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Thursday 19 January 2017

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Jeudi 19 janvier 2017

**Standing Committee on
Finance and Economic Affairs**

Pre-budget consultations

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

Consultations prébudgétaires

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
Greffier : Eric Rennie

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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 19 January 2017

Jeudi 19 janvier 2017

The committee met at 0905 in the Courtyard by Marriott Hotel and Conference Centre, Brampton.

PRE-BUDGET CONSULTATIONS

The Chair (Mr. Peter Z. Milczyn): Good morning—to today's meeting on finance and economic affairs and our pre-budget consultation tour around Ontario. We will be listening throughout the day to a number of witnesses. The format for the day is that each witness will have up to 10 minutes for their presentation; following will be questions in rounds by each caucus.

CONGRESS OF UNION
RETIRES OF CANADA

The Chair (Mr. Peter Z. Milczyn): Our first witness of the morning is the Congress of Union Retirees of Canada. Good morning.

Mr. Barry Stevens: Good morning.

The Chair (Mr. Peter Z. Milczyn): As I said, you have up to 10 minutes. Your questions will be from the Progressive Conservative caucus. If you could please state your name for the official record as you begin your presentation.

Mr. Barry Stevens: Perfect. Yes: Barry Stevens.

Ms. Sue Craig: And I'm Sue Craig.

Mr. Barry Stevens: So we'll just start now. Good morning, my name is Barry Stevens, and I am president of the Toronto and York region area council of the Congress of Union Retirees of Canada, known as CURC. With me is Sue Craig, a member of our board. We represent retired union members in one of the most densely populated and highly unionized regions in the country.

Seniors today form a larger cohort in society than ever before. We are living longer. That is, of course, largely because we lived through the postwar decades when society's wealth was shared more fairly. Unions fought hard to win us the benefits of that period, but over the last four decades, the upper class—the famous 1%—has begun regaining its position. We now have greater inequality of income and wealth than at any time since the 1920s. Today's young people are the first generation in a long time who are not going to do better than their parents and may not live as long, but that can be changed.

Our proposals for the 2017 Ontario budget are for taxing and spending in ways that will benefit the majority

of all ages. We call for renewing and enhancing public services, reversing privatization, fair taxation and fair cost-sharing among municipal, provincial and federal governments. No budget today can fail to take into account the urgent need to address climate change. We believe a budget that moves towards greater social justice will also help to prevent further climate change and prepare for the extreme weather that is already inevitable.

Many of us still alive today actually remember the iceman and the milkman delivering goods by horse-drawn vans. We learned to write in days before throw-away pens and computers. We took refillable pop bottles back to the store for deposit. We remembered our teachers cutting sheets of paper in half for short assignments. We also remember the days before universal health care. While some of what we advocate will sound like going back to the future, we don't want to go that far back.

Ms. Sue Craig: Let's start with health care. It is well known that a single-payer universal health care system is more efficient than a patchwork of private for-profit schemes and that it delivers longer lives, better infant and maternal health, and more effective family planning. But these days, insurance companies are hustling to cover services not covered by OHIP, nor by employer plans in these days of precarious jobs. We say stop the slide into privatization and start exploring big increases in the services covered by OHIP.

Pharmacare, for instance: If the Ontario Drug Benefit Program were turned into a full-blown pharmacare program, the government would have considerable bargaining power over drug prices as purchaser of all the prescription drugs dispensed in the province. It's about time. But for starters, the government could eliminate both the deductible and the copayments levied under ODBP.

By the same token, we call on the government to explore funding dental care, dental surgery and vision care, including eyeglasses, contact lenses and corrective surgery. We also urge full coverage of rehabilitation services, such as physiotherapy. Far too many people are underserved and/or are being impoverished to pay for services we really need. Put some real money in the budget to start researching these possibilities this year.

Affordable housing: Seniors will benefit from an increase in all forms of not-for-profit, co-op and rent-geared-to-income housing. This will enable us to live in the wider community for longer. As well, seniors and our

families will benefit from better funding for homes for the aged and other special-needs housing.

We seek restored provincial funding for transit—not just capital, but operating subsidies. Lower fares will be possible for everyone, as well as reduced rates for seniors. Commuters will all share in the costs, regardless of where they pay their property taxes. A pleasant transit experience keeps cars off the road, reducing congestion and greenhouse gas emissions. Everyone benefits.

Expanding public services can only be done by arresting and reversing privatization. Hydro is an example. Ontarians pay the highest electricity rates in Canada. An article in the January 9 *Globe and Mail* asserts that most of the steep cost increase over the last 20 years has been caused by diverting public money into private hands, even before any effects are seen from privatizing Hydro One.

We say restore the generation and distribution of electricity to public hands. Buy it back. We cannot sustain a reasonable lifestyle without electricity. It is much too important a resource to be controlled by for-profit enterprises.

What goes for hydro goes for other vital public services: health, housing, transportation and all the others.

Mr. Barry Stevens: In order for the cost of the services we need to be allocated fairly, there will have to be some reversal of government downloading that started in the 1980s from the federal government to the provincial government, and from the province to the municipalities. Senior governments have access to fair taxation methods, even if they don't always choose them. Even the provincial government controls the methods that local authorities may use to levy funds.

The government of Canada's largest province should be in a position to lead the fight to persuade the federal government to resume paying its fair share, but Ontario should not wait for that to begin to upload costs dumped on municipalities starting decades ago. Ontario can be a leader, as it was in the fight to reform the Canada Pension Plan, which we also gave a deposition to when the Ontario pension plan was being thought of, and it did spur the federal government to jump in. Even though it is too late for us that these changes come around on the pension, we appreciated that.

Fair taxation: Certainly the government knows how to design taxes based on the ability to pay. Greater fairness in the tax system has the potential to raise more funds for needed public programs. Creating jobs in a wide range of public services would also increase the tax base. Greater fairness is needed in all forms of taxation and user fees for public services.

All the measures we are calling for work together. Everything we've proposed today has been done before, either here or in other western democracies. The measures we outline have been popular with voters and have contributed to civil societies.

We realize you can't do it all at once, but you can make a start. You can put money behind creating the kind of society that you want to grow old in.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. This round of questions begins with Ms. Jones.

Ms. Sylvia Jones: Thank you very much, Mr. Stevens and Ms. Craig. Question: How many members are in the congress and how do you come—because this is a very detailed presentation; thank you for that. How do you come forward with your resolutions or your suggestions for your pre-budget presentation?

Ms. Sue Craig: Canada-wide there are over a half-million members in CURC. I couldn't tell you exactly how many members we have in the greater Toronto area, but we definitely are close to the most densely populated and most densely unionized region.

Basically, we came to these proposals by studying proposals made by other groups and just from our own lived experience. We're all unionists. We've been active in public for our whole lives, and that's basically where we came to these proposals.

Ms. Sylvia Jones: I'm most interested in your section on hydro. I know personally, from an MPP standpoint, that the number of inquiries and the number of issues related to costs have skyrocketed in my own community. I'm wondering if you're seeing that same thing happening with your members.

Mr. Barry Stevens: Yes. It's funny. Hydro is the hot button today; we all know that. There are other things we want to talk about too, but we'll talk about hydro right now. With hydro, our members are experiencing this, particularly in small country towns further out of the GTA where the power grid has to be maintained and it's expensive to do that, so the costs are reflective of that. But something has to be done.

Part of the problem, we feel, is that by privatizing it you're putting profit back into it, which is only going to drive up the cost of power. They think there are going to be efficiencies. The efficiencies aren't there. What's going to happen is that the cost of hydro will go up because profit—if I'm investing, I want money. I have to make money. That's part of investment. So if we privatize it, it's going to go into the pockets of people who already have a lot of money because they can afford to invest. We believe that it needs to go back into public hands. It's better run that way, and the costs can be looked after.

We had a great public system for how many years? And now we're selling it off? It doesn't make sense to retired people.

Ms. Sylvia Jones: Now I'm going to ask for your free advice, since you have come to the committee. As you know, the sell-off has started. What is your recommendation to the government? The easy thing is to stop, but is your group advocating a buy-back?

Ms. Sue Craig: Absolutely. There's no reason why—what's it called?—jeez, I worked there, and now I can't remember the name of it—why the Ministry of Finance can't buy it back. Watch the markets; buy it back when it's low and just gradually buy it back, for sure.

As far as the privatized plants go, I think you can negotiate with the owners, who probably understand that

they really have a good thing going. I think you can negotiate with the owners of private power plants and get the rates down. You can find a way to do something else for them that's not so costly.

Ms. Sylvia Jones: Thank you for your presentation.

The Chair (Mr. Peter Z. Milczyn): Thank you. If there's anything further you'd like to submit in writing, you can do so until 5 p.m. on Friday this week.

Mr. Barry Stevens: We'd just like to thank the committee for their time.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Mr. Barry Stevens: Have a great day.

ALZHEIMER SOCIETY OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Alzheimer Society of Ontario. Good morning.

Mr. Chris Dennis: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation. It will be followed by five minutes of questions from the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. Chris Dennis: My name is Chris Dennis. I'm CEO of the Alzheimer Society of Ontario.

Ms. Karen Harrington: Karen Harrington.

Mr. David Harvey: David Harvey.

0920

Mr. Chris Dennis: Mr. Chair and members, the Alzheimer Society of Ontario appreciates the opportunity to discuss our priorities for the upcoming budget. With me today is Karen Harrington, an advocate and friend of the Alzheimer Society and former care partner to her late husband, Grant Crosbie.

In the spring of 2015, for the first time, people with dementia visited Queen's Park as part of our day at the Legislature and urged you, as members, to work with them to do something about dementia. Since this time, much work has been done to develop a dementia strategy for Ontario. However, we still face a very harsh reality in our province. Dementia prevalence continues to increase, health care costs are climbing, and those caring for people with dementia face immense stress and hardship.

Over to you, Karen.

Ms. Karen Harrington: Good morning. I was the primary caregiver for my husband, Grant Crosbie, for seven years. Grant was reluctant to talk about his condition, and, when he was first diagnosed, did not want anyone to know about it. Because there is still a stigma around Alzheimer's, telling family and friends that you have this disease that is slowly destroying your brain is difficult.

It seems that we were always a step behind with the medical system in getting Grant the correct treatment. Our family doctor referred us to the Memory Clinic at Toronto Western Hospital—a process that took almost eight months before we got an appointment with a neurologist.

Grant did fairly well on his first test. He was diagnosed with mild cognitive impairment, and then wasn't seen again for another six months. By the time he got his second checkup, his memory and cognitive skills had declined considerably.

It took over three months to get an MRI, which revealed that he did, in fact, have Alzheimer's. We were shocked, as Grant was the last person you would imagine to get this type of dementia. He was athletic, exercised daily, was a vegetarian most of his life, spoke two languages and did everything else that we've been told to maintain a healthy brain.

We attended courses at the Alzheimer Society in Oakville, where we now lived. They helped us understand the disease better, and just knowing we weren't alone was comforting. However, they did not prepare us for the struggle we would have in dealing with the CCAC and the long-term-care placement process.

Grant became more agitated and eventually he could not be left alone for even a few minutes at a time. The medication he was on wasn't keeping him calm, and I could not get an earlier appointment to see our neurologist.

Grant had an episode of delirium in August 2014 and became a danger to himself and to me. Not knowing what to do, I took him to the emergency department at Toronto Western Hospital. We then began a five-month-long wait that severely affected his health and put undue stress on the entire family.

In the hospital, Grant was kept in an acute bed on a busy ward where he had very little stimulation. He was drugged to the point where he could not hold his head up or walk unassisted. The doctors reduced his medication, but issues with aggression still occurred. There was an incident with a personal support worker, and this resulted in Grant being labelled as "difficult to handle." The CCAC sent this report to all the long-term-care facilities that had previously accepted Grant on their wait-lists, and they then refused to admit him. Our only choice was the Special Behavioural Support Unit at Sheridan Villa.

In early 2015, Grant finally got accepted into the SBSU and spent the next five months being monitored by their doctors. He moved up to another floor in June, but we were never able to get Grant into any of our preferred long-term-care choices in Oakville.

By the end of the year, Grant had lost the ability to talk, walk and eat regular food. In February 2016, I received a call late one night from his nurse, telling me that Grant's breathing was laboured and he was gasping. I then watched Grant gasp for breath for three days. I had to plead with the nurses to give him more painkillers to ease his distress. Being the weekend, no doctor came to see him for almost two days. Finally, on the third day, he stopped breathing completely and passed away.

Mr. Chris Dennis: Thank you very much, Karen.

Yes, there are great needs, indeed, for certain. But with 30 societies across Ontario and over 800 full- and part-time staff, we've learned a lot about this disease over the past 30 years and how we can address these

needs in the most efficient and cost-effective way. Indeed, we are proposing only solutions which we feel will help reduce hospitalizations and ultimately reduce the health care spend.

We have three priorities which we think will have the greatest impact per dollar spent.

Our first priority significantly expands our Dementia-Friendly Communities initiative. This is an integrated program of core services. We're asking essentially for \$3 million, \$1.5 million per year over the next two years. These programs consist of:

—Minds in Motion, a train-the-trainer program. It's community-based, it's delivered throughout Ontario, and it keeps persons with dementia socially and physically active and helps to stimulate their regulatory systems;

—Finding Your Way, which is a program to prevent wandering. It's already delivered throughout Ontario, and it is delivered in 14 languages throughout the community;

—Blue Umbrella, a program to reduce stigma by training businesses and people in the community on how to communicate with people with dementia; and

—ReThink Dementia, a campaign to reduce stigma and promote public awareness and prevention. It's already delivered in 11 municipalities.

A modest injection of funds would go a long way to delivering these programs more broadly throughout Ontario. All Dementia-Friendly Communities programs are designed to increase a sense of inclusion and reduce the sense of isolation amongst people with dementia and their carers. This initiative enables people with dementia to live longer and more satisfying lives in the community and reduces pressure on long-term care.

The second proposal is for incremental funding, and again, it's minimal. We're asking for \$2 million per year for two years, for a total of \$4 million. That's incremental funding for perhaps the most established and effective dementia-focused program in Ontario today, First Link, which is already delivered by all 30 Alzheimer Societies across Ontario. It's initiated at the primary-care level by physicians. Doctors ask people with dementia, once diagnosed, and their caregivers if they can be contacted by their local Alzheimer Society. Once registered in First Link, people with dementia and their families receive education and family counselling, and are connected to social groups and community services. From 2011 to 2015, referrals to our First Link program have doubled, to 12,700 per annum. Our goal is that every Ontarian diagnosed with dementia will have full access to First Link.

But there's a real problem with this success. In the past five years, we've actually partnered with over 100 new primary care memory clinics across Ontario, where we work with teams of health care professionals to enable earlier diagnosis. This has dramatically increased our intake to First Link, and unfortunately, most local societies are working with the same budgets they had 10 years ago, as is evidenced by the eight-month wait experienced by Grant and Karen.

Research in the US shows that a program similar to First Link enabled participants to live in the community, with higher quality of care, for significantly longer, and reduced admissions to long-term care by 500 days.

Our third proposal is to create new ways of offering respite care for people with dementia and their carers. While more money is needed for respite, it's not about providing more and more money to the existing programs. We need to get smarter with the money we have. We propose to use this investment to force choice rank available programs out there, measure their effectiveness, and then encourage that only the best programs are leveraged to provide a minimum standard of care right across Ontario. Care partners need the right support at the right time along their journey.

We're talking about an investment of \$3.5 million per year for two years to fully fund an Ontario-wide expansion of Dementia-Friendly Communities and First Link so that every person in Ontario can appreciate these programs.

Our third priority would simply be for the government to set aside \$20 million to identify the most innovative home- and community-care providers to deliver the New Directions in Respite Care program. We've provided the Clerk with detailed information on these, including financials.

Premier Wynne has made Ontario's Dementia Strategy one of her government's priorities, and we welcome Minister Hoskins's leadership and that of Minister Damerla. We are encouraged by the inclusion of the strategy in the fall economic review.

People with dementia account for nearly 50% of home- and community-care usage by complex older adults, and 60% to 80% of long-term care. Minister Sousa, in his 2015-16 budgets, committed to an investment of \$250 million towards improving home and community care for the province.

The above proposals are well within our expertise to design, cost and deliver. But we also recognize that there are many more needed services provided by our partners that warrant investment, and we suggest that a total investment of \$100 million will ensure that Ontario's Dementia Strategy is successful, particularly in areas such as increasing capacity for primary care to detect and diagnose, and also to improve training for the dementia workforce and, finally, invigorate a more coordinated, collaborative research initiative.

0930

The Alzheimer Society—

The Chair (Mr. Peter Z. Milczyn): Thank you. That has been a little over 10 minutes already.

To Mr. Vanthof for questions.

Mr. John Vanthof: Thank you very much for coming this morning, and thank you for sharing your personal story. I think Alzheimer's affects almost every family, whether they know it or not. Personally, my mom was diagnosed about a year ago, but she was already far down the road. Now we're participating in First Link, but it's too late for my mom. So a lot of the things that you've

said really have hit home, and I'd really like to thank you.

Yesterday, we had the privilege of listening to the Ontario Caregiver Coalition, and they focused on Alzheimer's as well.

Karen, if I may use your first name, you dealt with many of the institutional challenges facing the system. Would you have been helped if there was more of a focus on the caregiver, not just on the patient?

Ms. Karen Harrington: Oh, for sure. I mean, I had family support. I have a wonderful family. Our children were quite young when this was going on—still in their twenties—so they had their careers. You can just get so much help from so many people.

Alzheimer's is an unknown disease; you don't know how people are going to react. I tried getting assistance to come in and give me an hour off a day. Grant wouldn't go with anybody that wasn't family. This is the nature of this disease. They say it's one of the most expensive diseases to care for because you just have so many different variables of how people are going to react. I had not been through this before and I had no idea that he would be that way, so I kept saying to people that just getting an hour off a day to go and sit somewhere and take a break would relieve the stress. Sometimes that's not there. So any help I could have had would have been—

Mr. John Vanthof: One of the hardest things is that the people totally change. So the person you've known for many years, their personality is totally different.

As a society, would you have examples of other jurisdictions, either in Canada or outside, who do a better job working with Alzheimer's than we do?

Mr. Chris Dennis: I think some of the best community delivery of care for people with Alzheimer's is in Ontario, but it's not consistent across Ontario. We have communities like Peel, York, Windsor, Chatham and Sudbury doing an outstanding job. They have programs for day centres for people so carers can get a break for eight hours a day, and the person with dementia has great stimulation. They know how to integrate people who are reluctant to go into those communities, and they do a fantastic job of it. They even don't have a wait-list in some of those communities, so they're doing a fantastic job. But in more densely populated areas like Toronto, there isn't really an approach or a consistent strategy.

So I think we can probably benchmark our own province and get a very good idea of what will work. That's why we tried to recommend a more consistent approach, as opposed to a different approach in every community.

Mr. John Vanthof: And if I could just add Toronto and rural Ontario—for example, with my mom, we noticed something for quite a few years before we could get a diagnosis. So obviously it's not universal. It's great that we have examples in this province that we can actually work from; I'm really happy to hear that.

In your opinion, would the families and the patients benefit from expanded EI coverage for caregivers?

Ms. Karen Harrington: Definitely. Definitely. Actually, my daughter worked for a company that allowed her to take a day off a week, paid, as a caregiver, but her company was a very well established company that has an amazing plan like that. But just that one day a week where she could come and be with me, we could see Grant, we could—to do something together with him was a huge break for me. So yes, that experience was wonderful. We consider ourselves very fortunate to have that.

Mr. John Vanthof: So if that was expanded—that was the company that she was working for, but not everyone has that opportunity—that would be a help to Alzheimer's.

Thank you very much for taking the time today.

Mr. Chris Dennis: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for coming and sharing your story with us. We've all experienced similar things in our families.

If there's anything further you'd like to submit to us in writing, you can do so until 5 p.m. on Friday.

CANADIAN MANUFACTURERS AND EXPORTERS, ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Canadian Manufacturers and Exporters, Ontario. Good morning, gentlemen. You have up to 10 minutes for your presentation. It will be followed by five minutes of questions from the Liberal caucus. If you could please state your names for the official record as you begin.

Mr. Ian Howcroft: Thank you very much, Chair. My name is Ian Howcroft and I'm vice-president, Ontario division, of Canadian Manufacturers and Exporters. With me is Paul Clipsham. He's director of policy for the Ontario division.

I want to start off by saying a few things about CME and the manufacturing sector. CME represents more than 10,000 leading companies nationwide. More than 85% of our members are small and medium-sized enterprises. CME members account for approximately 82% of Canada's manufacturing production and about 90% of the nation's exports.

The common perception that manufacturing is no longer important and is in great decline is largely wrong. In fact, in 2014, the manufacturing and exporting sector continued to be the largest sector. We had approximately \$290 billion in output. Almost 750,000 people are employed directly in manufacturing. Perhaps even more telling, about 1.2 million have their jobs indirectly dependent on manufacturing. When you look at the full impact of manufacturing, it is the driver of our economy.

Manufacturing and exporting are on the cutting edge of innovation. Manufacturing also accounts for about 47% of private sector R&D and for 80% of products that are commercialized. Manufacturers are driving the prosperity in Ontario.

We recently conducted our management issues survey, and the survey highlighted a number of pressing challenges that are constraining growth in Ontario. These

include attracting and retaining skilled workers, the regulatory burden, and the cost and reliability of energy supply, particularly electricity.

When asked what more governments should do to support manufacturing in Canada and attract investment, the top five responses in Ontario were:

- provide tax credits and other incentives to support investment in new machinery and equipment;
- reduce the business tax burden;
- lower energy costs, particularly electricity;
- implement a preferential M&P tax rate; and
- better protect Canadian business from unfair foreign competition.

The survey we did was part of our industry 2030 initiative, where we had approximately 50 to 60 round tables across the country; 15 of them were here in Ontario, and Paul and I, I think, attended all of those. The issue most spoken about with great frustration and the most passion was the high price of electricity. We need to find something to deal with that.

We will also be providing the committee with a copy of our long-term energy plan, which we're just in the process of finalizing.

Governments can play an important role in supporting manufacturing throughout this low-dollar period by maintaining and enhancing the competitive tax environment. We have focused our submission on three main areas: cap-and-trade and energy cost competitiveness; support for innovation, productivity and skills development; and delivering tangible and significant red tape reductions for manufacturers.

One of the areas we wanted to also recommend is our Smart program. The government is partnering with us right now to help deal with GHG reductions, but we also request and strongly recommend that the government also invest in the Smart program to focus on helping companies invest in productivity improvements. I'll turn to Paul to talk about some of the specifics.

Mr. Paul Clipsham: Thanks, Ian. The first area of priority is around cap-and-trade and energy cost competitiveness. The manufacturing and industrial sector in Ontario has reduced greenhouse gas emissions 30% below 1990 levels. This figure exceeds the aggressive Kyoto Protocol targets and the Ontario government's ambitious 15% reduction target for 2020. Meanwhile, production has increased by 17.2% over that same period. This achievement has resulted from technological progress as manufacturers invested in productivity-enhancing technologies and processes that were fundamentally more efficient.

0940

The periods of greatest progress in GHG reduction are associated with the periods of highest investment levels in manufacturing. Investment is what drives technological progress and reductions in emissions intensity.

Investment in manufacturing is largely driven by after-tax cash flow and, in Ontario, the cap-and-trade program adds costs and uncertainty that could reduce cash flow and impede further progress towards Ontario's GHG reduction targets.

The primary means that we are recommending, in terms of increasing cash flow to drive GHGs and competitiveness, is an investment tax credit of 12%, which we believe would drive \$1.8 billion and significantly reduce energy intensity in manufacturing a further 15% and cost about \$1 billion. CME further recommends a refundable tax credit for the accompanying elements of training, accreditation and ERP systems that will assist in that transition to a low-carbon economy.

The next area is around electricity rate competitiveness for manufacturing. Competitive electricity rates are fundamental to the success of Ontario's manufacturing sector and our economy. According to a recent Hydro-Québec study on rate comparisons, the electricity rate environment is improving for a small segment of very large electricity users that are able to shift their usage away from peak periods. However, despite these reforms, including the demand-based allocation of the global adjustment, the vast majority of Ontario industry continues to be at a significant rate disadvantage on a North American basis. According to the Auditor General, residential and small-business rates rose 70% from 2006 to 2014.

This issue is compounded by the fact that US states are offering incentive rates to attract and retain manufacturing investment south of the border. The moderating effect of the low dollar is largely offset by falling natural gas prices, which form a more significant part of the supply mix in competing US jurisdictions. Reforms promised by President-elect Trump, including exploiting coal and natural gas opportunities, will likely increase this divergence in cost fundamentals.

CME recommends that Ontario adopt a manufacturing action plan with industrial electricity rates as a core component. We have a number of ideas that we think could be implemented fairly quickly in terms of mitigating the cost:

- expanding the northern electricity rate incentive, for example;
- recycling of cap-and-trade proceeds through the electricity system;
- immediately eliminating the debt retirement charge for manufacturers. This has already been taken off residential rates but manufacturers are still paying this.

There's a list there that I'll leave with you in the submission.

The current electricity incentive structure is really geared towards optimizing the electricity system, which in turn reduces the overall system cost. It has been beneficial, again, for a small number of large users. However, the program has a number of significant drawbacks: It's very challenging to access the incentive, it has limited benefit for companies that do not have excess capacity, and it doesn't cover the vast majority of manufacturers. An industry essentially has to shut down or significantly reduce their production in order to access that incentive. So our recommendation for the long-term energy plan that Ian talked about is really to shift that towards more incentive. Encouraging economic growth

and manufacturing production, ultimately, is where we need to be.

The next area is around support for innovation, productivity and training. Research and development is critical to the future of our manufacturing sector and economic prosperity. Small- and medium-sized manufacturers, in particular, need significant financial and technical support to continue to innovate and commercialize new products and solutions for their customers. Programs such as the Jobs and Prosperity Fund have thresholds that preclude participation from SMEs. CME recommends streamlining and enhancing grants and incentives to target those SME companies.

Specifically, we would recommend encouraging the federal government to reverse the previous federal cutbacks to the SR&ED program; an enhancement of the Ontario R&D input tax credit by increasing from 4.5% to 10%—we saw Mexico recently move to a 30% rate, so that’s significant, and the US is talking about similar moves to increase R&D incentives; further enhancing the Ontario regime by increasing the rate to 20% to reward incremental R&D investment; and explicitly including R&D and innovation within the scope and objective of the Ontario Climate Change Solutions Deployment Corp.

Support for workplace skills development and tax credits is really critical. In our 2016 management issues survey, the number one constraint on growth identified by employers was difficulty finding and retaining skilled workers across all segments of their business. Most prevalent were engineering and technical skills, as well as leadership and management skills. Given the magnitude of the skills shortage issues, a multi-faceted strategy will need to be deployed, including highlighting the career opportunities associated with manufacturing, training consortia, maximizing immigration opportunities, and working with the education system to better orient to the needs of employers.

Finally, the area around red tape: We know that this has been an important focus of the government, and we certainly welcome that. We’re looking for a continued streamlining of recommendations and implementing an authentic consultation approach to all new and existing legislation. CME has supported the government’s Open for Business and Red Tape Challenge and other measures to reduce the regulatory burdens in Ontario, and we continue to encourage government to focus on the impact that regulation has on business—

The Chair (Mr. Peter Z. Milczyn): Okay, I’ll cut you off there, because I already gave you some extra time.

Mr. Paul Clipsham: I appreciate that.

The Chair (Mr. Peter Z. Milczyn): Questions are from Ms. Martins.

Mrs. Cristina Martins: Good morning, and thank you very much for being here today. It’s great to hear from you. Prior to getting into politics, I worked for the pharmaceutical industry, so manufacturing was very much core to the business that we were in.

One of the things that I did want to repeat that you brought up initially when you spoke was that—I’m going

to quote from your submission: “The common perception that manufacturing in Ontario is in decline is largely backwards.” That is really great to know and to hear directly from your association, that manufacturing in Ontario continues to thrive and continues to grow. I wanted to bring that out here, and the fact that this is an industry where, as you quote here, most of these jobs are full-time, highly skilled and highly paid.

Again, it’s very good to hear that manufacturing in Ontario continues to thrive. It’s definitely an area that our government is very much committed to continuing to grow. Not only am I the member of provincial Parliament for the riding of Davenport, but I’m also parliamentary assistant to the Minister of Economic Development and Growth, so I’m very much connected to and aware of how important the manufacturing sector is to the province of Ontario.

There were a couple of things that you brought up that I wanted to question you on. You spoke about Ontario’s Red Tape Challenge. As you know, we’ve set a target of reducing the regulatory burden to save businesses and stakeholders an estimated \$100 million by the end of 2017, and we’ve currently had some consultations already throughout the province of Ontario in various sectors, some of them in manufacturing and some of them very specific: automotive, and we’ve also got chemical manufacturing coming up later on this year.

What other tools should Ontario look at to reduce burdens and increase its competitiveness in manufacturing?

Mr. Ian Howcroft: I’ll start. I think that one thing we wanted to flag was the industrial exception. That has been introduced in legislation. We want to see that come to a final resolution, to make sure that we continue to have the industrial exception in Ontario.

There are a lot of regulatory improvements that could be made around the energy side. That seems to be the number one challenge that I hear about: the price of electricity. Part of it is due to regulatory issues and challenges. It’s a very complicated system, and there could be certain things that could be done to provide immediate relief, such as getting rid of the debt retirement charge, which was already taken off for residents.

0950

We had recommended the expansion of the ICI program, which was originally at five megawatts, to three megawatts, down to one megawatt, but it still is an extremely complicated system. I think other regulatory changes have to be made there, such as putting in two mulligans. If someone gets one of five points and it peaks wrong, let them have one or two extra chances to make sure that they get it right—a little latitude, a little flexibility in that area.

Some of the other programs that have been introduced for energy and electricity are still very complicated. We’ve seen some redress, as Paul said, for large companies, but the vast majority of manufacturers are SMEs and they’re not able to take advantage of the 8% HST reduction or the larger ICI program. I know there is work being done to address that, but it has to be done quickly.

When you throw in the extra charges due to cap-and-trade, we need to find solutions on the end-of-wire cost for manufacturers, and part of that is due to some regulatory changes.

Paul?

Mr. Paul Clipsham: Yes. I think the key thing, again, is around consultation at the policy development stage. Maybe regulatory change or legislation isn't always the best solution or the appropriate solution. Sometimes, certainly it is, but we'd like to have a conversation about: What are the tools out there and what are the options that are going to achieve the policy objective and improve and help our competitiveness as a manufacturing jurisdiction?

Mrs. Cristina Martins: You did speak about hydro, and we recognize that this is definitely a very serious issue. It's why we have, as a government, taken steps like removing the provincial portion of the HST off hydro bills. We have also expanded the industrial conservation initiative to give large businesses more support. At the same time, we recognize that there is definitely more that can be done and more to do.

Can you speak to whether or not these changes are indicators that the government is moving in the right direction on this issue?

Mr. Ian Howcroft: I think directionally there is some movement in the right direction, but again, from what our members are saying and what we're hearing, a lot more has to be done to retain that manufacturing. It is the largest sector and we want to make sure it continues to be the largest sector and actually see that sector grow. Ontario has a great campaign: "Good Things Grow in Ontario." We want to have good things made in Ontario, but there are some significant challenges that must be addressed. We talked about the regulatory issues, the challenges and the opportunities.

The Ministry of Labour, as you know, has a major reform right now looking at workplace challenges, labour relations and employment standards. We agree with the high-level intent of what's trying to be achieved but have significant concerns that you're going to be capturing the good players and missing the challenges. We've been working with them to provide them with input too to make sure any regulatory changes go after and focus on what the real opportunities are and not create more regulatory burdens for the good players, those who are already doing the right things and meeting their obligations.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time for today. If there's anything further you'd like to submit in writing to the committee, you can do so until 5 p.m. tomorrow.

Mr. Ian Howcroft: Great. Thank you very much, Chair. Thanks, everybody. Have a good day.

Mr. Paul Clipsham: Thank you very much.

REGISTERED NURSES'
ASSOCIATION OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are the Registered Nurses' Association of

Ontario. Good morning. You have up to 10 minutes for your presentation, which will be followed by questions from the Progressive Conservative caucus. If you could state your name for the official record as you begin.

Mr. Kim Jarvi: My name is Kim Jarvi. I'm the acting director of nursing and health policy at the RNAO, which is a professional association representing registered nurses, nurse practitioners and nursing students in Ontario. I bring regrets from board member Veronique Boscart, who, due to a family emergency, was not able to attend today.

We come every year, as you know, to the pre-budget hearings because the budget is so crucial to nurses. It absolutely impacts the health system. In turn, that affects how nurses are able to deliver care in the system. Our experience tells us that an upstream approach is the way to go when you spend your money. We want to see investment keeping people well so you avoid the larger costs—

The Chair (Mr. Peter Z. Milczyn): Could you lean into the microphone a little bit more, please?

Mr. Kim Jarvi: How's that? Okay.

If you go upstream, you can avoid the larger costs of not attending to people's health: the morbidity, the mortality, the suffering, the lost productivity and the costs of healing people when they suffer illness and injury.

We would like to see a health-in-all-policies approach which would not only give you a healthier society but a healthier economy and a healthier budget balance. The idea is to run everything through a health lens. The challenge in the political process is that it focuses budgets on more immediate concerns, which are often dealing with the problems from not addressing them earlier.

An example that we've highlighted in our submission is avoidable diabetic foot amputations. There are 2,000 people a year who face that in Ontario, and it's very, very expensive. It's like \$70,000 just to the health system alone and, of course, the burden is borne almost entirely by the victims.

In comparison, there are off-loading devices like total contact casts and therapeutic footwear that could really drastically reduce the number of amputations. They cost anywhere from \$100 to \$1,500 depending on the type of off-loading device. The Canadian Diabetes Association has estimated that the Ontario government would save \$48 million to \$75 million a year to do this policy. Funding this would not only avoid a heck of a lot of suffering, but it would save a great deal of money.

Accordingly, we call for a comprehensive approach to prevention of diabetic ulcers, with universal access to preventive foot care services for Ontarians living with diabetes. That would include full coverage of those off-loading devices I just mentioned. We also call for that population to receive at least one foot assessment per year by a qualified health provider and a province-wide interprofessional approach to diabetic foot care.

Another example we would point to is Canadian medicare. Right now, it only covers hospitals and

essential medical care. That's the most expensive part of the health system and it's largely downstream. It's an incomplete system right now, but it's something we could fix if we had a national health accord with the right agreements.

