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**Standing Committee on
Finance and Economic Affairs**

Pre-budget consultations

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

Consultations prébudgétaires

2nd Session
41st Parliament

Thursday 14 December 2017

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41^e législature

Jeudi 14 décembre 2017

Chair: Ann Hoggarth
Clerk: Eric Rennie

Présidente : Ann Hoggarth
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Thursday 14 December 2017

Jeudi 14 décembre 2017

The committee met at 0900 in room 151.

PRE-BUDGET CONSULTATIONS

The Chair (Ms. Ann Hoggarth): Good morning. We're meeting here today to hold pre-budget consultations. Each witness will receive up to 10 minutes for their presentation, followed by five minutes of questioning from the committee.

Are there any questions before we begin?

CHILDREN'S MENTAL HEALTH ONTARIO

The Chair (Ms. Ann Hoggarth): I'm going to call, then, Children's Mental Health Ontario. If you would come forward, please. After you get settled, please identify yourself for Hansard. You will have 10 minutes, and then you will be questioned by the PC caucus and MPP Fedeli.

Ms. Mary-Anne Leahy: I'm Mary-Anne Leahy.

Ms. Kim Moran: And I'm Kim Moran.

Ms. Mary-Anne Leahy: Hello. My name is Mary-Anne Leahy. I am the network coordinator for The New Mentality, a provincial network of youth with mental illness working towards creating a mental health system that works for the young people who are accessing services.

My work allows me to travel across the province, to hear directly from young people about the experience when they're receiving treatment in Ontario. I have the privilege to meet some really amazing, talented, just absolutely incredible young people who really have the potential to become successful, fulfilled and even happy adults who contribute positively to their communities and society as a whole. But they are fighting against the odds because they have mental illness, and without intensive mental health treatment, their futures are really just up in the air. These youth are literally fighting for their lives in a system that is not able to support them. The heart-breaking reality is that some of them will die by suicide, and that is absolutely unacceptable.

If you want to understand the effects of not treating children and youth with mental illness, I'd invite you over for my family Christmas dinner, where my 37-year-old brother's mental illness has kept our family hostage since he was a child, where a system failed him 25 years ago and now we have to deal with the consequences—the

consequences of a 37-year-old man who, at his core, is so smart and kind and really hard-working, but has been unable to keep a job for more than a few months his entire life, who struggles to hold meaningful relationships because the intensity of his mental illness makes him difficult to be around at times, and whose suicidal ideation has turned into rage against our family because he feels we're making him stay on this earth despite the heart-wrenching pain he feels every day.

It scares me that this is the future we're creating for our young people today, for children and youth who are so full of promise and potential. Lives are just getting thrown away because they can't receive the treatment they need. The reality is, our young people today are still facing the same challenges my brother faced in accessing services 25 years ago.

It's really wonderful when we hear about children's mental health investments, such as the youth hubs announced by Minister Hoskins in April 2017, but they are not the solution for our most mentally ill and vulnerable youth, who need much more intensive treatment. My brother's life and the impact on our family could have been so much different had he received the treatment when he was a child or even a teenager. I hope his future is not the future we're setting up for our young people today.

In my work, I have seen young people with serious mental illness receive treatment, and they are now thriving young adults with really bright futures. The problem is that many of these youth are thriving because they literally had to fight to get treatment in their communities, experiencing long wait times and difficulties finding the right services for them. Many express to me that they didn't know why it had to be so hard, why they had to become so critically ill before they could even get help. I don't understand why people fighting to stay alive also have to fight to get treatment in Ontario.

Enough is enough. Youth need you and me to stand up for them. We keep hearing that children and youth mental health is the government's number one priority and that you can't have health without mental health, but still kids don't get treatment that they need in Ontario.

In my hometown 40 minutes from here, in the last two weeks, two teenagers, 14 and 17, have committed suicide. How many more youth have to die before the government does something about it and ensures that children and youth get the treatment they need as soon as they need it? Thank you.

Ms. Kim Moran: Thanks, Mary-Anne. This is a hard reality across all of our communities. It speaks to why mental health has to be dealt with across the lifespan, from cradle to grave.

My name is Kim Moran. I'm the CEO of Children's Mental Health Ontario. I'm also a chartered professional accountant, so I understand the tough choices you have to make at budget time. But I'm also, probably more importantly, the parent of a child with a severe mental illness. Today we're going to explain why it makes good financial sense, but also the moral imperative, to invest in children's mental health, because too many kids are dying.

I want to thank many of you for taking action in your ridings to help kids access treatment for mental health.

We know how to prevent suicide. All the experts agree that psychotherapy, delivered in interprofessional teams with social workers, psychologists and psychiatrists, works. There's loads of evidence to support it. It can avert a crisis. But right now, we wait until kids get acutely ill before we act.

