Ontario up.

I had the great privilege to be at the signing of the political accord with the Regional Chief of the Chiefs of Ontario and Premier Kathleen Wynne on August 24, 2015. This signalled a positive government-to-government relationship which hadn't been seen since the time of Premier Bob Rae, when he forged a positive government-to-government relationship with the indigenous people, along with government policy and funding which was known as the Aboriginal Healing and Wellness Strategy.

The recent federal throne speech signalled Canada's readiness to advance the nation-to-nation relationship with the indigenous people and hopefully the advancement of the Kelowna Accord. There are many jurisdictional issues and barriers between the federal and provincial governments where First Nations citizens get caught between both levels of government on the question of who pays or who is responsible. Meanwhile, the

First Nation citizen either doesn't receive the service or the funds. Indigenous statistical reports show the high incarceration rates, the high numbers of children in care, the below-average school graduation rates, the high suicide rates, the high poverty rates, and the list goes on.

With the recent political developments in the provincial and federal governments, I am hopeful and optimistic for our future. I have to have a mindset that looks toward growth and ongoing development. I am concerned about this, not only for this generation but for the generations to come. When I consider the dire statistics, it is clear that there is no one simple answer. It is also clear that we, the community, have the answers. It is also clear that there is a shared responsibility to the solutions.

To those who might unfairly suggest that we, the indigenous people, do not pay taxes, I will remind them of the treaties and the little compensation that has ever been paid to indigenous people for the billions, if not trillions, of dollars of wealth extracted from our traditional lands through mining, forestry, agriculture, fisheries, energy consumption and so on. By virtue of the harvesting of the resources from our traditional lands and waters, we have paid more into the economy than anyone.

This takes me back to my original point about placing the children at the centre. How do we close the gap so that children and their families are part of the economic growth of Serpent River First Nation, the Anishinabek Nation and the province of Ontario and Canada? I am planting seeds that you will consider that the First Nation communities need community-based funding in many areas. You will get requests from First Nation organizations to receive funds for regional activities or provincial activities. I am not disagreeing with their requests. We do need to work together on a collective basis on issues that are collective in nature. However, much of the regional or provincial funding is for regional or provincial activities. In order for First Nations communities to move away from poverty and dependence on government funding, we need funding to build the capacity within our communities.

If children are at the centre of everything we do, then we must look at children and their families holistically. How do we close the gap? What are the positive impacts and what are the negative impacts and/or barriers? Case management is integral to reviewing this. As an example, Serpent River First Nation has one staff person to provide family restoration for child welfare cases 24 hours, seven days per week. No one can or should provide 24-hour care seven days a week. Some of these child welfare cases are dealing with education issues due to special needs and jurisdictional issues of who will pay for these services. There are some cases that are also dealing with health issues, social assistance issues, housing, and the list goes on. The work is overwhelming at times. But the staff do what they can with the limited resources available. There have been some successes, but it is an uphill battle. We want to see these families thrive and survive. We want to see these children graduate from

school, to have a positive self-identity and a positive mindset to find jobs and prosper.

I encourage the finance committee to consider the following recommendations:

- to develop indigenous community-based funding opportunities via multi-year pilot projects that are solution-based to address the gaps in services, and these pilot projects must have an evaluation component to measure the outcomes over time;

- seek opportunities for economic growth with the indigenous communities; and

- develop a joint process involving the First Nations to implement an indigenous strategy on closing the gap, which will identify funding and policy discussions on the following:

- the Truth and Reconciliation Commission implementation, which includes language and culture;

- the development of a children's strategy;

- the development of a mental health and addictions strategy;

- enhanced infrastructure funding;

- enhanced education funding and policy implementation re First Nations tuition agreements;

- training dollars for post-secondary indigenous students to meet the credentials within the economy;

- review Ontario Hydro costs and high energy costs;

- enhanced health funding; and

- develop equitable funding for child welfare at the region and community.

The announcement that the 2016 budget will focus on economic growth, jobs, and investment in education and health care are important goals. I urge the finance committee to invest in communities for the indigenous people. Action must follow the words expressed by the Premier at the signing of the political accord to make it meaningful.

I'm also not blind to the fact that the finance committee has a tremendous task in front of you. I hear the media reports about the economy, the climbing deficit, the declining markets and the plunging Canadian dollar. I ask all of our ancestors and the Creator to give you guidance on the deliberations on the budget presentation ahead.

I say thank you and meegwetch for listening to me.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you, Chief Johnston, for your comments. You will have questions now from the official opposition. Mr. Fedeli.

**Mr. Victor Fedeli:** Thank you very much, Chair, and thank you, Chief, for a well-thought-out presentation. Two presenters before you, Gary Dokis—I don't know if you were here for—

**Chief Elaine Johnston:** Yes, I heard the last part of it.

**Mr. Victor Fedeli:** He talked about the Ontario master education agreement and the Anishinabek Nation growth and recovery plan. Do these fit into what you're talking about?

**Chief Elaine Johnston:** Somewhat. The economic growth plan does fit in. In regard to the master education framework agreement, our community is choosing not to

participate in that, and there are a number of reasons that we are choosing to do that. This gets back to the community-based funding that I'm talking about. A lot of the master education framework agreement is looking at more regional-based activities. We need to see some of that translate back to the community, and that's what I'm talking about.

I'm going to talk about government. There's lots of staff within government to do a lot of the work. A lot of the First Nations aboriginal organizations do not have those staffs. The Anishinabek Nation is looking to have that staff at the region to do some of the work. However, it doesn't always translate to the community level. That's what I'm talking about. We need to see more resources at the community level because we're dealing with education and we're dealing with child welfare every day.

**Mr. Victor Fedeli:** Gary told us that there were 30 of the 39 communities that participated. Are you—

**Chief Elaine Johnston:** We're not part of that.

**Mr. Victor Fedeli:** You're part of those nine that—

**Chief Elaine Johnston:** That have chosen not to. That's correct.

**Mr. Victor Fedeli:** In your recommendations, you talked about seeking economic opportunities for economic growth. Can you give us any example of the area that you're speaking of or even the geographic area that you're speaking of or the specific area of economic activity?

**Chief Elaine Johnston:** I think that one of the things that you talk about is that we have a lot of resources in our area. I'm between Sudbury and Sault Ste. Marie. We were quite involved with Elliot Lake and the mining industry. That has not flowed through. What other opportunities might be available? I know that there was the sale of Hydro One. Looking at the sale of Hydro One, are there opportunities there that the First Nations could be involved with? But also we would need to look at the high rates of hydro. What are the opportunities that might be available? Skills training: If we don't have the jobs within our community, can we look at other opportunities outside of our traditional territory? I'm not sure what some of the available opportunities might be, but we need to really look at those.

**Mr. Victor Fedeli:** Within your own organization, do you have an economic development team, Chief?

**Chief Elaine Johnston:** Yes, we have an economic development corporation. That is what we're trying to do: look at opportunities. We are right now, at the present time, looking at windmill operation.

**Mr. Victor Fedeli:** Okay. I appreciate that.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much for your presentation.

**Chief Elaine Johnston:** Thank you.

MR. ERNO GULYAS

**The Vice-Chair (Mr. Peter Z. Milczyn):** Our next witness is Erno Gulyas. Good afternoon, sir.

**Mr. Erno Gulyas:** Good afternoon.

1430

**The Vice-Chair (Mr. Peter Z. Milczyn):** You have 10 minutes for your presentation. That will be followed by five minutes of questions, in your case by the third party. For the official record, could you please state your name before you begin?

**Mr. Erno Gulyas:** I'm sorry. What's the last part?

**The Vice-Chair (Mr. Peter Z. Milczyn):** Could you please state your name, just so we can officially record it?

**Mr. Erno Gulyas:** Good afternoon, good people. My name is Erno Alfred Gulyas. I was born here in Canada, in Windsor, Ontario. Erno is Hungarian for Ernest or Ernie. I'm commonly known as Ernie or Ernest. Gulyas is the correct way of spelling Hungarian goulash. So that's your trivia for today, and you can file that away in your storage of useless knowledge.

I thank you for the opportunity to moan, groan, scream, yell, cry, sprinkle ashes and rend garments and, above all, to be able to vent and express my opinions. Please bear with me, because I'm not known to be politically correct.