At the moment, unfortunately, the way the funding flows biases everything toward acute care and medical care and underinvestment in other parts of the health system. Those systems that are under-resourced would be primary care, home care and long-term care.

Of course, people would rather receive their care closer to where they live, but often they end up in hospitals because that's where they can get the services most readily, or it's where the services are free. Ironically, in spite of, and because of, the large expenditure on hospitals, wait times go up because people go there. In many cases they don't need to be there, but they can't get the services elsewhere, so they're bed-blockers.

We'd encourage Ontario to continue its negotiations with the federal government to address those gaps in medicare—in particular, pharmacare, home care and mental health. In the meantime, we urge the province to initiate its own pharmacare program.

What would an upstream approach look like in health care? We would root it in primary care, with multi-disciplinary teams providing direct care and coordinating system navigation for clients whose needs must be met in other parts of the system.

Ontario has been expanding access to interprofessional primary care, including the creation of 25 nurse-practitioner-led clinics, and that's an important step. There are other existing models that also provide important care, like the 75 community health centres, the 10 aboriginal health access centres and the 186 family health teams. We'd like to see more funding flow there so that those organizations can maximize the services that they can deliver.

We also note an opportunity to transition the 4,100 case coordinators currently working in the CCACs into true care coordinators in primary care. That full complement of care coordinators would allow for seamless transitions, enhanced communications, timely follow-ups and referrals and decreased duplication, and it would keep people from falling through the cracks. The local health integration networks—the LHINs—could coordinate those functions currently done by the CCACs.

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Now, we also need to develop a sustainable health human resource strategy. We need the right mix of health providers with sufficient staffing to safely meet health care needs. So we recommend a permanent table to discuss interprofessional health human resource planning, with key professions represented.

But until that time, until we've got a plan, we call for a moratorium on nursing skill mix changes, which has been a big sore point with nurses. A lot of RNs have been replaced in various settings where we believe that their nursing skills are required—replaced by lesser-skilled providers.

We would furthermore ask you, in the case of tertiary, quaternary and cancer centres, within two years, to make them all-RN workforces to address the growing acuity in that area, and to extend that to large community hospitals within five years.

We have another request with respect to staffing in long-term care: one attending nurse practitioner per 120 residents, and a mix of 20% RNs, 25% RPNs and 55% personal support workers.

We also recommend that the government mandate that LHINs use models of nursing care that provide continuity of care and caregiver. Some of the models break up the care so that you get different people tending to the needs of the same person, and then the patient tends to fall through the cracks.

Furthermore, in order to extend the benefits of continuity of care, we would ask the government to redouble its efforts to get to 70% full-time employment for RNs. They've made good progress, but we still need to get there.

We have recommendations on scope of practice.

In the case of nurse practitioners, we'd like to remove barriers that prevent them from prescribing controlled substances; authorize them to act as the most responsible provider in all sectors; implement their legislated authority to admit, treat, transfer and discharge hospital in-patients; and fully utilize the NP anaesthesia role, inclusive of intraoperative care.

With respect to RNs, we request the implementation of a model of independent RN prescribing and immediately developing the continuing education course to enable it.

Now, to go even further upstream, we ask you to address the determinants of health, in particular the social determinants of health and the environmental determinants of health, most urgently the situation with First Nations. I don't think it's an exaggeration to call it a crisis. It's important for both the federal and the provincial governments to work together in partnership with the Chiefs of Ontario, indigenous communities and their leaders to provide funding for safe water, reliable sanitation, affordable housing, and accessible, high-quality health care.

Secondly with respect to the social determinants of health, the number one determinant of health is income distribution, and particularly poverty. We need a multi-pronged anti-poverty strategy. We speak to four points right here: raising social assistance rates by \$1 billion; proceeding with the basic income pilot, but making sure that you don't make people worse off, which is a risk; raising the minimum wage to \$15—

The Chair (Mr. Peter Z. Milczyn): Mr. Jarvi, I'll cut you off there. We've already gone a little bit over. Mr. Oosterhoff has questions for you.

Mr. Sam Oosterhoff: First of all, thank you so much for coming and presenting before us. I think everyone here agrees that nurses are an incredibly important part of our health care system and provide excellent care across our province.

Mr. Kim Jarvi: Thank you.

Mr. Sam Oosterhoff: I was just curious: You spoke a lot about the need for implementing these recommendations. Would the nursing association say that the government, over the last several years, has made good steps in implementing some of these changes, or would you say that health care now—I mean, we hear about close to 1,500 nursing jobs being cut last year alone, I believe. Would you say that we're moving forward or perhaps moving backwards in implementing much-needed health care changes?

Mr. Kim Jarvi: Well, there have been steps in both directions. I think that's fair to say. When the government started in its first mandate, nursing was in dire straits, and the nurse-to-population ratio was extremely low. Nursing workloads were unsustainable. So they did hire a lot more nurses; you have to give them credit for that. We're concerned of late, as I said, with RN replacement taking place. We've been sliding back with respect to overall nursing employment with respect to the rest of the country, but they have made steps forward in nurse-practitioner-led clinics, for instance. So it's moving in both directions. We work with them where we can: We applaud them when they make forward steps, and we let them know when they slip backwards. So it's mixed results.

Mr. Sam Oosterhoff: At one point during your presentation, you mentioned that nurses are being replaced with care providers with less training in some situations. That was a concern you mentioned. Could you just elaborate on that a little bit? What do you mean?

Mr. Kim Jarvi: It's a little difficult to track these things, but they've been replaced with personal support workers or with registered practical nurses, and it just depends on the circumstances. But in general, if the client is not stable, if the outcome is not predictable, then an RN is required. That's our position. In these acute care centres, it's no longer appropriate to be moving away from them, so we're asking for a moratorium on those changes.

Mr. Sam Oosterhoff: Would it be fair to say those changes endanger the quality of care to patients to some extent?

Mr. Kim Jarvi: That's the red flag that we've been raising, yes.

Mr. Sam Oosterhoff: You mentioned that you urge the government to meet its goal of 70% full-time employment for RNs. What is that employment right now?

Mr. Kim Jarvi: It's a bit over 66% for RNs. It was a little bit higher. It did start at 50% in the year 2000 and it rose up to around 67%, but it hasn't reached the 70%. We do know that RNs, at least 72% of them, would voluntarily be there. So if everybody had their choice, we would be well above that. You don't have to drag nurses into that; that's what they want. So we would like to see them take that last step.

Mr. Sam Oosterhoff: You mentioned that Canadian medicare only covers hospitals and essential medical care, which is very expensive and largely downstream.

What are a couple of examples—you mentioned some things about what an upstream approach would look like, but, for example, with mental health, what would be something that we can improve on there?

Mr. Kim Jarvi: The one thing we've flagged probably the most, because of the evidence we know on cost, is pharmacare. There would be a huge saving to the province if you could get pharmacare. There would be a small net cost to the government, but the saving to the private sector would be enormous. Again, with mental health, it's a growing issue that is going to grow more. The costs are borne both by families and within the system as well, and, absolutely, more resources need to be put into that area. That's something that particularly our mental health nurses will tell you; that's the experience they have. An excellent question. Thank you.

Mr. Sam Oosterhoff: A lot of the focus, and rightly so, of your presentation was on the impact on the patient, and obviously patient-centred health care is what we're looking at. But we also have to consider nurses themselves, right? I'm curious about workplace concerns, improvements that could be made for nurses. A lot of my friends are actually nurses and they mention safety concerns with the way they're trained—or not necessarily trained. They don't feel there are sufficient programs in place sometimes. I'm just curious as to what your approach is to workplace safety.

The Chair (Mr. Peter Z. Milczyn): Unfortunately, that's all of our time for today.

Mr. Kim Jarvi: The issue was whether it's done by the right care provider. In many cases, we believe it's the RN that is the right care provider, but it's—

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Jarvi. If there's something further you would like to provide to the committee in writing, you can do so until 5 p.m. tomorrow. Thank you, sir.

ONTARIO CAMPAIGN FOR ACTION ON TOBACCO

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Campaign for Action on Tobacco. Good morning, sir. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the New Democratic caucus. If you could please state your name for the official record as you begin.

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Mr. Michael Perley: It's Michael Perley, director of the Ontario Campaign for Action on Tobacco.

Mr. Chairman and committee members, on behalf of the Canadian Cancer Society's Ontario division, the Heart and Stroke Foundation's Ontario office, the Non-Smokers' Rights Association and the Ontario Medical Association, thank you for the opportunity to again present recommendations concerning, in this case, the 2017 provincial budget. My comments will focus on the costs of tobacco use in Ontario, the positive impacts of increased tobacco taxation, the current state of the contra-

band tobacco issue in Ontario, and the need to control tobacco pricing.

Use of tobacco industry products in Ontario kills 13,000 Ontarians every year, or 36 lives every day. According to the Ministry of Health and Long-Term Care, tobacco-related disease costs our health care system an estimated \$2.2 billion each year in direct health care costs and, to the larger economy, an extra \$5.3 billion each year in indirect costs, such as time off work.

The provincial government's Smoke-Free Ontario Strategy reduced the province's current smoking rate to 17.4% in 2014. In fact, more recent data shows it's even a little less than that. But there are still nearly two million Ontarians who use tobacco industry products today.

Decades of research have made abundantly clear that increases in tobacco taxation are the single most effective intervention to reduce tobacco use. Higher tobacco prices do several things. They induce current users to try to quit; they keep former tobacco users from restarting; they prevent potential users, especially young people, from starting; and they reduce consumption among those who continue to use tobacco industry products.

A New England Journal of Medicine review recently described how France and South Africa cut tobacco consumption in half in less than 15 years by the use of large tax increases, how France dramatically cut lung cancer rates through these tax increases, and how South Africa and Turkey actually increased tax revenues overall as tobacco tax levels were significantly raised. Ontario can learn valuable lessons from these and many other jurisdictions that have raised tobacco taxes.

In light of the effect of tobacco excise tax increases as tobacco reduction measures, we recommend that the Minister of Finance should raise per-carton tobacco excise taxes by at least \$10 a carton.

Whenever anyone recommends a major tax increase in Ontario, there is concern that there will inevitably be large increases in contraband cigarettes. A recently leaked 2012 Imperial Tobacco Canada Ltd. slide deck about the company's anti-contraband campaign describes in detail how the company has worked through front groups, specifically the National Coalition Against Contraband Tobacco and the Ontario Convenience Stores Association, to urge the government to reduce contraband, but also to block tax increases and other tobacco control regulation generally. These aspects of the campaign are illustrated in the two slides from this deck that are attached to your presentation. We recently sent the entire deck to all members of the Legislature for your information. That was in mid-December.

The continuous repetition of this industry message by NCACT and OCSA spokespersons before this committee, in the media and in meetings with MPPs has left an impression that high taxes inevitably lead to more contraband. In fact, analyses by the Ontario Tobacco Research Unit at the University of Toronto show that this link is not inevitable and that contraband research publicized by these groups is deeply flawed.

One source of untaxed tobacco product in Ontario is Grand River Enterprises, the fourth-largest tobacco company in Canada, located on the Six Nations reserve near Brantford. Grand River Enterprises is provincially and federally licensed to produce cigarettes for export and for sale on First Nations territories in Canada. In fact, GRE, as it is known, supplies large quantities of cigarettes to Ontario reserves that exceed the amounts permitted under a provincial formula called the allocation system. This formula takes into account on-reserve smoking rates and reserve populations and determines how many tax-free cigarettes each reserve can receive.

As the allocation system is over 20 years old and its provisions are out of date, the Ministry of Finance has begun to reassess it. However, a senior GRE official has stated in a court affidavit that GRE has no intention of observing the allocation system. The Ontario campaign recommends that if GRE continues with this practice of not observing the allocation system, which of course leads to the presence of more untaxed cigarettes available to both native and non-native persons, its provincial licence should be revoked.

We have also recommended a number of additional anti-contraband enforcement measures, which are contained in our pre-budget submission to the Ontario Ministry of Finance.

Finally, I would like to call the committee's attention to the current retail pricing system for tobacco products in Ontario. Beginning just after 2003, the tobacco industry created a three-tier pricing system whose categories included premium brands, mid-priced brands, and "value" or discount brands. Signs on display covers in any Ontario gas bar or convenience store provide consumers with these prices. The discount category is especially important to the industry, as research has clearly demonstrated that smokers who consume discount-priced cigarettes are less likely to quit.

The Ontario campaign strongly recommends that the Ontario Ministry of Finance prevent the tobacco industry from setting discount prices and that a minimum price law for all tobacco industry products for Ontario be established in legislation.

That concludes my prepared remarks.

The Chair (Mr. Peter Z. Milczyn): Thank you very much, sir.

Mr. Vanthof.

Mr. John Vanthof: Thank you for coming today to present. I think we can all agree that tobacco has wreaked havoc over the generations on our health.

There are a couple of things I'd like to focus on. My colleague France Gélinas has worked very hard to eliminate flavoured cigarillos. The menthol exemption finally lifted at the beginning of this year is evidence of that. Do you think that has helped stop more youth from starting to smoke?

Mr. Michael Perley: I think it has, because especially the candy-flavoured products—and we're not talking about cigarettes here but little cigars, cigarillos, that kind of thing—those products are particularly appealing to

young people. The Centre for Addiction and Mental Health's Ontario Student Drug Use and Health Survey has shown over and over again that young people are particularly attracted to these flavoured products, so eliminating them from the market is an important step to keep some young people from either initiating tobacco use through starting with those flavoured products or just carrying on smoking using flavoured products because they resemble candy or gum or some other fruit-flavoured product.

In terms of the menthol ban, that is a particularly important step forward because, again, the same survey from CAMH showed that there were just under 20,000 young people who were using menthol products in Ontario. Other research showed that those young people who smoked menthol smoked more cigarettes than young people who smoked non-menthol cigarettes, and that young people who smoked menthol cigarettes report that they are likely to smoke longer, they think, than young people who describe what they think their future smoking behaviour will be.

It's not just that young people like menthol; it's that young people smoke more menthol, who smoke them, and are likely to smoke longer. That's about 20,000 kids that, hopefully, will be protected from that product as of this past January 1, so I think that's a positive step forward as well.

Mr. John Vanthof: You've presented evidence that increasing taxes on cigarettes doesn't have a direct correlation to contraband cigarettes, but contraband tobacco is still a big issue, I know, across the province. I live on the border. Has the government been doing enough on the contraband tobacco issue?

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Mr. Michael Perley: On the one hand, if you look back to budgets beginning in about 2004, the government has put in place a number of different contraband control measures which have had a pretty significant effect if you look at objective data about the availability of contraband. That's on the one hand.

On the other hand, I think our impression is that enforcement has not been as well resourced or as rigorous as it might be. Let me give you a couple of examples.

A couple of years ago, I believe, in the 2015 budget, for the first time, the government indicated it would be interested in exploring how to block the supply of acetate tow—which is the material that makes up cigarette filters, the white material—to unlicensed manufacturers, because most, if not nearly all, contraband cigarettes are filtered. So here we are, a couple of years later, and we still haven't had any actual action to block acetate tow.

We have also recommended that other raw materials, like cigarette papers, which are manufactured specifically for use in cigarettes—they don't have a whole number of other uses, so it's easy to identify cigarette papers when they're being imported into Canada. We've recommended that they should also be banned, because again, it makes it very difficult to make the product if you don't have the raw materials. We haven't seen any action on that.

Our impression—and this is just an impression—is that there could be more, I guess the phrase is, “boots on the ground.” We could have more aggressive and effective community enforcement at the local and regional level.

We could also, finally—and this is something we've strongly recommended to the ministry on repeated occasions—have a comprehensive, sustained, intensive public education campaign, not about contraband in the sense the industry talks about it, with all the dire warnings of organized-crime involvement and community endangerment, which we haven't seen virtually any evidence of at all; it's just the industry's PR spin on the issue—

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all of our time for today. If there's anything further you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Mr. Michael Perley: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, sir.

NEW PATH YOUTH AND FAMILY SERVICES

The Chair (Mr. Peter Z. Milczyn): Our next witness is New Path Youth and Family Services. Good morning. You have up to 10 minutes for your presentation, and it will be followed by five minutes of questions from the Liberal caucus. If you could please state your names for the official record as you begin.

Mr. Rick McHale: Thank you. My name is Rick McHale. I'm past chair of New Path Youth and Family Services. I'm joined today by Paul Shervill, who is a director on the board, and by Lyn McLeod, who is our vice-chair.

On behalf of the families and youth of Simcoe county, I'd like to thank the committee for allowing us to present today.

We're here wearing two hats. The first hat we wear is as citizens of Simcoe county who are involved in and have a concern with the mental health services that are available for our youth in our community.

The second hat we wear is as volunteer board members of New Path, which is the lead agency for moving on mental health in Simcoe county. New Path is an MCYS-funded agency delivering mental health services for the youth and their families in Simcoe county.

As a board, we're here today to address three issues that are significant, from our perspective, in how we can deliver and what we can deliver in our community.

The first of those is the significant growing gap between funded capacity in the community and the need.

Secondly, we're looking at the impact that time and wait-lists have on the quality of services, and the costs that the complementary services inside the community absorb because of that.

Thirdly, we want to bring to the attention of the committee a specific issue on residential services that, as a board, we grapple with on a meeting-by-meeting basis.

In the package you have today, there are a number of charts that we'll use to talk about what our concerns are.

The first one is on funding adequacy. The first figure takes a look at the difference between our baseline funding growth—in the last 15 years, we've had two increases, one at 3% and one at 5%. When you compare that to the increase in the cost of living and the increase in population, there is no comparison, and that gap is a systemic problem from the point of view of our ability to be able to deliver services to those who need it, and the increase in need that correspondingly grows every year.

The other thing is that it's a gap such that, without significant systemic change, we'll never close. We'll never catch up. What it also does is that as board members, it actually changes all of the metrics that we look at in how we manage our agency's activities and how we manage the need inside Simcoe county. As lead agency, we have a responsibility to deliver the services that the community needs, and funding is what's going to determine what we deliver, how we deliver it and where we deliver it from that perspective.

We know that 70% of all adult mental health issues raise themselves in childhood. Therefore, a proactive system is what's going to be able to let us get at those issues as they arise, rather than a reactive system that treats them when they become so serious that they show themselves.

Figure 2 also shows, on a Simcoe county basis, the difference between population growth and our ability to service clients. An accepted ratio is that one in five kids need some kind of mental health support. The top of that graph shows the growth in Simcoe county of the number of kids who should be getting some kind of help—I agree that not everybody asks for it, but those are children who need some help. The bottom line shows our ability to be able to accept new clients, a 1,200-person target growth in overall population. Of that, we've been able to service less than 100. Those lines will continue to grow apart unless we systemically make a change on a funding basis, meaning our ability to have resources that can address that.

One of the visible outcomes of underfunding is wait-lists. Figure 3 takes a look at the wait-lists in Simcoe county. This is one program of more than one, but more than 80% of the kids, the clients, have to wait seven months or more to get service. I don't think any of us believe that that's the right number, from that level of service. CMHO will talk to you about a 30-day wait-list, which we fully support, but less is better, from the point of view of being able to address it immediately.

Also, recent data show that there has been a 33% increase in referrals to other complementary services—hospitals and even, in extreme cases, youth justice—to be able to address the kids who need help on that basis.

We know that suicide is the number two cause of death for kids, and we also know that 12% of the deaths in the 10-to-14 age group are from suicide. I'm confident in saying that wait times have an impact on that number. I can't tell you how much, but we know that the longer it

takes to get service—as a matter of fact, if you watch the public news, there have been a number of situations where kids haven't been able to get service on a timely basis and it has had a drastic effect. An underfunded system with excessive wait times can't be proactive and, at best, struggles to be reactive.

Paul?

Mr. Paul Shervill: Thanks, Rick.

Perhaps the most pressing issue that we have in Simcoe county at this time is chronic underfunding of residential services for children and youth with mental health issues. As you can see from figure 4 in the handout, the budget deficit associated with this much-needed service is long-standing and continues to grow, projected at over \$300,000 for the current fiscal year.

We have managed for the last few years by reallocating funding from other program areas and by managing the filling of staff vacancies, of course with the full knowledge and understanding of the Ministry of Children and Youth Services. The board, though, in order to meet its fiduciary responsibilities, can no longer condone this practice and has begun to evaluate solutions to this issue.

Unfortunately, without sustainable funding, the two most likely outcomes are to either close much-needed residential facilities or to permanently eliminate other non-residential services. Of course, either option will further reduce the level of service in Simcoe county for vulnerable children and youth with mental health needs.

1030

In summary, we have a large and widening funding gap overall in service provision in Simcoe county. We have unacceptably long wait times for many programs, placing greater pressure on other provincial services, such as hospital care, welfare and youth justice. We have chronic underfunding of residential services, as I've just outlined. While the province is considering changes to the funding allocation model, without increased investment in children and youth mental health, the allocation model won't address the problem. We need sustainable base-funding increases which recognize legitimate escalation in the cost of living and the staffing costs. Thanks very much for your attention.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Ms. Hoggarth will start the questions.

Ms. Ann Hoggarth: Good morning. Thank you very much for coming here and presenting. I'd just like to say that one of my first visits as an elected official was to New Path. Glen Newby made a very good case for how wonderful this program is and how you work very hard to cut down on administrative costs and do sharing of facilities and people resources as well. I'm very proud of that and the wonderful job you do, because as a teacher, too, I know how important that is to the teachers and the community as a whole.

I just want to point out that, in fiscal year 2015-16, New Path received approximately \$6.5 million in funding for child and youth mental health services. As you know, that is a priority of Minister Hoskins and the Premier:

child and youth mental health services. We, just a few months ago, got the mental health beds that are going to come to RVH, Royal Victoria health centre. I'm very proud that we were able to do that. Hopefully, they will help in some way. There are some walk-in clinics as well. Can you please tell us how the \$6.5 million in funding has impacted your organization?

Mr. Rick McHale: I think, from our point of view, it's divided among a number of programs that we deliver on behalf of MCYS. It allows us to fund the data we just showed you, where we have wait times in excess of seven months and where we struggle, on critical care cases, to make sure they get the kind of treatment they can, initially, and that it's at the right level. It allows us to address the need of kids in Simcoe county—and the \$6.5 million are New Path's numbers. The ministry probably has upwards of around \$12 million for Simcoe county in general—I'm not exactly sure of the whole number, but it allows us to address about 9% of the need from that basis. So, to your comments about Glen and his team, they're doing an incredible job with limited finances.

Lyn, is there—

Ms. Lyn McLeod: Sure. I'd just like to comment that some of the funding that has flowed to children's mental health in the last year is for Moving on Mental Health and support for lead agencies to start to work on community planning. I personally think, having been around this for a long, long time, that this is a really exciting initiative without any question. My hope is that there will be efficiencies in terms of our ability to meet children's needs by having a much better coordinated system.

One of the reasons we wanted to be here today, though, is to say that even that wonderful initiative will fall short if the base funding issue is not addressed. I agree that there has been an increase in funding, but the document we've presented shows the gap that has arisen over many years. I know there's tremendous demand—we've been sitting here for the last 45 minutes and have heard the kind of demands that come to the committee. I know what it's like to be overwhelmed by those. I know that base funding is not a sexy issue, but what we're trying to do today is to show what happens when base funding falls so far below need that it really is affecting our ability to deliver crucial services to our clients.

Ms. Ann Hoggarth: I know that you have been selected as a lead agency in the Simcoe service area as part of the Moving on Mental Health strategy. Can you tell us how being a lead agency has an impact on our community? Don't get me wrong: I know what wonderful work you do and I fullheartedly will be taking this back to the minister. But could you tell us about it?

Mr. Rick McHale: What excites us about Moving on Mental Health and being a lead agency in that environment is that one of the basic genes of how New Path and Glen operate is collaboration. What that allows us to do is to look at Simcoe county as a whole and not just look at it on an agency-by-agency basis. One of the frustrations of people looking for help is that they don't know

where to go. They don't know where to reach out. Actually, the professionals who perhaps are their first point of contact often don't know where to refer people. So what it allows us to do is to set a very clear path to getting the right service at the right time from the right agency. It also allows us to make sure that, as funds are allocated to Simcoe county, they're directed toward the greatest need.

As an offshoot of that, as we get better at it, we should be able to define where the gaps are and be able to put together the needs assessment of where those gaps are and what needs to be done to service them—in other words, to build a proactive system or to build towards a proactive system, rather than a reactive system.

Ms. Ann Hoggarth: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all of our time for today. If there is something further that you would like to provide in writing to the committee, you can do so until 5 p.m. tomorrow.

Mr. Rick McHale: Thank you, Mr. Chair.

CHILDREN'S MENTAL HEALTH ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is Children's Mental Health Ontario. Good morning.

Ms. Kimberly Moran: Good morning.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Progressive Conservative caucus. If you could state your name for the official record as you begin.

Ms. Kimberly Moran: My name is Kimberly Moran. I'm the CEO of Children's Mental Health Ontario. We represent close to 100 agencies just like New Path, which you just heard from, around the province.

I understand that the government has to make hard financial choices. I'm a chartered professional accountant by training. What I want to do is talk to you about how it makes good financial sense to invest in children's mental health agencies, like you've just heard, and also bring my experience—I was formerly with UNICEF—about building health care systems from across the world into the discussion as well. Also, as a parent of a child with severe mental illness, I think I bring another perspective into the room that might be helpful.

I want to thank many of you for your support in your ridings. I know that, day to day, you deal with kids and parents who are struggling to find mental health care, and I want to thank you for all the work that you do in your ridings.

Every month, there's another headline about suicide. On New Year's Day, there was a headline on the front page of the Toronto Star. A child died by suicide because they couldn't get the care they needed. In Woodstock, there were six suicides in succession. With First Nations, there are tragedies and tragedies over and over.

We know how to prevent suicide. We have expert report after expert report. Even the select committee, which was an all-party document—I looked at that earlier

this morning and I thought, “You know, the answers are fairly clear.”

Something as simple as psychotherapy is what kids need, and it can avert crisis. But we’re entirely focused on waiting until kids become acutely ill before we treat them, which in my mind doesn’t make a whole lot of sense.

My daughter, Lauren, had suicidal thoughts, and we reached out for treatment. We were told that not until she had a plan or actually tried to hurt herself would we get help. I couldn’t help but think at the time and even now, “That doesn’t make any sense at all.” Do we wait, when a kid has cancer, until it spreads all over their body? No; it doesn’t make any sense. So why do we do that for kids’ mental health? It doesn’t make sense to me.

We know that treatment works and we know what to do, but we know that kids wait for treatment. Now, New Path just told you that they wait for seven months in Barrie-Simcoe. In Ottawa, you wait 18 months. So if you have a child who is 12 years old, like mine when she became sick, who is very anxious and too anxious to go to school, you miss 18 months of school. Does that make sense? No.

1040

Imagine a boy who is also anxious. Often boys, instead of becoming suicidal, will be very aggressive. They’ll trash a classroom. ETFO came out the day before yesterday and talked about the violence they see in the classroom.

Those are the kinds of kids. They have a mental illness, and those kids often will go into crisis treatment in hospital, but all that a hospital can do is stabilize them and then the kids are discharged back to home and they wait for treatment, sometimes up to 18 months.

Untreated mental illness is not only heartbreaking, but it’s a financial issue for the government. There has been a 60% increase in hospitalizations for kids with mental health disorders over the last decade, and that costs the government \$145 million each year, and it climbs each year. We know, from what New Path just presented, that over the last 25 years there has been a cut to community services by almost 50%, so it just makes sense: If you’re not providing kids with treatment in the community, they are going to go to hospital. The consequences are dire. Kids die while they wait.

But we have a plan. CMHO has developed a plan that’s easy to implement. The government can become leaders in the world and it won’t cost the government any more money. If you invest \$118 million in children’s mental health services like New Path across the province, you’re going to see an almost immediate savings of almost \$145 million in hospitals.

Our plan is to ensure that no child or youth waits more than 30 days for psychotherapy. We want to expand specialized mental health centres, like New Path has demonstrated, for kids with severe mental illness. We want to retain the most highly skilled staff to care for our vulnerable children. Wait times are eliminated by hiring new clinical staff.

The government did make investments—and MPP Hoggarth mentioned that—in 2011 to open walk-in clinics, and that really did help. For kids who need one or two sessions of counselling, that is a terrific mechanism. But on wait-lists right now are the kids who are not going to school, who are destroying classrooms; these are kids with more serious mental health issues.

The next part of our plan is expanding specialized youth mental health centres like New Path. They need 24/7 care. They need intensive treatment. My kid was suicidal for six months. She’s the kind of kid that is in New Path. Those are kids just like yours and mine. They are my kid. She recovered, and we’re lucky. She’s a happy and healthy 16-year-old girl who’s a pain in the butt most of the time now, but a good pain in the butt, a healthy pain in the butt. But they can’t be at home. They need to be in places like New Path. If you fund them properly, at about \$800 per day, that sure beats in-patient hospital beds at \$2,360 per day. There’s a good financial argument.

We want to retain highly skilled staff. Because of this lack of base funding increases, community agency staff are paid 30% to 50% lower than those in hospitals and school boards for the same positions. So here we have the most seriously mentally ill kids with often the newest people who are willing to accept the lowest salaries. It’s nonsensical. That investment just makes good sense.

So it’s time to act. I would say it’s far past time to act. Too many kids are dying by suicide. Too many kids are waiting. We know that this is an important priority for parents and youth. We’re hearing it every day. My phone is ringing off the wall. You saw youth demonstrate in Woodstock. They want things to change. We are seeing on Twitter—we had a social media Twitter chat just before Christmas. Half a million people participated. We trended nationally on Twitter for 24 hours. People want the government to pay attention to this issue.

We have parents like me now writing articles in Huffington Post, appearing on the front page of the Toronto Star. They want the government to act, and we want the government to act. It’s the right thing to do. No more kids should die by suicide needlessly because they can’t get the simple solutions that we’re showing.

Youth mental health is the issue that needs to be addressed in the 2017 budget. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Questions will come from Ms. Jones.

Ms. Sylvia Jones: Thank you, Ms. Moran. It’s good to see you again.

Thank you for mentioning the select committee report. Many of us spent, as you well know, 18 months studying and trying to come up with solutions. Frankly, I think there is a path to success in that report.

I was interested in your line about how there is a financial impact for government. I would suggest to you that there’s a financial impact for government, absolutely, but also for families, because when you are in that crisis situation, you know very well how it impacts your family situation: your ability to work and your ability to be part of a community.

I'm interested in how we can better coordinate the issue between children in schools and access to service, if you could highlight that a little bit, please.

Ms. Kimberly Moran: Yes, absolutely. It's very important that kids have the services they need where they need them. I think it's also important that we talk about the complexity of the need. If a kid requires one or two sessions of counselling—they have a mild mental health issue—then it makes lots of sense to have what we talked about: walk-in clinics. It makes lots of sense to have access to services in schools. The government invested in those services in 2011, and they are working—I would say that demand continues to outstrip supply there.

However, there are kids in school who have more serious mental health issues, which I talked about. For that kind of situation where you have more serious issues, you need more extended, intensive treatment that actually has to happen in the community. You certainly need to co-operate and collaborate with staff in schools.

For instance, my daughter becomes extraordinarily anxious. It's exam time, so I've been texting her as I was sitting, waiting. I need staff in the schools to be able to handle her when she comes running in the door with her eyes like that, waiting for an exam, but I also need her therapist in the community to be able to give her mindfulness strategies and tools to deal with that anxiety every day and to give me the tools to be a better mom so I can support that kid.

That's how those systems all have to connect. Do they do it perfectly? No. Are they doing it better now than they had before? Yes. Right now, the biggest issue is that kids can't get access to treatment. Often, you'll see schools say, "This kid really needs treatment. They really need help in the community. It's beyond what we can manage," but there are wait times, and they can't get that help. So those kids are ending up in school not performing. They can't. I was talking to my daughter last night. Her mind just races and races. It's so tough to actually do your school work that way.

Imagine, if you're an aggressive boy who is destroying classrooms, the impact not just on those kids but on the other kids and on the teachers. I think you mentioned workplace violence a few minutes ago. All those are the ripple effects of not getting kids the treatment.

I just told you that there's a really fast financial win for the government: Invest here and you'll save money. But there are ripple effects financially that are huge as well as that. There are ripple effects in schools; there are ripple effects across the course of the child's life. I'm trying to make it really simple and easy, but there are certainly ripple effects that you're mentioning.

I would say that for parents—yes, I left my job at UNICEF. We couldn't cope with having a child who wasn't going to school, who was severely mentally ill. There are parents throughout the province facing exactly the same issues we are.

Ms. Sylvia Jones: Maybe the January 25 Let's Talk should be, "Let's talk and let's act."

Ms. Kimberly Moran: Absolutely. It is: Let's act. I think we know what to do and I think we're all talking about it an awful lot. We're just not acting.

It's a pretty simple solution. I know you guys listen to very complex problems. This one's pretty simple.

Ms. Sylvia Jones: Thanks, Kim.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. If there's something further you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Ms. Kimberly Moran: Thanks very much.

ONTARIO WASTE MANAGEMENT ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Waste Management Association. Good morning. You have up to 10 minutes for your presentation. You'll have questions from the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. Peter Hargreave: Perfect. Good morning, everyone. My name is Peter Hargreave. I'm director of policy for the Ontario Waste Management Association. I'm joined today by our CEO, Gord White.

1050

Thank you very much for having us today to make a submission on the 2017 budget. The Ontario Waste Management Association is the largest waste management association in Canada and represents more than 250 members within Ontario's private and public sectors. OWMA members manage 85% of Ontario's waste and have diverse interests and capital investments in areas such as waste and recycling collection, material recycling and resource recovery, organics processing and composting, hazardous waste recycling and safe disposal, and landfill and transfer stations.

Our sector directly contributes more than \$3 billion a year into Ontario's economy and supports more than 14,000 jobs in the province. These are good, well-paying jobs. In fact, the average salary paid to those employed in the waste management sector is 22% above the provincial average.

We are very supportive of the government's plan to move towards a low-carbon, circular economy. It makes both economic and environmental sense to pursue this transition and will support the province's efforts to meet its emissions reduction target and economic goals.

Our sector has a key role to play in this transition by recovering valuable resources from the waste stream and recycling them into new products and materials. Resource recovery not only will help the province increase Ontario's recycling rate of just under 25%, but it will also substantially lower emissions by reducing the need to extract virgin resources to manufacture new products. The US Environmental Protection Agency highlighted this fact in a recent report, stating 42% of all greenhouse gas emissions are associated with the energy

used to produce, process, transport and dispose of the food we eat and the products we use.