My daughter had suicidal thoughts, and we were told to wait until she made an attempt on her life before she would get help. It doesn't make any sense. It would be like saying to a kid with cancer, "Wait until it spreads all over your body before we get help for you." It's unacceptable, and all of us should be outraged by that.

Despite the fact that we know treatment works, kids wait up to 18 months for treatment here in Ontario right now. For example, in Barrie, an 11-year-old girl, highly depressed and not going to school, waits for a year. In the GTA, a highly anxious 13-year-old boy who would destroy classrooms and assault their teacher would get crisis treatment for a few days, go home and wait. The cycle continues every day. These kids disrupt schools. They often end up in hospitals, which stabilize them, but in a few days they discharge them, and they go home again and wait for treatment.

A quarter of kids in Ontario report missing school from anxiety. A third of parents take time off work to help their kids at home with their mental health issues, with an enormous economic cost to the province in the billions of dollars. Of all kids who try to access mental health treatment, more than 40% can't access the treatment they need.

Untreated mental illness is not just heartbreaking, but it's a financial issue as well. There was a 67% increase in hospitalizations for kids with mental health disorders over the last decade. It cost the province \$190 million every single year, and it grows every year. It contributes to hospital overcrowding, which is a key issue.

The reason why this is happening is because government has actually cut spending in community mental health agencies over the last 25 years by over 50%. It's undeniable, it's unconscionable, it's unacceptable. Why has this happened when the government has a commitment to mental health? That's what they've said.

In 2011, the government made some very smart investments in schools to promote mental wellness, get

kids talking about mental health issues early and get teachers to identify early warning signals—and that's great. More kids are coming forward. They're looking after themselves. They're identifying to avoid the problems that Mary-Anne spoke of. But the demand for services rose like a tsunami, and we just can't keep up.

We have opened over 60 walk-in clinics for kids with mental health issues over the last couple of years, but 50% of those kids need more intensive services than a walk-in can provide, and they wait. They shouldn't have to. Those are the kids with the biggest problems. But government has failed to bolster the capacity in community, to hire therapists, social workers and psychologists. There have been no base funding increases since 2005. Together with inflation and the new minimum wage legislation, capacity has fallen by over 50% when arguably we needed to double it. Some agencies have closed their doors, leaving kids and families with no options for local treatment. That might even be happening in your riding.

The Ministry of Health has said they want to decrease spiralling health care costs by investing in community care. Despite the huge demand, child and youth mental health services have not benefited from those investments. Minister Hoskins, as Mary-Anne said, announced a small investment in youth wellness hubs in nine communities. It's a great idea to co-locate services, but be aware that this initiative does not add more treatment capacity in the communities. It won't help wait times. Children and youth need a much more comprehensive solution to ensure that there is high-quality treatment available to all kids in Ontario.

0910

But we have a plan that is easy to implement. Ontario can become a global leader in mental health for kids. By investing \$160 million in child and youth mental health centres, you save \$190 million each year in hospitals. It's a win-win. Make sure that all kids get the help they need and that nobody waits more than 30 days, including youth in post-secondary institutions, in colleges and universities.

We want to expand specialized youth mental health centres for the most intensive treatment.

Child and youth mental health issues have been ignored too long. We have called for investment each and every year with little response by government. We're losing too many kids from suicide. It's way past time to act. This must be a funding priority this year.

The Chair (Ms. Ann Hoggarth): Thank you. MPP Fedeli?

Mr. Victor Fedeli: May I call you Mary-Anne and Kim—Kim and Mary-Anne?

Ms. Kim Moran: Sure.

Mr. Victor Fedeli: Thank you both very much for your presentation, especially the parts where you bring the personal, a real-life story into it. It helps so much when you can attach a real story. It's so much more meaningful for all of us and I appreciate that.

I think that we can all agree that mental health needs to be a funding priority. There is no question. It needs to

include specific attention on child and youth mental needs.

I want to talk about two things. You mentioned psychotherapy and the wait and the gap. Mary-Anne, you mentioned gaps, and Kim, you mentioned psychotherapy. Can you just put that together in a minute?

Ms. Kim Moran: Sure. In communities all over the province, there are child and youth mental health agencies that are ready and waiting to deliver evidence-based psychotherapy to kids. They just don't have enough people to do that. They need help to do that. That's really important. But there are also gaps in the system. For those kids with the most intensive needs, we sometimes don't have services in communities. Up north, you will see that those kids don't get treatment at all. They have to come south, and often come south and into really sub-standard treatment. We saw an article in the paper yesterday about a youth who had schizophrenia and died in a group home. Those are the kids that aren't getting the treatment in the north. We have substantial service gaps that really need to be filled as well.