To let everyone know where I'm standing and from where I'm coming, I'm totally against P3 hospitals. I do not belong to any organization or group, but my beliefs seem to be borne out by what appears to be happening. We're heading down the road to selling off or privatizing hospitals, as in the case of the US—for-profit hospitals, if you will. It is horribly undermining a system started many years ago by a fellow by the name of Tommy Douglas: affordable and accessible medical care for all citizens. I won't go into high-paid lobbyists buttonholing politicians on behalf of the megabucks trying to buy hospitals. I wonder now how many offshore bank accounts are being topped up each year.

Since we're here to speak about money, may I recommend the firing of most, if not all, of the CEOs who are paid obscene amounts of money each year? I do not buy that old saw of, "We have to pay that kind of money to attract and keep that kind of help." Any CEO who will not answer phones and who hides from the public day after day instead of meeting people and listening to their concerns—good, bad or indifferent—is not a good administrator and does not deserve a job. There are many, many capable women and men out there who would show empathy and be happy to do it for a lot less remuneration. Stick your hand in a pail of water and pull it out; see what kind of a hole you leave. That's how hard it would be to find qualified and capable replacements.

I'm given to understand that about 34% of Canada's health care expenditures is spent on bureaucracy. There is certainly room to cut back on that. We don't need a bunch of minions running around with clipboards, trying to justify their existence. Fire a bunch of them and put more nurses on the floor, where help is desperately needed. Nurses are burning out by the busload and they have to take time off, causing more shortages. Perhaps you're not familiar with Parkinson's law. It was written



by a naval commander. Parkinson's law is where one job ends up being a whole pyramid of jobs, both within hospitals and government.

Toronto may consider us to be hicks up here in the boonies, but to insult what little intelligence we do have by shipping in mass-produced food and saying that it is "rethermalized," a euphemism if I've ever heard one—what ever happened to in-house, properly cooked food? I won't go into quality. Saving money for profit?

While I'm on the subject of food, I witnessed, when I was hospitalized several years ago, an old fellow who was in the room with me and was unable to eat his food that was plunked down on his table because of weakness. He couldn't turn and reach it. The staff were too busy—they were short-staffed—to help him. I couldn't, because of my situation, so all I could do was keep trying to get someone to feed him. The poor fellow was too weak to even poke a straw into a box of juice when somebody finally came, after my repeated calls. Saving money on staff? I know of actual situations where the tray that was plunked down was picked up and taken back totally untouched. Talk about starvation. As I say, you're saving money on staff for a profit. At what cost? Profit? What's it doing to the patients?

We are all fully aware that local health integration networks were put into place to create a buffer between Queen's Park and the public. If one tries to speak to anyone at Queen's Park about health issues, they're told to contact the local LHIN. But LHINs are only able to do what the monies they get from Toronto enable them to do, and they certainly do not know how to run health systems. That's why I commend the panel here for having the courage and the intestinal fortitude to face the public and at least listen.

Unfortunately, in my lifetime of 82-plus years, I have attended many government hearings and I have found that it's usually preordained in Toronto what the outcome is going to be. The hearings are simply to be able to say that the public was consulted. I hope and truly trust that today is not one of those days.

I won't go into details about mismanagement that is inherent in government. Suffice to mention cancelled gas plants, medical computer systems, Ornge, green energy, the giveaway of Highway 407, and the list goes on to this present day.

CCACs, community care access centres, that horrific nightmare of administration: service not being given, bosses giving themselves big raises, staff not even getting cost-of-living increases for years, and staffing being cut back. Now I'm given to understand that it may be turned over to LHINs to operate. Really?

Parking: Allow me to put this in the context of how it affects the consumer. My wife and I—and I don't mind telling you this—are poverty-level pensioners. I won't go into the details of prices increasing, and I hope that we don't have to spend the 55-cents-a-month raise we got last year all in one place, but it's worth mentioning the cartoon I saw the other day of the elderly couple in a bank trying to get a loan. For what? They wanted to put a

down payment on a head of cauliflower. It's not a joke, really. Six to eight bucks for a not-too-big head: That's a little ridiculous. Goodbye to healthy eating.

Should I mention Ontario's electricity costs, which are steadily and exponentially rising? I previously mentioned stupidity and mismanagement. That is another story of mismanagement: selling off a utility that was providing \$1 billion of clear money to the provincial government each year because Toronto needs money for transit. So now us hicks in the north are supporting Toronto.

If one's family doctor orders a series of tests and they can only be done at the hospital, I have yet to see a series of tests carried out in one trip, or if one has to be taken up for some injury or medical emergency. Which groceries does one have to take off the table to be able to park up there? Six bucks for a trip is a lot of money for poverty pensioners. Yes, I've heard that the parking is capped. I heard the other day that parking is capped at \$6 for five years, but it's still too much money. When parking lots bring in over \$1 million a year—that's what's happening up there—you're going to have one heck of a job convincing me that it takes \$1 million-plus to maintain that parking lot. Make money, profit for the P3 hospital? It's interesting that the details of the P3 agreement have never been released. Make money, profit.

Yes, I've heard the cry, "We'll lose money. They pay \$20 in Toronto and \$15 in Ottawa," and so on. The profit motive is further eroding the vision of affordable and accessible health care for all Canadians. The operative word is "accessible."

What do people do when realizing there is not enough staffing to properly look after patients? They go up and make sure that their loved ones or friends are at least fed to help care for them. Many seniors do this. Again, what groceries do they have to take off their table to be able to pay for parking to help look after loved ones or friends?

The bottom line is that the Ontario government, in order to cover their past mismanagement, has been and is still looking to cut and save on the last thing that should be touched: health care.

**1440**

I'd better quit. My blood pressure is up pretty much now. I thank you very much. A blood pressure rise is what this old turkey doesn't need, but I thank you once again for giving me the opportunity to speak.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you, Mr. Gulyas. Ms. Fife has questions for you.

**Ms. Catherine Fife:** Thank you, Erno, if I can call you Erno—is that okay?

**Mr. Erno Gulyas:** Yes.

**Ms. Catherine Fife:** I just want to say that it's rare for us to have an independent citizen come in and just share everything. You touched on—

**Mr. Erno Gulyas:** I shoot my mouth off.

**Ms. Catherine Fife:** No. It's really important, actually, for the democratic process, so I just wanted to say thank you for that.

I wanted to thank you also for raising the issue of nutrition in hospitals. Health care has been the dominant

theme at every location, from Hamilton to the Soo. You've talked about the privatization and the contracting out. Your concerns, actually, have been confirmed by the Auditor General on the way that health care has been contracted out and privatized, even including the CCACs, which you mentioned as well.

I don't know if you heard about that report, but she did mention that the government has not done a full economic analysis. It's \$2.1 billion that goes to CCACs. They've never done a full, thorough financial analysis as to whether or not those dollars are making a difference to patient care. She found that only 61% of the funding was actually going to direct patient care. So your instincts are right on the money, so to speak, if you can find the money.

The nutrition piece is the part about keeping people healthy in Ontario, right? Perhaps as a senior, you might like to talk about some of the challenges that you find, as a senior, in Ontario to try to stay healthy. The goal is to stay out of the hospitals, because they're not fun places to be. Particularly in northern Ontario, they're quite crowded. Did you want to mention—because you are a pensioner on a fixed income.

**Mr. Erno Gulyas:** Very much so.

**Ms. Catherine Fife:** All right.

**Mr. Erno Gulyas:** I worked for myself too many years, so I don't have much of a pension. The big problem we've got is the exponential increase in costs of grocery store food. My doctor told me this morning, "Ernie," he says, "why don't you buy frozen food? It's almost as nutritious, and you don't have to pay the high cost. So if you use that, you'll improve your nutrition that way."

You certainly can't go out and afford to buy steak. You're lucky if you can buy pork or beef hamburger. As I say, in the hospitals, going back to the mass-produced food: In my estimation—I'm going to be blunt—it's garbage.

**Ms. Catherine Fife:** Yes. It's processed.

**Mr. Erno Gulyas:** It's all processed food. There isn't a heck of a lot of nutrition in processed food. So that's why I say: What's wrong with home-cooked food or in-house cooked food? If they can do it up at the old age homes—at the Davey home, they have kitchens there where the food is cooked to feed the old-timers. I hope I don't end up in there, but who knows? I don't have a crystal ball to tell the future.