The value of the waste management sector in meeting the Ontario government's goals in the climate action plan should not be overlooked. Our sector provides environmental benefits right along the value chain, from extraction to production, by reducing greenhouse gas emissions through recovering resources. Reports from California show that waste diversion activities produce some of the most cost-effective emission reductions. They also create net economic opportunity. For example, by moving to a more circular economy, where Ontario increasingly reuses and recycles the resources in the province, we could support 13,000 new jobs in the province. The jobs calculation, which is deemed conservative, would be accompanied by a boost to Ontario's GDP by \$1.5 billion.

To support the move to a low-carbon, circular economy, we would recommend the 2017 budget address the following:

First, the government must expeditiously implement the Waste-Free Ontario Act and strategy. The government must understand that it will not meet emission reduction goals with cap-and-trade alone. It will require real reductions elsewhere in the economy. Increased waste diversion will provide Ontario with an opportunity to lower emissions and increase efficiency in recycling and recovered resources while eliminating eco fees to protect Ontario consumers.

Second, the Ontario Ministry of the Environment and Climate Change must continue its program to modernize approvals. Currently, the median time for waste-related approvals is 300 days. That means it takes 300 days to receive simple amendment to an approval like making equipment changes at a processing facility, such as new sorting lines or additional screening of materials or upgrades to environmental equipment that provides better environmental outcomes like new gas collection equipment or process upgrades. These delays will hinder the government's move to a low-carbon, circular economy. If the government is serious about action in these areas, it must modernize the approvals process to reflect the growing need to recover more resources more quickly.

Third, the province must address the issue of financial assurance, which has substantially impacted business investment decisions in the waste management sector. Financial assurance is a financial instrument provided by an entity to ensure timely cleanup should an owner or operator be unable or unwilling to perform required environmental actions. In Ontario, it is required for every type of waste facility. It is important to underline the OWMA agrees with the concept. Our association agrees that while companies should put aside money for potential cleanups, the current approach has resulted in challenges for both the government and industry.

For the private sector, the funds required to provide assurance for each operation substantially deplete financial reserves and reduce cash available and consume

borrowing room. In Ontario, financial assurance requirements for our sector alone are around \$500 million.

For the government, financial assurance is site-specific, which imposes its own set of limitations.

We believe it is time to look at alternative insurance models that will ensure that financial assurance resources needed for cleanup are available while encouraging investment in the province's growing circular economy.

These three areas that I've outlined—the implementation of the Waste-Free Ontario Act and strategy, the modernization of approvals, and the reform of financial assurance—are critical steps the government must take to achieve the goals laid out in the climate action plan and the waste-free Ontario strategy.

Thank you very much. I'd be pleased to answer any questions from the committee.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Mr. Vanthof.

Mr. John Vanthof: Thank you to the OWMA for coming today. You do perform a vital function in our society.

You mentioned that there is a slightly-below-25% recycling rate in the province, yet some municipalities boast a much higher one. What are the roadblocks to improving the overall rate, in general?

Mr. Peter Hargreave: The residential sector has done a very good job of improving recycling in the province. Residential recycling rates are much higher than other areas of the economy, like the industrial, commercial and institutional sector.

The main issue around recovering additional materials lies in the differential between disposal costs and diversion costs. Quite frankly, it's cheaper and more convenient, in many cases, to throw away resources that our economy could use than to actually capture them and reuse them. That's the major obstacle that needs to be overcome. The residential sector understands, I think, the public interest in capturing those materials, and therefore has helped to bridge the gap between disposal and diversion. That's not the same case for the industrial, commercial and institutional sectors. That poses a major risk.

Markets are always an area of concern. Certainly, a number of legislative committees have dealt with used aggregate as one example of a commodity that can be recovered and reused. Often, procurement contracts that are let will discourage the use of those secondary materials.

There are lots of opportunities for the government to look at ways to help support, whether it be compost being used to improve farming conditions in the province; aggregates potentially being used on our roads; or other resources that are extracted from our waste stream to promote economic activity through our manufacturing sector in the province.

Mr. John Vanthof: You mentioned that, long-term for the industry, there should be changes in the way that financial assurance is provided. The way we see it,

financial assurance is somewhat like an insurance policy, because sometimes the impact of landfill or other can be long-term, and sometimes longer-term than the company that created it. What changes would you suggest that would still fully protect the public?

Mr. Peter Hargreave: There has been a slight change in how the ministry has captured that financial assurance. In the past, a lot of financial assurance was covered with cash on hand. Basically, those companies would provide those funds to the ministry and the ministry would hold those funds over a longer term. That has changed. The ministry has moved to letters of credit from banks.

Many other jurisdictions use an approach where they allow for coverage from insurance companies. You would have a policy with an insurance company that would help to cover any potential liabilities associated with the functioning of that facility.

We certainly understand that there's a balance in what the government is looking for from financial assurance. There's a need sometimes—the government wants to make sure that there's cash on hand. So we understand it may be sort of an amalgam position between an insurance-based policy and also the government having cash on hand. Right now, it's a substantial amount of money that's being held by the government that does have investment impacts on how people decide to invest in the province.

1100

There are also lots of examples where a waste management facility may have a campus: They have a landfill, a compost facility, a biosolids processing facility and a transfer station, and essentially there's financial assurance on top of financial assurance on top of financial assurance. So, again, in areas like that, there's a question of looking at: How do we consolidate those financial assurances into one piece so that the government has adequate protection? We understand the need for that adequate protection; I think it's just a question of looking at other models to deliver what the government needs are.

Mr. John Vanthof: Okay. Do I have time for another question?

The Chair (Mr. Peter Z. Milczyn): Thirty seconds.

Mr. John Vanthof: The Waste-Free Ontario Act: What do you see as the roadblocks to expeditiously implement it?

Mr. Peter Hargreave: I think it's a question of government will in moving the piece forward. We're getting closer to an election. Things tend to slow down a little bit at that time, so we're certainly pushing for things to move quickly. There are some administrative difficulties in getting the act together. There do need to be resources in place. We're not pushing things so that they're done too quickly, but at the same time we do not want to see efforts fall off the map in the short term.

Mr. John Vanthof: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. If there's something further

you'd like to provide to us in writing, you can do so before 5 p.m. on Friday.

Mr. Peter Hargreave: Thank you very much.

MR. MERVYN RUSSELL

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mervyn Russell. Good morning, sir. You have up to 10 minutes, and if you could please state your name for the official record as you begin.

Mr. Mervyn Russell: Yes, I certainly will. My name is Mervyn Russell and I'm very pleased to have this opportunity of addressing you today. I'm not an economist; I'm not an accountant; I am, in fact, a retired member of the ordained ministry of the United Church of Canada and a quite well-known social activist in that radical hotbed called Oakville.

I will not be able to provide you, therefore, with detailed financial analysis or proposals. I'm here, rather, as a citizen with a general interest in the well-being and development of the society in which I live. I appreciate this opportunity to share my somewhat informed views about what I consider the financial priorities of the province should be.

Two of my major involvements at the moment are being vice-chair of the Halton Environmental Network and the chair of the coordinating committee of Halton Green Screens, which puts on environmentally focused movies once a month in a commercial cinema.

I am going to begin my thoughts by relating them to energy and the environment. I have read both Planning Ontario's Energy Future and Ontario's Climate Change Action Plan. These two reports form the background to what I'm about to say. I did originally consider putting my comments in two sections, one on energy and one on the environment, but it seems to me that the two are so closely related that you cannot talk about one without considering the other. Since I think that how we use energy determines how we use the environment, I'm going to take energy as the priority.

First of all, I want to congratulate the government of Ontario for being a provincial leader in committing to reducing carbon emissions through a cap-and-trade program. What is needed now, and has been promised, are clear, prioritized commitments about how the money collected through the program will be spent in ways that are accountable and will result in clear, general public benefits as regards making life more convenient, healthy and cheaper. Without these benefits being clearly seen, enjoyed and accessed, the policy will not gain traction or grow public support.

I happen to be one of those environmentalists who gives qualified support to nuclear energy. I consider it would be rash and undesirable to start phasing out the use and development of nuclear energy. All forms of energy production have some negative impact on the environment. Similarly, it would seem to me to be somewhat ridiculous to say that nuclear power generation is "old technology" when nuclear particle physics is one of the

most focused and productive areas of scientific research. The possibility of nuclear fusion rather than fission is still of interest and hope. Wind, solar, wave, geothermal or hydro are not going to be able to replace nuclear-generated energy for our society for a very long time, maybe if ever, so the provincial government is right to continue to maintain and update nuclear reactors and to support research into more powerful and efficient production of nuclear energy. However, I did say “qualified support” because what I do not support is the provincial government renovating the Pickering nuclear power station. We have sufficient power from existing generation in Ontario, plus the extra we are buying from Quebec. This power station, that in fact is built on a geological fault, should be shuttered.

I’m seriously disappointed that the provincial government has decided to remove financial support for the development of energy from renewable sources. I think I have some understanding of the political reasons for doing so, but, if I may say, past blunders of application should not be sufficient grounds for rejecting a worthwhile objective. Promoting the development of energy from carbon-dioxide-producing natural gas, as is indicated in Planning Ontario’s Energy Future, should not replace the development of gasless energy sources and their storage and supply systems. This is for various reasons.

The first is that, in this matter, Planning Ontario’s Energy Future and Ontario’s climate action plan are in considerable contradiction. The second is that the cost of energy generated from wind and solar power are continuing to come down as the technology improves and the scope of application increases. Burning natural gas will surely incur charges under cap-and-trade, while renewables will not. Renewables offer opportunities in research, development and manufacturing which can be highly desirable in terms of jobs, patents and taxes. I strongly suggest that financial incentives should be available to electricity service providers to establish their own renewable-energy generating sources, with the result of providing cheaper electricity along with local, skilled employment.

I’d now like to turn to health care. Health care is becoming more expensive and less accessible for many Ontarians. At the centre of this rise in costs is the government’s vision for hospitals. It is understandable that treatments using highly complex and costly technology and medical skills should be centralized. However, when local hospitals are closed and services such as dermatology, physiotherapy, foot care and internal examinations are made available in privately owned clinics located in major urban centres, transportation adds to the cost and difficulty of gaining access to treatment, apart from an increasing number of these clinics making charges, charging fees. Of course, the argument used to justify these changes, as regards hospitals, is the cost of providing publicly funded health care.

There are, however, I think, well-established and documented ways of reducing these costs. The three most

significant are the introduction of pharmacare, increasing the availability of home care and a government campaign of public education about healthy nutrition. Easing health care costs of individuals could be assisted by giving tax rebates for transportation and parking costs incurred when seeking treatment and by financial support provided for family caregivers. Of course, the federal government must be further pressured to increase its contributions to provincial health care costs to the extent of 5.2%.

How am I going for time? Just a couple more minutes. I’ll leave out one section.

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The Chair (Mr. Peter Z. Milczyn): Just over two minutes.

Mr. Mervyn Russell: Lastly, I want to mention taxation. The province has a considerable debt, I understand, of about \$300 million. The increase on this debt is approximately \$11 million per annum. There’s no fear of the government defaulting on paying this interest, and clearly the government is taking steps to reduce the debt itself.

I think one very unwise way it has chosen to do this is by the sale of 60% of Ontario Hydro. This seems to me to be a policy of short-term gain for long-term pain, since Ontario Hydro is a revenue-positive asset for the government and because, if you want to move from a carbon-fuelled economy, it would seem to me the last thing you would want to do would be to lose any control of your means of electrification.

There’s a much simpler and more direct and effective way of conquering the debt. It is to raise the corporate tax rate. The global average corporate tax rate is about 29%. The corporate tax rate in the USA is 39%, the third-highest in the world. The combined federal and Ontario provincial corporate rate is 26%, which is below the global average and one third below the rate in the USA. If it was raised 2%, it would still leave Ontario in the middle of provincial rates, below the global average, and considerably lower than the rate in the USA. However, such a rise would have a large impact on debt reduction. Even the trumpeted lower corporate rate in the USA under the incoming administration is unlikely to come anywhere near 28%, so moving capital south of the border is unlikely and, in any case, on the experience of other jurisdictions, is a somewhat unsubstantiated bogey. Rather than having money idle in tax havens, let it work for the people of this province.

These, Mr. Chairman, are my thoughts on improving the financing of the province of Ontario. Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Russell. We have questions from Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you so much for your presentation. It was very detailed. I’m not sure where I’m going to start here; we have such a limited time.

You certainly picked some very good topics. I guess, being a committee member here who was travelling the province, it’s refreshing to see—and we get some, but not very many—individual citizens come and sit in that chair

and tell us what they think from that perspective. Normally, it's groups, as you heard this morning, non-profits, which provide good service, industry or other agencies. So it's a bit refreshing to us to have that kind of input. That's really the input that I say I always like to hear, what Mr. and Mrs. Smith on Main Street have to say, because really they're the ones who live and walk that road every day.

Although you said you had no backup information for some of your statistics, you certainly make some very informed suggestions. On the cap-and-trade piece, the cap-and-trade program, you explain things that should happen to make it credible. Although you say you have no specifics, no numbers, can you give us some suggestion of what some of those things are that government should do with that revenue from cap-and-trade to make it credible?

Mr. Mervyn Russell: I think one of the things must be to reactivate a program to develop renewable energy, means of generation and the storage systems, supply systems, that they need. I think, also, there's the investment in public transportation. Also, if there was some help in terms of retrofitting of commercial and indeed domestic buildings, I think these are the kinds of things which are immediate to people and they can see that they are making a difference to them.

Mr. Lou Rinaldi: Certainly, that's the direction that—although it's not spelled out yet, as you've obviously noticed, that's certainly some of the direction that government wants to go, and it's good to hear, to reaffirm that.

Health care: We're all growing older and we're all living longer, and it costs a little bit more to keep us living longer. Home care—I'm picking one of the pillars that you mentioned here.

Mr. Mervyn Russell: Yes.

Mr. Lou Rinaldi: So the government is trying to make some real strides to provide assistance. I have a mother-in-law who is 92. She still lives on her own, and good for her. I think it's fantastic. But she does get some help a couple of times a week with some essential stuff.

On the home care piece, because that's important to me, how can we make it better than what's there now? I know we need to provide additional service, as we have an aging population who needs that help, but do you have any specifics to elaborate on the home care piece?

Mr. Mervyn Russell: Well, I think it needs to be easier to access than it has been. I think there have been definite concerns about that.

I think, too, that it needs to be a better-paid job. My wife was involved in Red Cross home care for some years. It was a reasonable kind of job when she started with it, and then they cut out her mileage, for example, which added to the expense of her working. The rates of pay are poor. I don't think the training is probably all that it should be. There was unreliability of who was coming, or sometimes indeed whether anybody was coming at all. People might have three different caregivers coming in one month. When you're providing very personal

services, elderly and frail people need to be very confident about the caregiver who is coming.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Russell, for coming in today and sharing your time and your ideas with us.

Mr. Mervyn Russell: Thank you.

FLEMING COLLEGE

The Chair (Mr. Peter Z. Milczyn): Our next witness is Fleming College. Good morning, sir. You have up to 10 minutes for your presentation. It will be followed by five minutes of questions from the Progressive Conservative caucus. If you could state your name for the official record as you begin.

Dr. Tony Tilly: Certainly. Thank you very much for the opportunity. I'm Tony Tilly, president of Fleming College. We really appreciate the time that's going into these consultations; I think it's extremely important, and you're seeking and getting multiple perspectives here.

A bit of information, first of all, on Fleming College—

The Chair (Mr. Peter Z. Milczyn): Could you lean into your microphone a little more?

Dr. Tony Tilly: Okay. How's that?

The Chair (Mr. Peter Z. Milczyn): Good. Thank you.

Dr. Tony Tilly: So a bit of information on Fleming College, first of all. We're in central eastern Ontario, in Peterborough, Cobourg, Haliburton and the city of Kawartha Lakes. We have about 6,000 students. We actually attract students from across the province, particularly into programs in the environment and natural resources, and I'm going to touch on that a little bit more. Now we have 800 international students, which is a significant factor in terms of contributing to change in our communities and our contribution to Canada's future.

What you are looking at here ultimately, obviously, around the budget is the bottom line, and I want to reference the question, first of all, of, "What is the bottom line?" As you know, in discussions of sustainability such as you've just touched on, there is often reference to a triple bottom line. In that case, the bottom line involves the environment, the economy and impact on people. You have to have all of these things in balance to be able to move forward as a society, to have good legislation, and to have good progress and results.

So what's the bottom line for college education? First of all, I'd say it's again a triple bottom line. It's three things: impact on students and opportunities for students; ensuring that we have a strong public education system, which is a real resource in Ontario; and, ultimately, it's about what is good for the public at large, for Ontario's communities, our economies and our workforce.

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I'm going to reference five specific items today, and reference benefits for students, public education and Ontario. I'm going to start by referencing the shape of public education. If you had to do this geometrically, if you turned back the clock a couple of generations, you'd

say that the shape of public education was like a big triangle. It started with quite a number of people in elementary school, tapered off in secondary school and tapered off even more after that, coming to a narrow point.

The shape of public education has changed dramatically. It's more like a rectangle now, with more people going through into post-secondary education. That's a real accomplishment. It's an asset for society but it's also an asset that has some implications.

I have two requests on behalf of students in the upper part of that rectangle. First, we need to extend the success that we have emphasized in K to 12 supporting students with special needs. At Fleming College, 16% of our students have documented special needs and accommodations to deal with those. We need to do just what we've done with K to 12: provide that support system which goes through to the post-secondary level. In particular, and hearkening back to three speakers ago, mental health, as you read, as you see and as you hear about from people individually, is an issue not only in society generally; it's an issue specifically in post-secondary education that we have to address more.

Second, for students to have strong public education and strong communities, we need to invest in supporting indigenous learners with the goals of higher educational attainment and greater opportunities in the workplace and in Ontario's future. These goals also require objectives for non-aboriginal students—objectives associated with understanding the history, culture, issues and aspirations of First Nations and other indigenous peoples.

We are committed to these objectives. We, along with many colleges across the country, have signed an indigenous education protocol committing to moving forward on behalf of our society in this regard. It is moving ahead. I can guarantee you that our aboriginal education partners, for example, are excited about the movement that's happening, but there's more that we need to do.

Third, what about strengthening public education? The item I want to draw to your attention is deferred maintenance. This is well documented, not just by college presidents and our vice-presidents and physical resources staff but by neutral third-party experts. We are celebrating our 50th year. It's a great time to celebrate, and it is a time to say, "Okay, what's next in the next generation of public education at the post-secondary level?"

Fourth, and hearkening back to the last two speakers, we need to invest in the low-carbon economy. As the province of Ontario wrestles with how to do that, we ask that you turn to Ontario's colleges, where education and preparation for new careers are central.

Listening to the previous two speakers, the Ontario Waste Management Association—it's interesting to look, for example, at our waste management course curriculum: emerging waste management systems; introduction to legislation in waste management; standards and accountability; working with industry and communities; community-based social marketing; and hazardous

materials training. These are the kinds of programs that we need to develop and offer and have available across Ontario for us to make the kind of progress that the previous speakers were referencing.

Finally, we need to invest in the jobs of tomorrow. As Colleges Ontario CEO Linda Franklin stated to this committee, "Colleges, including our boards of governors, leaders, faculty and staff, are acutely aware of all of the changes in the nature and availability of work associated in particular with automation, digitization, increased self-service and other technology-led innovations. They provide opportunities but they provide a lot of challenges to the graduates of tomorrow."

At the top end of this rectangle we have to make sure that the people we are graduating are prepared for that changing world of work.

I'm providing these comments on behalf of Fleming College and the region we serve, which is going through so many of these changes. I'm also providing them in concert with colleagues in different parts of the province. Together, we are concerned about the bottom line for students, for public education and the role it can play in the future of an Ontario with strong communities, a vital economy and opportunities for our children and grandchildren.

I have focused my remarks on key themes: students with special needs, indigenous education, deferred maintenance, the low-carbon economy and jobs of the future. Documentation of these is available in detail from Colleges Ontario on behalf of all colleges across the province.

In closing, I note the well-chosen name of this committee. It is about finance and what we can afford. It is also about the economic affairs of Ontario, which range from the economic affairs for individuals to families, from companies to communities, from our labour force to our economy.

I wish you success in your various deliberations, with ultimate benefit to the province of Ontario. I'd be pleased to answer any questions.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Tilly. Mr. Barrett has questions.

Mr. Toby Barrett: Thank you very much for that presentation on behalf of Fleming and the community college system. I know that in my area, Haldimand-Norfolk, we relate to Mohawk and Fanshawe. For my colleague here, it's Georgian and Humber. Sam, you would be Niagara College.

In 50 years, you've had a significant impact. You grew out of so many other training programs before that. Peterborough was, I think, the MNR training school?

Dr. Tony Tilly: Yes. We actually grew out of a forestry school, which was the basis for what's now approximately 1,700 students in environmental and natural resource specializations.

Mr. Toby Barrett: About 1,700 students?

I know that you have programs for native people, who, I think, come from all over the place. Is there a connection with forestry in some of that as well?

Dr. Tony Tilly: That's interesting. There are indigenous education specialist organizations, as well, in the province. They've asked to partner with us so that programs can be offered. One has been offered through the Anishinabek Educational Institute in the London area in forestry. What we did was we provided our curriculum and resource expertise so that kind of education could be provided elsewhere in the province and specifically to indigenous learners.

Mr. Toby Barrett: I know that, in our travels as a committee, we've had at least six presentations from the forest industry. There's a future in the forest industry, as there is in agri-business, for example. They've indicated that the jobs are there. Oftentimes, they have trouble filling them. We know that several years ago the forest industry was going through very tough times, and there may be a perception that there isn't a career in forestry.

I'm assuming, in the college system, that you have that flexibility to drop a course and set up a new course overnight to meet changes in the economy.

Dr. Tony Tilly: Yes. Forestry is one of our specializations. Our students comes from far and wide and they work far and wide. It is regenerating as an industry.

The Forest Products Association of Canada would tell you that only 17% of jobs are what we traditionally consider forestry jobs. There's a whole range as we're getting into new forest products, new biomaterials and so on. This is, in relation to the change in the economy and jobs of the future, where we need to be developing accompanying specializations.

Mr. Toby Barrett: Yes. I find that I certainly am surprised with, whether it's in forestry or mining or steelmaking or agri-business—so many of the traditional core drivers of our economy, for hundreds of years, really—the automation, the digitization and the inherent, resultant, tremendous increases in productivity in those industries.

Oftentimes, when we think of future jobs, we may think that it's in finance or in the city, rather than, say, forking manure or cutting down trees. The perception is off-base. I'm assuming that the college industry is able to communicate that to people who are coming out of high school.

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Dr. Tony Tilly: This is a really good point you're making, because part of the thing is that there are good, good jobs, for example, for our geological technician graduates. The difficulty is getting people in the front end, because they don't understand that. So that's what we work very hard on doing, and we're succeeding in that regard.

It's interesting. In mining, for example, two of our specialty areas—they're not labelled as a mining program, but one is the geological technician and the other is heavy equipment operation and maintenance. That's where the industry is going, so it's using increased sophistication, mechanization, different kinds of resources. What you can get, then, is sort of a crossover from certain kinds of program specializations into different industry applications.

Mr. Toby Barrett: Yes. I'm astounded. I was running a telehandler this summer. I never even knew what one of these things was before. It was completely computerized. It's the same with combines and so many other pieces of equipment. You need somebody to not only operate it, but to maintain it, to go in there with a wrench in one hand and a computer in the other. I find it astounding, what's going on out there across the province.

Dr. Tony Tilly: And I think it's pervasive. It's in every sector, this type of change and advancement. What you have, then, is a need for a different kind of graduate profile than would have been the case one generation ago or even 10 years ago.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for coming in today.

Mr. Toby Barrett: Thank you very much.

The Chair (Mr. Peter Z. Milczyn): If there's something further you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Dr. Tony Tilly: I will certainly do that. Thank you.

BRICK BREWING CO. LTD.

The Chair (Mr. Peter Z. Milczyn): Our next witness: Brick Brewing Co. Ltd. Good morning. You have up to 10 minutes for your presentation, and that will be followed by five minutes of questions from the New Democratic caucus. If you could please state your names for the official record as you begin.

Mr. George Croft: Good morning. My name is George Croft. I'm the president and CEO of Brick Brewing Co.

Mr. Sean Byrne: And I'm Sean Byrne. I'm the CFO at Brick.

Mr. George Croft: We'd first like to thank the standing committee for allowing us to present today. Perhaps for context, Brick Brewing would be the fourth largest brewer in the province of Ontario. I always say that the number one and number two are significantly bigger, but that's where we would fit within the brewing industry in the province.

We have seen meaningful change in the beer retailing environment in the province, led by the most recent government. We certainly would be appreciative of the changes that have been made. They will benefit craft brewers across the province and they will allow us to continue to grow.

Despite the changes, we are the largest beer market in the country and we still have the lowest ceiling for small brewer tax incentives. Other provinces and, most recently, particularly Alberta, Saskatchewan and Quebec, have acted to support their small brewers. This has tilted the competitive landscape in their favour and has allowed them to effectively invest in building breweries in the province of Ontario at no cost.

Elements of the current structure limit growth and expansion of small breweries, notably the co-packing qualification criteria. We have specific recommendations that we would like to take the standing committee through.

Now, it would be my pleasure to turn it over to Sean Byrne.

Mr. Sean Byrne: Good morning. I'm going to talk a little bit about the small brewer incentive in the province.

As it stands today, a small brewer will earn an incentive at about \$50 a hectolitre up to 50,000 hectolitres. The structure today has that incentive staying in place until 75,000 hectolitres, at which point it begins to be clawed back. Key in the recommendation today is that we move the starting point for the clawback from the current 75,000 out to 300,000 hectolitres, which would really allow a runway for growth for the small brewers in the province.

Also today, with the clawback as it is in place now, at 150,000 hectolitres, a small brewer would receive no incentive at all. Our suggestion is that when you move the clawback out to 300,000 to begin, it finishes at 400,000 hectolitres.

By way of context, I'll say that a small brewer in the province of Ontario who is producing 150,000 hectolitres will get zero incentive. That same brewer, were they in the province of Alberta, will receive \$12 million. Shifting the clawback out will help the small brewers give this growing industry a chance to continue to grow.

At the same time as the incentive would be modified, we would also advocate that, rather than having this just be funding to the brewers, there is a requirement for investment in the province. We advocate that any incentive should be linked to the spend in both capital, in the infrastructure of the facility, as well as advertising to promote the brands. This will really help to support investment in the province and to drive growth here at home.

The last element is one that's really important, I would say, for both companies like Brick but also for small brewers, which is that currently, the small brewing incentive has qualifying criteria around co-pack production. If you're a small brewer in the province today, and you've made an investment and you've got brewing equipment and a bottling line, and you want to enter into the can market, you're faced with a difficult choice. You can invest millions of dollars in canning capability and hope that you can get your consumer to come, or you'd like to be able, instead, to contract with a brewer like Brick to make cans for you, to build volume, build a base of business, and then once the business case is proven out, go and make the investment.

The structure as it stands today really discourages that small brewer, because as soon as they engage in co-pack production with somebody who's not getting the incentive, they lose their incentive. It really is a restrictive practice which stops their ability to invest and grow. When the consumer is moving towards cans, it's an undue limiter on their ability to invest, add jobs and grow here at home.

We would advocate for overall removal of the qualifying criteria around contract production. It doesn't serve to add any value and does nothing but ensure that small brewers remain small. If the desire of the province

is to see more and more brewers grow to the volume that a company like Brick enjoys, one way to encourage that is by taking this qualifying criteria away.

With that, we're happy to take questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming, and thank you for being part of this craft beer revolution we've had in the province and creating a lot of jobs.

I'm going to start from the back and go forward, because I've got a few co-packing questions. I come from the dairy sector. We kind of know how co-packing works.

When you're talking about the co-packing, would the beer be brewed by the small brewery and taken to the canning facility in larger vessels, or would it be brewed at the bigger facility?

Mr. Sean Byrne: It can actually be either one. In the current structure today, a small brewer who wanted to co-pack with us, if they brewed the beer and sent it to us, they would not lose their incentive. But that also is not great economics.

Mr. John Vanthof: I agree.

Mr. Sean Byrne: It means the product has got to move a couple of times. Again, if the desire is to support growth and development of that small brewer, the ideal way is their recipe, brewed and packaged in one location, with a co-pack producer like us to allow them to enter new markets, whether that's new containers or batch sizes or recipes that maybe don't fit in their facility. Right now, they have this enormous hurdle where they've got to make a big capital investment before ever knowing if they can sell volume.

Frankly, as we read the rule, it's hard to see a rationale for why the rule is in place. I don't know that it does anything but limit growth for small brewers. I can see why it's good for the big brewers, but it's certainly not good for the small brewers.

Mr. John Vanthof: Okay. Just so I'm clear and I have this in my head: Currently, if it's brewed off-site and taken to the packing facility, the incentive is available.

Mr. Sean Byrne: Yes. But to be clear, again, for those who aren't that terribly familiar—pardon me—if you're a small brewer and all your volume is in bottles today, and you wanted to engage Brick for cans, it's not that you lose the small brewer incentive on the small volume of cans. You lose it on every unit that you made in the year, which is an enormous barrier for them to expand and grow.

Mr. John Vanthof: Okay. Thank you for clarifying that.

You mentioned that other provinces had raised the ceiling and that we are, I'd say, laggards in that section. Would you have an estimate of how much—I'm assuming that there would be an increase in activity, so it would be a net benefit to the province. Would you have any estimate of what the cost would be in lost taxes?

Mr. Sean Byrne: Sure. Frankly, this is one of the reasons why it's a really good time to be having this discussion with the standing committee.

In the fall, there will be the third of four increases—the November increase—to the beer tax. It will move up by 25 cents a case, or \$3 a hectolitre. At the current volume in Ontario, that will generate, in incremental, over \$20 million in beer tax revenue to the province. The modest changes that we're talking about, if adopted, would deploy no more than 5% of that, and that would be only after more and more brewers grow through the ceiling. I would say today that it's probably no more than 2% or 3% of the \$20 million in incremental funding that you'll see.

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The one other comment that I'll make is that, in the current year, the province is in the fortunate position where there has been one small brewer graduate out of that class, so it's no longer receiving the small brewer incentive—that will be Mill Street, following their acquisition by Labatt. So that's, effectively, windfall funding that went to the small brewer incentive that's available, and what better way to deploy it than encourage growth amongst the remaining small brewers?

Mr. John Vanthof: So I would assume that the small brewer subsidy that is in place has helped spur the industry.

Mr. George Croft: I think the short answer would be yes. We come to these sessions as Ontario citizens first. I would say that the gap that we view is that there's no obligation on the part of the brewer to reinvest that incentive into the facility.

It probably is worthwhile for the committee to recognize that we have invested \$25 million in the last five years in our facility in Kitchener, and in fact we're going to invest \$8 million this year. Our view would be it is a category that's growing. Almost all of the investment is in fact with local trades, so it creates jobs. Our view would be that this is a category that's growing. We don't want to see that stop. The small investment in moving out the threshold really allows not only Brick Brewing to continue to grow but all other small craft brewers in the province of Ontario.

Mr. Sean Byrne: If I could just add a comment there, I would say that the other thing is, if the structure is left in place, you must recognize that there is a disincentive for brewers to grow through the current \$75,000 point at which they start to see a clawback. So there is the great risk that those brewers that come close to that will begin to be less anxious to grow, less anxious to invest and less anxious to add jobs, and will instead start to price their product such that they don't grow. That would be a shame for a category that has such potential here in the province.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all the time we have for you today. If there's something further you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

PRIMERICA FINANCIAL SERVICES LTD.

The Chair (Mr. Peter Z. Milczyn): Our next witness: Primerica Financial Services.

Mr. John Adams: Good morning.

The Chair (Mr. Peter Z. Milczyn): Good morning. You have up to 10 minutes for your presentation, and that will be followed by five minutes of questions from the Liberal caucus. If you could please state your names for the official record as you begin.

Mr. John Adams: Certainly. My name is John Adams. I'm the chief executive officer of Primerica Life Insurance Company of Canada; PFSL Investments Canada Ltd., which is a mutual fund dealer; and PFSL Fund Management Ltd., which is a mutual fund manager.

Ms. Hande Bilhan: I'm Hande Bilhan, and I'm the principal adviser for government affairs for Primerica Financial Services.

Mr. John Adams: Thank you for the opportunity to present to the committee today. Primerica is a life insurance company, a mutual fund dealer and a mutual fund manager. We've been operating in Canada since 1986. We have over 10,000 life insurance agents in Canada, with 5,000 of those in Ontario. Of those, 3,400 in Ontario are licensed to sell mutual funds. We are here today to raise awareness of a critical public policy issue: middle-income Ontarians' ability to access well-regulated financial advice and products.

Our company's objectives are to help clients become debt-free, have proper financial protection through low-cost term life insurance, and to become financially independent. We want our clients to be prepared for major life events, such as their retirement and their children's education. We believe these objectives are in direct alignment with those of our clients and the government of Ontario. A potential impediment to achieving these goals is the ever-increasing regulatory burden. Let me be clear: We fully support a robust regulatory regime for financial services to protect the public and for the proper functioning of capital markets. What we are asking is that increases in regulation be carefully designed to fill gaps where existing regulations or their enforcement cannot address clear risks to the public.

Let me explain why this is important. As Ontarians are expected to assume more responsibility for their retirement savings, the importance of affordable and readily accessible advisory services that create a stronger savings discipline is more important today than ever before. Our company has not followed the trend of many others to service only higher-net-worth clients. We are structured to reach the middle-income consumer. Our representatives use an educational approach with our clients, demonstrating the benefits of reducing debt, of having low-cost insurance and regular savings into well-diversified investment vehicles.

The structure of our business model enables us to accept a small initial investment and ongoing monthly purchases, giving those with modest means the access to

financial advice and appropriate products to achieve their financial goals. Servicing these or any accounts is not without cost. Compliance with regulation is a significant and increasing proportion of the cost of operating a financial services company. We know that robust regulation is necessary for the protection of the public. However, taken too far, it will severely limit the ability of firms such as ours to provide services to middle-income Ontarians and will deprive them of advice to help them meet their financial goals. We are already seeing these changes in the market.

Servicing small accounts requires efficient operations, relying on economies of scale to spread significant costs over thousands of accounts to provide a reasonable level of cost to individual clients. This requires the flexibility of service and a range of compensation methods. Our mutual fund dealer continually makes significant investments in technology to improve service to clients and to make its operations as efficient as possible. In the 2016 fall economic statement, Minister Sousa announced the establishment of the new Financial Services Regulatory Authority. We are encouraged by his comment: “We recognize that our regulatory bodies need to evolve to ensure companies are not unduly burdened, while protecting consumers and investors.” This is a balance, and the potential impact of introducing new regulations or requirements must be carefully considered.

The fall statement refers to fintech and its disruptive technologies. Our company’s fintech investments are not disruptive per se, but it is these technological advancements that enable us to continue to serve our clients.

While fintech as a disruptor may remove the human element from many processes, it can also act as an enabler to make personal involvement more efficient. Our representatives work directly with our clients, almost always in the client’s home. The market may be changing, but most consumers still prefer to have a face-to-face discussion with their financial adviser. Circumstances are often very particular to an individual or a family, and we tailor the advice to those circumstances. Within the insurance segment, a survey conducted by the Life Insurance and Market Research Association found that approximately 70% of Canadians prefer to purchase life insurance face to face from an adviser. Financial advisers help Ontarians better understand and manage all facets of their finances, leading to improved financial outcomes. A recent survey conducted by the Center for Interuniversity Research and Analysis of Organizations on the value of advice found that a respondent with a financial adviser will have a savings rate of 25.8 percentage points higher than an otherwise comparable non-advised respondent.

The Investment Funds Institute of Canada 2012 Value of Advice Report showed that individuals who work with an adviser are financially better prepared. The data show that an advised household that has worked with a financial adviser for four to six years accumulates 1.58 times more assets than a passive non-advised household that is identical in all other respects.

The value of using a financial adviser is significant and includes:

- accumulating greater wealth through behavioural changes, such as learning and maintaining better savings habits as a result of adviser follow-up;

- making better use of available tax-efficient investment accounts;

- establishing and maintaining a focused long-term investment strategy, including proper allocation of investment assets across all accounts; and

- protecting against poor financial decisions made by emotional considerations rather than objective analysis, especially during turbulent times.

Based on our experience working with middle-income families, our concern is that regulatory reforms may have the unintended effect of depriving middle-income consumers of much-needed financial advice. We anticipate that the result will be an industry-wide movement to abandon small accounts even further than they already have and to focus on affluent clients. The “haves” will be afforded personal services, while those with less to invest will not.

We encourage the current budget process to recognize this critical public policy issue and the importance of a healthy and growing financial advice industry. There are two things we are asking you to consider.

First, ensure that the regulatory framework continues to make investment opportunities available to all Ontarians and that it does not jeopardize access to advice for small investors. This means refraining from one-size-fits-all regulatory changes that may deprive investors of continuing access to a broad range of financial products and services appropriate for their needs and at competitive prices.

Second, ensure that when any new regulation is being considered, it is proven to provide consumer protection and is balanced with the need for financial services companies to carry out their important work of improving the economic well-being of their clients.

Thank you for this opportunity. We hope you agree that our concerns are worthy of your further consideration. We believe that well-designed regulatory initiatives will lead to improved access to financial services for middle-income families while strengthening consumer protection.

Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Baker has questions for you.

Mr. Yvan Baker: Thanks very much for coming in today and speaking to us. I wanted to drill down a little bit on your comments and the concerns that you flagged for us.

I completely understand how the business model that you have and the services that you provide to middle-income clients lead you to be more susceptible to a heavier regulatory burden than perhaps those who serve higher-net-worth clients. I completely understand that and I appreciate you flagging that for us, and the

implication it would have not only for your business but for those middle-income clients you've talked about.

You talk in your submission, in your remarks, about refraining from one-size-fits-all regulatory changes. Could you just talk about some examples of what that could look like and the types of changes that could be the most damaging?

Mr. John Adams: Usually, for example, when you look at the needs of a consumer and get into the higher-net-worth segment of the population, they just have greater needs. You get into estate planning, complex tax planning, complex financial plans overall. Generally, for the people we work with, a financial needs analysis, one of the things we do for them, will suffice: Looking at things like too much debt, expenses that could be removed to start saving, making sure they're going into a TFSA and RSP.

The level of oversight and the work that's involved there is quite different than for the higher-net-worth person. If the regulation that is required, for example, over financial planning drills down and drives to the advisers we have and they are held to, and I don't want this to be taken negatively, the same standard—there should be standards and protection. But if they have to meet everything that a higher-net-worth adviser would, all of a sudden they won't be able to meet it, nor do they have to. Tailoring requirements to the needs of the clients that are being served is really the focus.

Mr. Yvan Baker: Right. And could you just bring to life for me, but also for the rest of the committee, an example of the kinds of regulations you face today or you anticipate potentially facing that could be one-size-fits-all? Just give us a sense.

Mr. John Adams: Sure. I think the financial planning is the best one. I know recently there was an expert committee looking at financial planning and its role—financial planning as distinct from financial advisory services. Currently, the financial planning title is basically unregulated and probably should have some regulatory oversight. My financial advisers and my firms are subject to significant regulation. Layering on something else to them to achieve the standards for the financial planners I don't think is necessary. Often, they'll be lumped together and it's made out to be that the whole industry is unregulated, and it's just not correct. We are subject to significant oversight on the investment side by the Mutual Fund Dealers Association through the Ontario Securities Commission and the other commissions across the country.

So it's making sure, as that is reviewed—and I know it's still under review—that's it not completely lumped together and the standards are all of a sudden increased for everybody, not taking into consideration the significant regulation that we already have to deal with.

Did I miss something there?

Ms. Hande Bilhan: No. I think Quebec is a good example, where financial planning is regulated as a separate profession, apart from financial advice. Our financial advisers are already licensed by two different

regulators: the securities regulators and the life insurance regulators. So we would, again, like to impress on the committee that there is no need to layer another regulatory body on top of that.

Mr. Yvan Baker: Chair, how much time do I have? One minute?

What is the best way, if we had to think about the impact of regulation—you've talked in your submission about the potential to deprive middle-income clients of yours, Ontarians, of the service that you provide. How would that manifest itself? Would your business be in the position where you would have to simply not serve a certain segment of the population? Would you raise the fees that you charge and therefore price people out of the market? How would that manifest itself?

Mr. John Adams: Well, both, and I think it's already happening. You're seeing firms that are withdrawing services to smaller accounts because it's just not economic for them to do that. Currently, it still is for us, and there are a number of reasons for that. But it would be higher fees and withdrawal of service to smaller accounts, because it just becomes uneconomic to do so. Those trends are taking place already.

Mr. Yvan Baker: Is there a jurisdiction or are there jurisdictions in Canada or elsewhere in North America that you know of, that you're aware of, that have a regulatory regime that you think we should be looking to, to emulate or learn from?

Mr. John Adams: I can't think of anything offhand. Hande?

Ms. Hande Bilhan: I think we can give you the negative side. A jurisdiction not to look at, perhaps, is the UK model, where swaths of middle-income investors were abandoned by the financial services industry. The simplest way to abandon them is basically to put in minimum account sizes. If you stop taking accounts that are smaller than, say, \$100,000, those people will have nowhere to go for their investments.

The Chair (Mr. Peter Z. Milczyn): Thank you for your presentation today. If there's something you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Mr. John Adams: Thank you very much for your time.

Ms. Hande Bilhan: Thank you.

The Chair (Mr. Peter Z. Milczyn): That concludes our witnesses for this morning. The committee is recessed until 1 p.m.

The committee recessed from 1156 to 1302.

The Chair (Mr. Peter Z. Milczyn): The committee is back in session to continue with witnesses this afternoon in our pre-budget consultations.

WINE COUNCIL OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): The first witness this afternoon is the Wine Council of Ontario. Good afternoon.

Mr. Richard Linley: Good afternoon. Thank you for having us.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, and that will be followed by five minutes of questions from the Progressive Conservative caucus. If you could please state your names for the official record as you begin.

Mr. Richard Linley: Thank you, Mr. Chair. I'm Richard Linley, president of the Wine Council of Ontario.

Mr. Allan Schmidt: I'm Allan Schmidt. I'm the chair of the Wine Council of Ontario and president of Vineland Estates Winery.

We appreciate the invitation to appear today as part of your committee's pre-budget consultations. As in prior years, we always welcome the opportunity to present both to this committee as well as the Ministry of Finance.

Mr. Richard Linley: The Wine Council is the champion for Ontario's high-quality, authentically local Vintners Quality Alliance wines as a not-for-profit trade association. We lead the growth in profitability of Ontario's respected VQA wine sector through strategic partnership and authoritative, trusted advocacy.

We represent over 100 commercially active wineries across the province—over 90% of all Ontario grape wineries engaged in trade associations. Our members represent 50% of all VQA wine sold in the province. If you include exports, this number is even higher. Our members represent all grape-growing regions of the province. They are independently owned, small and medium-sized companies: grape growers, manufacturers, and leaders in tourism in their communities.

We are a significant driver of the Ontario rural economy. Unlike other beverage alcohol sectors, VQA wines are 100% Ontario-grown and produced. We drive economic development in the agricultural, manufacturing and tourism sectors. For example, every bottle of VQA wine contributes \$85.39 in economic impact to the province versus \$22.73 for international and Canadian-blend wines and less for imported wines. Beneficiaries of our value chain are wineries, growers, tourism, export outside of Ontario, manufacturing and, of course, government revenue.

For many years the Wine Council has been advocating for new opportunities to reach retail customers. To her credit, Premier Kathleen Wynne established the Premier's advisory council to make, in part, recommendations for the beverage alcohol sector. In February 2016, the Ontario government announced that VQA wines would be available in select grocery stores. As many of you are aware, the first 70 grocery locations to include VQA wine became operational at the end of October.

We thank the Premier and the Premier's advisory council for their work as part of this policy process. The issues were tremendously complex, and the WCO welcomes this new retail channel to expand the number of VQA wines that will now be available in the Ontario marketplace. Wine in grocery has a potential to reach new customers by increasing familiarity with VQA wines previously restricted by limited LCBO shelf space. Increased availability of VQA wines across the province will absolutely increase growth rates in our sector.

To be successful, however, our members need the ability to not only access customers but to be able to do so at economically viable margins. Small and medium-sized wineries now have better retail access, but challenges remain with margins earned on wine sales through the new grocery channel.

Let me be clear: This is a government taxation issue, not a grocery issue. Groceries do not control wine markups. With grocery, the LCBO remains the wholesaler and purchaser of record for Ontario wineries for all wine sold at grocery. The LCBO applies its full wine markup structure, amounting to an over 90% markup from Ontario wineries' wholesale price. This leaves very thin margins for Ontario wineries.

Additionally, the government has imposed new taxes on our industry through wine markups—7% over four years. The second increase of four will occur on April 24 of this year, and annual increases are scheduled for the next two years. By the time the 7% markup goes into effect, the annual cost to our industry will be approximately \$5 million a year. To clarify, that's just for VQA wines, not all Ontario wine sales.

These tax increases come at a time when the recently commissioned Ontario Wine and Grape Industry Performance Study prepared by Deloitte shows that over 70% of the wineries in the province are unprofitable. This can largely be attributed to the low margins available to Ontario wineries in the LCBO channel.

Again, Ontario VQA wineries need economically viable gross margins if they are to grow and compete. The intent of the government's agri-food policy should be to support the sector's growth and sustainability, especially if we are to help meet the Premier's agri-food challenge of 120,000 new jobs by 2020. New taxes in the form of wine markups will only make it difficult for small and medium-sized wineries to grow, compete and create jobs in the province.

On this note, I'll pass the mike now to our chair, Allan Schmidt.

Mr. Allan Schmidt: Great. Thank you, Richard.

This leads us to the first and only budget priority, but first, some context that we wish to provide to the committee today. During the Premier's advisory council process, the Wine Council advocated for margins in the new grocery channel to at least be equal to the markup structure enjoyed by the grandfathered winery retail stores owned mainly by constellation brands and Andrew Peller, of which there are almost 300. These private stores are spared the LCBO's high markups.

Our position is based on fairness. We believe that the long-standing material tax advantage in these grandfathered stores should be extended to all Ontario wineries for sales through grocery. We hope that the Ontario government recognizes that the ability to sell and deliver directly to private retailers at favourable margins is a valuable home market advantage enjoyed by wineries around the world in their domestic markets.

This notion of a home market advantage is not new. In fact, the government recently granted Quebec wineries

the right to sell to grocery stores without being subjected to higher SAQ markups. Yet this advantage was not extended to Ontario VQA wineries in the new Ontario grocery channel. Incidentally, British Columbia has had this for years, where they can deliver directly to private stores and basically get a tax credit back.

This leads me to our one and only priority for this year's budget. While we take Canada's free trade obligations seriously, we ask that the government ensure that public investment in our industry is invested wisely and more effectively. We believe that the current support programs for VQA wine sales would be more effective in leveraging investment and supporting growth if it were a permanent tax credit program.

Only in Ontario are domestic wine producers asked to compete under the same structure as imports—it doesn't happen anywhere else in the world—a challenge exacerbated by the fact that there is a monopoly on the retailing of wine in the province. This precedent for a provincial tax credit already exists and would best be accomplished with a tax structure similar to the one for the Ontario Craft Brewers—the small brewers of Ontario. The Taxation Act of 2007 included a refundable corporate tax credit for small beer manufacturers. Manufacturers qualify if they meet certain criteria, including limits on production. It amounts to about \$2.2 million as the maximum annual subsidy to an Ontario craft brewer, taking into account lower markups and their tax credit.

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Under our proposal, the winery credit wouldn't be much different than that of the Ontario craft brewers. We are recommending the following: The winery would need to have a permanent establishment in Ontario. The tax credit would be equal to 35% of the wholesale sales to the LCBO, and I'll qualify that that would be VQA wines, which is 100% Ontario fruit—very important—to support small and medium wineries. Eligible wineries would receive the tax credit as a lump sum at the end of the sales year for which it was eligible, or, alternatively, it may receive the tax credit in monthly or quarterly instalments during the year, which is also similar to the small beer tax credit.

Net revenue to the government would be positive, meaning there would be a net increase in government finances as opposed to simply an increased cost. Based on our proposal, the government would break even in year 3 and then turn positive, rising to over \$6 million by year 5 due to increased wine sales and taxes, with a modest 8% increase, actually, in sales over that time period.

Undoubtedly, this type of tax structure would better support economic growth and job creation in our sector, particularly for small and medium-sized wineries. It would provide timely relief and, unlike under the current VQA support program, new entrants would not reduce the relief to current market participants. The tax change would also allow the shedding of an industry support program currently in place in favour of a tax credit designed to increase government revenues, harness productivity and focus on competitiveness.

Richard?

Mr. Richard Linley: Thank you, Allan. We will close now, but on behalf of Allan and myself, thank you for the invitation to appear today.

I will leave the committee with the following two points.

New retail access has the potential to have a direct positive impact on the future of Ontario VQA wineries and agriculture in the province, leading to increased sales growth and job creation in our industry. However, the government needs to improve equity and fairness between all craft sectors and, most of all, between wineries.

Permanent tax relief similar to craft beer would allow our industry to continue to invest and grow in the province and to compete on the world stage.

Thank you once again, and we look forward to your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Oosterhoff will start the questions.

Mr. Sam Oosterhoff: Thank you very much for appearing before the committee today. I'm sure we've all enjoyed over time many of the various amazing VQA wines and ICBs that we have here in Canada.

One of my questions goes back to, actually, when you mentioned right at the beginning a really interesting number. You said that \$86 per VQA bottle is brought into the economy or is directed, but only \$22 for ICB. Is that correct? Was that roughly the number? Could you break that down a little bit?

Also, in that context, you mentioned that 70% of wineries are failing. Essentially, they're not breaking even.

We can talk a lot about the impact on government revenues of this tax break, and you've demonstrated it, I think. I'm sure if we spoke to you in more depth about this, you would show it would actually increase revenues by providing greater market access.

What sort of impact is it having on the potential for growth, moving forward, if we're allowing these ICBs to come in? If I'm correct, lots of these imports are actually subsidized heavily; if it's coming from Argentina, from Chile, coming from those places, it's heavily subsidized. You don't have competition with them. What sort of impact does that have?

Mr. Allan Schmidt: Some great questions.

First of all, the economic impact study was done by KPMG. There was another Rimerman study done recently. The labour that we have here, the tractors we buy, the maintenance of them, the fuel, what it costs to grow grapes in Ontario: That economic activity stays here. That's why there's a multiplier. When import wines come in from France and land on the LCBO shelf, the economic multiplier remains in France. Okay? We want to do import replacement to sell more VQA wines, which are 100% Ontario grapes. We currently only have a 7% market share at the LCBO—

Mr. Sam Oosterhoff: Sorry. Did you say 7%?

Mr. Allan Schmidt: Seven per cent. The grapes are in the ground. We could double and triple the amount of VQA wine we've sold without planting any more grapes because a large amount of the Ontario grapes goes into

international Canadian blends, which do not have that same economic activity. Seventy-five per cent of these ICBs are foreign wines and only 25% domestic, so we've got the grapes in the ground here.

What was the other question?

Mr. Richard Linley: Just so we're clear on that, Sam, under the wine content act, there is a requirement that up to 25% of the inputs on the grape side be from Ontario. The rest can come from elsewhere internationally—just so we're clear on what the requirements are around ICB.

The third question was with respect to the Deloitte study, the benchmark study. As part of the wine and grape strategy currently, the government commissioned a Deloitte study, similar to what they have in New Zealand, to look at the overall health of the industry from grape grower to winery. We are now in year 2 of the study. In fact, we just completed the submission of the questionnaire amongst wineries to VQAO.

The first year, though, was troubling in terms of the results we saw in terms of general profitability across the spectrum of winery sizes. One of the things we did see was that there were issues with respect to economies of scale, profitability and, of course, margins and red tape, but margins being the key issue for a lot of wineries.

We do now have distribution in terms of grocery and there being allocated shelf space for wineries, but the challenge remains getting our product to market in a competitive fashion with healthy margins that allow those businesses to grow.

Mr. Allan Schmidt: So you understand the issue of margins: When Constellation and Peller sell in the grocery stores, in their private stores, they get to keep 75% of the retail shelf price; the rest goes in taxes to the government. When a craft brewer sells in those stores, they get to keep 65%. When Molson's and Labatt's sell their beer, they get to keep about 55% of the shelf space. When my winery and our members—VQA wineries, the smallest ones—using 100% Ontario grapes—we only get to keep 45% of the retail price; the rest is in markups and taxes. We're asking for parity with what the craft beer industry has. That's why you've seen such a huge growth, because it is viable for them.

The Deloitte study said that 75% of our members are losing money each year.

Mr. Sam Oosterhoff: Right. What I'm trying to paint a picture of is, if they're getting 65% of it and you're getting 45%, or they're getting about 66%, there's a 21% difference.

Mr. Allan Schmidt: Yes.

Mr. Sam Oosterhoff: You said that 75% of your wineries are not profitable. What percentage would that drop to? Could we see that 50% are now viable if you received the tax credit that you mentioned?

Mr. Allan Schmidt: We haven't run the numbers on that, but the biggest thing is that these wineries aren't even selling wine—some of them aren't even selling to the LCBO yet because they can't afford to.

Ed Clark did a great job on getting us more shelf space. He was hopeful that at least 100 small wineries

would apply to the grocery program because he put preferential shelf protection for the smallest wineries to guarantee them shelf space. Only 18 wineries signed up out of 120.

The Chair (Mr. Peter Z. Milczyn): I have to cut you off there. We've already gone over our time. Thank you very much for your presentation today. If there's something further you'd like to provide to us in writing, you can do so up until 5 p.m. tomorrow. Thank you very much, gentlemen.

BABY'S BREATH CANADA

The Chair (Mr. Peter Z. Milczyn): Our next witnesses are Krista Barrasso, Debbie Berube, Emily Isaak and Robin Merry. Please come and sit down. Good afternoon. You have 10 minutes amongst you. After that, there will be five minutes of questions, in your case, from the New Democratic caucus. As you begin your presentation, if each of you could please state your name for the official record.

Ms. Emily Isaak: Thank you. Good afternoon, everyone. My name is Emily Isaak, and I'm the executive director at Baby's Breath Canada. We are a non-profit organization focused on sudden infant death, and more recently we also took on the mandate of stillbirths.

We're here today to discuss funding that's really needed for the cause overall in Ontario but particularly all across Canada. As many of you might know, Bill 141 was passed in December 2015, and it is the pregnancy and infant loss bill. Considerable funding has been passed out, but the funding that has been passed out has been very focused on miscarriages and stillbirths, and the SIDS community is really hurting and needing support.

I've brought along with me today Debbie Berube. She is a SIDS great-grandmother, surprisingly enough, and she's here today to share her story. There's also Robin Merry, who is a SIDS grandmother who's here to share a story as well.

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Ms. Debbie Berube: Good afternoon. I'm Debbie Berube. My daughter, Krista Barrasso, was planning on attending this afternoon, but she was called to Sunnybrook—and I'll get into that in just one moment.

Her granddaughter—my great-granddaughter—Zoey Hope, died of SIDS at three and a half months in June this past year. We live in Collingwood, Ontario, and we were attended by the first responders there, who were amazing. The OPP were amazing, and Collingwood hospital was amazing.

However, once we went home, my daughter then spent the next three weeks trying to access care, resources and counselling for her daughter Brittany—my granddaughter—and my other two granddaughters, Brittany's sisters, who are 10 and 13.

We did find some counselling through Matthews House in Alliston, so we travelled all summer, weekly, with the girls for some great art therapy, equine therapy and some great one-on-one grief counselling that was

amazing. But I just wanted to let people know the types of challenges that families like ours are experiencing after the sudden, unexpected loss of totally healthy, loved baby.

My granddaughter is now expecting identical twin rainbow baby boys and was admitted to Sunnybrook hospital last week. That's why her mom is there today. She's 25½ weeks pregnant. The boys were threatening to come out last week. They've been hanging on, and we're hoping that they're going to hang on.

So a whole new type of stress has now been added. She was fortunately being followed at Mackenzie Health, which is in Richmond Hill, because she was high-risk. We were travelling every other week to that, which was no problem. Being at Sunnybrook has been great.

But I think that one of the recommendations that we've included is that more frequent prenatal visits and ultrasounds for subsequent pregnancies after an infant loss are really a must. These clinics could be nurse-led under the supervision of an obstetrician, and referral to a public health nurse for ongoing support and follow-up for subsequent pregnancies would be wonderful.

Along the lines of these issues of not being able to find resources right away or being referred to resources in a speedy manner, and also in terms of treatment by first responders, there has been, I guess, a variation across inconsistencies when you talk to other SIDS families. I think that training for the first responders and hospital staff to understand and deal with these families compassionately and empathetically while conducting their investigation would be amazing as well.

Along these lines, another recommendation would be that funding be provided to hospitals across the province to have on-call crisis social workers. We left the hospital without a baby and with no referral and no social worker to be followed up within the next few days or weeks or whatever. I think that, for the emergency departments, it's a responsibility that they really need to be referring these families, because the issues in terms of PTSD, suicide and those types of things are real for families, and it doesn't go away very quickly.

Again, along the same lines, the bereavement counselling in every region across the province would be another issue that we really need to look at. That's where I'm going to turn it back over to the other two ladies.

Ms. Emily Isaak: This is just one story of many that our organization deals with on a daily basis. It is reality for many Ontarians that they go to a hospital and lose an infant. They lose an infant in their home, get rushed to a hospital, and they are given no resources. They are not told at all where to go, where to get help. It's just not accessible to them.

The funding that has been provided to date has all been provided to the Pregnancy and Infant Loss Network of Ontario, which recently amalgamated with Sunnybrook hospital. Up until, I would say, about a week ago, that organization did not feature any information to say that they supported any infant losses up to one year; they

were solely dedicated to miscarriages and stillbirths. So our SIDS community has been completely left in the dark in Ontario. There is nothing available to them besides our organization.

Our organization is Baby's Breath Canada. We are the only national foundation across the country that provides support to individuals who have lost an infant, regardless of the cause, and for stillbirths. While we are proud of our organization, I am one person—I am the entire organization—and I support all of Canada. We have volunteers all across Canada who are readily available to help, but access to us is hard to find. We're not referred to by any hospital, any coroner. Very few people know that we exist, even though we've been around since the 1970s.

One of our first recommendations is to ensure that Bill 141 is completely inclusive of SIDS and all infant losses up to one year. We would like to see equal funding be provided to these causes, which will support these families that have faced the most tremendous loss.

SIDS cases are classified under the Ministry of Community Safety and Correctional Services in Ontario and not the Ministry of Health and Long-Term Care, like miscarriages and stillbirths are. As you are well aware, the mandate of this ministry is public safety and not health. Therefore, at present, there is no pediatric involvement or follow-up in these cases. Cases are dealt with as investigations. When a child dies in the home, it is dealt with as a suspicious incident. So the police are involved, the coroners are involved, and it's a suspicious—and that's who the families mainly get to deal with. The follow-up at the hospital is very limited. They go into the hospital to receive an official report and get dismissed and sent home. There is very little follow-up from the hospital from there.

Overall, we see many inconsistencies across our province. What a family in Collingwood faces versus what a family in Toronto faces is completely different. The level of care changes completely and the level of police involvement changes.

Our second recommendation is that when a child under three years of age dies suddenly and unexpectedly, the appropriate pediatric pathologist, neuropathologist, geneticist, biologist and other relevant medical experts are involved in the investigation. There is no reason why these medical experts, social workers and bereavement counsellors shouldn't be called in to help these families. By including such a team and dealing with infants who die suddenly, hopefully more information can be discovered. It will allow for more research and better, further examination into pediatric disease, which is recognized by the World Health Organisation.

What makes these babies more vulnerable to outside environmental stressors during this critical development period is a huge concern. Why aren't we looking at this more? Currently, there are researchers in Boston and Australia who research this very heavily, but there's no research being done in Canada. In December, in a

meeting with Dr. Huyer, the Chief Coroner of Ontario, he mentioned that Ontario coroners were looking at beginning to conduct DNA and molecular testing in all SIDS cases. We are waiting to see that, but it's supposed to happen in 2017.

Our third recommendation is that funding be made available to researchers to further look into SIDS.

Our next recommendation is that infants be treated with dignity and respect post-mortem—the rights of a baby, post-mortem. We see so many families that are warned by the funeral homes as to how gruesome their child looks after a pathologist has finished with them. The forensic pathologists are not trained in pediatric pathology, and it's an investigation. The way that they treat these infants and the way that they're left after is horrific.

Ongoing support in research is important for families and caregivers. Being able to network with peers who have undergone a similar experience can be therapeutic for families. Any new research or updates on services that are working would be beneficial to review.

Our final recommendation is that funding be provided to create a pregnancy and infant loss task force in order to host an annual symposium for families and caregivers on the topics surrounding this important health issue. An organization like ours would be happy to lead an annual symposium bringing forward concerns in the interests of the families that we support across the province. This—

The Chair (Mr. Peter Z. Milczyn): I'll have to—I did give you some extra time.

1330

Ms. Emily Isaak: No problem. That's okay.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof has questions for you.

Ms. Emily Isaak: Sure.

Mr. John Vanthof: Thank you, Chair. Thank you very much for coming to the committee. The loss of a child is probably the most traumatic for any family, whether a mother or grandmother. This is an issue that, quite frankly, we don't hear a lot.

I supported—I think we all supported—Bill 141. I don't think it was a case of trying to exclude—

Ms. Emily Isaak: No.

Mr. John Vanthof: And I don't think you meant it that way, but I think we missed it. I think it's very important that you came here to bring this up. You've obviously been fighting a lonely battle.

Just for clarification, the recommendations that you provided are well thought out and in depth, and you're a national organization, albeit a small one. Do you know of other jurisdictions within the country that have programs for SIDS?

Ms. Emily Isaak: Surprisingly, Ontario is the furthest ahead in this. As you know, there is no Bill 141 anywhere else in the country or anywhere else in North America. Nothing similar exists, so we are looking to Ontario to kind of spearhead this and lead by example.

Mr. John Vanthof: Wow.

Ms. Emily Isaak: There are in other countries, though.

Mr. John Vanthof: The one thing that we find really hard is that we don't want to reinvent the wheel. If we could look in other areas—so if you have an example, a starting point—

Ms. Emily Isaak: There's a great program called Robert's Program, run out of Boston. Dr. Hannah Kinney is heavily involved in it. It's a system where coroners and medical staff work together.

Right now in Ontario, it's very coroner-centric. The coroners deal with the case, and there are no medical professionals, really, brought in.

San Diego has another excellent program. There's a program in Quebec that's a little bit ahead from where we are.

Mr. John Vanthof: So there are places we could look to.

Ms. Emily Isaak: Absolutely. We'd be happy to show you.

Mr. John Vanthof: Okay. I think it would be a good idea if you had places for us to look, because—I think I can speak for us all—you've brought forward an issue that needs to be looked at.

Ms. Debbie Berube: Just from personal experience with Robert's Program in Boston, Dr. Hannah Kinney has been studying this for many years. She's a neuro-pediatric pathologist, and just brilliant. She is putting out research articles all the time. There's an excellent Journal of the American Medical Association Pediatrics that was published in December that has got some great stuff in it.

We have had probably four different conference calls for about 45 minutes each with Dr. Kinney and her team, with my daughter and granddaughter, which have been extremely helpful. But because my daughter is such a researcher—my background is prenatal nursing, but I never had to deal with anything like this. My daughter—kudos to her, I tell you—I wish she could have been here today, but she's with her daughter, which is important.

Mr. John Vanthof: I'd really like to commend you, because I'm sure there are people who are suffering alone who haven't—

Ms. Debbie Berube: Exactly.

Mr. John Vanthof: Thank you very much for coming, and please keep up the fight. It's a very touching one, this one. I think this is one that's non-partisan; it's something we can all look at. Thank you very much.

Ms. Debbie Berube: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for coming in and raising this with us. It is very important to everyone here. If you have something in writing that you could share with us—you have your recommendations that you were reading—please do so before 5 p.m. tomorrow.

Ms. Debbie Berube: It's in one of the folders.

The Chair (Mr. Peter Z. Milczyn): I didn't see it, but that doesn't mean that it's not here. Thank you.

Ms. Emily Isaak: Thank you so much.

ONTARIO ASSOCIATION
OF SPEECH-LANGUAGE PATHOLOGISTS
AND AUDIOLOGISTS

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Association of Speech-Language Pathologists and Audiologists. Good afternoon. You have up to 10 minutes for your presentation. You will be getting questions from the Liberal caucus. If you could please state your names for the official record as you begin your presentation.

Ms. Mary Cook: Thank you. My name is Mary Cook. I'm the executive director of the Ontario Association of Speech-Language Pathologists and Audiologists. We always like to say that if you can say that, then you might not need one. I will let David Pflingstgraef, my colleague, an audiologist from western Ontario, introduce himself in a minute.

We represent approximately 3,700 speech language pathologists, audiologists and communicative disorders assistants in Ontario, who are regulated health professionals. We also advocate for the public, for those with speech, language, swallowing, hearing and balance disorders.

We fully recognize that the government has budget concerns. At the end of the day, we believe that our proposal is not a costly request but actually would be beneficial to those who receive our services. I'm talking about the Infant Hearing Program, which I'm sure many of you are aware of. It screens children from birth to age six. It's a very good program for children with permanent hearing loss. Why not expand it from age six to age 18, while children are still in those formative years of learning?

Our concern and our experience has been that after age six—and David will certainly speak to this—our audiologists have told us that parents just stop coming in for an annual visit because they cannot afford to do it anymore. If those children are not being treated for their hearing and ongoing follow-up, we're very concerned with their academic success.

We're coming forward to you today, bringing our best evidence, our best practices and information we've gathered from the Ministry of Children and Youth Services. One is a cost item and one is a savings item. The two recommendations are: to expand the Ontario Infant Hearing Program for children ages zero to 18, and to expand the scope of practice for speech language pathologists and audiologists.

Now I'll turn it over to David.

Mr. David Pflingstgraef: Good afternoon. I'm David Pflingstgraef. I'm an audiologist. I work with Elgin Audiology in the St. Thomas and London region. I'm both in private practice and also contracted to provide services from the Infant Hearing Program in our region.

I also would like to thank the province for allowing us the opportunity to share this info for your consideration today. It is truly appreciated.

The current Infant Hearing Program has been a successful ministry program for a number of years. It

provides universal hearing screening for newborns which looks at their hearing status at birth and determines whether there is a pass or a refer at that moment in time. When they refer, infants are then directed for more diagnostic audiologist services in the province. If they are looked at and we find that they actually have a permanent hearing loss, they are given further diagnostic services, support services, and communication development services through speech language pathology, auditory verbal therapy and sign language instructors as well.

The current services provided by audiologists in the program funded by the Ministry of Children and Youth Services look at regular hearing assessments, device prescription, rehabilitation, and validation of the devices so they're meeting the listening needs of children and family team meetings.

Currently, this service goes from birth to age six, but beyond age six, those children must access community-based fee-for-service audiological services. Those services have increased fees with the decrease in OHIP funding to audiologists back in 2001. To date, there are no systemic screening or public hearing services that are readily available, so once they hit school, those services from audiologists are now nowhere to be found. The school systems do continue on to help with communication development services through speech language pathologists through the education system.

Obtaining private funding can very well be a substantial financial barrier to parents. This results in sub-optimal access to appointments, fewer hearing aid fittings over time, misuse or lack of the necessary technology for social and educational success, inequalities in access, and poor overall hearing health. Just imagine if any of us were struggling to hear the information that is presented in what you're hearing today. Imagine a child who is in school who doesn't have that benefit of hearing through those years. You can tell how severely restricted they are.

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The potential consequences of untreated auditory disorders are very, very well documented in children. They are increased risks for delayed speech and language acquisition, difficulties with social interaction, poor literary outcomes, behavioural problems, compromised academic performance, and limited vocational potential.

Hearing loss is a lifelong condition that is well supported in the early years by high-quality, evidence-based management protocols developed by our Ontario Infant Hearing Program. It's a world-class program and it's a great start, but the needs are there and they need to continue to be supported. The provinces of British Columbia and Manitoba have increased their funding to reflect this. The program now in each of those provinces goes on to age 17 and 19 years of age.

Our association is recommending to the government to expand the Infant Hearing Program to children ages six years of age and over so children don't fall through the cracks. Children would receive access to age-appropriate audiological assessments, hearing fittings, hearing aids and FM systems for daily use and activities. It would also

provide assessments and treatments to underserved populations such as newcomers, Franco-Ontarians and indigenous peoples, and it would allow for opportunities to really optimize speech, language and communication as well as achieve academic and vocational success.

This past year, the ministry program identified 483 children with permanent childhood hearing loss. To continue this beyond the age of six to 18, if we continue to identify years with similar numbers, it would really take \$1 million to provide those services. These funds would go directly to front-line staff, and in an efficient and effective manner at a reasonable cost.

It was a pleasure speaking to you today. Thank you for the opportunity. I will let Mary finish off with recommendation number 2.