Yes, it can be done, and it can be done economically.

**Ms. Catherine Fife:** You also raised the issue of the cost of living in the north. Energy prices have also been a consistent theme that we've heard. Have you been following the sell-off of Hydro One by the Kathleen Wynne government?

**Mr. Erno Gulyas:** No.

**Ms. Catherine Fife:** You haven't. Okay. Have your hydro bills gone up?

**Mr. Erno Gulyas:** Yes, absolutely.

**Ms. Catherine Fife:** Yes, and you're on a fixed income. Listen: I do want to thank you. At 82 years, you

seem to be holding your own pretty nicely. You've given us lots of comments to reference going forward. So thank you for taking the time and coming to speak to us.

**Mr. Erno Gulyas:** I just wanted to put one person's perspective, from an old-timer pensioner, into the picture here, because I know that there are all kinds of organizations that are presenting.

**Ms. Catherine Fife:** Absolutely. You couldn't be more right. Thank you very much.

**Mr. Erno Gulyas:** Thank you.

**Ms. Catherine Fife:** Have a good day.

**Mr. Michael Mantha:** Chair?

**The Vice-Chair (Mr. Peter Z. Milczyn):** You have one more minute.

**Mr. Michael Mantha:** One more minute. I just wanted to thank you, because what you shared with the committee today is something that I've been hearing consistently across Algoma-Manitoulin and across the north from many other veterans who are in the same position that you are.

I have one question for you. Your 52-cent increase: Did you sit down with your consultant—

**Mr. Erno Gulyas:** It's 52 cents a month.

**Mr. Michael Mantha:** It's 52 cents a month. Did you sit down to find out where you're going to invest that entire 52 cents?

**Mr. Erno Gulyas:** I was just trying to figure out where to spend it. By golly, I don't have much money to spend, and I want to find out where to spend it. It certainly is not going to be on a cup of coffee, because—

**Mr. Michael Mantha:** You can't afford a cup of coffee with 52 cents any more. Thank you very much for coming in.

**Mr. Erno Gulyas:** I thank you.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you, sir, very much.

## PREGNANCY AND INFANT LOSS NETWORK

**The Vice-Chair (Mr. Peter Z. Milczyn):** Our next witness is the PAIL Network.

**Ms. Shannon Bedard:** Do I just sit anywhere?

**The Vice-Chair (Mr. Peter Z. Milczyn):** Yes. Make yourself comfortable. You have 10 minutes to present, following which there will be five minutes for questions, in your case from the government side. For the record, could you please state your name before you begin?

**Ms. Shannon Bedard:** Shannon Bedard. Good afternoon, Mr. Chairperson, committee and guests. My name is Shannon Bedard. I am a volunteer as well as a member of the board of directors of PAIL Network. Today, I stand before you as a bereaved mother.

Pregnancy and infant loss is a loss like no other. I had heard of it but never believed it would happen to me. I've dreamed of being a mom since I was a child playing with my dolls. Losing my babies was not part of the fairy tales I was told. How was I expected to be prepared?

Loss is hard. No one wants to talk about loss. I have suffered a number of losses, and not one loss is the same as the next. When I was told, “I’m afraid your baby is dead” in front of the hospital gift shop, my world collapsed. I’d been telling my doctor for weeks, “Something is wrong.” He assured me over and over again that I was over three months and I would not miscarry again. Now I’m almost eight months along. How could this be?

I’m told my baby is poisoning me. My doctor does not know how long he has been gone. All I want is the familiarity of my surroundings and the faces of my loved ones, but I am told I need to pack my bags for the longest two-hour drive of my life. Luckily, I had my mother to drive me. I couldn’t imagine what it was like for my husband to receive the news 9,600 feet underground and then have a four-hour drive alone to meet me at the hospital.

After over nine hours of induced labour, Hunter was born silent. He was beautiful—perfect in every way. The nurse took one picture, which I am grateful for. However, she failed to take the time to make sure he looked like himself. Did she not realize this was the only picture I would ever have of our son? Our doctor insisted we hold him. I am thankful he insisted. I didn’t understand the importance of this at the time. I wish I had more pictures and more time.

I did not appreciate watching a nurse soothe a colicky baby minutes after my baby’s birth and death.

I have his hand and foot prints. Unfortunately, it also has errors. My husband’s name is spelled completely incorrectly. Did they not realize this was the one and only keepsake I would have of our son?

Leaving the hospital empty-handed is something I would not wish upon my worst enemy. It took me going down the hallway four times in tears to leave. How could I be expected to know what to do after my baby died? I was in a state of shock.

If Hunter was born alive, I would have the health unit’s baby program check in on me and a list of services offered in my area. I don’t have any of those. I don’t matter because my baby is dead.

My one-month check-up with my specialist being booked in the middle of a baby clinic puzzles me to this day. I should not have had to run from my doctor’s office to hide in a vehicle and cry.

Thankfully, the hospital sent me a survey to find out how my care was and how my baby was feeding and doing at home. Did they forget that he was dead? Communication in the health system could have prevented this.

Cancelling a baby shower to plan a funeral: Friends and family tell me, “Everything happens for a reason.” What reason is that? Did I deserve for my baby to die? Or, “You can always try again.” Really? Which of your children could you live without? How do I pack up his nursery? Instead, I just close the door.

Soon, friends and family disappear. I can’t blame them. What can you do or say after a baby dies? It is our health and education system that has failed to educate

them on matters of the health, heart and mind. It is simple: Just be there and listen.

I also wish I would have known to expect my milk to come in. It was like one last slap in the face from Mother Nature, a cruel joke to remind me of what I am missing, as if I could ever forget. I was told a prescription was available to dry up my milk, so I went to emerg, which is the normal up here. You cannot get an appointment for weeks. After explaining to the doctor what I was experiencing, his words were, “What makes you think you’re lactating? Clearly you don’t have a baby.” I broke down and lost it. He said nothing and left the room and sent someone else in.

Living in a small northern town has its beauty, but after a loss it can be very dark, especially after a loss as taboo as this. I turned for help; I looked everywhere. I was sent from the family counselling service centre to the health unit and then to the library. In the library, I was greeted by the librarian. I expected there would be something set up there for loss. However, she was speechless and kind of stunned. I felt horrible that she had no peace to offer me.

#### 1450

I struggled to smile. I struggled to live. Thankfully, I have my daughter to keep me here. I should be surrounded by loved ones and a beautiful baby, but because my baby died, everyone is afraid of me, and I know. If I don’t get support, how am I supposed to support my six-year-old daughter, who expected me to come home with her brother?

Doctors who lack professionalism and morals did not help. Had my care been different, more empathetic and compassionate, my state of mind may have been different at the time.

With every miscarriage came a different set of issues: DNCs, emerg visits, hospital stays. I remember once an admitting nurse telling me I had to go home to get the fetus and bring it back in a plastic bag. Did she not pick up on the fact that that lifeless body I had to take out of the toilet was my son? Although miscarriages happen every day, they don’t happen every day to that person. Where is the compassion and the empathy?

I struggled for years, each loss chipping away at my heart. The lack of services was devastating to me, and I decided I wasn’t going to stand for it. I organized October 15 infant loss memorial services for a few years. I couldn’t believe how many others like me are out there, each story more tragic than the next. The gatherings grew larger and the support grew wider each year. The need is there, but the services and support are not. It’s such a shame; so many lives could be changed and different.

I am very thankful for a caring emerg nurse who helped me keep my dignity when I was at my weakest, for the funeral director who gave me compassion and understanding, and the technician who gave me a few more minutes to watch my baby before he was gone. If only all care was of their standards.

Being from a retirement town, I have heard stories from all ages. One story that touched me is from an older

lady. She told me her story and spoke of her beloved child. I told her I was sorry for her loss. She said it was the first time someone had ever said those words to her in over 25 years. It broke my heart as I held her and she cried.

Eventually, I found PAIL Network. Pregnancy and Infant Loss Network is a non-profit organization offering support services to families experiencing loss. I volunteered for them for a number of years, offering peer-to-peer support services. Now I am on the board of directors.

Some 37,000 families experienced pregnancy and infant loss this past year. That is a huge number of families that aren't receiving the support that they deserve.