Ms. Mary Cook: That's our costing to you on our proposal.

Our cost saving is in terms of implementing our scope of practice. The Ministry of Health—and I'd certainly direct this to the government committee members: The file has been sitting with the bureaucrats now for a year and a half while they sort out how to deal with our submission on scope.

From our perspective, there is no cost to implement. Because we are a very small and younger profession in the province, somehow we got left behind when it came to a lot of the controlled acts. We don't have the ability to communicate a diagnosis, along with some of the other medical tasks. We are already performing these medical tasks with either delegation or through orders by a physician. No additional training is going to be required. The curriculum and the master's programs are already supporting what we are asking of the government. This change in scope, in effect, will save money, more than enough to cover the increase in costs to expand the Infant Hearing Program to age 18.

I just want to give you an example as to something that has happened in the past that we believe was an absurd outcome. Audiologists are one of two regulated health professionals who can prescribe a hearing aid; physicians are the other. An audiologist cannot communicate the diagnosis. So they will prescribe the hearing aid and then direct the patient or client to go back to the family physician to tell them that they have hearing loss, and then the physician gets to bill the OHIP system. That alone—David can tell you how many clients he would service and prescribe a hearing aid to in a year, times the 700 audiologists of this province, and then times how many times they have to go back to a physician or an ENT. We, alone, think that that's a cost saving to the system.

I must mention, too, that Ontario is actually behind. We are probably now the only province that doesn't allow communicating a diagnosis in some of the medical tasks that we are requesting. We believe that expanding the Infant Hearing Program is a good-news story for children; it's a good-news story for parents and for Ontario. It puts them on that equal footing to achieve everything in the future that they certainly deserve.

I want to thank the committee for taking the time to listen to us and to read our brief. If you have any further questions, we are always available any time. We are here to support the government because we believe that for the future of our children, we're all in this together.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Dong has questions for you.

Mr. Han Dong: Thank you very much for the presentation. I listened to you carefully. I just want to assure you that the government is committed to reviewing the scope of practice.

You give a very good example—and I sense a lot of support around the committee table—of the communicating of a diagnosis by a physician. I want to ask you: Are there any other recommendations in the expansion of the scope review that you want to share with us?

Ms. Mary Cook: Yes, thank you. For speech language pathologists, we are asking, under the controlled acts, to be able to order a form of energy, which specifically is the videofluoroscopy swallow study. Right now, it has to be ordered by a physician.

Our experience—and we actually prepared a research paper a few years back—is showing that many patients must wait four months to get that order. You might have your grandmother, who had a stroke, unfortunately, waiting in that hospital bed, waiting for the order, whereas if we had the ability to order—which we have been trained to do—and then go ahead and commit to do the videofluoroscopy study, we could get the results right away and get the patient. That's one.

We're also asking for the "putting an instrument, hand or finger ... beyond the point in the nasal passages" which they call the FEES, so it goes down the back, and also the "putting an instrument ... into an artificial opening into the body," which is in the stoma, if you've had voice cancer or if you need voice restoration and suctioning of a tracheotomy. That's what we're requesting.

We understand that the government is putting in place a framework. Actually, we support that, but we are only asking for things that we're already doing. We're not asking for prescribing a drug or an injection. It's for the things we're currently doing.

Mr. Han Dong: That's great. Can you also share with us some of the positive impact of the Infant Hearing Program that you've witnessed so far?

Mr. David Pflugstgraef: I think that what the Infant Hearing Program has done since its existence is the ability to identify children with hearing loss virtually days after birth.

In the years when I first started as an audiologist in this province, 25 years ago, we would see children walk into our clinic at six, seven, eight years of age, and we were only now picking up that those children had a hearing loss. They could not communicate properly. They were not advancing in school.

The program now has brought those children in. We would like to get hearing aids or cochlear implants or begin sign language on those infants at three to six months of age. By doing that, we're seeing that kids are

ready for school. Their communication is developing on a normal behavioural milestone. Their ability to communicate allows them to progress academically and strive to get a vocation where they can now support themselves and no longer be on disability support programs to the extent they were years ago.

So it makes a tremendous difference in people's lives, in families' lives, and, I think, to the health and welfare of the entire province.

Mr. Han Dong: Any data on how many kids or families benefit from this program?

Mr. David Pflugstgraef: As I said, around 400 to 500 children are identified with permanent hearing loss per year, so that's per cohort. We certainly could look into that. I don't know it off the top of my head. But in our region, in the southwest, where we're at approximately 10%, we are around that 40 to 45 children per year. That continues on, on a very consistent basis.

We're looking to expand the program, because there are some progressive hearing losses that occur after the age of six, in older childhood. Those children now could be picked up and supported in their lives as well.

Mr. Han Dong: That's great. Thank you very much for these answers.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. If there's something further you'd like to provide to us in writing, you can do so until 5 p.m. tomorrow.

Mr. David Pflugstgraef: Thank you.

Ms. Mary Cook: Thank you very much for your time.

MR. MIKE SULLIVAN

The Chair (Mr. Peter Z. Milczyn): Our next witness is Mike Sullivan. Good afternoon, sir.

Mr. Mike Sullivan: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, and that will be followed by five minutes of questions from the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

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Mr. Mike Sullivan: My name is Mike Sullivan. I am a student at York University in the master's in environmental studies program. All of my remarks have to do with the 2016 Climate Change Action Plan.

First, I'd like to remind the panel and the government that there was a promise to electrify the trains on the UP Express by 2017. That promise was made by Minister Murray in 2013. Then in 2014, the Premier announced that all of GO would be electrified, and we all cheered. But then Metrolinx got involved, and it is now put off until 2024. There is no reason for UP Express to be put off until 2024. The environmental assessment is finished and the tracks were laid with electrification in mind, so it's only budgetary. Would this government therefore please provide Metrolinx with the funds and the direction to actually get on with the business of electrifying what is

the only non-electric train service on the planet to an airport?

Second, electric cars: This government has encouraged the adoption of electric cars by Ontarians, and you promised to encourage the installation of charging stations with subsidies to individuals and to public and private sector partners. But I am told that universities are specifically excluded from those subsidies, and so there are 9,000 parking spots at York University and not one of them can be made a charging station for electric cars. Would you please fix that?

Also, you promised—by “you,” I mean the government—that starting in 2017, owners would be able to charge their cars overnight for free. I phoned the ministry and said, “When is this going to happen and how?” Nobody at the ministry knew anything about it. When somebody finally looked at the website to see that it said 2017, she said, “Well, call us back. It could be any time in 2017; we really don't know.”

Third, and probably the most important part of my presentation, is on the effect of the carbon taxes—I'll call them that, although it's cap-and-trade—on low-income individuals in this province. The action plan, and I've distributed a copy of that portion of the action plan to everybody, suggests that Ontario will do something to help marginalized and poor families deal with rising energy costs: We “will work to reduce the impact of cap-and-trade on low-income households and vulnerable communities.” It's a noble undertaking. When carbon taxes rise, energy costs for someone on the margins, they have to then choose between whether they are going to feed their family or pay their energy costs. Someone wealthy doesn't have that stark choice. But there has been precious little work done so far in this Ontario of ours.

The Auditor General said, in her report, that Ontario household average costs will be \$210 in 2019 as a result of the implementation of cap-and-trade, and an additional \$75 in indirect costs, and it will be even worse in northern and remote communities. And despite repeated assurances that cap-and-trade would not affect electricity costs, the Auditor General said it would. It's expected to bring higher electricity prices. There are some provisions that the government will in fact subsidize that, but even after the subsidies, the \$1.32 billion, businesses will still face a 13% increase, and households a 23% increase over the next few years in electricity costs. Clearly, someone in a low-income situation isn't going to be able to afford that.

The action plan states that the Ontario Electricity Support Program is one way to help low-income families. Well and good. A number of problems:

(1) That plan was put in place before there were any carbon taxes, so it hasn't taken into account any of the increases due to the carbon taxes.

(2) The plan is not funded by the government of Ontario, so you really can't take credit for it. It's funded by every hydro ratepayer in Ontario. There's a separate charge on your bill that is to pay for low-income

Ontarians—including the low-income Ontarians. They're paying that charge, too.

(3) The plan does nothing for low-income Ontarians who are renters or who don't pay their electricity directly. If they pay it indirectly as a renter, they're stuck with the bill and there is no provision for them to get any rebate from anybody. You're going to say, "Well, we're giving you back 8%"—the 8% reduction in the HST. Yes, nice, except the vast majority of that money is going to go to people who are paying huge hydro bills, who have big houses and are wealthy. People who are at the margins, again, if they are renting, are not going to see any of it. If they are not, well, it's a welcome 8%.

The plan also suggests that housing retrofits will help the poor. There have been several announcements but, again, precious little actual program. The announcement suggested that the government will make it illegal to pass on energy-saving costs to tenants. There has been no action on either of those fronts. The 2016 rent guideline was 2%; in 2017, it's 1.5%. But landlords are still able to pass on all increases in utility costs through the rent review board. The retrofits that they make themselves, they can pass on at a rate of 3% a year.

The plan also states that there will be a rebate to low- and moderate-income households to help replace their older cars with new or used electric or plug-in hybrid vehicles. Again, carbon taxes are here, and there's no action on this promise—not that I've been able to see, anyway.

Other jurisdictions get it. They get that low-income residents need help with carbon taxes, cap-and-trade—whatever you want to call it. BC's plan states that BC's "low-income climate action tax credit helps offset the impact of the carbon taxes paid by low-income individuals or families." I've given you all a copy of this. The amounts involved are \$115 for an individual, \$115 for the second adult and \$34.50 per child in a household. That happens every year on a quarterly basis. So a family of two adults and two children would get \$300 per year; nothing, here in Ontario.

Alberta, which just started its carbon tax, has a much more generous plan: "Rebates are provided to lower- and middle-income Albertans to offset costs associated with the carbon levy." I say "middle-income" because the actual limit is at about \$115,000 of family income. Nothing in Ontario comes close to that. The limit of the family income on the electricity support program is about \$52,000. So somebody making \$95,000 or less in Alberta will get \$360 per year. The cheques started going out the same day the carbon tax started, but nothing here in Ontario. We need it. We need it to happen.

Finally, this carbon plan talks about public transportation a lot. I'd like to remind you that the Mike Harris government ended the operating subsidy provided to the TTC. The TTC now depends on fare revenue for the vast majority of its operating expenses. The city of Toronto picks up the rest. This has resulted in fare increases of 34% since 2010 for those that use a Metropass and 40% for seniors since 2010. Inflation has only been a little

under 10% in that same time frame. So transit costs have gone up three or four times what inflation has in Toronto. That affects the poor more than it affects others. Some people can afford these increases. The people who are living on the margins are finding it very, very difficult. I know because I represented a bunch of them a few years ago.

The Ontario government should reinstitute some form of subsidy for public transit, at the TTC in particular—maybe it has to be across the board, but I'll leave that for you to decide—and use that subsidy to directly subsidize fares, to reduce those fares. This would have a double impact. First, it would increase the attractiveness of the transit option, which you're trying to do with your carbon action plan. You want people to take transit. If it's too expensive, they're not going to. It would also assist low-income travellers, who, already reliant on the transit system because automobiles are too expensive, would see an immediate lessening of their travel expenditures to get to work, to get to daycare and the rest. The cost of carbon has not yet been factored into the transit operating costs in Ontario. So we're going to see yet another round of increases in 2018 as the TTC and other transit agencies come to grips with the fact that they're now paying the carbon levy.

To summarize—because I think I'm almost out of time—I urge the government in its upcoming budget to include immediately electrifying UP Express and have Metrolinx get on with the job. I know they bought trains that aren't electrifiable; they're going to have to get rid of those trains and get other ones, and those trains that they get rid of can't run on GO lines—but that is a problem of Metrolinx's devising, not of the government's.

You should provide funding to universities and other excluded agencies to install electric vehicle charging, and figure out how people who own electric vehicles are actually going to manage this promise of free charging overnight.

Provide funding for carbon offset payments to all low-income Ontarians, and provide prohibitions for landlords to pass on these retrofit costs that will save them energy to their tenants.

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Finally, I believe you should re-provide the transit operating subsidy to the transit organizations in this province, in particular the TTC, which is the one I'm most familiar with, so that more Ontarians will take public transit and so that we will eliminate some of the carbon we exhaust into the atmosphere.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Sullivan. We have questions for you from Mr. Barrett.

Mr. Toby Barrett: Thank you, Mr. Sullivan. Especially in the new year, many of these topics dominate the media and social media—certainly conversations in our constituencies. The one thing I just wanted to check out—we know that the new cap-and-trade legislation on January 1 impacts gasoline, diesel, propane, aviation fuel and heating oil. It does not directly impact electricity, as I

understand. Can you explain again? Is it the indirect impact?

Mr. Mike Sullivan: That has been the statement from the government, but the Auditor General says that it will affect electricity prices.

There are some portions of the electricity sector that use natural gas. I think those gas plants that they cancelled in Mississauga actually went up somewhere else. Insofar as those plants have to be online and operating in the system, I believe that they will be paying a levy.

Mr. Toby Barrett: Yes, input costs, of course—in fact, I forgot to mention natural gas on the list. We're still trying to find out what the list will be that is impacted.

You make mention of low-income households; you make mention of rural and northern communities and remote First Nations communities. I'm a rural representative. We're carbon-dependent for a source of energy. I think 80% of Canada is dependent on carbon sources for energy.

In the rural northern communities, many of us have to drive trucks for farms or business or what have you. When you're filling up with diesel or filling up with fuel, people are becoming aware—and I am assuming that taxes on gasoline are, I don't know, 40% as it is already. They're coming to realize that in their small town or out on the back road, as they fill up their truck or their car, this extra tax that they are paying is going to either subsidize—you could call it a subsidy for transit in Toronto, for example. They're coming to realize that they're paying to subsidize a subway in Toronto, or maybe to pay for an electric car, which, to date, is not feasible in much of northern Ontario or rural Ontario, or to subsidize subsidized housing. Many low-income people don't live in subsidized housing. It's not available across rural Ontario. I see some unfairness here. Any comment on that?

Mr. Mike Sullivan: My suggestion was not that the money taken from someone driving a truck in rural Ontario go directly to someone who needs a subsidy. I would suspect that there are low-income Ontarians in rural Ontario who are more desperately in need of subsidies than someone in the city of Toronto who has access to transit. The plan that Ontario proposed suggested that allowances have to be made for northern and rural communities. They haven't done it. That's my point.

Mr. Toby Barrett: Exactly.

Mr. Mike Sullivan: There are all kinds of good things in that document—just no action. It has not happened. Low-income individuals, whether they're in rural areas or in cities, are faced with new costs. When you're on the margins, when the next dollar you have to spend means your child isn't going to get two glasses of milk, that's a stark cost. A person who is well off and has to decide, "Maybe we won't take the trip to Italy this year"—that's a whole different ballgame than deciding whether or not your family is going to eat properly.

That's what my concern is: that the people at the very margins of society are going to be hurt by this, and there is no provision to help them.

Mr. Toby Barrett: Absolutely. As you've indicated, in British Columbia, the tax credit is available. I'm not

sure; I guess that would be a consumption tax because many with low income would not benefit from an income tax, of course.

You mentioned that, in Alberta, rebates are provided to lower- and middle-income Albertans to offset the cost of a carbon levy. There seems to be no indication of that in this plan. Money is taken out of one pocket, but it's not returned to the other pocket; it goes elsewhere.

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all of our time for this round of questions.

Thank you, Mr. Sullivan. I know that you've given us something in writing. If there is anything further that you want to provide to the committee, you can do so until 5 p.m. tomorrow.

Mr. Mike Sullivan: Thank you very much.

PROGRESSIVE CONTRACTORS ASSOCIATION OF CANADA

The Chair (Mr. Peter Z. Milczyn): Our next witness: the Progressive Contractors Association of Canada. Good afternoon. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the New Democratic caucus. If you could, please provide us with your names for the official record as you begin your presentation.

Mr. Darrel Reid: Thank you very much, Mr. Chair. Good afternoon. My name is Darrel Reid, and I'm the vice-president of policy and advocacy for the Progressive Contractors Association of Canada. I am joined by my colleague Karen Renkema, who is the senior manager of public affairs at PCA.

Thank you to the members of the Standing Committee on Finance and Economic Affairs for allowing me to present to you today.

PCA's member companies represent more than 25,000 skilled construction workers who are involved in building major infrastructure projects in Ontario and across Canada. We have 110 members across Canada, ranging from small construction companies to some of the largest in Canada.

PCA's progressive unionized model is well suited to respond to Ontario's labour market needs because it is flexible and develops highly productive workforces. PCA member companies offer innovative multi-skilling, which encourages skilled workers to move around a job site to get work done more efficiently.

What we call a "wall-to-wall" collective agreement with one bargaining agent ensures that issues are addressed quickly and consistently and promotes a collaborative work environment across all trades on a project.

Our labour model also promotes labour mobility for skilled workers to meet the local needs of the project. This flexibility also encourages the hiring of local workers, including indigenous peoples. In addition, open-managed sites allow construction employers to adopt an open posture towards labour models and ensure fairness for all workers, regardless of union affiliation.

Therefore, we believe that PCA's inclusive and progressive labour model will help the government meet

its fiscal targets, grow the economy and provide more employment for skilled workers and apprentices in Ontario.

We at PCA would like to work with the Ontario government in helping it achieve its goal of a balanced budget in 2017-18. We believe that an important part of that effort is ensuring that public infrastructure dollars are well spent.

We are here today to make two key points:

(1) that allowing all construction contractors to bid on public infrastructure projects could save Ontarians hundreds of millions of dollars, increasing value for taxpayers' dollars and enabling the government to return to budget balance more quickly; and

(2) an increased emphasis on apprenticeship training that will renew the workforce of tomorrow and increase productivity in Ontario's construction industry.

The government of Ontario can help by restoring the Ontario Apprenticeship Training Tax Credit. The government should focus on a participation-based model as it implements policy and requirements on public infrastructure projects.

First, let's talk about infrastructure. PCA supports the Ontario government's plan to invest over \$160 billion in infrastructure over the next 12 years to build roads, transit, water and wastewater projects across the province. We believe that the province needs this, and we support it.

At a time when the province and municipalities are trying to stretch their infrastructure dollars, restrictive tendering is preventing these investments from going as far as they could. Four of Ontario's largest municipalities, including Toronto, Hamilton, Sault Ste. Marie and the region of Waterloo, are forced to award construction work to contractors affiliated with select unions only. No other contractors are allowed to compete, no matter how well qualified or well respected they are.

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As a result, up to 70% of local companies and workers aren't allowed to compete for local projects. A loophole in Ontario's Labour Relations Act allows this to happen. Under subsection 126(1) of the Ontario Labour Relations Act, these municipalities have been deemed "construction employers." They're subject to a province-wide collective agreement that constricts who they can contract and hire.

It's not just municipalities that are caught up in this loophole. Toronto District School Board and the University of Toronto are all subject to these labour monopolies. Hydro One and OPG are also handcuffed in who they can contract to.

Ontario is the only province in all of Canada where municipalities can be declared construction employers. This section of Ontario's Labour Relations Act is out of step with the Ontario government's own policies that recommend fair and open procurement practices. The consequences are costly for both governments and taxpayers.

According to Cardus, the Hamilton-based think tank, \$941 million worth of construction work in Ontario alone

is subject to restricted tendering each year. The Cardus report *Hiding in Plain Sight* shows that in those municipalities where tendering is restricted, construction project costs have been inflated by 20% to 30%. In case you're wondering, that's up to \$238 million annually that could have gone towards expanding public transit or addressing the backlog in public housing repairs.

There's also extensive research to show the benefits of increasing competition. Based on data on bids for projects around the world, researcher Martin Skitmore from the Texas A&M Transportation Institute found that bid prices fell by 20% to 25% as the number of bidders increased from two to 15.

We're not alone in our contention. Several organizations, including the Association of Municipalities of Ontario, the Ontario Chamber of Commerce, the Ontario Good Roads Association and the Large Urban Mayors' Caucus of Ontario have urged the province to amend this section of the Ontario Labour Relations Act.

We're also asking the Ontario government to allow municipalities to maximize their infrastructure investment by amending section 126 of the act. This would prevent municipalities from being certified "construction employers" and permit all qualified companies and workers to bid on taxpayer-funded construction projects. Closing this legislative loophole would result in a fairer tendering process. It would also encourage competition and allow infrastructure dollars to go further so that all Ontarians get the best possible value for their tax dollar.

Secondly, I'd like to talk a little bit about apprenticeships. It's important to our members and it's important to renewing the workforce of tomorrow in Ontario. For the government to meet their infrastructure commitments, Ontario should do more to promote apprenticeship training and apprenticeship completion. PCA's members are strong supporters of apprenticeship training and employment across Canada. According to the Canadian Apprenticeship Forum, for every \$1 invested by an employer in apprenticeship training, the employer receives a benefit of \$1.47. In fact, on many PCA job sites, apprentices comprise between 35% and 40% of a PCA contractor's workforce.

In Ontario, 75% of PCA members train apprentices, which increases to 85% for PCA companies with more than 10 employees. PCA supports the government's efforts to increase apprenticeship completions on public infrastructure projects. In addition, we recommend that the government consider requiring participation-based models for apprentices on public infrastructure projects, as opposed to quotas or percentages.

We at PCA were disappointed that in the 2015 Ontario budget, the government chose to make cuts to the Apprenticeship Training Tax Credit without any consultation with employers or employer associations. The Apprenticeship Training Tax Credit program has been a key incentive for employers to seek out new talent and keep the Ontario construction sector thriving.

PCA is offering our expertise to the Ministry of Advanced Education and Skills Development when it

comes to skills training and apprentices. Therefore, we ask the government to restore pre-2015 funding to the Apprenticeship Training Tax Credit and maintain its commitment to consult with employer groups prior to any further changes to employer apprenticeship training support programs in the future.

In closing, I'd like to thank the committee for your time and attention, and I welcome your questions.

The Chair (Mr. Peter Z. Milczyn): Thank you. Mr. Vanthof has questions for you.

Mr. John Vanthof: Thank you for your detailed presentation. I have a few questions, and I think we have a very good discussion.

You mentioned the cut to the apprenticeship tax credit program. How much has that affected your members' ability to work with apprentices?

Ms. Karen Renkema: We talked a little bit about the investment in apprentices and the importance of apprenticeship, and our members are still hiring apprentices. I think where our members have really felt it is primarily in medium to small business, where you're already affected by ratios that may not be favourable for you to hire apprentices.

In addition to that, being able to support apprentices through the peaks and the valleys of construction—construction looks a little bit different, so specifically for construction companies, an apprenticeship tax credit was and continues to be, even though it's 50% of what it was, something that really encourages the continued hiring of apprentices to support the completion of the apprenticeship, not just hiring the apprentice and letting them go when you have a little bit of a valley to deal with.

Mr. John Vanthof: Okay. In your brief, I believe you quoted a study saying that 75% of your members train apprentices. Has that number stayed stable before and after the credit cut, or has it changed?

Ms. Karen Renkema: I would say that, again, there are peaks and valleys. We've had, I would say, a good run of infrastructure dollars over the last little bit, so we've had a number of peaks. What we're concerned about is that, especially in the commercial sector, you're seeing a little bit of a decline, so when we hit those stages where we may not have continued high employment, that's where we're going to see a decrease.

It's a little bit too early for us to do the analysis on that, because the apprenticeship tax credit reduction was announced in 2015 and really didn't take effect until April of that year, so it's a little bit too early for us to do a full analysis, because apprentices were mid-term of their apprenticeships.

Mr. Darrel Reid: I would just add, too, that the main impact of this falls on our smaller members. We have large construction companies that are going to be hiring apprentices and are going to be doing that whether there's a tax credit or there's not. When you have a company that has eight or 10 members, an apprenticeship or two makes a huge difference. These folks are not making big bucks. They are working really hard to keep

this thing going, and they're contributing to their communities.

We're watching this. You'll hear more loudly as we feel the impact, but certainly our members are telling us that it was an imposition on them, and a challenge.

Mr. John Vanthof: So just to clarify, the 75% of your members, that number you quoted—

Ms. Karen Renkema: That's presently.

Mr. John Vanthof: That's presently. Okay. Thank you.

There's a current emphasis on P3 projects for big infrastructure. Have P3 projects hurt your ability to bid on projects, your success at bidding on projects? Has it restricted your ability?

Mr. Darrel Reid: Do you want to have a crack at that?

Ms. Karen Renkema: Inasmuch that what we have seen in the past couple of years is that for most of the P3 projects here in Ontario, or the Infrastructure Ontario projects, the primary focus has been the greater Toronto area, and specifically Toronto itself.

We spoke a little bit about the city of Toronto and its restricted tendering policies, which are basically that their construction work can only be tendered by certain contractors, and that 70% of contractors across the province—or even local contractors—can't bid on the work.

So inasmuch as the Infrastructure Ontario projects, most of those P3 projects, are being done within the city of Toronto right now: Yes, because our members cannot bid on those projects, because they're not signatory to that specific union or the small body of specific unions that are working in the city of Toronto.

Mr. John Vanthof: I would agree that most of the P3 projects are in the GTA and Toronto, but not all of them. You wouldn't have any figures on whether you've been impacted by P3 projects where you're not restricted to bid?

Ms. Karen Renkema: No, it's more of a restricted tendering issue rather than a P3 issue, to be quite honest with you. Most of our members are able to subcontract on projects where there isn't restricted tendering in place. So if there's a P3 project in London, Ontario, we have a number of members that could work on that P3 project, if the GC works with them to be a subcontractor.

1420

The Chair (Mr. Peter Z. Milczyn): Okay, thank you. That's all of our time for this afternoon.

Mr. John Vanthof: I was just getting started.

The Chair (Mr. Peter Z. Milczyn): If you have something further you'd like to provide to us in writing, you can do so until 5 p.m. tomorrow.

Mr. Darrel Reid: Thank you very much.

TRILLIUM AUTOMOBILE DEALERS ASSOCIATION

The Chair (Mr. Peter Z. Milczyn): Our next witness is Trillium Automobile Dealers Association. Good afternoon. You have up to 10 minutes for your presentation,

and that will be followed by five minutes of questions from the Liberal caucus. If you could please state your name for the official record as you begin.

Mr. Frank Notte: Great; thank you. Hi. I'm Frank Notte, director of government relations for the Trillium Automobile Dealers Association.

Since 1908, our association has been the voice of Ontario's new car dealers. We represent one third of all new car dealers in Canada, who in turn sell approximately 40% of all new vehicles nationwide.

We are also proud to produce the Canadian International AutoShow in Toronto, which is Canada's largest consumer show. I encourage you to visit the auto show this year, which runs from February 17 to 26.

First, though, I'd like to point out that when most people speak of auto, including decision-makers at Queen's Park, they mainly think of the manufacturing side of the business, and rightly so. But when people like myself or those in the retail side speak of auto, we include Ontario's 1,000 new car dealers, who employ 53,000 people and who generated \$37 billion in sales and service last year. We feel the retail side should receive increased attention as the province develops its auto policy.

Dennis DesRosiers, Canada's leading automotive expert, agrees. He recently wrote: "I think our political class should spend more time on the service side of the automotive sector. The service sector has replaced every manufacturing job lost two times over; most of these jobs pay better than a factory job and they are growing. With a little bit of help, they may be able to grow faster...."

"Since the year 2000, sales of light vehicles has grown from about 1.5 million to close to two million per year. This has resulted in employment at (new) car dealers increasing by 34,000 workers and over 150,000 total workers. Car dealers now account for over 20% of the direct jobs in the automotive sector."

While these are national numbers, it's key data for provincial auto policy-makers to start thinking of dealers as a key component of Ontario's auto sector.

Today, I'm going to propose three ideas for consideration of being included in budget 2017. These recommendations will help strengthen and modernize Ontario's auto sector:

(1) would be passing Bill 3, the Cutting Red Tape for Motor Vehicle Dealers Act;

(2) would be increasing consumer protection by regulating all automobile advertising, including those placed by automobile manufacturers;

(3) would be to phase out the Drive Clean program.

Our written submission goes into much detail on all three, and I'm happy to answer any questions on all three. However, today I'd like to spend my time speaking about Bill 3 and why it's critical to move forward with this piece of legislation.

Bill 3 is a private member's bill introduced by MPP Steve Clark. If passed, Bill 3 would amend the Highway Traffic Act to allow registered motor vehicle dealers to do any of the following by electronic means:

—apply for a permit, number plates or a validation for a vehicle;

—apply for a new permit for a vehicle; and

—apply for a used vehicle information package.

If you're like me, you despise waiting in line and wasting your time, knowing that whatever it is you want to accomplish can be done online and in minutes. When it comes to dealers registering and licensing a vehicle for consumers after a sale, Bill 3 would do just that. It would eliminate the need for dealerships to physically transport the paperwork back and forth to a ServiceOntario location and move that process online.

Currently, dealers either wait in line or drop off the paperwork, only to return at a later time or later day, in order to properly register and license the vehicle. Meanwhile, the consumer is eagerly waiting to pick up their new car.

Passing Bill 3 means that upon completion of a sale or a lease, the dealership can register the vehicle and provide the permit licence plate and validation sticker right at the dealership. Then the happy customer can drive off the lot that day, minutes after signing on the dotted line—no waiting in line, and no more hoping the licensing office is still open if the sale occurs late in the day or on a Saturday.

In this day and age, we can pay our mortgage, buy stocks, purchase goods, renew our driver's licence, order birth certificates and do a host of other things online. We think it's time Ontario modernized its vehicle registration to bring the vehicle purchase process into the 21st century. Quebec has offered this service to its new car dealers since 2002. PEI, New York state and Michigan do as well.

It's actually not new to Ontario. In 2011, the province conducted a pilot project in two new car dealerships known as the modernization of vehicle registration pilot. In 2012, the Ministry of Transportation said, "In March 2011, the MVR pilot project offered online vehicle registration at two pilot dealers. The pilot was successful, so full rollout to over 5,000 dealers will start in 2012-13. This further expands MTO's online services and reduces the need to travel." However, the rollout never happened.

I want to share with you two recent comments from the two dealers who were fortunate enough to participate in the MVR pilot. This is from Andrew Caletti, dealer principal at Belleville Toyota. He said, "I'm desperate to have it back. The convenience is unparalleled. The ability for us to turn licensing around when we need to—it's fantastic. The number one reason we have to hold customers up on delivery is licensing. It isn't reasonable to expect me to have a business model in which I can afford to have someone shuttle back to the licence bureau every 10 minutes."

This is from Damien O'Reilly, vice-president of Trans Canada Nissan in Peterborough. He said, "It went extremely well," meaning the pilot. "It was very successful. It was very convenient. We didn't have any problems whatsoever. It was very smooth. The overall experience is better for the customer because of the fact they can

pick up their car when they want instead of sitting around waiting for licensing.”

Bill 3, previously known as Bill 152, was before MPPs during the last session of Parliament. The bill passed second reading debate with unanimous support. Each of the three political parties spoke in favour of the bill, which gives us hope it will eventually become law. When the Legislature was prorogued last summer, the bill died and now must start from the beginning of the legislative process.

We feel that Bill 3 goes hand in glove with recent priorities as stated by the province. For example, budget 2016 said, “To meet the expectations of the public, government digital services must mirror the simplicity and effectiveness Ontarians have experienced using private-sector digital services. This does not simply mean putting existing processes online; it means fundamentally rethinking how government programs and services are delivered in Ontario.”

The Premier’s mandate letter to Minister Matthews, the minister responsible for digital government, said that one of her priorities is removing “barriers to, and enabling, wider digital adoption across the organization through the establishment of a modern, enterprise-wide digital standards framework for the public-facing digital channel, in partnership with the Treasury Board Secretariat and ServiceOntario.”

I do want to make it clear, though, that Bill 3 is not a reflection on ServiceOntario staff. In most cases, we find their staff to be competent and knowledgeable and do their best to serve their community. However, the increasing demand for government services like health cards, drivers’ licences and vehicle registration will continue to grow.

Auto dealers do not want to compete with the general public for government services. Bill 3 will help relieve the long lineups at ServiceOntario and move the vehicle registration process online, making way for citizens to access in-person services in a much quicker time frame.

To be clear, our goal is not to establish a ServiceOntario office in each dealership. We are asking for very narrow permissive legislation that would allow dealers to apply for permits, licence plates and a validation sticker in order for the customer to drive off in their new vehicle right away, minutes after signing on the dotted line.

Bill 3 is a vital tool that supports Ontario’s auto sector. We urge the government to put Bill 3 in the fast lane and make it law to cut red tape for consumers to get their new vehicle without unnecessary delays.

The Chair (Mr. Peter Z. Milczyn): Thank you. We have questions from Mr. Rinaldi.

Mr. Lou Rinaldi: Thank you so much for being here today and stating one of your three cases. We very, very much appreciate it.

Just a comment on the one you focused on: I guess I wear somewhat of a rural hat, being part of rural Ontario. We still have communities that don’t have access to all the technology and high-speed Internet. Even some places—and I’m only an hour and a half or two hours

east of Toronto. We still have pockets. I’m sure some of those dealerships would have a challenge—and we do sell cars in our neck of the woods.

1430

Just to make a comment, I think it makes a lot of sense and I would agree with you wholeheartedly. Especially in today’s just-in-time world, whether it’s in car manufacturing or selling cars or delivering cars, it’s very, very important.

It wasn’t part of your presentation, and maybe you can elaborate a little bit. I know that your organization supports the technology of tomorrow, the autonomous vehicles; I believe your organization is supportive of that. As you know, government last year announced a pilot project in Ontario to have those cars tested and hopefully create additional opportunities for industry to develop product. I know that in the Kitchener-Waterloo area Google is playing a huge role in that part.

Can you give some sense of the importance of this for the automotive sector, probably not just in Ontario but all of Canada? For us, it’s what’s important in Ontario. And what else do you think Ontario can do to enhance that, because it is coming?

Mr. Frank Notte: Autonomous vehicles, you mean?

Mr. Lou Rinaldi: Yes.

Mr. Frank Notte: Yes. Certainly I think that by permitting that, it allows or gives confidence to the manufacturers that—I think Stratford is a municipality that’s a smart municipality in the sense that there’s WiFi everywhere so it’s a good test location. Then certainly the province, by allowing autonomous vehicles to be tested on, I think, every Ontario road, gives confidence to the manufacturers and parts suppliers that Ontario is the place to be or one of the places to be, rather than going to California—Silicon Valley. So I think it’s a good thing and I think it’s going to drive innovation and help attract the next generation of engineers and software engineers and that kind of thing to the province.