PAIL Network operates on a shoestring budget, with only two paid staff members and a large, dedicated team of volunteers across Ontario. With the recent awareness month this past October, our intakes in December have gone up by 487% from the previous year. Our peer-led support groups have grown from 11 groups in 2014 to 27 groups across the province in 2015. For all the families PAIL Network has helped, there are thousands more that have not been reached. It's time to change that.

After enduring the pain of 11 losses, we finally had our rainbow. Life is happier now, but not a minute goes by that I don't remember my son. Not a holiday goes by without wondering what he would be like. But I have realized that with his loss I received a great gift. He taught me what love is. It cannot be seen or touched; it can only be felt within, and it's the only love he ever knew. I may not have my son with me, but he lives through me as long as I share that love.

I tell you these stories in hopes that you will help make the changes for families across Ontario and make their lives different. Thank you for your time. If anyone has questions, I would be happy to answer them.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you, Ms. Bedard. Ms. Vernile has questions for you.

**Ms. Daiene Vernile:** Shannon, that's just a heart-breaking story. Thank you very much for sharing your personal story with us in this very public forum. I can't imagine that it's easy to do that, to talk about the loss of your son. You have our sympathies. Your lived experiences with infant loss, with bereavement, have given us great insight into what parents like you have experienced.

You're probably well aware of the fact that one of my colleagues, MPP Michael Colle, has a bill before the House right now, Bill 141. This is going to address pregnancy and infant loss awareness. I want to deliver a message to him directly from you. What would you like to tell him about this bill?

**Ms. Shannon Bedard:** I've actually had the opportunity to work with him and speak with him. I was there for the reading.

**Ms. Daiene Vernile:** Oh, fantastic. And if this is passed, how do you think that this is going to help parents like you?

**Ms. Shannon Bedard:** I don't think it will, even if it's passed—yes, it lets people know that their pain has been acknowledged. However, if we don't take action to

make those small changes with some of the things that have happened to me, I think families will still feel alone, if the empathy and the compassion are not there.

**Ms. Daiene Vernile:** We heard this morning from a nurse from the Sault Area Hospital, Kierston Miron. Are you familiar with her? She's dealing with patient care. She's a manager there.

**Ms. Shannon Bedard:** I don't know her.

**Ms. Daiene Vernile:** She talked about how important training was and how, currently, there isn't training for staff when it comes to dealing with parents, such as yourself, who are experiencing a loss. Can you give us some more insight into what you would like to see in terms of training?

**Ms. Shannon Bedard:** PAIL Network actually offers a perinatal bereavement sensitivity training program. I would love to see every person in the health care field take that course. It makes a world of difference. Just the small things, like when my baby was born and looking out the door and seeing a nurse rock a baby—of course you're happy for that person going home with that healthy baby, but it's a slap in the face. I can only imagine how that nurse feels, as well, having to go from one room where the baby is born silent to another room and be happy. They need the training, as well, for their own mental health.

**Ms. Daiene Vernile:** I think that with most people, when it comes to death and dying, most of us are at a loss at knowing what to say when we're trying to speak with friends or family dealing with the situation. So this kind of training would go a long way, wouldn't it?

**Ms. Shannon Bedard:** Absolutely. I also believe that it should be taught in the school systems. If we're taught about pregnancy in health classes, children should also be taught about loss. If they're not taught, how are they supposed to be prepared and know how to handle the grieving process and know what to expect? As well, if they were taught in the education system, I think it would change the outlook on people as they grow, how they would deal with such losses in the workforce, the health network, or in any field that they're in.

**Ms. Daiene Vernile:** I know that my colleague MPP Colle is very passionate about this bill, and he appreciates your support. I thank you very much for coming here today and speaking with us and sharing your personal story.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much. You touched everybody today.

**Ms. Shannon Bedard:** Thank you.

MS. KATHLEEN CAMERON

**The Vice-Chair (Mr. Peter Z. Milczyn):** Our next witness is Kathy Cameron.

**Ms. Kathleen Cameron:** Hello. I'm Kathleen Cameron. I'm here in support for Shannon and what she's trying to do.

**The Vice-Chair (Mr. Peter Z. Milczyn):** You have 10 minutes, if you want to share a story with us.

**Ms. Kathleen Cameron:** Okay. I don't think I'll take that long.

I'm a retired nurse of 50 years. When I was 18, I lost my first child. He was born one month premature, and in those days, there was nothing to be done; there was nothing to help them. There was nothing that you could do. You were turned back onto another side of the floor, and nobody came to talk to you; nobody came to say hello or anything. You were just left there.

Being a nurse, I was thankful for that little bit of training. But I still think, "I never had an opportunity to say goodbye to him." He was not buried in Elliot Lake. There was no cemetery—sorry; I'll get control in a minute.

I was told by one of the sisters at the hospital, "Well, if the baby dies, the baby dies." That was my comfort.

Anyway, I was a week getting out of the hospital. When I got home, all his clothes were gone—my friends thought it would be a great idea. It wasn't; it was the most terrible thing in the world to do. After this, my husband—and I must say I didn't give him enough credit either, and I'm so sorry. More husbands should be included in losses like this. My husband turned to being an alcoholic, and our marriage fell apart. I think that if we had had help from anywhere, this could have been prevented and he could have been helped too.

That's all I'm going to say.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much. Mr. Barrett, do you have any questions?

**Mr. Toby Barrett:** Yes, I do—not so much questions. Thank you, Kathy, and also—

**Ms. Daiene Vernile:** Shannon.

**Mr. Toby Barrett:** I'm sorry, Shannon—I wrote down "Sharon" by mistake—for coming forward and telling us this story. We have heard this on some at our other hearings as well, as we travel.

Have you been in touch with Mike Colle as well?

**Ms. Kathleen Cameron:** No.

**Mr. Toby Barrett:** No. We just double-check.

The private member's bill that was introduced by Mike Colle was debated. That bill, as you probably know, did pass, and received royal assent on December 10. That legislation went through—the social justice committee? I just want to—

**The Clerk of the Committee (Mr. Katch Koch):** Social policy, Mr. Barrett.

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**Mr. Toby Barrett:** Social policy? Yes. So it is now a law. I don't have the legislation in front of me. This provides all of us—it provides Ontario; it provides our society—as a legal framework, to take off from there in one area to better enable our society to provide support, for example, to the self-help group that you were talking about. Obviously, it provides a framework for discussion for support and financial support.

For example, we have counsellors, bereavement counsellors, social workers. Most large hospitals have social workers.

Again, I don't have the legislation in front of me, but I get the impression, whether it be a physician, hospital

staff, other people in a position to help out, they seem to be caught flatfooted in these kinds of situations. Perhaps it goes right back to the kinds of education or training that people have in counselling in social work or social service work. I don't know.

You are involved now in helping other people. I'm sorry; I'm bouncing back to the previous presenter, if that's okay.

Physicians, for example, perhaps in their medical training, don't have a program to explain to them how to deal with this. I've known, in my previous work, for years and years and years, that a physician would get maybe an afternoon of training on alcoholism, and they spend so much time talking to people who are alcohol- or drug-dependent. They're a doctor, but in a sense, they're not prepared to deal with so many of the social or psychological ramifications of that particular disease.

Can you give us some further direction on what you would like to see happen? I just threw out some directions.

**Ms. Kathleen Cameron:** Is this directed to me or Shannon?

**Mr. Toby Barrett:** Either one of you, actually—if that's okay, Chair.

**Ms. Kathleen Cameron:** Through the years that I worked with doctors—you're absolutely right: They have really not had the training to deal with this sort of thing. They deliver the baby; it's over with, and they're gone. Then it's handed on to the nurses, and they're not trained enough in this.

Shannon is talking about support groups. If we'd had that back in the years that I went through all of this—I even had to help women through this, and I really didn't know what I was doing. I was just going on a wing and a prayer.

This is all I can really tell you about the way I feel about it.

**Mr. Toby Barrett:** By and large, we have a very well-developed health and social services system across the province of Ontario. There is obviously room for improvement and ongoing development. In our jobs as MPPs, we see it before this committee. Things change; things change as society continues on. In the medical field, new diseases arise—infectious diseases, for example—and new treatments arise, and new technology comes along—and new approaches to counselling, to better enable people to deal with this.

Again, as an elected MPP, my background is economics. I don't have a background in this kind of stuff. We turn to the resources of our society. We turn to the professionals. We have a role to ensure that they have the tools and the training and the opportunities to upgrade themselves, if anything—I don't know the right expression—to have a better manner about all of this.

That's about all I have to say, Chair.

**The Vice-Chair (Mr. Peter Z. Milczyn):** To both of you, thank you very much for coming and sharing with us today. You can be certain that your stories, we will take back, and work on developing the programs that need to be developed. Thank you.

**Ms. Shannon Bedard:** Thank you for giving us the opportunity.

**Ms. Kathleen Cameron:** Thank you very much.

MAMAWESWEN NORTH SHORE  
TRIBAL COUNCIL

**The Vice-Chair (Mr. Peter Z. Milczyn):** Our next witness is the Mamaweswen North Shore Tribal Council. I hope I pronounced that correctly.

**Mr. Angus Toulouse:** Yes, you did pronounce it correctly: Mamaweswen.

**The Vice-Chair (Mr. Peter Z. Milczyn):** You have 10 minutes, following which there will be questions for you from the third party. As you begin, if you could please state your name for the record.

**Mr. Angus Toulouse:** Boozhoo. *Remarks in Ojibway.*

I just introduced myself as Talking Crow, my spirit name. I'm of the Crane clan, and my English name is Angus Toulouse. I'm from Sagamok Anishnawbek, which is about two hours east of here. I'm joined by our chairman of the tribal council, Chief Reg Niganobe. He's from Mississauga First Nation.

If I may begin, you're in the territory of our neighbours, the Garden River First Nation, as was identified earlier. This is their territory, along with Batchewana First Nation, who are both in the proximity of Sault Ste. Marie. This has been our gathering place for many, many years, Sault Ste. Marie—Bawating, as we called it, and as the mayor refers to it these days; when he joined us recently at Christmastime, he said “Bawating,” which is what we know the city as. This is where the 1850 treaty that we're part of was signed and where we had the discussions way back then.

But if I may start, in November 2015, the Ontario economic outlook and progress report on the 2015 budget stated under “aboriginal partners” that “Ontario is heartened by the federal government's commitment to a renewed relationship with indigenous peoples. The province remains committed to working with aboriginal communities in a spirit of collaboration and mutual respect. This has led to historic agreements such as the First Nations–Ontario political accord, which commits parties to work together on issues of mutual interest and set a path for further reconciliation. Ontario will work with the federal government as it acts on its promises to make measurable progress on aboriginal education and clean drinking water, to move forward on the recommendations of the Truth and Reconciliation Commission, and to take action on missing and murdered aboriginal women and girls by calling a national inquiry.” That was on page 138 of Building Ontario Up.

However, as in the past, Ontario views First Nations peoples as a federal government matter, thereby pinning the hopes for building up First Nations peoples on the federal Liberal government's campaign promises. No doubt First Nations peoples in Ontario appreciate the leadership that Premier Wynne has shown in advocating First Nations issues in the federal-provincial context and

in entering into political agreements with First Nations leaders like the First Nations–Ontario political accord. Unfortunately, experience has shown that such doesn't necessarily transform into action and results. The actions and investments have to be directed to the First Nations communities themselves.

As a tribal council, our mandate is to serve the member communities, not represent them. Always, our message is that the investments, relationships, programs and services have to be directed at the First Nations communities.

Ontario's buildup is partly dependent on benefiting from resource development. As we all know, the resources are situated in the traditional lands of First Nations peoples, and their continuing rights and interests are confirmed by treaty, aboriginal rights and aboriginal title. We also know that First Nations peoples have not received their fair share of the wealth creation and distribution based on resource developments and the ongoing generation of revenues from crown lands. It should be easy to understand how First Nations peoples expect to receive provincial programs and services and investments from the developmental activity on lands where they continue to have constitutional rights and interests, yet it's always easy and convenient to play the federal-responsibility hand.

**1510**

The intentions regarding a new relationship between Ontario and First Nations must include provincial sharing of investments into Building Up Ontario which includes the First Nations and abandons the view that only the federal government has responsibilities to build up First Nations.

Fostering a more innovative and dynamic business environment: New investments are required to enhance First Nation participation in the economy. These investments need to be targeted toward expanding contracting opportunities and economic programs and incentives directed at First Nation communities or their economic bodies. Such programs and funding have to be directed at closing the growing labour gap, participating in major projects, particularly in the resource development and energy sectors, and balancing development and environmental protection responsibly and sustainably.

Equity funding to enable First Nation participation in major projects will address a major impediment for First Nations involvement to partner and work in a meaningful way with the private sector toward economic and employment outcomes. This investment would directly benefit and encourage First Nations economies on-reserve, but also benefit local economies in adjacent non-First Nation communities. This investment is critical to facilitate benefits in the natural resources and energy sectors for First Nations across Ontario.

Building tomorrow's infrastructure and asset organization: First Nations in Ontario and across the country are dependent on Indigenous and Northern Affairs Canada for capital and infrastructure funding. On an annual basis, the total federal budget allocation is totally inadequate,

which results in a significant backlog for First Nations who need funding for schools, water treatment and water lines, road building and maintenance, housing, administrative buildings etc. The existing capital and infrastructure in our First Nation communities is often old and in need of repair or replacement. Yet every time there are major infrastructure investment initiatives nationally or provincially, First Nation communities are often overlooked, again on the basis that First Nation needs are being met by Indian Affairs or that it's an Indian Affairs problem. Any infrastructure initiative, whether federally or provincially, has to include First Nation projects, many of which are shovel-ready, since such needs have been assessed and planned for but lack the funding to get them done.

**Health and wellness:** The provincial government needs to look at a variety of approaches to address the wellness and health of aboriginal individuals living in First Nation communities in northeastern Ontario. According to the North East LHIN data, we represent 9.5% of the population across northeastern Ontario, compared to only 2% of the population of Ontario. We also represent the fastest-growing population in urban areas of northeastern Ontario. However, many of the health funding initiatives, like Health Links, which is investing over \$100 million into communities across Ontario to divert the highest users of services from hospital emergency services to lower levels of community care, have little value for those aboriginal individuals who are the high users of service.

Many of these individuals have significant mental health and addictions challenges. They are not comfortable utilizing mainstream services like the Health Links system of services. Instead, they continue to utilize existing aboriginal health services being delivered by organizations like Mamaweswen, the North Shore Tribal Council, which currently do not have the capacity to meet all of their needs, or they simply fall through the cracks in service. Many of these individuals end up in the court system, resulting in significantly more costs to the province. The concept of investing in additional supports to help the top 5% users of health services, who often need lower levels of care than a hospital emergency ward, is on the right track to improving the health system, providing better services and saving money. However, these kinds of strategies need to have separate investment strategies with aboriginal organizations like Mamaweswen, the North Shore Tribal Council, that can provide the kinds of services needed for a specialized, hard-to-serve aboriginal population. The end result would be significant cost savings to Ontario's health care and court systems.

Patients First, Ontario's action plan for health services, has accumulated significant data from individuals surveyed from across the 14 LHINs and is providing the guide to LHINs for setting their key objectives and funding. The North East LHIN will be focusing on improving access, connecting services, informing patients and protecting public health. Provincial funders

must look at investing in existing aboriginal organizations like the North Shore Tribal Council if improvements are to be made to the aboriginal population across Ontario.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Mr. Toulouse, could you wrap up your presentation?

**Mr. Angus Toulouse:** Sure.

North Shore Tribal Council has the existing infrastructure to provide services in a cost-effective manner, and this kind of approach will significantly enhance the integration of health services being delivered to aboriginal individuals.

Another approach for creating sustainable health care is for the provincial government to look at realignment of existing community services to better serve aboriginal individuals. Many mainstream organizations have little interest in providing services to First Nation communities, even though they are funded for this area of service. An example of this—

**The Chair (Mr. Peter Z. Milczyn):** Mr. Toulouse, your time is finished. I want to make sure there's ample time for questions. Questions will be coming from Mr. Mantha.

**Mr. Michael Mantha:** Boozhoo, Angus.

**Mr. Angus Toulouse:** Boozhoo.

**Mr. Michael Mantha:** *Remarks in Ojibway.*

Don't ask me how they gave me that name. There's a funny story behind it, and I look forward to sharing it with you one of these days.