Mr. Lou Rinaldi: Sure. Is there anything else? We went through one of your recommendations; you’ve got three. In the time that I have remaining, is there anything you want to elaborate on the other two that might be important, that we make sure that we focus on?

Mr. Frank Notte: Sure. Our association is on the record that Drive Clean had its time and place; it kind of nudged the auto sector to make cleaner cars; it raised consumer awareness that they should better maintain their vehicle, that kind of thing. I think what we’ve seen recently is that Drive Clean has become more of a revenue tool rather than worrying about, “Are we getting the worst cars off the road?” I think 95% of all cars pass.

I do want to say, though, that the government recently made a change in the Drive Clean program where dealers now don’t have to get an emissions test when they go to sell a car that’s a year old or less, which will greatly reduce the time and effort it takes for dealers to sell those cars. We’ve been asking for that for six years. It’s going to take effect in April, so we’re thankful for that change.

Of course, on the issue of advertising, we just think that the consumer at the end of the day will benefit if advertising from the manufacturer and the dealer are on the same playing field, because right now they're not.

Mr. Lou Rinaldi: Thanks very much. Thanks for being here.

Mr. Peter Z. Milczyn: Thank you very much for your presentation. If there's something further you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Mr. Frank Notte: Thanks.

REGION OF PEEL

The Chair (Mr. Peter Z. Milczyn): Our next witness is the region of Peel. Good afternoon.

Ms. Karen Ras: Good afternoon.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the Progressive Conservative caucus. If each of you could please state your names for the official record as you begin.

Ms. Karen Ras: Thank you. My name is Karen Ras. I'm the regional councillor for ward 2 in Mississauga. Today I'm here representing the region of Peel. With me I have the regional commissioner for human services, Janice Sheehy.

It is my privilege to speak to you today about three specific challenges that we continue to face in Peel region. These are issues where we see a significant opportunity for partnership with the government of Ontario. These challenges include the need for long-term, sustainable funding for affordable housing, the need to work together to improve the movement of people and goods across some of Ontario's busiest highways and roads, and finally, the need to reform the paramedic dispatch system.

The first issue I would like to speak to you about today is the need for long-term sustainable funding for affordable housing. Rapid population growth, increased market costs and high unemployment rates contribute to the increased demand for a range of affordable housing options.

With an average wait time of almost six and a half years, Peel residents face one of the longest wait times for subsidized housing in all of Ontario. We also currently have over 12,000 households on the region's centralized wait-list for subsidized housing. To put this into context, the number of households on the wait-list in Peel was more than the number of households in Orillia in 2011. In addition, in 2016, over 13,000 individuals, including children and youth, are estimated to have used emergency shelters and transitional housing.

The region continues to partner with other levels of government and community groups to help increase the availability of affordable housing options for Peel residents. Over the past decade, the region has built close to 1,400 affordable housing units, including the Hansen mixed-use project right here in Brampton, which opened

in the fall of 2016 and includes 205 affordable housing units. Short-term funding provided through programs such as Investment in Affordable Housing made housing projects like Hansen a reality and benefited Peel residents. However, with the expiration of the federal operating agreements, the greatest challenge related to affordable housing that municipalities face is to secure long-term and sustainable capital and operational funds for the maintenance, repairs and restoration of buildings, and rent subsidies and supplements. Therefore, through this year's provincial pre-budget submission, the region is recommending that the provincial and federal governments work together to provide long-term sustainable capital and operational funding. This will strengthen the region of Peel's ability to address its local housing needs and to plan for the future.

I would like to remind MPPs and committee members today that the municipalities own 65% of our infrastructure, yet we only receive 10% of the revenues. Our current funding models just aren't sustainable.

A second issue I would like to bring to the committee's attention is the goods movement. As a key driver of economic growth, it is essential for the province's multi-modal transportation system to be fully integrated, safe and reliable to support the movement of goods across Ontario.

Peel is one of the largest transportation and goods movement hubs not only in Ontario but in North America. Peel accounts for 15% of all of Ontario's exports. The region's road network also serves 500,000 trucks weekly, accounting for 50% of 951,000 weekly trips in Ontario. In addition, \$1.5 billion worth of goods move through Peel every day. Furthermore, with the Toronto Pearson International Airport, CN and CP intermodal terminals and approximately 2,000 trucking companies, Peel region is poised to work with the province to grow our economy through the movement of goods domestically, nationally and internationally. That being said, our goods movement industry partners continue to identify traffic congestion and travel delays as major challenges to our economic potential.

The region recognizes that the province is moving forward on a Greater Golden Horseshoe Transportation Strategy. Given that the goods movement is a key driver of economic growth, the region is recommending that the province move forward with a comprehensive long-term goods movement strategy and include a key focus on goods movement in provincial projects such as the Greater Golden Horseshoe Transportation Strategy.

The last item I would like to bring to your attention is paramedic dispatch. As Peel continues to grow, so does the demand on our services, such as paramedics. In 2016, Peel Regional Paramedic Services responded to an estimated 113,500 emergency and non-emergency calls, which are expected to grow annually by 5%. Growing pressure on ambulance resources requires that ambulances be deployed and managed as efficiently as possible. However, under the current provincially run paramedic model, efficient and effective deployment of

paramedic resources is not achievable. This is echoed in the 2015 provincial auditor report, which states that the over-prioritization of calls places increased demand on designated delivery agents for land ambulance. In the Peel context, this includes increased costs, which are co-shared with the province and the region to ensure service levels meet demand.

The region recognizes that the Ministry of Health and Long-Term Care has committed to proceed with much-needed reforms to ambulance dispatch over the next two years. However, there is critical need for these reforms to be implemented expeditiously, especially at the Mississauga Central Ambulance Communications Centre serving Peel and Halton. This dispatch centre is the busiest in the province, with over 320,000 calls in 2015, and serves populations facing increasing call volumes due to an aging and rapidly growing population.

1440

Today I want to highlight that reforms to the paramedic dispatch system in Peel would enable us to better allocate resources across our ambulance fleet and respond to growing demand in the community. Reforms will also improve response times for calls that are truly life-threatening, and ensure patients receive care within a time period that more accurately reflects their needs.

To conclude, the items I have outlined today can assist both Peel and the province in achieving their goals related to social and economic development and can help ensure people receive the help they need in an emergency. We are looking forward to working with you in creating a strong, competitive and prosperous Ontario.

For the record, given all the issues that are facing Peel region, it was very hard to narrow it down to just three, but I'll leave it with that.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Who wants to lead the questions? Ms. Jones.

Ms. Sylvia Jones: I agree. I think there are a whole bunch of issues that we could have talked about for Peel, not the least of which is the new municipal act that was proposed. But we'll deal with that later.

Ms. Karen Ras: I'm happy to talk about that, too.

Ms. Sylvia Jones: Councillor Ras, thank you for your presentation. A couple of questions, if I may.

The pilot project that is about to start up in the province with the guaranteed income: Did the region of Peel request, apply for or show an interest in participating in that?

Ms. Janice Sheehy: If I may, yes, the region of Peel did get a motion of council and we did express our interest as being part of that pilot project.

Ms. Sylvia Jones: Thank you.

The second question was related to transportation. I'm one of those lucky commuters who get to enjoy the very busy Peel roads. My question: You don't specifically talk about the GTA west corridor. I'm wondering if you would like to share with the government members and for Hansard your thoughts on where that's at currently.

Ms. Karen Ras: Absolutely. I think we've had a number of discussions about this at Peel regional council.

The sooner we can get some decision on whether or not this is a go, it will certainly bring some certainty. We know that there is a need to expand the corridor across a number of jurisdictions, and it will certainly relieve a lot of the pressures further down south. So I think this is something that needs to be seriously looked at, but we need to come to some sort of conclusion soon and restart that environmental assessment process, because we're in a bit of a waiting game right now in terms of our residential and commercial development.

Ms. Sylvia Jones: Absolutely.

Finally, related to the ambulance dispatch, you talk about the challenges that you're having, but it's not clear to me, unless I'm missing it, what you actually need the province to do. Is it changing the model? Is it additional resources? Is it all of the above? Help me out.

Ms. Janice Sheehy: Today we're asking the province if they will publicly announce or make a commitment to a new triage tool, a way of triaging calls that is much more accurate and will result in no longer over-prioritization of life-threatening calls—

Ms. Sylvia Jones: So fewer send-outs, basically, if it's not necessary.

Ms. Janice Sheehy: Yes, so we're advocating on behalf of a new triage tool.

Ms. Sylvia Jones: Thank you. That's all I have. We'll talk about the municipal legislation another time.

Ms. Karen Ras: Happy to do that.

The Chair (Mr. Peter Z. Milczyn): Thank you. If there's something further you would like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Ms. Karen Ras: Perfect. Thank you very much for your time today.

MR. DREW FINUCANE

The Chair (Mr. Peter Z. Milczyn): Our next witness is Drew Finucane. I apologize if I mispronounce that.

Mr. Drew Finucane: Actually, that was perfect. Thank you very much. You got it right on the first try.

The Chair (Mr. Peter Z. Milczyn): You have up to 10 minutes for your presentation. That will be followed by five minutes of questions from the New Democratic caucus. If you could please state your name for the official record as you begin.

Mr. Drew Finucane: Absolutely. Good afternoon. My name is Drew Finucane, regional vice-president for the Ontario Public Service Employees Union, Region 2, which includes Hamilton, Kitchener-Waterloo, and the communities of west-central Ontario. I have been an executive board member with OPSEU since 2015 and was an activist many years before that. Thank you for this opportunity to speak with you today.

I want to address two issues with the committee this afternoon. The first is services for students with special needs. The second is developmental services for adults. Each of these groups face different life challenges, but they share one thing in common: Both have been

painfully underfunded for too many years by successive provincial governments. Instead of doing our best to help build better and more productive lives for these groups, we have marginalized them and punished them by starving them of the public services, tools and supports that could help them achieve their goals. Their goals in life are no less worthy than yours or mine. So I ask: Why have these groups been starved by a shortfall of services and funding while government focuses on fattening the likes of those businesses that want to privatize public services?

I have been a residential counsellor for the past 10 years at W. Ross MacDonald School for the visually impaired in Brantford, Ontario. I am very proud to work for the Ontario public service in the Ministry of Education. Specifically, I work for the provincial schools branch, which governs the operation of all schools in Ontario that serve blind and deaf pupils and students with learning developmental needs. The work that my colleagues and I deliver on behalf of young people with learning impediments can be extremely rewarding. But that same work also exposes us and the parents and guardians of our students to shocking and systemic flaws in our delivery of services to students with special needs.

Let me tell you a bit about the students that I serve at W. Ross. They come to W. Ross MacDonald because they are visually impaired. But the majority of them struggle with additional conditions. They face behavioural and mental health challenges; many have physiological issues; others cope with speech impairment and the lack of access to social workers and psychiatrists. It's not my intention today to single out W. Ross MacDonald School for special attention. We implement a fine curriculum and serve our students well within the means that we are given. But the story of my school is, unfortunately, the story found in scores of other provincial schools.

Let me give you a few examples of how provincial schools are struggling to meet demand. At W. Ross MacDonald, for example, we have a grand total of two behavioural therapists on staff that are overwhelmed by the workload. Once upon a time, most special-needs schools enjoyed an in-house physio department. That service has been dramatically reduced. "No money," the ministry has told us. In place of specially-trained physiotherapists, the government called in low-cost, questionably-trained contractors whose professional standards are often suspect.

Speech therapy is another need at W. Ross MacDonald. There was no money for well-trained in-house staff, so the government went bargain-hunting for low-cost, ill-trained private contractors. Many students with special needs come from broken homes or low socio-economic backgrounds. These students struggle with acceptance of their compromised physical and mental conditions. In these cases, social workers and psychiatrists play a very important rehabilitative role. They're superheroes in the eyes of our young people.

So what's the situation inside the provincial schools branch? At my school, we have one—one—social

worker on staff, and one—one—psychiatrist who visits irregularly. The same narrative plays out in school after school. I encourage all of you to visit a special-needs school in your constituencies and listen to the stories of front-line workers like myself.

I want to spend a moment now to talk about developmental services for adults. As you might imagine, identifying shortcomings is easy. What many of us find so troublesome are the so-called solutions that are used to short-change those who badly need well-funded public treatment and support.

OPSEU represents more than 10,000 workers in developmental services. They provide a wide spectrum of work, from administering medications to cooking to counselling and developing group programming. Our eyes are fixed on the front lines. What we see in the social service sector is a crisis.

Yes, a couple of years back, the provincial government announced a couple of hundred million dollars for what it called front-line services, except it isn't front-line services as we understand it. It's called individualized funding. What is individualized funding? Individualized funding takes money out of the public purse and puts it firmly into the pockets of private contractors. In developmental services, it goes by the official name of Passport funding. Passport funding provides individualized funding to eligible adults with developmental disabilities. People who qualify for this program receive a needs assessment which determines the set amount of money they can use to purchase the services they need. These range from respite care for their caregivers to daily living supports, day programs and job application assistance.

1450

In its announcement of more money for developmental services, the government said that Passport funding would eliminate wait-lists. It hasn't. While more than 10,000 people have qualified, thousands more remain on wait-lists—for some, years. As a province, we should be ashamed, but the problem, as bad as it is, doesn't stop there. Passport funding is creating an immense, unregulated sector of developmental services for adults. The program provides funds for services that can be purchased from virtually anyone. There is no oversight, no regulation, no background checks, no criminal record checks and no need for qualifications.

If you are a worker providing this private service to a family thanks to Passport, you enjoy no insurance coverage, no pension or benefits, no job security and, more often than not, low wages. Regardless of whether you are a client with special needs or that person's service provider, Passport amounts to little more than the privatization of developmental services. It represents a repudiation of the public service infrastructure that former Progressive Conservative Premiers John Robarts and Bill Davis built in the 1960s and 1970s to serve the needs of those who rely on publicly funding social services.

Under those two Premiers, ministries and agencies were established exclusively to serve families of children using public dollars. Public welfare was expanded, public

housing sprouted, and education grew. Public health care services met growing demands. Ontario's health care services and social safety net quickly became the envy of many jurisdictions in the western world. Believe it or not, that expansion of public good was actually paid for with public dollars. Robarts and Davis did not turn to the private sector and say, "We'll pay you to provide the public services our people need," but, "We'll do it ourselves, with the best interests of the public in mind, not the interests of the bottom line."

Unlike the current Premier and her Minister of Finance, I do not accept that Ontario is too poor to provide funding for special-needs children or developmental services for adults. Ontario today is far richer than it was 40 or 50 years ago when Robarts and Davis engineered the expansion of public services. Gross domestic product per capita in our province is higher than it has ever been. Top CEOs are breaking new average annual income records for those at the top, earning 193 times the wage of the average full-time, full-year worker.

Meanwhile, W. Ross Macdonald School for the visually impaired—like many, many other similar facilities—struggles to get by with one social worker for 280 special-needs students. Meanwhile, the Passport program throws adults with learning and physical disabilities into the marketplace of privatized developmental services, where the guiding principle seems to be, "Spend more and get less."

Ontario's problem is not a shortfall of money; Ontario's problem is the spending priorities of the provincial government.

Thank you very much for your attention, and I'd be happy to welcome any questions you may have for me.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Vanthof has questions for you.

Mr. John Vanthof: Thank you, Chair. Thank you very much, Drew, for bringing up a lot of very pertinent issues. I'd like to focus on a couple. The fight to save provincial demonstration schools—thank you for your participation. Because of people like you and the parents, we were able to work together and put a stop to that. I don't think we're out of the woods yet. I really don't think so. I come from northern Ontario, and I've heard the government say, "What we're trying to do here is develop a new program so we're going to distribute it more equally throughout the province so everyone has access."

The services that you provide can't be provided hodgepodge here and there. They are very unique. You can't just stick it in a school in Kirkland Lake and expect these kids to have the same record of success that is provided by development and provincial schools. I'd just like to get that in that record, because that argument has never flown with us. And I've had a lot of parents call me from my riding, completely distraught when they heard the Minister of Education say things like that on our radio station. They were distraught.

At your school—and you vividly described the lack of services even at a unique school like yours—in your

experience, has the complement of qualified staff been reduced in the last decade?

Mr. Drew Finucane: Absolutely. Again, we see a lot more precarious work throughout the province. Without that complement of experienced staff who understand and know their background and know what the children need, those services are vastly, massively cut.

The kids are not getting the things that they need, and they're leaving our school system, thrown out there. They become part of Passport funding, and I feel they're overlooked. Coming to a provincial school, they have the opportunity to learn the things that they need.

Again, I'm not trying to single out W. Ross by any means. I'm using that as an example because that's where I am, but it's the same problem at W. Ross, and I'm sure it's the same problem at any school.

Mr. John Vanthof: In your experience, the fact that developmental work in that sector have become much more precarious—is that also impacting the people who are actually looking to start that type of job? It's not really a job; it's more of a calling, right? It's not an easy thing that you do.

Mr. Drew Finucane: You really have to be passionate to do what it is that we do.

It does impact them, because they're coming out of school with an extraordinary amount of debt and they're not being able to get that full-time employment that's going to help them get into the field they love and they're so passionate about, in which they could provide the services that they're going to be able to provide so passionately.

Mr. John Vanthof: One thing I think you did a really good job of: The Passport program is a privatization of developmental services programming, and I think a lot of people haven't—quite frankly, I didn't realize until I got elected five years ago how much that had changed. I think a lot of the general population still thinks that all that is still fully regulated.

I know you did a great job, but could you expand on that a bit more?

Mr. Drew Finucane: The sad thing is that with Passport funding, the clients who need these services are looked at as simply—they're not looked at as a person; they're looked at as, "How can I make more money?" or, "What kind of funding is this person bringing, and what kind of money can we get? That's not enough money, so sorry, we're going to go on to the next person."

Again, the Passport funding was developed to eliminate wait-lists, and that has not happened today. As I said, there have been 10,000 people who have qualified and gotten the funding, and yet there's still a tremendously large wait-list of people needing those services that they're not getting.

Mr. John Vanthof: So in effect, the government hasn't eliminated the wait-lists, and it certainly hasn't improved the quality or the regulation of the care.

Mr. Drew Finucane: Absolutely not. Again, those people who are providing the services—it's an unregulated industry, essentially. There's nobody overseeing to make sure that that person providing the services to your

family member is actually qualified to do the job, not to mention that the person doing that job does not have the insurance coverage that you would want them to have in order to provide safety for your family member, nor is that person going to be as passionate about providing that service if they're constantly worried about the bottom line, that dollar figure, because again, they're not enjoying the perks and the benefits of being a full-time employee who's going to enjoy the benefits of having job security, benefits, a pension—all of that stuff goes with it.

Mr. John Vanthof: So both the people who are needing the service and the people who are providing the service are in effect being somewhat hurt by the system.

Mr. Drew Finucane: Absolutely.

Mr. John Vanthof: Thank you very much.

Mr. Drew Finucane: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this afternoon. If there's anything further you'd like to provide to us in writing, you can do so until 5 p.m. tomorrow.

Mr. Drew Finucane: Thank you very much for your time, again.

CITY OF BRAMPTON

The Chair (Mr. Peter Z. Milczyn): Our next witness is the city of Brampton. Good afternoon, Your Worship. You have 10 minutes for your presentation, which will be followed by five minutes of questions from the Liberal caucus—that's just a coincidence.

Ms. Linda Jeffrey: That's okay. I can take questions from anybody.

The Chair (Mr. Peter Z. Milczyn): If you could please state your name for the official record, for Hansard, as you begin.

Ms. Linda Jeffrey: Thank you, Chair. My name is Linda Jeffrey, mayor of Brampton. I am joined by my CAO, Harry Schlange.

Good afternoon. Welcome to Brampton. I thank you for giving us the opportunity to present. I want to begin my comments by saying thank you. The announcement that Brampton got on October 26 of last year with regard to the university was historic, and I want to say thank you. That announcement has set our city on a new course, a new, positive trajectory.

Successful cities combine capital, knowledge and innovation to spark the next chapter in their development, and this announcement has the power to transform our city. With a population that is as young and diverse as ours, investing in our education sector is vital—in particular, in post-secondary institutions—so I wanted to say thank you up front.

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Thinking bigger is how we continue to build a connected, innovative and inclusive Brampton. We are a city whose residents are young, diverse and bold. We are the city of the future, a city where people from across the world come to plant their roots. That is the Brampton that

I want you to think of and keep in mind when looking at your next budget.

Bramptonians are proud. Our residents sense that the city is on the cusp of something great. We continue to need your support and your investment to grow an even greater economic engine of Ontario and to compete on the global stage.

The support that we continue to need is in post-secondary education, green infrastructure, and public transit and transportation infrastructure. There are three specific projects that I wish to highlight today: Riverwalk, mobility hubs and the GTA west corridor.

Green space is key to a healthy city. Brampton has been identified by the Ontario government as an urban growth centre. Our downtown is ready to develop as a place to invest, conduct business and live comfortably. Today, our historic downtown lies within the regulatory floodplain of Etobicoke Creek and is designated as a special policy area, subject to regulations by the Ontario government.

Commonly referred to as Riverwalk, our vision creates a resilient landscape by addressing the challenges of future climate change scenarios and eliminating existing flood risks. This redeveloped area would support major public transit and active transportation infrastructure, expand the city's green infrastructure, create new amenities with a variety of new public spaces, and be a catalyst for urban growth and economic development.

Brampton would like the Ontario government to become a partner in developing and implementing the Riverwalk project and to commit to long-term funding assistance to implement the goals and objectives of Riverwalk.

Not too far from Riverwalk is one of Brampton's three mobility hubs, as identified by the Big Move: downtown; Hurontario-Steeles, just around the corner from here; and Bramalea GO station. It also identifies the rapid transit corridors of Hurontario, Steeles Avenue and Queen Street East to downtown Brampton as a priority in regional transportation.

Ridership growth on our buses in Brampton has substantially outpaced the population growth. In 2016, that growth on our buses increased by 9.2%. Our increase in ridership is occurring while, in other places, transit systems are all seeing a decrease. We appreciate the serious investments that the province has made in transit, and we encourage you to stay at the table and help us grow our regional transit system across the GTHA.

Mass transit is not the only item on Brampton's transportation agenda. The movement of goods is an integral part of Peel region's economy and its potential for economic growth. The GTA west corridor would serve as an economic development facilitator for Brampton and Peel region by creating jobs and helping grow the economy.

The Ontario government's decision to suspend the GTA west corridor environmental assessment is impacting on the planning for, and the development of, this growth. Many important investments are in a holding pattern because of uncertainty with regard to the route.

We need the province to make a decision in regard to GTA west corridor, as it would support growth in the northwest and northeast parts of the city.

In closing, we're grateful for the opportunity to participate in this process.

One last thought I wanted to leave you with: When I first arrived at Queen's Park in 2003, fair share for Peel was an issue, and it continues to be an issue even now, more than a decade later. The population in Peel has tripled, significantly increasing our region's tax contribution, yet our social services and our community health funding have not increased to match the population. Our residents face long wait-lists for services like affordable housing, child care, youth programs, senior supports, and counselling for mental health and addictions as well as for victims of abuse. For example, in a calendar year, Peel Children's Aid Society responded to over 11,654 calls about children's safety, yet they receive one third of the per-capita provincial average in funding.

These funding formulas in a high-growth community are essential to our neighbourhoods and the quality of life just as much as roads and sewers are, for the quality of life.

I recall, roughly five years ago, securing \$3.6 million of provincial grant money for Peel region's mental health and addictions services for children and teens. This was one of the first times Peel had ever received provincial funding in proportion to its population. It was considered a momentous moment for the region and for Brampton.

That moment, and that funding formula, changed lives. It changed the lives of vulnerable and at-risk young people. Quite frankly, it changed my life, seeing the kind of front-line services born out of that investment.

These are the kinds of decisions that will be required as the region of Peel continues to grow at an explosive rate. Brampton is the ninth-largest city in Canada, and has grown there almost overnight. With your help, we're going to leverage that growth, and our diverse population, to become an innovative and exciting magnet in building a better Brampton and building a better Ontario.

Thank you, Mr. Chair.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have questions for you from Ms. Hoggarth.

Ms. Ann Hoggarth: Good afternoon. Thank you very much for your presentation. I understand that the province—you thanked us for the post-secondary education facility that you're going to receive. Would you please tell us what impact this will have on Brampton?

Ms. Linda Jeffrey: How much time have I got? We did an economic development study, actually, as we were thinking about this project going forward. One of the statistics that came out of the economic development study was that even a mid-sized university gives about \$2.3 billion back to its community.

What I can tell us is that for me, as a mayor, when we thought we were in the running to compete against Milton, people were like, "Yeah, I'll talk to you later." Now they want to talk to us. I would say that the investments are coming fast and strong. I think the business

community has been energized and invigorated. The board of trade is excited. I think all of our business trips are focused on how we can build those partnerships. The community is excited. Young people are very engaged in this project.

I think that we're ready to hit the ground running. We've been working on securing information that will help our university partner decide where to locate. We think that there will be strong support from the business community. We understand that the municipality, business, the provincial government and all parties need to put some skin in the game and be participatory in this great announcement. We think it will be great for Brampton.

Ms. Ann Hoggarth: Great. Ontario is investing up to \$451 million in the approximately 350,000-square-foot Peel Memorial Centre for Integrated Health and Wellness, to serve the residents of Brampton and surrounding communities. Would you tell us how that will affect health care delivery in the city of Brampton, please?

Ms. Linda Jeffrey: I ran because Peel Memorial was a hospital that had never received adequate funding. When I ran in 2003, we had one working hospital in Brampton. I don't know what our population was, but I would guess it was in the 300,000 margin, and we had a hospital that had had a fire and a flood and had one working elevator. Pretty much all of our health care was something we had to leave our city to get, usually going to Toronto.

First of all, Brampton Civic was a huge investment in Brampton. We're grateful for that, and we're grateful for the additional dollars we recently received to top up the funding that really gets all of our beds in play.

Peel Memorial has been a project that we've been working on for a very long time. It has been open in a soft way at the beginning. There are services being offered now, but this coming month, there will be the full opening of the facility and of the first phase.

I see it as being part of a long-term plan for the city of Brampton in making sure our city is better prepared and more focused on health and wellness.

One of the sad statistics I learned, upon becoming mayor, is that right now, one in 10 people in my community have diabetes. That is now going to one in six. We're headed in the wrong direction. We have a very, very high incidence of diabetes. As a leader in the community, it's my goal to get the best health care, to make sure people stay well as long as possible, and to keep them active. Certainly, Peel Memorial is going to be part of that solution.

We have a lot of health care providers who want to work there. It was part of my pitch, when I went to Israel last year, to try to talk about the medical devices that we build at Medtronic in Brampton, and try to find ways to use all those technological updates to help our residents and also help our health care professionals. We're very grateful for the investment, and it's right on target.

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Ms. Ann Hoggarth: How much time?

The Chair (Mr. Peter Z. Milczyn): One minute.

Ms. Ann Hoggarth: The last thing I wanted to ask you about: You spoke about your ridership being up on public transit. It's really great to hear about that. I do believe the province has made it very clear that infrastructure and transportation are very important to us. Would you like to comment on that?

Ms. Linda Jeffrey: I would say that we have been extraordinarily successful in having positive conversations not only with the province but with our partners—working with Mississauga and our partners surrounding us—because, essentially, you want regional transportation that connects. The investments that have been made as a result of the gas tax funding have been certainly of great assistance to us to help us replace and repair our equipment because, at the end of the day, if you have a good, clean bus route that comes on a regular basis, more people are likely to use it and to use their cars a little less.

But if I could make a pitch here, I would love for you to look in your budget at how you could fix auto insurance in Brampton. That would be something that my residents would be very pleased to see and something that I did nag about when I was at the province. But at the end of the day, I want to get people out of their cars and using transportation, and the investments that the province has made are extremely helpful.

Mr. Harry Schlange: Just to complement what the mayor said, our transit riders grew by 9%. We moved two million more people this last year, so huge growth. But it is the number one enabler for employers coming to Brampton; they talk about workforce and transit, so we still have to invest in transit.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation this afternoon. We have your remarks in writing. If there's something additional you would like to submit to the committee, you have until 5 p.m. tomorrow. Thank you.

Mr. Harry Schlange: Thank you.

DR. LESLEY BARRON

The Chair (Mr. Peter Z. Milczyn): Our next witness is Lesley Barron. Good afternoon, Ms. Barron. You have up to 10 minutes for your presentation, following which there will be questions for you from the Progressive Conservative caucus. If you could please state your name for the official record as you begin.

Dr. Lesley Barron: Hello. Thanks for the opportunity to provide the input. My name is Dr. Lesley Barron, and I'm a general surgeon. I've been working in Georgetown, Ontario, at the Georgetown Hospital for the last nine years. I also sit as the board director at the Ontario Medical Association board, representing 6,000 physicians from district 5, which includes Brampton.

I am here today because the doctors across this province are concerned about the choices the government is making in our health care system. We have 29,000 practising physicians in Ontario that go to work every day for patients, and we are worried that this health care system is not keeping pace. High-performing health care

systems are built and maintained in collaboration with physicians, and in Ontario we do not currently have a government that is willing to partner with us. So, as I know you have heard from many other doctors in their presentations, we are asking that the government of Ontario support our health care system by fully funding the demand for medical care required by the needs of our growing and aging population.

Our contract expired in 2014, almost three years ago, and since that time the government has unilaterally cut by 7% payments to physicians for the care doctors provide to patients. At the same time, the Financial Accountability Officer reported in the 2016 spring fiscal and economic outlook that our health care system demand will rise at 3.6% a year for the next four years. The government has set funding growth for physician services at only 1.25%, less than half of that, and this is below the already restrained pace of growth that has gone on for the last five years, including the freezing of hospital budgets. Simply stated, we are not being fully funded to provide the demand for medical care in Ontario.

I'm going to tell you a little bit about how this manifests in my work. While Georgetown is a town to the west of Brampton, at least 40% of my emergency work comes from Brampton patients who drive to Georgetown Hospital to avoid the waits at Brampton Civic, which is a horribly underserved area. The community of Brampton simply does not have enough medical care to meet its needs. It does not have enough primary care doctors to keep some of these patients out of the emergency room, and it certainly doesn't have enough hospital beds to meet the demand.

Lack of beds in our own hospital is also an issue. Sometimes we do not have ICU beds for me to transfer critically ill patients to, as we do not have an ICU in Georgetown, and I end up transferring patients to Kitchener, Burlington and places where their families have to travel long distances to see them because of a lack of beds.

In my post-op follow-up of patients, I am often asked—people assuming I am a family doctor—if I will take them into my practice. These orphan patients have no family doctors. They have no access to the medical care system beyond using the emergency room. They have no ongoing medical record that is following them around, and this is simply a waste of resources. Every patient in Ontario needs and deserves a primary care practitioner that they can access. We need a health care system that is able to recognize that one of the building blocks of a healthy economy is a healthy population.

We know that our population is growing and aging, and in 2016 there were more seniors than there were children 14 and under. One in five adults, including myself, will spend time caring for a parent or a grandparent. By 2026, we will have eight million seniors that will represent 21% of our population. By 2036, we will reach the highest demand level of health care, with baby boomers closing in on the age of 75. In 2052, almost 10 million Canadians 65 and older will represent almost a quarter of the population.

This is not a time for the government to decide to fund less than half of the additional care that will be needed. According to the Ministry of Health's own estimates, demand will grow by 3% due to population growth and an aging population, and also more complex care and the need for new doctors to treat the existing patients who currently can't get timely access to care.

Today in Ontario, the number of patients struggling with chronic conditions is rising sharply—chronic diseases including heart disease, stroke, mental illness, dementia, diabetes and respiratory diseases such as asthma and arthritis. Patients with chronic conditions are a huge burden on the system. They see physicians three times more frequently than patients without, they stay in hospital twice as long, and they have 2.3 times more emergency department visits than patients without chronic conditions—our so-called frequent flyers in the emergency room.

In 2008 alone, the direct health care costs of chronic diseases were \$148 billion, and this rate will only go up. Almost 80% of Ontarians over the age of 45 have a chronic condition, and of those, approximately 70% suffer from two or more. Strong investments in primary care can help these patients immensely and keep them out of the emergency room and out of the hospital, with a better quality of life.

Ontario also has fewer hospital beds, fewer nurses and fewer physicians per population than other jurisdictions. Having fewer doctors means that the ones we do have, including myself, work harder and are seeing more and more patients to meet the demands. Instead of recognizing that service, we're being penalized.

We do understand and acknowledge the economic challenges facing the government. In listening to the presentations today, I realize you have many competing interests. But in 2012, the government unilaterally cut physician fees, and Ontario's doctors then accepted a pay cut, resulting in almost \$1 billion in savings for the system. We knew we could make cuts in places that would have minimal impact to patients.

Now the government is cutting necessary growth in funding for physician services. This is unsustainable and unrealistic if we want to offer the best care for our patients.

The government says that over the summer they offered us a 2.5% increase in the last table agreement and they couldn't understand why physicians overwhelmingly rejected it. Our members thought it was irresponsible, and they knew, because of previous cuts, the system wouldn't even be restored to where it was five years ago, and it wasn't a step in the right direction.

At the same time, the government is spending significant money on new bureaucracy: the growth in LHINs and sub-LHINs, and, through Bill 41, red tape on doctors. Even in a world with unlimited funds, it is unclear to us why we need this type of bureaucracy. More red tape on doctors adds to the burden on the health care system, as Ontario doctors spend more than 12 hours a week on non-clinical patient care. If I spend three hours in clinic, I spend at least two hours on paperwork afterwards,

including filling out forms and navigating for my patients the complicated health care system we now have.

While the government unilaterally imposes cuts on physicians, doctors will continue to do everything we can to limit the impacts of these cuts on our patients. Ultimately, doctors have become the duct tape holding the system together. Make no mistake: Further cuts over the long term will have negative impacts.

The message is clear. We want the government to fully fund the demand for medical care in Ontario. It is our sincere hope that the government will, in the upcoming budget, begin to reverse the trends and will commit to restoring its relationship with Ontario's doctors.

Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Barron. Mr. Oosterhoff has questions for you.

Mr. Sam Oosterhoff: Thank you so much for coming in today, Dr. Barron, and presenting before the committee. Wow. There were a lot of things to dig into in what you just laid out in front of us: I would say quite a grim condemnation of the current government's approach to health care, and to physicians as well.

Earlier today I had the opportunity to speak with the Ontario nursing association. They came and presented as well, and they raised similar concerns.

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Just a couple of things I wanted to touch on: You mentioned unilateralism a couple of times in your presentation. Do you feel that this government has an antagonistic approach towards doctors, that they may not be listening to their concerns? I feel a level of frustration, and I'd just like you to expand on that a little bit.