I always enjoy, and both of you know, when—hello. Welcome, joining us here today.

I've been at many discussions within the communities, particularly with the North Shore Tribal Council across North Superior, and this has been a consistent message for many, many years. It's long overdue that we actually, as a government, stop saying words and actually implement the actions that you're looking for, which has been a request for a very long time. It's obvious, as has been stated quite clearly by other First Nations that have been here in the last couple of days, the troubles and the concerns that are there within the policing services and also within the health care.

I want to try to give you an opportunity to touch on the importance of building that capacity within your communities, getting the training ready, because you're absolutely correct. For the committee here, our future workforce is coming from First Nations and aboriginal communities. There's no ifs, ands or buts about it. That's where it's going to come from.

What is it that you need within your communities to make sure you can build your capacity and have your community members ready for that next flow of economic spin that will be coming?

**Mr. Angus Toulouse:** There's certainly a number of investments. It's really having the capacity at the community level to work with the youth, to have the kind of training opportunities that ought to be available in the mining sector, in the resource development sector.

We continue to see the real need in First Nation organizations and administrations needing the capacity

right there on the ground level to deal with some of the regional services that we're providing. So integration of programs and services really is necessary, but without having basic capacity at the community level—some of these regional services could be provided in a much more effective way. There is a correlation that is required when you have a regional service, and it's the seven communities that have agreed that—as an example, we provide and we deploy the doctors and the nurse practitioners, the physiotherapists and the occupational therapists from the tribal council right into the community. That's really what needs to take place. The service has to be at the community; the capacity has to be at the community. Even though the tribal council is a regional body, the seven communities direct as to where those economies of scale really have to take place in order to serve as many people as possible.

**Mr. Michael Mantha:** Having said that, again, you find yourself—and I know. You find yourself at a disadvantage because now you're finding yourself competing with other agencies that are not on First Nations because you don't have the proper level of resources in order to compensate your members while you are building your capacity to retain them, whether it's in your police services or whether it's within your health care, whether it's your RNs or whether it's your mental health care providers, because they are responsible to their families as well. So if there's a greater opportunity that is in the general public or off-reserve, of course they will go to that.

1520

But in order to bring the levels of funding within the First Nations so that you can compete as a general rule and retain your workforce, where do you see this discussion needing to go, and how quickly does it need to get there?

**The Vice-Chair (Mr. Peter Z. Milczyn):** Unfortunately, Mr. Mantha, your time is—

**Mr. Angus Toulouse:** Two-word answer: Equity funding. Mainstream health organizations get much more than an aboriginal health access centre.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much for your presentation and your written submission today. Mr. Mantha knows that when our time is up, our time is up.

**Mr. Michael Mantha:** My time is kind of short versus what the other five minutes are. I just wanted to make that point clear.

**The Vice-Chair (Mr. Peter Z. Milczyn):** It was actually 15 minutes and 19 seconds, so you got extra time.

NOGDAWINDAMIN FAMILY  
AND COMMUNITY SERVICES

**The Vice-Chair (Mr. Peter Z. Milczyn):** Our next witness is Nogdawindamin Family and Community Services. Good afternoon.

**Mr. Kerry Francis:** Good afternoon.

**The Vice-Chair (Mr. Peter Z. Milczyn):** You have 10 minutes to present, following which there will be five minutes of questions, in your case from the government side. As you begin, if you could please state your name for the record.

**Mr. Kerry Francis:** Yes, my name is Kerry Francis. I'm the executive director for Nogdawindamin Family and Community Services. We're a regional agency and we actually work with the North Shore Tribal Council very closely and the seven First Nations across the North Shore region. I have prepared a brief, and that is before you.

Today, what I'd like to bring to your attention are three critical areas that are facing our organization. One in particular is transition and looking at child welfare funding; two is looking at capital dollars for a building for our organization; and three is looking at children's mental health funding.

Just a little bit of background information about our agency: We are an agency that has been around now for 25 years. We celebrated our 25th annual general assembly last fall. We are in the process of working with the North Shore Tribal Council as well as seven First Nations across the region, and they're cited in the brief: Batchewana First Nation; Garden River First Nation; Thessalon First Nation; Mississauga First Nation; Serpent River First Nation; Sagamok Anishnawbek; and Atikameksheng Anishnawbek.

With respect to a transition in child welfare funding, our agency's board of directors, in collaboration with the tribal council in 2009-10, agreed that we would pursue a child welfare designation as a full child welfare authority. A tribal council resolution was issued in this regard. We have been working very closely with the Ministry of Children and Youth Services on this process and we've been well at it within the past five years.

With this fiscal year, our organization received some transition funding in the amount of \$3.5 million to start our process. After advancing through the stages that the ministry has asked us to, what we're looking at as an organization next year, starting April 1, is to be successful through our transition plan. We will require \$11 million. What I've been advised by the local ministry office, which is through the Ministry of Children and Youth Services, is that there's only \$8.5 million in the pot, and at this stage of the game they don't know where the balance of the funds are going to come from. That's an issue for our organization. We have built our infrastructure. We're well on our way.

With respect to capital dollars, we are actually running into significant issues with office space for our staff. This is the second issue that I'd like to bring to your attention. We currently have seven sites across the region, from Batchewana to Atikameksheng. Our staff that we are bringing on board—it's very overcrowded right now. We're looking at space right now in our community here in the west, and it's few and far between.

The brief notes that our current staffing is at 80 employees. As we move through the transition process next



year, we are forecasting that our staffing complement will reach about 130. Sitting here as the administrator of that organization, we have had some discussions with our two communities in the west, Batchewana and Garden River, and we're looking at partnerships to be able to look at a building here in the west region, but we need some assistance with that process.

The third issue that I'd like to bring to your attention—just thinking about the time that I have here—is children's mental health funding. I've been with this agency for five years. Like I've said, it has been around for 25 years. As an organization, there have been numerous requests to the Ministry of Children and Youth Services for funding for children's mental health. To date, we have received no funding. The only small portion of funding that we have received was training dollars, which was in the amount of \$15,085 for a workforce of 80 employees. It's not a lot of money.

We've made request after request. There have been monies that have been given out over the past three years. Unfortunately, we have not received any money.

That's a large issue for our organization. When you look at child welfare, in terms of who we're going to be servicing when we get through our designation review in the fourth quarter of the next fiscal year, what we have to consider is what types of services we're going to be able to put into place for the children whom we're going to serve.

Sitting here, there are a total of almost 450 families that we will be providing service to across the region, and a total of 96 kids in care whom we will be responsible for. I'm not sure where we're going to be able to receive the culturally appropriate services that we're going to have to provide to these children while we're servicing them. I'd like to bring that to your attention.

The funding that we have requested historically was to build a model in partnership with our seven First Nations. We haven't asked for a lot of money, in my eyes—\$250,000—and we haven't received anything.

On that note, just to wrap up my comments very quickly, the Truth and Reconciliation Commission of Canada calls to action, a series of items regarding the aboriginal sector: If I can call your attention to the first recommendation, it deals specifically with child welfare. There are some recommendations that have been given to the government to follow through on. When you look at these three critical areas that I brought to your attention, two of them in particular deal with child welfare and one deals with children's mental health funding. I think those are suitable, based on the recommendations from the commission.

Thank you.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much, Mr. Francis. We have questions from Ms. Wong.

**Ms. Soo Wong:** Thank you very much, Mr. Francis, for being here today. I believe that today we have heard from a number of chiefs who presented and had a similar theme that you have shared with us as well.

I know that the Premier herself has publicly committed to working with the federal government, dealing with the Truth and Reconciliation report and the recommendations.

With respect to the—I'm just going to go through—I think you made three basic asks, all focused mainly on young people—

**Mr. Kerry Francis:** That's correct.

**Ms. Soo Wong:** Right. Can you just give me, of the three envelopes that you're asking, what's the total amount? I'm seeing little pockets of—for the capital, I think you're asking for \$4 million to \$5 million, and in the transitional one—can you give me the total amount of the three asks?

**Mr. Kerry Francis:** The estimate in the requests that we're looking for is \$16,250,000.

**Ms. Soo Wong:** Okay. My next question here is, in terms of the conversations you've had to date with the Ministry of Children and Youth Services, was it brought to their attention with regard to capital? Particularly, as you probably heard, in our throne speech and in previous reports from the government, economic statements, we have put some emphasis on creating these community hubs.

**Mr. Kerry Francis:** That's correct.

**Ms. Soo Wong:** In your past conversations with the Ministry of Children and Youth Services, has that conversation been brought to their attention, about part of these capital dollars you're asking about, talking about building up community hubs in your community?

**Mr. Kerry Francis:** From the ministry's perspective, there's not a lot of information that has been brought to my attention regarding the community hubs. In partnership with the North Shore Tribal Council executive director for the health program, we have been working on that together, looking at how we can map out that process across the region for child welfare and for health.

We still have some work to do on that, but as far as the ministry is concerned, when there are discussions with the local program supervisor here in the city of Sault Ste. Marie, what we are faced with is that there are no capital funds.

**Ms. Soo Wong:** Okay. The other thing with regard to children's mental health funding—I think in your report, you indicated that there is no money to date from MCYS on children's mental health. How much money were you asking for in the previous year?

**Mr. Kerry Francis:** We have many proposals that have gone in. We have asked for a quarter of a million dollars, and we've received no funding.

**1530**

Just to kind of expand on that, the way that the North Shore Tribal Council works, and the First Nations, is that there has to be engagement and consultation. As an administrator of this organization, I can't independently develop a model and then deliver it. The communities need to be on board with the process.

**Ms. Soo Wong:** Yes, and I do appreciate your comments about dealing with a culturally appropriate

children and mental health program that's culturally sensitive to your community.

The other piece I know that previous chiefs have also shared with our committee today was with regard to working with the education sector—we've heard about the high suicide rate among aboriginal young people. Can you elaborate a little bit further? If the funding comes through for \$250,000, where would be the priority portion of the money? I know you got funding for training, so what's the next piece, besides training your staff?

**Mr. Kerry Francis:** What we're doing right now is that the \$250,000 would enable us to hire someone to build our model. That's exactly what it would be utilized for. It would allow us to go to the communities and talk to our leadership about what they want to see as far as mental health, making sure that it meets cultural competencies and has a cultural context to it.

The \$250,000 would only enable us to hire someone—some type of support staff to walk through our community. We're talking about a large region, from Batchewana to Atikameksheng in the eastern corridor. We would really need to look at what comes out of this consultation or engagement process to be able to look at how many staff we need to be able to deliver children's mental health services. There would be a need to have long-term funding to be able to continue to provide children's mental health services.

**Ms. Soo Wong:** Will this model that you're proposing be working in collaboration with the Ministry of Education?

**Mr. Kerry Francis:** Yes. As part of our evolution of our transition process for child welfare, our local ministry has told us that we will be required to work with five primary areas in terms of developing service collaboration and protocols, and one of them is education. Our team, my agency, has mapped out a comprehensive process from Sault Ste. Marie to Sudbury of who we need to work with in the education sector. We're launching a plan to be able to start doing that.

**Ms. Soo Wong:** I want to say thank you very much for your hard work and your entire team. I'm very grateful, as the chair of the committee, to see so many First Nations chiefs coming before this committee, and the fact that you consistently told us today—as well as this morning, when we were in Thunder Bay—about the child welfare issue. So I really appreciate your good work. I know for myself, as a former nurse, that I certainly champion some of the issues that you have brought forward to our attention.

I'm going to see if my other colleagues have any questions for you.

**Mr. Kerry Francis:** Thank you.

**Ms. Soo Wong:** Thank you again. Thank you for being here.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much for your presentation.

**Mr. Kerry Francis:** Thank you.

SAULT STE. MARIE  
CHAMBER OF COMMERCE

**The Vice-Chair (Mr. Peter Z. Milczyn):** Our final witness of the afternoon is the Sault Ste. Marie Chamber of Commerce. Good afternoon, sir.

**Mr. Jason Naccarato:** Good afternoon.

**The Vice-Chair (Mr. Peter Z. Milczyn):** You have 10 minutes for your presentation, which will be followed by five minutes of questions, in your case by the official opposition. As you begin, could you state your name for the record?

**Mr. Jason Naccarato:** Sure. My name is Jason Naccarato. I'm a principal at North Star Consulting and the second vice-president of the Sault Ste. Marie Chamber of Commerce.

We as a chamber are constantly in contact with the business community here in Sault Ste. Marie, and we do what we can to keep our finger on the pulse of the local economy. There are a number of concerns that are always brought to our attention, and areas of focus, but today we'd like to focus on the following items that we feel are most important at this point in time, those being the Northern Ontario Heritage Fund, infrastructure here in northern Ontario, the lottery and gaming file, and energy.

When it comes to NOHFC, we find that NOHFC right now is working quite well for small to medium-sized enterprises. It's good for job creation in the 20-to-30 field. Where we see the potential not being reached is in the large opportunities, the opportunities where 200 to 300 jobs could be created. What we're seeing is other jurisdictions being more competitive in luring these types of opportunities to their geographic regions because of the maximum cap that we see on the Northern Ontario Heritage Fund for the maximum project allowable limit that can be authorized here internally without having to go to the Treasury Board.

Something we'd like you to consider would be looking at the Northern Ontario Heritage Fund and allowing us to increase that maximum capacity for allowable project contributions. We think that if the project has merit and the job creation is there, it's a simple change to allow those potentials to be reached. The large-scale projects, where we're talking about hundreds of jobs being created, could be allowed to come to fruition.

When it comes to infrastructure, the local economy here is really under a wave to look at diversification. If we're looking at some of the challenges that our steel mill and Tenaris, the oil and gas pipe manufacturer, have seen, a lot of the local businesses are looking to diversify. We need the infrastructure in place in order to do that and see that diversification. The port of Algoma is a very important project for us, allowing us to reach those export markets, allowing us to get our goods and services to other areas of the globe and take advantage of that globalization. That's a very important project for local businesses.

In addition, the highway access between Sault Ste. Marie and Sudbury, Highway 17, expanding the lanes

there—it's a two-lane highway now. It's both a safety concern, we feel, as well as it shows logistical challenges in moving goods and providing services along that corridor. In addition to that, the rail access to Michigan currently limits us somewhat logistically as well, where the double-stacked railcars cannot leave our shores and get into the Michigan Sault—access to that American economy. That's something, again, where we'd like to see some infrastructure looked at there.

As a final infrastructure point, it's education where we do see some skilled gaps in our local workforce, skilled gaps as far as getting the talent we need to fill some of the jobs, especially in the digital economy. We have Algoma University and Sault College here that are doing a good job, but they need the continued support of the province to be able to train those graduates that we need to have the workforce moving forward.

As far as lottery and gaming is concerned, privatization poses a significant risk to the Sault Ste. Marie economy. We'd like to see more of a human resource presence here in Sault Ste. Marie. A lot of the jobs are posted both in Toronto and Sault Ste. Marie. With human resources being in Toronto, we feel that we're not getting enough attention here in Sault Ste. Marie. We're not getting enough of those jobs that could be filled here in Sault Ste. Marie. We're seeing them getting filled in Toronto. We'd like to see a larger human resource presence here in Sault Ste. Marie. We'd like to see a stronger push through the privatization process, that the supply base is pushed to set up here in northern Ontario and set up here in Sault Ste. Marie. We think that that's very important to our local economy.

In addition, and finally on the lottery and gaming side, is the data centre project we've been working on here for about two years. It's a significant piece of the infrastructure we need for our digital economy. It would be northern Ontario's first significant data centre. It's something that, again, we encourage the province to look at and support—that data centre project—for us. We think that OLG can be a major contributor, as well as a number of other firms, and it's something that's important and needed in northern Ontario.

Finally, energy costs: I think businesses being vocal about energy costs is nothing new to you. Here in Sault Ste. Marie, we've really embraced the green energy or the clean energy initiative much stronger than most. It has been great. It has created a lot of jobs in the construction phase. Now, through the generation phase, there's not so much. We do have an exporter of solar panels here in the community that has done well by looking to the US to export its products, but we also have an idle gas plant. The gas plant could be producing power at a very low and economical rate, and that's appealing to business owners. Getting the price of power down on par with Quebec and Manitoba is very appealing to business owners. They're wondering why that gas plant cannot be back and fully operational, producing low-cost power again for the region, and creating some jobs in the process.