Dr. Lesley Barron: Yes. Myself and my colleagues are incredibly frustrated. The OMA is the designated bargaining body for physicians. We are a diverse group; we have 63 different sections. But we do negotiate the physician services budget with the government, and we have not had an agreement since 2014. My colleagues who are young and practise have known nothing but cuts to their practice. They graduate with \$200,000 in debt. They need to set up an office—that costs money; and then they get hit with cuts. This is why we cannot get young doctors to set up primary care practices. It's just simply financially prohibitive for them.

Mr. Sam Oosterhoff: Another thing that you mentioned closer to the end was the rise in bureaucracy. I understand that there have also been cuts to providing the necessary funds. You could throw money at a problem all day long but if you're increasing bureaucracy the whole time, it's not going to help too much. I'd just like your thoughts and what you think the thoughts of the medical community are on Bill 41 and what that has done—the LHINs, sub-LHINs. What's your take on Bill 41?

Dr. Lesley Barron: Bill 41 was developed really with no input from physicians, so I don't think you're going to get any buy-in from physicians for Bill 41, unfortunately, because we weren't partnered in making it. It took me seven years to meet an employee of a LHIN when I

moved to Georgetown. I had been working for seven years before I met a LHIN employee. I got a welcome note from my MPP but not from the LHIN.

Most physicians don't know anybody. They don't even know how to contact their LHIN. They don't understand how the LHINs work, so I don't see how adding sub-LHINs when you've got a malfunctioning bureaucracy—how adding extra layers is somehow going to improve health care.

While I appreciate that you can't manage what you can't measure, this is flawed legislation. It is not the way to go. It's making a lot of my colleagues very angry to see how it's being rolled out.

Mr. Sam Oosterhoff: Would it be fair to say that Bill 41 was a bad bill?

Dr. Lesley Barron: Sorry?

Mr. Sam Oosterhoff: Would it be fair to say that Bill 41 was a poorly written—

Dr. Lesley Barron: Any bill that involves health care this deeply that does not involve the people at the front lines in developing it is flawed.

Mr. Sam Oosterhoff: Do I have a couple of minutes?

The Chair (Mr. Peter Z. Milczyn): Two minutes.

Mr. Sam Oosterhoff: Perfect. The Financial Accountability Office released a report a few weeks ago—actually, it might have just been at the beginning of last week. They mentioned that for the government to balance their budget they're going to have to make a couple of billion dollars more in cuts over the foreseeable future. I'm curious if you or anyone you know has had a chance to go through that report and what your thoughts are on cutting that. I know the nurses are concerned about seeing cuts to nursing positions. How is that impacting physicians as well?

Dr. Lesley Barron: I just don't see how it's possible to have any more cuts. The physician services budget includes payments to physicians, but you have to remember that physicians support and manage a massive amount of health care infrastructure through that budget. We've already taken 7% cuts, so I don't understand.

My nursing colleagues, particularly in the inpatient ward—the positions have been cut. The nurses are run off their feet. They're looking after these increasingly complex—the acuity level on our wards is going off the charts. I just don't see how further cuts are going to help that. Certainly there is room to spend money more smartly, but it has to be done in consultation with physicians and nurses and other health care providers.

Mr. Sam Oosterhoff: One last question: Do you feel the government is listening to the plight of orphan patients? You're saying that there's a rise in the number of orphan patients, and that stems from—

Dr. Lesley Barron: High-performing health care systems are based on good primary care. People need to have access to a health care provider to access the system and to get a referral to me when they have a lump in their breast or need their gall bladder out. If you don't have that point of access, you end up going to walk-in clinics, emergency rooms, redundant care. Although a decade ago we had over two million unattached patients, we still

have over 800,000. The argument that those patients simply don't want a family doctor is not true because they're in my office asking for a family doctor.

Mr. Sam Oosterhoff: Dr. Barron, thank you very much for your presentation.

The Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Barron. If there's something further you'd like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

CONSULTING ENGINEERS OF ONTARIO

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Consulting Engineers of Ontario. Good afternoon, gentlemen. You have up to 10 minutes for your presentation, following which there will be five minutes of questions from the New Democratic Party. If you could please state your names for the official record as you begin.

Mr. Barry Steinberg: Thank you, Mr. Chair. My name is Barry Steinberg, and I am the chief executive officer of Consulting Engineers of Ontario. With me is David Zurawel, our director of government and stakeholder relations.

Consulting Engineers of Ontario represents approximately 200 engineering firms licensed to provide engineering services to the public, cumulatively employing about 20,000 people in Ontario. I'd like to thank you for the opportunity to speak this afternoon as part of the government's 2017 pre-budget consultations.

I'd like to emphasize the respect we have for this committee's hearings. This is a valuable opportunity for you, our elected representatives, to consider the consulting engineering sector as your partners in successfully investing in Ontario's infrastructure.

Budgets in past years have emphasized investment commitments to tackle Ontario's infrastructure deficit. More recently, they've focused on implementing those commitments. My discussion with you today emphasizes implementation, in particular the notion of value for money.

Ladies and gentlemen, we recognize that the government is undertaking important work to improve our infrastructure with the creation of the Trillium Trust, the review of the Construction Lien Act, and the development of a new asset management regulation to better inform and help prioritize government's selection and investment in much-needed core infrastructure. However, despite these efforts, the province is far from assured that it will ultimately be successful in achieving its desired returns.

We hear how steadfastly devoted the government is to delivering value for money with every expenditure. I'd argue that Ontario will not be able to reap the benefits it's anticipating from its infrastructure investments. This is because of a fundamental lack of understanding of what it means to attain value for money.

CEO's member firms are intimately connected to the government's infrastructure agenda. The work of consulting engineers who help build these projects as

designers and innovators is integral to every project in every community across the province. This relationship is defined by the contracts our members sign with government to undertake this work. I'm here to tell you today that the poorly and unfairly worded contracts our members are expected to sign are standing in the way of the government realizing the value for money it so desperately needs.

Unfair risk results in increased project pricing required to deal with that risk. Despite the government seeking innovation from our industry, our members are subject to adversarial rather than collaborative contractual relationships—contracts that are uninsurable because of the unreasonable transfer of risk.

Because of the government's unreasonable transfer of project risk, our professionals are spending far too much time mitigating potential disasters. Instead of providing optimal design shaped by innovation, our members are navigating unreasonably onerous terms and conditions. Being held responsible for elements of projects over which they have no control is no way to efficiently and effectively conduct business.

If I stop for a moment to define risk, project risk is the possibility or likelihood of incurring liability based on occurrences as defined in the contract. The question is: Are the occurrences within our control, negligence-based or beyond our control—unreasonable and uninsurable? As it stands right now, we have member firms that have redeveloped their public sector business models to expressly exclude provincial projects. They have found clients that are easier to work with.

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We've had recent discussions with provincial agency officials who have expressed their disappointment in our industry for not submitting proposals to undertake their projects. They tell us how they have been compelled to call potential firms directly to ask them to respond to their projects because they don't have enough companies involved to run a competitive awards process.

When confronted by officials, we are told that they have no choice but to look to engage foreign-based firms to undertake project work. However, this is not a viable solution to our problem. Rather than trying to find the firm that will subject itself to unrealistic terms, government should try to understand what is necessary to ensure that true value for money is provided.

Our position is that our members and government should be a team working for success, not adversaries wasting time protecting ourselves from one another. We hope we can become partners with government to successfully deliver the province's much-needed core infrastructure. The solution to this problem rests solely with the Ministry of Finance. It has oversight of the policy driving the reallocation of risk that is preventing government from achieving its value-for-money objectives.

The province has taken important steps to rebuild itself. It has committed to invest substantial sums of money over the next 12 years and secured similar commitments from Ottawa to do the same. These investments

will ensure we can continue to manage and protect the safety of our drinking water and to return to a time when our trains run on time and our roads and highways quickly and efficiently move people and goods, not strangle our economy with gridlock, doing these things using a process of collaboration and innovation.

This problem we are discussing today is not solely of this government's making. We all know that. However, this government has the opportunity now to make the positive changes necessary to achieve the objectives it is counting on for our collective success and prosperity.

Thank you once again for the opportunity to speak to you today, and I'd be happy to take any questions.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. Mr. Vanthof has questions for you.

Mr. John Vanthof: Thank you very much for coming today. You've raised some serious alarm bells, particularly because the government keeps telling us how they're going to spend so many billions of dollars on infrastructure over the foreseeable future. You've mentioned, several times, value for money. My definition would be value for money for the people who pay the taxes. Is there a problem, currently, with the government's P3 approach regarding the value for money?

Mr. Barry Steinberg: I think that P3s are a suite of solutions to delivering infrastructure. They're not a panacea. There are problems inherent in some aspects of the P3 process. I don't think that anybody is unaware of these problems. It's just a matter of how to solve them, and within the P3 process we have this same problem.

Mr. John Vanthof: Obviously, you'd be aware of projects throughout the country, throughout the world. What are better ways to deliver infrastructure projects than what is currently being done in Ontario today?

Mr. Barry Steinberg: Well, I think that—you're talking about P3s—they are necessary, under circumstances where the money is just not there, given that the government is investing so much money into infrastructure. It's still not enough, if you look at our infrastructure deficit and the capital requirements. We do need some private sector investment but, as I say, it's not a panacea.

We have other options, other design-build and design-bid-build options, but in getting value, it's not just about taking the lowest price. It's about ensuring that there is a collaborative nature within the process of delivery for every project, regardless of the method that's used. Within that collaboration, we have to take a look at risk and ensure that the parties that are best able to shoulder that risk, or the parties that create that risk, are the ones who shoulder the risk. Right now, we do not feel that that is what's happening and so, as a result, the value cannot be there because there's a waste of time and a waste of money.

Mr. John Vanthof: So, as a result—and you mentioned that many Ontario engineering firms are not bidding or not participating. What's the biggest step that the government, or a successive government, could do to change that?

Mr. Barry Steinberg: We are not strangers to risk. Engineers are regulated professionals. We understand that we take risks. There are two kinds of risk that we feel we should be willing to accept.

First of all is negligence-based risk, which is totally insurable. All contracts should be insurable. If they're not, it's not in the best interests of the people of this province.

The other risk is shouldered based on collaboration, based on a sense of teamwork, that all parties understand the nature of the risk and who should be shouldering it. It may not be insured, but if you work together to see who's shouldering liabilities, risk is reduced, because risk, as we said, is the likelihood of incurring liability. So it's about either insuring it or ensuring that there is a sense of collaboration of all parties within the project to ensure that you reduce the risk of incurring liability.

Mr. John Vanthof: We had a presentation, I believe yesterday, from professional engineers who were concerned about a lack of engineering on many projects, which is a concern. But are you saying that on major projects there's too much of a transfer of risk to your engineering firms?

Mr. Barry Steinberg: Yes. PEO is our regulator. I'm not sure if what they were talking about is the same as what we're talking about here today.

Mr. John Vanthof: No, I don't think it was.

Mr. Barry Steinberg: No, it's not. I suspect I know what they were talking about.

Right now, we're primarily talking about infrastructure-type projects where the government, one way or another, is the client.

Mr. John Vanthof: Obviously, you're saying what the government's value for money—what would you define as value for money? It's your money as well.

Mr. Barry Steinberg: Yes. Maximizing the quality of the outcome is value for money. The lowest-first cost is not value for money; you don't get innovation. Maximizing the quality of the outcome is a result of innovation. It's a result of teamwork between the engineers and the contractors—and the owner, for that matter. We have to redefine value and not just talk about low cost.

The Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Steinberg. That's all the time we have this afternoon. We have your remarks, but if there's something additional you would like to provide to the committee in writing, you can do so until 5 p.m. tomorrow.

Mr. Barry Steinberg: Thank you, Mr. Chair.

ONTARIO ASSOCIATION OF PUBLIC HEALTH DENTISTRY

The Chair (Mr. Peter Z. Milczyn): Our next witness: Ontario Association of Public Health Dentistry. Good afternoon. You have up to 10 minutes for your presentation, followed by five minutes of questions from the Liberal caucus. If you could please state your name for the official record as you begin.

Mr. Paul Sharma: Perfect. My name is Paul Sharma. I'm the president of the Ontario Association of Public

Health Dentistry. Thank you for letting me come and speak today in front of this committee. I'm going to be talking about oral health.

Teeth and gums are part of our body, but OHIP does not cover the cost of oral health care. Oral health is an essential part of overall health and well-being. Cavities, tooth decay and gum disease can cause infection, pain and chewing problems that can contribute to poor nutrition. Research shows that there is a link between poor oral health and diabetes and cardiovascular and respiratory diseases. Poor oral health also affects our self-esteem and ability to get and maintain a job.

Ontario Association of Public Health Dentistry is an association of dental professionals whose prime interest is the oral health of the general public. Our members work in local public health departments and provide oral health information and services for the communities. Other members include university faculties and students who have an interest in public health dentistry. Ontario Association of Public Health Dentistry promotes oral health and advocates for improved access to dental care for all Ontarians.

We recommend an investment of \$10 million in the 2017 Ontario budget to support the first phase of public programs to meet the needs of low-income adults and seniors in Ontario.

Ontario has a very limited patchwork of public dental programs. According to Public Health Ontario, government spending on oral health services represents only 1.3% of the overall oral health spending in the province, which is the lowest in Canada.

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Public dental programs include the Healthy Smiles Ontario program for low-income children and youth under 18, which includes basic dental services. However, for adults, there are limited programs, and these programs are limited at the discretion of the local municipalities. Most times, it is limited to emergency dental care, which means pulling out a tooth.

These programs are delivered in publicly funded clinics that were supported through the investment under Healthy Smiles Ontario, and also in private dental offices as well. However, in Ontario, there are no public programs for low-income adults and seniors, or low-income kids where the family income is just above the cut-off.

The high cost of private dentistry and lack of public oral health programs, and the limitations of employer dental benefits, means that many people do not visit a dentist. In Ontario, an estimated two million to three million people have not seen a dentist in the past year, mainly due to cost.

The most vulnerable people have the highest rate of tooth decay, pain and gum disease. These include low-wage workers and their children, new Canadians, indigenous people and the elderly.

The vast majority of oral health care is delivered by private dentistry. Research shows that low-income people prefer to be treated in public dental clinics where they are welcomed and valued, and that many private dentists are

frustrated because folks on public programs cannot pay and often miss appointments.

When the government first introduced the Healthy Smiles Ontario program in 2010, the province made an investment into public dental clinics in a number of communities as part of its commitment to poverty reduction and in recognition of the importance of access to oral care. However, not every community has a clinic. A modest investment in these clinics could further increase access to much-needed primary mouth care for the most vulnerable residents of Ontario.

Now I'll focus on the cost to the health care system.

Many of the two million to three million people who cannot afford dental care in Ontario turn up, in desperation, in hospital emergency rooms and doctors' offices when the problems flare up. In 2014, there were approximately 61,000 visits to hospital emergency rooms across Ontario by people with dental problems, but they could not receive any treatment there, only painkillers. This means that approximately every nine minutes, there is somebody in Ontario who shows up in a hospital emergency room with a dental problem. The main reasons are that they do not have insurance and cannot afford to pay for treatment. Similarly, there are approximately 218,000 visits to physicians' offices for dental problems in one year, but doctors cannot provide treatment.

The estimated cost to the Ontario health care system for these visits is \$37 million annually, with no treatment provided for these problems. Taxpayers spend approximately \$37 million each year to have physicians acknowledge that patients have dental disease which they are unable to treat.

In 2014, the Ontario government committed to extending public dental programs to low-income adults by 2025. We have not seen any progress on this promise yet. The lack of access to oral health care is an urgent situation where people cannot wait another nine years for treatment.

The Ministry of Health and Long-Term Care has committed to reduce avoidable dental visits to emergency rooms as part of its move to contain health care costs and ensure the right care at the right time in the right place. Health links have been set up in many parts of the province to ensure high users of the health system are not going to the ER when they can be more appropriately treated in the community. We need to extend this model to make better use of public dental infrastructure by opening up access to low-income adults and seniors.

In conclusion, the Ontario Association of Public Health Dentistry recommends, in the 2017 budget, an investment of \$10 million to support the first phase of public programs to provide oral health care to low-income adults and seniors in the province so publicly funded clinics could also extend their services to low-income adults and seniors. This would be the first phase of a broader program to ensure access to public oral health services for all low-income adults and seniors in Ontario by 2025.

Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have questions for you from Mr. Baker.

Mr. Yvan Baker: Thanks very much for coming in and speaking to us about this, and for your advocacy on this issue.

I guess it was about a year or so ago that I participated in—we announced the revised Healthy Smiles program in my community, in Etobicoke Centre, at a school called Westmount. It's an elementary school. A local dentist from Etobicoke, which is the community that I represent, came out and joined us. It was fantastically well received, obviously by the kids, but also by their parents and the teachers who were there.

I know you address the Healthy Smiles program here, and that's not what the majority of your testimony is about, but the underlying issue that I hear you speaking to is the issue of dental services or dental care for low-income Ontarians, for those who can't afford the care, and Healthy Smiles is part of that picture.

I share all that just to say that I share your desire to make sure that everyone has access to dental care at any age, and just to share that the Healthy Smiles program was well received. Thank you for your advocacy and partnership and your members' advocacy and partnership on the Healthy Smiles piece.

One of the things that I don't think you addressed directly was what the long-term impacts are of proper oral hygiene. You've talked about the fact that there are a lot of people who cannot afford dental care; what are the implications of that for their health, prosperity etc.?

Mr. Paul Sharma: Definitely. Thank you for your question. I think that when we look at oral health, a person's smile says a lot about them: their confidence, their self-esteem, their ability to get a job. When we have oral health issues, they are the slow progression of a disease. It is a chronic disease.

What usually happens is that when people do have dental issues, they will suffer. They will actually hide their pain. If they have a broken tooth or an unhealthy smile, they will not smile anymore. It's especially true for adults. We see a lot of people where I work who, when they don't have a healthy smile or have missing teeth, are afraid to go out and get a job, and employers will actually turn them away.

It does have an issue that way in society. But also when you have problems with your teeth like broken teeth—we're not just talking about one or two teeth; we're talking about teeth rotted to the gums, where they're black and teeth are broken in half. The inability to chew: Everybody has the right to chew, and when you don't have your teeth to chew, it is very difficult to chew food. What a lot of people will do is that they'll actually put stuff into a blender and eat that way.

To go back to your Healthy Smiles Ontario question: It is a great program for low-income children and youth, but what we're seeing is that actually a lot of parents are coming in: "It's great that there's a program for children, but what about us?" That's the big stigma. Really, in society, we don't want people to feel stigmatized.

Mr. Yvan Baker: Absolutely. I absolutely hear what your focus is: Your focus is on the adults who aren't covered.

Mr. Paul Sharma: Yes.

Mr. Yvan Baker: Chair, how much time do I have remaining? Sorry to bother you.

The Chair (Mr. Peter Z. Milczyn): Two minutes.

Mr. Yvan Baker: Two minutes.

To speak to that issue that you've raised—I'm reading from your submission. It says, "In Ontario, it is estimated that two to three million people have not seen a dentist in the past year, mainly due to cost." If we wanted to eradicate this problem, which I think we all would like to, how much would that cost? Do you have a sense of that?

Mr. Paul Sharma: The whole thing with ongoing prevention—oral health is very complicated. It plays on population health strategies like community water fluoridation. Not all communities have access to access to community water fluoridation, which, as the CDC said, is one of the 10 greatest public health measures that we saw in the 20th century. We also have individual oral hygiene practices that people need to have—brushing, flossing and education—and also programs and services.

The costing, I think, depends on what kind of program you would provide. If it's basic dental care, what you would have to extend out to the population all depends. Different folks have done different analyses. I don't want to give a cost. I know that for the children's program, Healthy Smiles Ontario, it's about \$30 million. For an adult population, you could only estimate with the bigger cohort.

I know that in the region of Peel, where I work, we have a low-income seniors' dental program. The region actually contributes \$1.3 million for low-income seniors, but we do have a wait-list as well.

It would depend on access and cost. For Ontario Dental Association dentists, a lot of the problem with the public programs is the fees, which are about 50% of the normal fee guide. I think that the government would have to look at how they would actually develop it, but I think a good infrastructure would be looking at more of a community-based model where you would actually hire dentists in community health centres and public health units to maintain the costs, almost like a family health team approach.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. That's all the time we have today. If there's something additional that you'd like to provide to us in writing, you have until 5 p.m. tomorrow.

Mr. Paul Sharma: Thank you very much.

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ONTARIO CONFEDERATION
OF UNIVERSITY FACULTY
ASSOCIATIONS

The Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Confederation of University Faculty

Associations. Good afternoon. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the Progressive Conservative caucus. If you could please state your names for the official record as you begin.

Dr. Judy Bates: Sure. Thank you. My name is Judy Bates, and I'm president of OCUFA, the Ontario Confederation of University Faculty Associations. I'm also a professor at Wilfrid Laurier University in Waterloo. With me this afternoon is Mark Rosenfeld, OCUFA's executive director. We would both like to thank you very much for this opportunity to speak to you today.

OCUFA is the provincial voice for university faculty in Ontario. We represent 17,000 full-time and contract faculty and academic librarians in 28 member associations across the province. We are dedicated to ensuring that all Ontario students have access to a high-quality, university learning experience. We engage with students every day, preparing them for life beyond the classroom, and we undertake research that contributes to the economic, cultural and democratic well-being of our province.

OCUFA is pleased to see the government's commitment to improving access to post-secondary education from students from all socio-economic backgrounds. The introduction of the Ontario Student Grant and ongoing reform of the student financial assistance program represent important steps forward. However, while working to improve access, government must not lose sight of the need to maintain adequate levels of public funding to ensure that the quality of the university learning experience is not jeopardized.

No doubt, Ontario's post-secondary institutions continue to do amazing work, producing world-renowned research and exceptionally talented graduates, but existing resources are stretched thin. On a per-student basis, Ontario's universities receive the lowest level of public funding in Canada. Ontario has now ranked last on per-student funding in Canada for seven years in a row, and sits 35% below the average of the rest of the country. Even when tuition fees—the highest in Canada—are included in the overall revenue picture, Ontario's universities are still at the back of the pack.

To bring Ontario's per-student funding in line with the average for the rest of the country, the government would need to invest an additional \$2.97 billion over the next four years. At an absolute minimum, current levels of per-student funding must be maintained so that they don't fall even further behind. This would require an additional \$130-million investment above what was allocated to universities in last year's budget. Over the longer term, the government should plan to invest in a more robust system of public funding that doesn't compromise either access to or the quality of a university education.

Every student's learning experience and every university's capacity to produce research relies on the faculty members who teach, research and engage in their

communities, but the number of faculty available to do this foundational work is lagging. Over the past decade, student enrolment has increased by 22% while full-time faculty hiring has increased by only 4%. This means that the rate of increase in student enrolment has been more than five times that of faculty hiring. The impact of this hiring gap in the classroom is dramatic. Ontario now has the worst student-faculty ratio in Canada. At Ontario universities, there are 31 students for every full-time faculty member, compared to an average of 21 students for each faculty member across the rest of the country.

While full-time faculty hiring has stagnated, universities' reliance on contract faculty, who face unpredictable scheduling and job insecurity, has increased dramatically. OCUFA estimates that the number of courses taught by contract faculty has doubled since 2000. While contract faculty are highly qualified teachers and researchers, they are too often constrained by their working conditions and lack the institutional support needed to reach their full potential. Universities' increasing reliance on contract faculty, and the decline in institutional research capacity and impact on educational quality that it entails, is inconsistent with the government's vision of advancing a knowledge economy. Renewal of the full-time tenure-track faculty stream must be established as part of a broader government commitment to reversing the rise of precarious work.

While hiring decisions are made by each university, government can and must take a leadership role on this issue by setting a direction and encouraging universities to invest in hiring more full-time faculty.

To bring Ontario's student-faculty ratio in line with the average for the rest of Canada, OCUFA estimates that 1,973 full-time professors would need to be hired each year between now and 2020. Hiring at this level should be supported by increased public investment and would cost universities around \$197 million a year. A more cost-neutral, but equally important, component of a faculty renewal strategy is ensuring that retiring full-time tenured faculty members are replaced with junior tenure-stream positions, a practice that occurs less frequently than it should.

There is very broad public support for setting Ontario's universities on a path towards hiring faculty in secure, full-time positions that will provide the learning experience that students deserve. A recent poll showed that 94% of Ontarians believe universities should be model employers and support good jobs in their communities.

Legislative changes that raise minimum employment standards at the conclusion of the Changing Workplaces Review will be a key step forward, but the province must also support full-time faculty hiring and replacement through the provision of adequate public funding for universities. Support for faculty renewal will ensure that academic departments across the province have the resources they need to continue to provide a high-quality university education.

The government's ongoing university funding model review is also a crucial consideration in this year's

budget cycle. Any renewed funding model must ensure adequate, stable and equitable funding allocations to support universities in delivering a high-quality learning experience for students. Measures that support financial stability for institutions facing periods of enrolment stagnation or decline will be crucial.

OCUFA cautions against at-risk university operating funding that is allocated based on performance on specific metrics. By design, a model that rewards institutions that meet targets with additional resources and deprives institutions that do not meet targets of the resources necessary for improvement will harm students. Tying funding to institutional performance on metrics is an unnecessarily risky and destabilizing strategy.

While OCUFA is opposed to punitive performance funding models, we share the government's commitment to improving transparency and accountability in the university sector. The disclosure of data on key metrics, on its own, has the capacity to drive quality improvements. The creation of a new higher education data system administered by an arm's-length agency of the provincial government would support informed policy-making through the provision of timely and useful data and could be cost-neutral for the government.

The sustainability of broader public sector pension plans has been a key priority of the Ontario government for several budget cycles. OCUFA has taken these signals from government seriously.

One initiative OCUFA is pursuing to ensure fair and secure university pension plans is the establishment of a multi-employer jointly-sponsored pension plan for the university sector. With support from the Ministry of Advanced Education and Skills Development, the University Pensions Project is working to design a pension plan that will achieve savings in plan administration costs, provide better returns on investments and enhance plan stability.

To ensure the success of this project, government support will continue to be important. In particular, the Ministry of Finance must work with project stakeholders to provide clarity and certainty around the solvency-exempt status of the new plan.

In conclusion, to guarantee a high-quality learning experience for the next generation of Ontarians, the province must invest in our universities and faculty so that these vital institutions and the students who learn there can thrive.

Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. Mr. Oosterhoff has questions for you.

Mr. Sam Oosterhoff: Thank you very much for your presentation, Professor Bates. I appreciate it. As you may know, I'm still currently in the university experience myself.

Dr. Judy Bates: I know. Yes.

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Mr. Sam Oosterhoff: I can perhaps speak to some of this from first-hand, but obviously from a different side of the classroom.

I just had a couple of questions about the damaging effects of performance funding, as you mentioned. Could you clarify that a little bit? It's counter-intuitive.

Dr. Judy Bates: It's counter-intuitive to us as well to assume—if you penalize a university because it's failing to meet some metrics by giving it lower funding, how can that improve its situation going forward? The impact will be clearly negative on students. What we should be thinking about instead is working with those universities where problems have been identified and trying to find strategies that will shift that around so that the students at those universities are able to achieve to the best of their ability, rather than penalizing them by giving them less funding.

Mr. Sam Oosterhoff: Right. You mentioned, though, that you're very committed to transparency and accountability. What would that look like a little more, if you would care to expound upon that?

Dr. Judy Bates: We would like to see an arm's-length agency collecting data on universities, on metrics. We believe that the publication of those metrics for each university would ensure that those universities start to try and improve to attain those goals. We know that happens elsewhere.

We know that in the States, for example, these measures have been brought in, what we call punitive funding, and have had quite adverse effects. What has happened is that those institutions will only take students in who they believe will reach those metrics, so that students who might otherwise be accepted are no longer accepted at those institutions. We know that there is plenty of evidence to demonstrate the problems associated with what we would call punitive funding.

Mr. Sam Oosterhoff: So it's not meritorious enough, or—because the model would shift so that you accept students who have higher academic standings—

Dr. Judy Bates: Exactly: only students who have higher academic achievements, and not permit other students to attend. So it would become much more exclusionary, in other words.

Mr. Sam Oosterhoff: Okay.

I was also curious. There is all this talk now with Trump and everything about this influx of international students. You mentioned the high faculty-to-student ratio—

Dr. Judy Bates: The other way around: high student-to-faculty.

Mr. Sam Oosterhoff: Yes. Could you explain a little bit if you think there's going to be any impact? Have we seen a growth in international students coming to our universities?

Dr. Judy Bates: We're seeing growth in the number of students attending universities per se. We welcome international students at our institutions. They bring a new perspective which we welcome. What we are concerned about is that international students' additional fees are being used to fill the gaps left by a lack of government funding that should be coming from the province.

Mr. Toby Barrett: Just further to your concern with this funding model, are the results published as far as

underperforming institutions or overperforming ones? I mean, we see that report in Maclean's magazine—

Dr. Judy Bates: Well, we see rankings now.

Mr. Toby Barrett: I'm sorry?

Dr. Judy Bates: We see rankings now of universities. Universities are constantly ranked, and there are many metrics that are used to rank universities, so we see that. But what we are concerned about is that the universities that fail to reach whatever metrics the government decides to use—if you reduce the funding to those universities, it's not clear to us how those universities can in the future reach those goals.

Mr. Toby Barrett: So it's a negative aspect of institutional performance.

Now, is their funding linked to employee performance?

Dr. Judy Bates: Not as far as I'm aware of, no.

Mr. Toby Barrett: No?

Dr. Judy Bates: University faculty are probably the most heavily reviewed body of individuals in any profession. We are constantly reviewed. Our performance regularly goes through a review process. As you know, our major review process is our tenure system. Faculty who fail to achieve the threshold required for tenure are let go.

But every time you produce an academic journal for publication, it is reviewed by your peers, and those peers determine whether or not that publication will be published. So we are very heavily reviewed.

Mr. Toby Barrett: Is there any—

The Chair (Mr. Peter Z. Milczyn): Thank you. That's all the time we have for questions.

Thank you very much. If there's something additional that you'd like to provide to us in writing, you can do so until 5 p.m. tomorrow.

Dr. Judy Bates: I think you have the full submission.

The Chair (Mr. Peter Z. Milczyn): Thank you.

Dr. Judy Bates: Thank you.

ONTARIO COLLABORATIVE RESPONSE TO FAMILY VIOLENCE

The Chair (Mr. Peter Z. Milczyn): Our next witness: Ontario Collaborative Response to Family Violence. Good afternoon. You have up to 10 minutes for your presentation, which will be followed by five minutes of questions from the New Democratic caucus. If you could please state your name for the official record as you begin.

Ms. LaRee Walters-Boadway: Good afternoon. My name is LaRee Walters-Boadway. I am a social worker and a social service manager. I've had the privilege to manage the Safe Centre of Peel over the past five years and have been providing social services support to violence-against-women survivors over the past 18 years. Today, however, I'm representing a collective of hubs across the province, as I'm the co-chair of the Ontario Collaborative Response to Family Violence. I'll be speaking on behalf of that group today.

Each of you has a PowerPoint package as well as an evaluation package, so if I could turn your attention to the PowerPoint package to start. The Ontario Collaborative Response to Family Violence is a group of community hubs that support an innovative and effective response to survivors of family violence. The OCRFV, as I'll refer to it from now on, represents an alliance of agencies that provide collaborative, coordinated and co-located services to survivors of family violence. For our purposes, family violence includes intimate partner violence, violence against women, gender-based violence, domestic violence and sexual violence.

As you can see from the map in front of you, there are currently seven family violence hubs across southern Ontario that are members of the Ontario Collaborative Response to Family Violence. As you can see, we're dispersed across the province. The hubs are located in Waterloo, Peel, Scarborough, York, Durham, Peterborough and Northumberland. In Canada and around the world, these multi-agency service delivery models are referred to by different names—for example, hubs—but share the core concept of providing one place under one roof where survivors of domestic violence, sexual violence and family violence can go to get their multiple needs met.

The group of community hubs that form the OCRFV offer a multidisciplinary team housed under one roof. When it hasn't been possible for all partners to co-locate full-time, the concept has been expanded to include networks of off-site collaborating partners to whom on-site partners connect survivors the same day, ensuring no one falls through the cracks between services.

OCRFV hubs are in different stages of development, beginning 10 years ago in Kitchener-Waterloo to our more recent hub that has just opened in Northumberland county.

Domestic violence affects us all. Along with immediate physical and emotional impacts on survivors, violence impacts all of our community, including community health, crime rates, the ability to participate in the workforce, child development and family dynamics. Although some of our hubs do provide services to male survivors of domestic violence, due to the gendered nature of violence approximately 99% of the service users are women and children.

Some basic statistics about violence: Half of all women in Canada have experienced at least one incident of physical or sexual violence; approximately every six days in Canada a woman is killed; and on any given night in Canada over 3,000 women and almost 3,000 children sleep in shelters because it isn't safe at home. Unfortunately, each night over 300 women and children are turned away from shelters that are already full.

We all pay for the financial costs of family violence. It's estimated that each year in Canada domestic violence results in \$487 million in lost wages, costs the criminal justice system \$872 million, the health care system \$408 million and results in increased social service costs of \$2.3 billion. In total, the economic impact of domestic violence is approximately \$6.9 billion per year.

Therefore, in terms of looking for solutions to support survivors of domestic violence, the province of Ontario initially turned to the US model to teach us some of what they've learned. Ontario hubs are based on the US Family Justice Center model, the "one-stop shop" model of service involving a co-location of multidisciplinary teams of professionals who work together under one roof.

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These US models are supported by government policy and funding, and the communities in which they are operating have seen a number of significant outcomes, as listed on your slide, including reduced homicides. For example, although in Canada we do not see the extent of gun violence or access to guns, in New York City, one year after they implemented the Family Justice Center model, there was an over 75% reduction in homicides. Other outcomes include increased victim safety, reduced fear, increased prosecution of offenders, and there are other outcomes listed for you.

In Canada, we've been searching for solutions to provide a more effective and efficient response for survivors of violence. There are a number of different action plans and frameworks listed in front of you, including the Ontario Domestic Violence Action Plan, Ontario death review committee reports—multiple years—as well as *It's Never Okay: An Action Plan to Stop Sexual Violence and Harassment*.

Highlights from the Ontario Domestic Violence Action Plan talk about violence against women requiring a holistic response, it being a social issue, an employment issue, a housing issue, a child care issue, an education issue, a health issue, a community safety issue, a justice issue and more. The lives of women and children not conforming to boundaries amongst programs, ministries, agencies, institutions or levels of government, efforts must be made to coordinate within and across sectors to create an integrated continuum of service.