In addition, what has been really brought to our attention lately is the saveONenergy program. The saveONenergy program is there, the spirit is there, to allow business owners to look at their current energy use practices and look for ways to get more efficient. There are incentives there that are put in place; however, the incentives are rarely realized because of the cumbersome process and the difficulties that the business owners have in taking advantage of those incentives. It could just be that the support network isn't in place here in our region. There are a lot of incentives there that are in place by the province, but our businesses are having a hard time getting access to them. Unfortunately, they're either making these upgrades without the incentives or not making the upgrades because they are finding the process cumbersome and difficult to navigate. That's something where we'd like to see the province just make it an easier system, where, if the dollars are there—just allow the businesses to get access to it much easier.

That's essentially what we wanted to talk about: just bring those items to your attention. If you have any questions, I can elaborate further on any of those points.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much. Mr. Fedeli has questions for you.

**1540**

**Mr. Victor Fedeli:** Thank you very much for being here. We appreciate you coming at the end of the day.

I wanted to talk about your first one, the large opportunities and the heritage fund. I live in the north as well. I live in North Bay, so we hear the same kind of thing.

The Auditor General, just in December, came out with her approximately 800-page report. There's a section on economic development. I'm just going to read you a sentence and ask for your thoughts on it.

The ministry she's talking about is the Ministry of Economic Development and Trade. She says, "The ministry has a mandate to cover all of Ontario, but has only ever funded one project in northern Ontario (in 2008)." That's back in 2008 when the one project was funded. "The ministry indicated this is because most northern companies are too small to qualify for the larger ministry funds, but it could not provide us with a list of all potential eligible northern candidates."

What are your thoughts on the fact that the ministry seems to think that we didn't get any money because we're too small?

**Mr. Jason Naccarato:** Well, in my experience—it's been a lot in economic development—we've been trying to attract companies to the north. Where this fund comes in—I don't think it's proper to say that the companies in the north are too small. We're trying to attract jobs to the north, which means we may be looking at firms outside of the north to do that. When we're talking with companies who want to create 200, 300, 500 jobs, having a cap of just over \$1 million doesn't really move the needle for them when other jurisdictions can offer a lot more.

What we're doing is we're saying, "Look at the opportunity." If you want to attract some of those larger opportunities—it may be northern Ontario companies; it

may not be northern Ontario companies—that upper limit is substantial. We’re not saying, “It’s a \$100-million fund. Change the value of the fund.” We’re not saying that at all. We’re blessed to have that fund in northern Ontario. What we’re saying is, allow us to have the ability to attract larger projects. Maybe instead of 20 small projects, where you’re creating a handful of jobs here and there, allow us to go after that larger company that’s going to come here and set up a large—it could be advanced manufacturing; it could be the digital economy; it could be a Google; it could be a forestry company; it could be someone who wants to take Sudbury’s nickel and steel and make stainless steel. But something large like that need more than \$1 million to see it come to fruition.

**Mr. Victor Fedeli:** So you don’t agree with the ministry that it’s because northern Ontario companies are too small.

**Mr. Jason Naccarato:** No, I don’t think that.

**Mr. Victor Fedeli:** We were in—what is today? If it’s Thursday, it must be the Soo. Yesterday we were in Thunder Bay, and we heard from one of the forestry companies that had invested \$70 million in Atikokan. We’ve heard of the other \$100-million and \$200-million investments. They would not have anything to do with the heritage fund. They’re way out of the scale of the heritage fund. We take your point, and we’ll take that point back to the government as well.

This Auditor General continues, “Furthermore, the ministry has done no assessment of the benefits of funding companies in the north as compared to the south.” What does that tell you when you hear a sentence like that, that they’ve not done an assessment of funding companies in the north as they have in south?

**Mr. Jason Naccarato:** Well, I’d have to ask them why, I guess. It wouldn’t be clear to me. I wouldn’t know why they wouldn’t.

**Mr. Victor Fedeli:** It carries on, “Also, one local chamber of commerce in northern Ontario told us”—the auditor—“that when it reached out to the ministry for help to develop their local economy, it was told to contact instead the Ministry of Northern Development and Mines. This chamber of commerce expressed concern that the northern economy is being lost in the overall economic development picture”—again, because of what you’re suggesting: The million-dollar limit prohibits any big company from looking to the north. Is that what you’re suggesting?

**Mr. Jason Naccarato:** Yes. There are some good aspect to the Northern Ontario Heritage Fund. I would say that the good aspects are that the turnaround is relatively quick when we compare it to something like FedNor. The board is in the north, where it needs to be. That’s something that we don’t see at FedNor.

But that upper limit doesn’t give us the tools we need to attract a larger fish, so to speak. It’s geared toward small to medium-sized enterprises. If you want to go after a large enterprise, it’s not equipped to do that. The

north was built on advanced manufacturing, whether that be in the forestry sector or in steel or mining or things of that nature. That’s what the north was built on. We’re a resource-rich economy. But in order to get that value-added, we need more than \$1 million to do it.

**Mr. Victor Fedeli:** Yes. I think you presented that pretty well: For the up to \$1 million, there’s that fund available, but we haven’t got the ability, then, to attract the “bigger fish,” to use your words, because the ministry thinks we’re too small to qualify for those.

**Mr. Jason Naccarato:** It’s the chicken and the egg, right? We need more money to attract a larger company.

**Mr. Victor Fedeli:** The energy: You talked about that cancelled gas facility. That would have been a private company that built a small—they call it a non-utility generator, a NUG. They built a NUG here. They were running for—do you know how many years?

**Mr. Jason Naccarato:** Brookfield Power was the company. I believe it closed in or around 2014. I don’t know how many years it was operating, but talking with Brookfield, it was a fully operating plant in very good working condition and was able to produce power through the use of natural gas, which is at historic lows right now, at a very attractive rate.

**Mr. Victor Fedeli:** Yes, we have those all over northern Ontario. They’ve really quietly done this. We were up around Cochrane, in Tunis, and there was a plant there. It was the same kind of thing. For years they’ve been running it with a contract, producing low-cost energy.

All of these small NUGs are being cancelled, whether it’s a small hydro plant or, in this case, natural gas. The case in Tunis was a natural gas plant being cancelled because we have such an oversupply of energy in Ontario that they’re cancelling these contracts. It’s costing us a lot of employment, and it has been done under the radar.

Do you know how many people were employed at Brookfield?

**Mr. Jason Naccarato:** Not off the top of my head, no, I don’t.

**Mr. Victor Fedeli:** The ones that I’ve seen that are closing are just here and there all through the north in these small communities. These little NUGs are closing, and they have about 10 or 12 or 15 people, but they are multi-million-dollar investments that were made years ago. We have them lining up in my office complaining about this. They made multi-million-dollar investments years ago, on the assumption, of course—they’re business people. They are taking a risk, especially dealing with the government. They go ahead and they spend multi-millions of dollars, and their contract is renewed annually or every two or three years, and now none of them are being renewed and they are losing the investment. Your company should not feel out of place. It’s happening right across northern Ontario.

How much time is left, Chair?

**The Vice-Chair (Mr. Peter Z. Milczyn):** One minute.

**Mr. Victor Fedeli:** Any other thoughts on the price of energy and what it's doing to the business community, seeing as that was your last point?

**Mr. Jason Naccarato:** Well, the business community normally takes energy in different forms. Depending on your economy—if you're Tenaris, you're not liking the price of oil being where it is; if you are a forestry company, you are very appreciative of oil where it is, as it's one of your main cost drivers.

But when it comes to the price of power in the north, and power being used a lot for heat in the north, it's posing a lot of challenges for northern Ontario businesses. They're looking for those economies of scale. A

lot of them have sister companies in Quebec or Manitoba, or partners in those provinces. They do the comparison and they do ask, "Why the difference? What are we doing?"

**Mr. Victor Fedeli:** The auditor weighed in on that as well, but we'll leave that for another day.

**The Vice-Chair (Mr. Peter Z. Milczyn):** Thank you very much for your presentation.

That's all the deputants we have for this afternoon. Is there any other business for the committee? No? The committee is adjourned until 8:30 a.m. tomorrow in Ottawa.

*The committee adjourned at 1548.*



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