As well, the community hub model that is offered through these hubs is supported provincially, as reflected in both *It's Never Okay: An Action Plan to Stop Sexual Violence and Harassment*, and *Community Hubs in Ontario: A Strategic Framework and Action Plan*.

There are a number of ministries that are currently supporting the direct service that is being delivered at the hubs. This list highlights that cross-sectorial support. However, in providing this service, we do need additional support for "glue" positions and shared services, as it's a very complex model to be having multiple service providers across funders living under one roof, and requires significant coordination, case management, reception and child care to reduce barriers.

Family violence survivors need diverse services. As you can see, there are multiple services that are listed here, many of which our hubs provide. Survivors have an array of service needs, and they have to find a way to navigate these service options. There are many services that are desired, and this creates barriers to accessing supports. Key barriers include:

—Survivors are often unsure exactly what is needed, and at what stage. If they can identify specifically what

type of help they need, they may not know who provides it or where to get it.

—Survivors may be hesitant to reach out due to concerns about privacy, confidentiality or having to tell their stories over and over again to different service providers. In Peel, for example, in the community needs assessment, we found that survivors, particularly if they're involved in the criminal justice system and experiencing poverty, may have to access up to 18 different services for them and their children in order to survive or to heal.

—Survivors have previously reached out for services, but found that the cross-sectorial service system is complex, fragmented, inefficient or ineffective. When they have identified where to go, accessing these services may be a challenge due to factors such as transportation, language barriers and a lack of child care.

In front of you is a small pictorial representation of what pre- and post-hub services look like: pre-, on the left, being multiple services and multiple locations, and now, with the hub model, everybody under one roof.

Family violence hub services connect clients with services across sectors in crisis intervention, prevention, universal supports, intervention and supports including justice, policing, housing, child protection, victim services and settlement services.

There are a number of shared service coordination activities at family violence hubs that are a really important aspect of this model: that co-location and collaborative service delivery, that multi-disciplinary team engaging in internal collaboration, relationship-building for coordination and peer support, and the list goes on.

Shared client-centred activities at family violence hubs include providing survivors of abuse with wraparound coordinated access to family violence services; centralized intake and coordination; a common risk assessment process at intake; communicating, updating and formulating client safety plans; on-site access to childminding services; and working together in multiple ways that are listed in front of you around reducing barriers.

Hub services are needed and used. In the last half of a year, four OCRFV hubs that have participated in a provincial evaluation project have provided service to 596 new adult clients—that does not include the number of children that attend programming or childminding—1,639 return adult clients, and there were 3,015 services that were delivered on-site.

As I have mentioned, recently, the Ontario Collaborative Response to Family Violence four pilot hubs across the province—in Peel, York, Peterborough and Durham—together with the support of the Ministry of Community and Social Services, came together to develop a shared evaluation framework so that we could measure what we are doing across hubs and what the effectiveness of that is. We have two—how much time?

The Chair (Mr. Peter Z. Milczyn): It's up. I gave you a little bit of extra time.

Ms. LaRee Walters-Boadway: Okay.

The Chair (Mr. Peter Z. Milczyn): Mr. Vanthof has questions for you.

Mr. John Vanthof: Thank you very much for coming to the committee today and focusing our thoughts on family violence. It's an issue that we have to pay attention to, and it has drastic effects on the people of Ontario.

A couple of questions: My colleague Peggy Sattler has introduced Bill 26. I don't know if you're familiar with Bill 26. It's the Domestic and Sexual Violence Workplace Leave, Accommodation and Training Act, 2016. Basically, under that bill, a victim of family violence, or a parent of children, could have access to 10 days' paid leave. Would that help, in your opinion?

Ms. LaRee Walters-Boadway: Absolutely. That is a key factor with a number of survivors in even being able to access services. At the hubs we try to be flexible around the workplace but have noticed that there are times where the risk of losing income or losing a job has been really critical to survivors in getting the services that they need.

Mr. John Vanthof: Thank you. From what you've presented, the hub system is—not the gold standard, but is a very effective way of dealing with family violence.

Ms. LaRee Walters-Boadway: Absolutely. It's—

Mr. John Vanthof: My question hasn't come yet; sorry about that. But as you know, it's not going to be available to all parts of the province, right? I was wondering if there's any way you could foresee that somehow, for rural areas and northern areas, we could use the same type of program but in a virtual hub—well, that doesn't work because in a lot of places we don't have Internet. Somehow we have to work at not only increasing the hubs but also somehow using the same type of mindset to impact more people, because in a lot of remote places, from the research I've seen, the percentage of family violence is even higher.

Ms. LaRee Walters-Boadway: Yes, absolutely. In our northern communities, particularly, and rural communities, it's really important that we do have access for all survivors of violence, not only with domestic violence but also the child and youth advocacy centre approach, so we are exploring various ways of being able to reach out into those communities, including the use of remote access and Internet. For example, in Durham, in their northern rural communities, right now they are providing Internet access to their services and their clinics as one of the solutions.

Mr. John Vanthof: How is the hub system funded? Is it funded by one ministry or is it a kind of a hodgepodge of funding?

Ms. LaRee Walters-Boadway: Right now the way it's funded is through multiple ministries that were listed on the slides that I provided, and right now they're providing “service as usual,” so direct service. They will then come on-site and provide that service that they've been typically funded to do. However, we also have found that we need the coordination of the hub: reception, the shared space, childminding services. Right now, we do have, for the next fiscal year, for small operating hubs, about \$100,000 to \$110,000 for a one- to two-day-a-week hub, and about \$175,000 to \$225,000 per large hub, which is five days a week, equalling approximately

\$900,000 for next year's fiscal year that is unsecured, to be able to provide that coordinated service.

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Mr. John Vanthof: So if an area, the various service agencies, was looking at creating a hub, was looking at what you're doing, is there a template for that coming from the government or is it totally people getting together and looking at what other people are doing?

Ms. LaRee Walters-Boadway: We're building a template in the province of Ontario, and the Ontario Collaborative has been working hard at that and helping to mentor new hubs coming on board.

Originally, we started with a community needs assessment and built them from the ground up. That's one of the things that we're hoping to do in the near future, working with the community hubs framework and Karen Pitre's office as well, to help get that information centralized so that we're not having to reinvent the wheel.

Mr. John Vanthof: Okay. If there is unsecured funding, more funding would be of benefit to you?

Ms. LaRee Walters-Boadway: Yes, absolutely. We have ideas that if there's not additional dollars, perhaps we could look at reinvigorating some other dollars that might be available in other kinds of models under the VAW sector that are not working.

As well as what this current model is, we're looking at the cross-ministerial approach to funding hubs. For example, how we think about it is asking this question: As the lead agency, what is for me to do and pay for, what is for you to do and pay for, and what is for us to do and pay for? I think that those are important questions for all of the ministries, lead agencies and participating organizations moving forward.

Mr. John Vanthof: Okay. Thank you very much for the work you do.

Ms. LaRee Walters-Boadway: Thank you.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. If there is something additional you would like to provide to us, you can do so until 5 p.m. tomorrow.

DEAFBLIND ONTARIO SERVICES

The Chair (Mr. Peter Z. Milczyn): Our next witness is DeafBlind Ontario Services. Good afternoon. You have up to 10 minutes for your presentation, and that will be followed by five minutes of questions from the Liberal caucus. If you could both provide your names for the official record as you begin your presentation.

Ms. Karen Madho: Thank you. Good afternoon. My name is Karen Madho. I'm the senior coordinator of public relations with DeafBlind Ontario Services. I'm joined today by Diane. I'll allow her to introduce herself.

Ms. Diane Gabay: Good afternoon. My name is Diane Gabay. I am past board chair of DeafBlind Ontario Services. I'm also a mother to a young man who is deaf-blind and who is supported by DeafBlind Ontario Services.

I would also like to acknowledge the fact that my husband is also sitting in the room, in the back here, listening to the presentation.

I'll pass it over to Karen. Thank you.

Ms. Karen Madho: Thank you, Diane.

DeafBlind Ontario Services is a not-for-profit organization that helps individuals who are deaf-blind to increase their independence and live their lives through specialized services.

DeafBlind Ontario Services is pleased to have this opportunity today to provide input for consideration to the Standing Committee on Finance and Economic Affairs. Thank you so much for the opportunity today.

We join with the Bob Rumball Associations for the Deaf, the Canadian Helen Keller Centre, the Canadian National Institute for the Blind, and Community Living Wallaceburg in presenting recommendations for intervenor services for the 2017 Ontario budget.

We recommend that the government of Ontario invest in critical services for individuals who are deaf-blind and increase compensation for intervenors in the Ontario government's fiscal framework.

Salaries should recognize the expertise, unique skill set and contributions of the profession of intervenor services while including cost-of-living increases.

Diane?

Ms. Diane Gabay: My son, Charles, is 37 years old. He has been deaf-blind since he was six months old. In addition to being deaf-blind, Charles has other health issues. For example, he cannot talk, he cannot walk and he cannot feed himself. He needs to be supported 24/7.

Although Charles cannot verbally communicate, it is through his intervenors that we were able to discover that he loves to have the sun on his face in the summertime while he's swinging on a tire, that he loves to feel the wind blow in his hair while he's going on a boat ride. He loves the rough and tumble of playing with a dog or going for a walk with his buddies—simple stuff. He will laugh, giggle or scream and let you know what he likes or dislikes.

For my son, the support of an intervenor is essential. An intervenor is his means of communicating with and understanding the world around him. Without the support of an intervenor, Charles would be trapped in his body, unable to participate in life, literally in a prison.

My family is extremely pleased that he is receiving a daily level of support he requires in order to live a normal life. His intervenors assist him with all of his daily activities, such as bathing, eating, dressing and, most importantly, communicating and going out into the community. Without the level of support that he now receives, he would not be able to function at all.

At this moment, I would like to ask everybody in this room to stop for a second and look around you. You're able to see your neighbour. You're able to see me. Listen to what's going on around you, as well. You can hear me. You can hear what's going on in the room. Well, lucky for all of you and all of us, because the clients and my

son that Deafblind Ontario Services supports are not so fortunate.

Now I'll pass it back to Karen.

Ms. Karen Madho: Thank you, Diane. Deaf-blindness is a distinct disability. It is defined as a combined loss of hearing and vision to such an extent that neither the hearing nor the vision can be used as a means of accessing information to participate and be included in the community.

Individuals who are deaf-blind rely on interveners to provide the visual and auditory information that they need so that they can communicate with others and understand the world around them. Intervenors are specially trained professionals who act as the eyes and the ears of the individual who is deaf-blind, through the sense of touch. They provide context, such as letting a person who is deaf-blind know that they are in a park, like what Diane was sharing with us, just to let them know where they are, what their surroundings are: that they're in a park, there are trees, there's grass and maybe there are some paved surfaces, as well as who might also be enjoying the park—maybe there are children running around; maybe there's someone flying a kite—and that the warm feeling they have on their face is the sun shining.

Intervenors empower individuals who are deaf-blind to make informed decisions and be active participants in all areas of their lives. The philosophy of intervenors is to do with, not for. They work with individuals who are deaf-blind and help them learn through experience. Intervenors build a bond of trust with a person who is deaf-blind. They serve as a communication bridge that enables a person who is deaf-blind to interact with the world around them and achieve as much independence as possible.

Intervenors are equipped with post-secondary education, plus additional specialized training to help them support a person who is deaf-blind. Intervenors are professionals with unique and specialized skill sets so that they can help bridge the gap to independence, communication and active participation in the daily life of a person who is deaf-blind. They may have university degrees, college diplomas or be equipped with additional certification in a specific area.

We know from an Intervener Services Human Resource Strategy research survey that was conducted in 2015 that there are 587 intervenors in the province of Ontario, with the majority of them equipped with a post-secondary education. Intervenors receive specialized training so that they are fully equipped to work with individuals who are deaf-blind and meet the unique needs of that individual, because every person who is deaf-blind has distinct and unique needs. Not every person who is deaf-blind is the same, just like you or I. Any of us, we prefer certain colours, we like to shake hands a certain way, we like to be greeted in a certain way. We may choose to communicate differently.

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It's the same thing with individuals who are living with deaf-blindness. They have unique personalities, they

have preferences, and for each person who is receiving service, they do require a level of understanding that intervenors come prepared for the job to provide. That's very, very significant.

A key component of intervener services is to connect individuals who are deaf-blind with the world around them. Intervenors are an important part of that equation. The key is participation, for an intervener.

The Ontario government has demonstrated leadership in recognizing the results between investments in employees and impact on the economy. Providing an increase in intervener compensation would align with recommendations from recent findings such as Change Work, the collaborative report from the Mowat Centre, Toronto Neighbourhood Centres and the Ontario Non-profit Network, which suggests that providing a fair income is a way to demonstrate value in their employees' productivity by promoting income fairness.

The Ontario government can help promote growth and stability by increasing intervener salaries. It is anticipated that the number of persons who are living with deaf-blindness will increase, given the Ministry of Community and Social Services' changes to their eligibility criteria. These changes will result in an even stronger demand for more intervenors across the sector.

We ask that you help make a difference in the lives of individuals in society who need additional supports. Invest in Ontario's professional intervenors.

The Chair (Mr. Peter Z. Milczyn): Thank you very much. We have questions for you from Mr. Dong.

Mr. Han Dong: Thank you very much for the presentation, and thank you for being so patient, waiting in the audience for your turn to do a presentation.

I really appreciate the description of the profession of intervenors. To be honest, I had no idea. Thank you for pointing out the uniqueness of people with such a unique disability, deaf-blindness. It's very true: I can only imagine someone born with this kind of disease, their understanding of the world around them. Thanks to intervenors, like you said, they can stay in touch with the rest of the world. This is a very, very valuable service.

You mentioned that there are 587 intervenors in Ontario. Do they need to be certified?

Ms. Karen Madho: They don't need to be certified, no, but they can be. There is a process for that.

Mr. Han Dong: And are they included under the umbrella of home care programs provided by the Ministry of Health and Long-Term Care?

Ms. Karen Madho: Intervener services are provided through the Ministry of Community and Social Services under their intervener funding budget line.

Mr. Han Dong: Okay. Thank you.

Can you tell me a bit more about, when you say "more support," what exactly you mean by more support?

Ms. Karen Madho: Well, thank you for asking that. We are requesting an additional \$5.8 million for the intervener services sector over five years, with \$1.8 million in the first year, that \$0.8 million devoted to a sector compensation review.

What we want to do with this is to define where we are with that review, define where we are in salaries compared across the sector. We know that there are discrepancies, so we would like to establish a benchmark to understand it in terms of fairness, to understand what would be a benchmark.

We'd also want that sector compensation review to make an assessment of what it would take to level the playing field, to use a little bit of jargon there, because we know that each organization across the intervener services sector—the 21 transfer-payment agencies who receive funding to provide intervener services across Ontario—receives funding, but they have different pay grades. They have different health and pension benefits. It's not the same. So we know that some may offer a starting salary for a professional intervener at a specific rate or a certain level, and somewhere else it would be quite different, and we're aware that there is quite a difference. When I say "level the playing field," we'd like to make that more fair. That's the main part of that.

Mr. Han Dong: Just give me an average so I have an idea. What is the difference, the variance between compensation?

Ms. Karen Madho: I was hoping to be able to bring those numbers to you. It's quite complex, because it would be divided between union and non-union. There are organizations that offer pension plans; there are those that don't. And those are just the top-level variables. There are quite a few other variables. But I'd like to follow up with you, if I can, after the presentation, and we can speak of it further. I just didn't want to be inaccurate in bringing numbers that we didn't have substantiated. We did try to prepare those numbers, but that was why we thought we should encourage and suggest or recommend a sector compensation review, because they are quite disparate across what you're looking at.

From the starting point of starting wage to maybe the higher level, like someone who has been in the field and has been doing it for a long time, there's a disparity between all the agencies. There's quite a difference. So that's something that we feel, to make things fair, it should start out with.

Mr. Han Dong: Okay. Can you maybe—I didn't catch your name, but the lady beside you.

Ms. Diane Gabay: Diane.

Mr. Han Dong: Diane. Sorry, Diane. Can you give me a few more examples about Charles, things that he's now doing with the intervener and things he may otherwise not have been able to do, especially interaction with the rest of society? Could you give the committee a bit more understanding of the important role of the intervener?

Ms. Diane Gabay: First of all, I should say that the interveners who are working at DeafBlind Ontario Services are angels. They bring to my son the independence that he doesn't have, or that he would never be able to have, just as simple as going to a grocery store or to visit a friend, or even going to a doctor's appointment or

the hospital. He's able to do that through his interveners, with his interveners. The intervener is able to communicate with him to make him understand what's happening around him. He will get back to the interveners and let them know his likes and dislikes.

As I say, through interveners, that's how he can communicate and have more independence in his life.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation today, and thank you for sharing your story and experiences with us. If there is additional information you'd like to provide to us, you can do so until 5 p.m. tomorrow.

Ms. Karen Madho: Thank you so much. We really appreciate your time today.

Ms. Diane Gabay: Thank you very much.

CATHOLIC FAMILY SERVICES OF PEEL DUFFERIN

The Chair (Mr. Peter Z. Milczyn): Our next witness is Catholic Family Services of Peel Dufferin. Good afternoon. You have up to 10 minutes for your presentation, followed by five minutes of questions from the Progressive Conservative caucus. If you could provide us with your name for the official record as you begin.

Ms. Sharon Mayne Devine: My name is Sharon Mayne Devine. I am executive director of Catholic Family Services of Peel Dufferin and the owner and operator of the Honourable William G. Davis Centre for Families, a human services hub in Peel region, just up the road, actually.

Thank you for this opportunity to speak with you today. I really want to start by thanking you for the long-time support that we've received from the province of Ontario.

I am also vice-chair of the Family Service Ontario board and a member agency of Family Service Ontario. The province of Ontario is really the only sustainable funder our organizations have.

I want to just draw your attention to a couple of things that are challenges for us in our sector. I've got some suggestions as well for how we might be able to work together to find some solutions to those challenges.

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One of the things that are unique to family service agencies is that we're very much family-focused—families experience problems together as a unit—yet our funding for various programs comes through different ministries. What that creates for us is an administrative and reporting burden for our agencies when we have to write different reports to multiple ministries.

For example, for ourselves at Catholic Family Services, we receive funding from the Ministry of Community and Social Services, the Ministry of the Attorney General, the Ministry of Children and Youth Services. We have wonderful programs, wonderful relationships with each of our ministries. The problems occur when each ministry requires different reports, different definitions of service targets, different forms; the way

that data is to be collected and reported is different. At the same time, all of the due dates remain the same.

It's one of those areas that we'd like to work with government on to see if we can find a way to harmonize some of that, so that our sector experiences less of that burden.

Also, at the same time, I want to extend my appreciation for the cross-ministerial conversations that have happened. I have been in my role as executive director just for three and a half years, and I have noticed a marked difference already in that time and have appreciated the government listening to us around the needs to work together to create that harmonization.

Accountability is really important to us, and we want to be good stewards of the Ontario taxpayers' dollars. If we can create some efficiencies there, we can have a larger impact for the dollars that we receive from our various ministries. That goes across all of us in the sector. Family service agencies are like the family doctor in the sector. We're oftentimes the first stop before we then maybe refer families on to specialized treatment for children's mental health or adult mental health.

The other thing I wanted to chat with you about as well is the hubs and the hub models. I was here a little earlier and heard some of the questions you were asking about hubs. I've had the privilege of being involved in the work of the hubs secretariat, really fine work that's being done to really look at how hubs work and what the best way is that we can be working together to create a bigger impact across the entire province.

What I'd also like to draw to your attention are some of the ways that we could create a larger impact with hubs. In some ways, what I'm talking about is a bit more mundane than some of the things my colleagues were talking about. Our services have large impacts and make big differences in our communities. Sometimes, I get concerns on the ground about what we can be doing differently to support our sector to be well-run businesses, so that we can have those effective and efficient programs running and humming along.

With our hubs, we have a real opportunity to do more together. One of the things we're all aware of is that there aren't the dollars for every organization to relocate in northern and more remote areas.

For example, we received some additional funding and were able to extend our services in Dufferin, which is wonderful. I don't have the resources to open an office in Dufferin. That's where hubs come in. I have placed one of my counsellors in other organizations and within hubs, therefore being able to extend the work that we do.

When we want to meet the needs in very large areas, such as Peel, Dufferin or a northern area, I would propose that hubs are the way to go, because then you can network hubs across large geographic areas. You can have people located there anywhere from one day a week to five days a week, and yet you can draw on the infrastructure, expertise and supervision of the mother or parent agency.

I think that we could really create a vision of interlocking hubs that create efficiencies. I know that sometimes, it can be challenging to get people to work together. I have some thoughts about ways to incentivize the development of hubs, which could have great impact.

For example, property taxes: We at Catholic Family Services are the owners and operators and, after a five-year process, were finally able to get an exemption so that we don't have to pay property taxes for the area of our building that we own and operate. But all of our partner agencies in the building still continue to have to pay property taxes for the rent that they're paying in the building. They get a rebate of 50%, but having a complete exemption of property taxes for them to be in the building lowers their costs and incentivizes people to be together in a hub, creating those kinds of synergies.

We have a number of very good models across the province, and I think one of the beauties of hubs is, while we have templates and best practices, each hub in each community can develop to meet the specific and unique needs within that community.

I just wanted to draw your attention to some of the fine work that we are doing, not just at the Honourable William G., but also in other places across the province as well where we're really working on innovation. We recognize that there are limited dollars that we have to contribute to human services. We really want to make it count, and we really want to work with you to find solutions to make that count.

The last thing on my list to draw your attention to is a briefing that Family Service Ontario submitted to you, and that is related to mental health walk-in counselling. Family services also provides that immediate access walk-in counselling. Our work has been well researched and well documented—high levels of effectiveness. Our biggest challenge with our walk-in counselling clinics is that we currently do not have any sustainable funding in many places in the province. We request that you have a really good look at the work that we do and the way that we can more effectively—and cheaper—just cost-effective ways that we can provide the services that people need early so that we can triage and get them the services that they need.

One of the things, just in closing: The non-profit sector—the quote, if you look this up—we're responsible for 8.1% of the total Canadian GDP. We know Ontario would be a good chunk of that. That's what our sector contributes. But we really don't have a number to convey what we really contribute to the GDP when you think about getting people back to work, getting families strong and healthy, putting people back to work, when we get to help them deal with the stresses and challenges that are a part of all of our lives.

All of us need help and a hand up at some point in time. The right services, in the right way, at the right place makes all the difference in the world to people. Thank you very much.

The Chair (Mr. Peter Z. Milczyn): Thank you. Ms. Jones has questions for you.

Ms. Sylvia Jones: Good to see you again, Sharon.

Ms. Sharon Mayne Devine: It's very nice seeing you too.

Ms. Sylvia Jones: For members of the committee who have not had the opportunity to visit the lovely little jewel of the William G. Davis centre here in Brampton, you really should because it is a model of a hub system that is working exceptionally well.

I'm interested in your comments about the walk-in mental health services. Can you explain or share with the committee what kinds of things you are treating and what kinds of things you are dealing with with that clinic?

Ms. Sharon Mayne Devine: Okay. Our approach in the community is "every door is the right door." So people come to us for any issue at all. It might be depression, stress, addictions or relationship issues. One of the things we provide that's unique to family services agencies is not just individual counselling but couple and family counselling as well, so maybe for parent-child conflict or relationship conflict. We're able to work with couples before things escalate out of control. You heard from my colleague earlier about the safe centre and the work that we do with victims of violence. We want to be preventative and have people come in before things escalate to that extent. So people can just come in.

I want to be really clear about something because I think that what's happening is that we're using words in different ways in our communities. We do a therapy session; it's an actual intervention. We do a pre-test and a post-test for everybody who comes and consents, of course, to do the evaluation. So people are getting an intervention. It's not just an assessment where we figure out what the problem is and then send them somewhere else. We deal with the problem right then and there. People leave different than when they came in in that one session. The session is subsidized, so people don't have to worry about paying anything; they just come and get the help they need. We may identify that they need other services, and then we will absolutely either provide those services or send them to one of our partners in the building or somewhere else in the community. Any problem can walk through our front door.

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Ms. Sylvia Jones: I want to make sure the committee understands: Even though it's called the Catholic Family Services of Peel Dufferin, Sharon, who is your client base? What is your client base?

Ms. Sharon Mayne Devine: Our client base is the entire community of Peel and Dufferin. We serve the entire community, regardless of people's religious affiliation. We get some of our funding from the Archdiocese of Toronto, and those funds are directed to serving the needs in our community, regardless of religious affiliation.

If I had realized you were so close, I would have loved to have had you all for lunch in our building today. We have a culinary program for youth, and they serve lunch. When you come into our offices, what I love about being there is that the whole world is with us at the Honourable

William G. Davis Centre for Families. Every world religion is represented. The diversity of our communities is represented. It's a wonderful place of hope and possibility for the world, I think, when you see us all coming together to work together to make our world, here in Peel and in Dufferin, a better place.

Ms. Sylvia Jones: I couldn't have said it better myself.

Ms. Sharon Mayne Devine: And you're a very important partner in this. We couldn't do it without you, quite frankly. We need each other.

The Chair (Mr. Peter Z. Milczyn): Thank you very much for your presentation. If there's something additional you'd like to provide to us in writing, you can do so until 5 p.m. tomorrow.

Ms. Sharon Mayne Devine: Okay, very good. I really appreciate this opportunity. Thank you.

The Chair (Mr. Peter Z. Milczyn): Is there no other business of the committee? That was the final listed witness. No other business?

I'd just like to note for the committee that the start time tomorrow morning in London will be 8:55 a.m.

Mr. Vanthof.

Mr. John Vanthof: Chair, although it wasn't directly requested, I believe we have one more deputant who would like to make a presentation.

The Chair (Mr. Peter Z. Milczyn): That requires the unanimous consent of the committee. It has to be introduced as a motion by a member of the committee.

Mr. John Vanthof: I would like to introduce it as a motion, since we are in Brampton and we have one more deputant. I have no personal knowledge of what this deputation is, but I would like to make that request.

The Chair (Mr. Peter Z. Milczyn): Is the committee agreed? Mr. Vanthof is moving that we allow one additional witness to depute. I believe the Clerk has the witness's name and topic. The Clerk will provide Mr. Vanthof the information, so that he can make it a proper motion.

Mr. John Vanthof: I move that the committee hear from Ms. Catherine Sople.

The Chair (Mr. Peter Z. Milczyn): Any discussion? All those in favour? Opposed? That's carried.

MS. CATHERINE SOPLET

The Chair (Mr. Peter Z. Milczyn): If you could please come forward.

Ms. Catherine Sople: Thank you so much.

The Chair (Mr. Peter Z. Milczyn): You have 10 minutes, and there will be questions from the New Democratic caucus. If you could please state your name for the official record as you begin.

Ms. Catherine Sople: My name is Catherine Sople. Thank you so much. I have been here all day. I am the founder of Building Up Our Neighbourhoods and a member of the Peel Poverty Action Group. We've heard some very compelling testimony today.

Building Up Our Neighbourhoods is a community development consultancy which supports civic engagement that leads to improved student outcomes in public schools. In 2013, the pro bono work was recognized with an award of excellence from the Ontario Public School Boards' Association.

Interjection.

Ms. Catherine Sople: Shall I change the mike? Is this okay? How's that? Okay, thank you very much.

I am a member of Peel Poverty Action Group. PPAG is a network of people with a lived experience of poverty and those who advocate on their behalf for remedies. The priority of PPAG is safe, accessible and affordable housing for all. This "heart of the nation, beating in the neighbourhoods" represents #nabrhub, and it is the intersectionality of local governments. It's colour-coded, so the white is the province of Ontario or any province, the pink is the school boards, the green is the regional government and the gold is cities, for culture and commerce.

This is a timeline. I'm an artist and I'm a musician for young children. I'm about to tell you how you get order out of this mess. The pink in the upper left corner starts in 2007 and speaks to three or four years of introducing Parents Reaching Out Grants into public schools. The green talks about the period of the Drummond commission in 2012, when we have regional economic development. The gold is work in the cities to help strengthen youth. The brown is about our neighbourhoods. We can see that we are at the tip of the arrow heading into 2017.

This is the Drummond commission. I've been making presentations to increase funding for Parents Reaching Out Grants and to get a citizen-apprenticeship tutor hub funded since 2012. The submission was made. In 2014 I created this graphic, not knowing what the future was going to be like, and made the same request: to have funding maintained and increased for Parents Reaching Out Grants for regional economic development through parent councils and schools, and to pilot a 2014 citizen-apprenticeship tutor hub. Then 2015 and 2016 were a bit of a mess, then we had a pivot in the government and the same asks were made in January 2016. Since I'm going to make the same asks again, I've just stroked it off. It's 2017.

What we need from the Ontario government, please, is to keep Parents Reaching Out Grants funded. We need to resource high-needs schools so that they can be eligible and supported to get the grants. Where the grants go, student achievement increases. When student levels improve, then you reduce social costs. Additionally, we need advocacy from the province to the federal government to get robust settlement supports from the federal government.

What is citizen apprenticeship? Citizen apprenticeship envisions that voluntary tutoring time can trade up for post-secondary training and tuition. While respecting constitutional jurisdictions, a citizen-apprenticeship tutor model suggests an innovative way to deliver federal

responsibilities for settlement integration, post-secondary awards, bursaries, financing and skills development, which leads to employment.

For 2017, a pilot of a citizenship-apprenticeship tutor hub is developing for a Mississauga public library. In October 2016, an update presented to Mississauga city council was referred to the Mississauga Mayor's Advisory Board on Poverty and Homelessness.

We discussed this slide. This is a social impact logic model designed by Grand Challenges Canada. They fund innovation and research to improve social development goals. More about this slide in a moment.

The citizen apprenticeship tutor model was first drawn to the attention of the federal government in a 2008 contribution to a Citizenship and Immigration Canada national workshop consultation on social engagement and integration. The story was about a library in Mississauga South and a community of newcomers in a tower situation. The presentation was acknowledged by the CIC minister at the time, the Honourable Jason Kenney, and the contribution was resubmitted in 2016 on the future of immigration consultations.

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A background to this part of the presentation was emailed to each of the members of provincial Parliament on December 28. The purpose of the email was to describe a petition on poverty presented in the House of Commons and to ask MPPs for advocacy. The advocacy that was asked was for MPPs to speak to their coterminous MP to draw attention to the petition on poverty, because the petition on poverty draws attention to the citizen-apprenticeship tutor model, which requires federal intervention in order to be placed in municipal libraries. This is, once again, the logic model.

The Petition on Poverty presented on November 2 did not receive a response from government in its procedural 45-day frame. On page 19 of the omitted report of the subject document of that petition appears a suggestion for the universal citizen apprenticeship model. The open letter informs MPPs—

The Chair (Mr. Peter Z. Milczyn): Could you just back off the microphone a little bit—

Ms. Catherine Sople: Percussive?

The Chair (Mr. Peter Z. Milczyn): —because it's not recording clearly.

Ms. Catherine Sople: Okay. The open letter that was sent to MPPs advises that publicly available documents were provided to policy directors at the Ministry of Community and Social Services's Poverty Reduction Strategy Office, and the Ministry of Education inclusive education branch. The subject line of a response to the information received by the policy directors, which included this social impact model, conjoins the federal Petition on Poverty and the provincial Parents Reaching Out Grants program. So the two ministries that are responsible for inclusive education and poverty reduction can address lessons 1 to 5 on the social impact logic model, illustrated here, from Grand Challenges Canada.

At the Poverty Reduction Strategy Committee of Peel, there is a project developing to provide community

supports so that parents can access grants for their schools to focus on their children doing better. Education grows the top line, reduces social costs and helps restore balance to government budgets.

I'm repeating the asks.

Thank you so much. The document that was provided includes the open letter that was sent by email to each of the MPPs. It has the communication from the policy directors, from the two ministries and contains a description of citizen apprenticeship which quotes from now-Prime Minister Justin Trudeau on his views concerning access to post-secondary education and fairness for all people, including aboriginal.

The Chair (Mr. Peter Z. Milczyn): Thank you very much.

Mr. Vanthof.

Mr. John Vanthof: Thank you very much for coming today and thank you very much for your diligence on this issue. I'd like to begin, if you could just—and pardon me for my lack of knowledge on this issue, perhaps part of where I come from in my part of the world. The Parents Reaching Out Grants for parent councils in public schools: Could you just give a brief description of what that is and why it's so important?

Ms. Catherine Soplet: What it is, is a grant available from the Ministry of Education inclusive education office. There are two kinds of grants. One grant is for the parent councils. It's a stipend grant of up to \$1,000. The other kind of grant is like a train-the-trainer grant, where you can do a regional grant and take a cluster of schools and train the parents so that the next year, they can come together. It's like developing baby government, because not everybody knows how to hold a committee and run an agenda and not everybody knows how to run a venue.

When we are constantly having new parents in the system and new ways of doing education, it's a way to draw parents together so that they have a project to do, focusing on reducing barriers for their students. The parents find a friend. They learn skills that they can then take into the workforce or maybe develop a small business with.

Mr. John Vanthof: So you've started with these requests in 2012. From what I understand, the grants are still in existence now?

Ms. Catherine Soplet: Yes, the grants started in 2006. In 2012, that was the austerity budget with the Drummond commission, and I was very pleased in that year that the government responded favourably. In 2012, the dollars and sites of grants increased by 25%, which helped validate that the government saw benefits of the improved EQAO scores and the commensurate reduction in reported rates of crime.

Mr. John Vanthof: And it's your opinion that if the government made an increase once again in the availability of this funding, it would further help the situation?

Ms. Catherine Soplet: Yes. We need money for the grants, but also, more importantly, we need money that goes into the regions so that they can do the community supports that free the parents up so they can get into the councils. And we need federal funding for settlement workers to bridge the language and ethno-racial divide, bridging the new community with the host community to bring people together. It's the exclusion that keeps people from getting on. I think we've heard that all day today. Where people get cut off, they fail, and when you bring people together in hubs, they do way better. And it really doesn't cost very much.

Mr. John Vanthof: Once again, thank you for your patience, thank you for your advocacy, and thank you for taking the time to listen today.

Ms. Catherine Soplet: Thank you for watching my slides.

The Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Soplet. If there is something additional you want to provide to the committee in writing, you can do so up until 5 p.m. tomorrow.

There being no further business, again, I'll just remind members that committee will begin at 8:55 a.m. tomorrow—a little bit earlier.

With that, committee is adjourned until Friday, January 20, tomorrow morning, at 8:55 a.m. in London.

The committee adjourned at 1706.

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