Mr. Victor Fedeli: By north, you don't mean North York. You're talking about places where we live in northern Ontario.

Ms. Kim Moran: I don't mean North York. Absolutely.

Mr. Victor Fedeli: The topping-up in the elementary and the school supports—I think that needs to be done as well. I think you've addressed that. We talk about awareness campaigns as well. Do you feel those are the kinds of things that are going to be important on a go-forward?

Ms. Kim Moran: I think that most people think the awareness and anti-stigma campaigns have really done super well. I don't know that we need more help in that area. What we need is to get the treatment services in place now that we have reduced the stigma.

In terms of where we need services, we need services everywhere across a continuum of care, a really well-designed plan that gets kids the treatment they need where they need it, including at schools and around schools.

Mr. Victor Fedeli: Can you talk about community living at all? Is that within your purview to talk about?

Ms. Kim Moran: No, I'm sorry, I can't.

Mr. Victor Fedeli: Okay. We understand that there are those with mental health needs that are working in community living placements that are in jeopardy in January. I'm just trying to get a more full explanation of that from somebody. Are you aware of that? Do you know anything about that?

Ms. Kim Moran: No, I'm sorry; I can't help you with that. I do know that the new minimum wage legislation has a tremendous impact on community agencies throughout Ontario and certainly in our sector as well. For those kids who are in the most intensive, 24/7 treatment, there is a huge danger that doors are going to close and beds are going to shut because of that.

Mr. Victor Fedeli: That's the email that I'm getting from families that talk about, you know, their daughter Jeanette, and this is going to happen in January. I'm trying to get a fuller understanding of that.

Ms. Kim Moran: For most of our agencies, the minimum wage going from where it is to \$14 and then to \$15 isn't a huge impact. It's all the other pieces of the legislation which are having an impact. We all support the legislation. Having a minimum wage for all of our families and our youth is so critically important. It's just the knock-on effects of that. The implementation of it has this huge impact in our sector where we will expect to see our 24/7 care impacted enormously in very short order.

Mr. Victor Fedeli: How much time, Chair?

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Victor Fedeli: You talked about the youth hubs. Can you expand on your statement about those?

Ms. Kim Moran: Youth wellness hubs are a great idea, where you co-locate services for youth in a youth-friendly environment. We've had some great examples that are terrific. There thing is, though, those are about co-location of services, they're not about adding treatment capacity, and that's where you get wait times from and long wait-lists. So while we think it's a great initiative, we don't think that it is a comprehensive solution for kids, and that's what we need right now.

Mr. Victor Fedeli: Okay. You mentioned the cuts in spending in mental health. Is there any expansion that you can offer us on that?

Ms. Kim Moran: Essentially, because there have been no base funding increases since 2005, when you factor in inflation over the last 25 years, it actually results in a cut of capacity by over 50%.

Mr. Victor Fedeli: Again, I want to thank both of you for being here. I know that's not the easiest thing to do, to come to a legislative committee and to offer, especially, your personal thoughts. I want to wish you all the best of the season as well. Merry Christmas to you.

Ms. Kim Moran: Thank you.

The Chair (Ms. Ann Hoggarth): Thank you very much. I'd just like you to know that the deadline to send a written submission to the Clerk of the Committee is 5 p.m. on Friday, January 19. Thank you.

Mr. Mike Colle: That doesn't go around?

The Chair (Ms. Ann Hoggarth): No.

Mr. Mike Colle: How come?

The Chair (Ms. Ann Hoggarth): Because that's the way it's been set up. That was the agreement.

Interjections.

CANADIAN CENTRE FOR POLICY ALTERNATIVES

The Chair (Ms. Ann Hoggarth): I'd like to call the Canadian Centre for Policy Alternatives, please. Thank you very much. If you could please identify yourself for the purposes of Hansard, and begin. You have 10 minutes.

Ms. Sheila Block: My name is Sheila Block and I'm a senior economist with the Canadian Centre for Policy Alternatives. I very much appreciate the opportunity to come and speak with you today.

I want to focus the time that I have with you to discuss the pressing issue of income inequality in this province and the important role of government in reducing it. I think you all have a set of slides in front of you.

If you can turn to the first slide, the recent data releases from the 2016 census shed further light on this important issue. If you take a look at the first graph, it shows the income gap between the top and the bottom of the income distribution by province. What that data shows us is that, in 2015, Ontario was second only to Alberta in the gap between the rich and poor.

My own research, if you turn to the next graph, shows that the bottom half of Ontario families with children lost ground over the first 15 years of this century. That graph shows you by how much. It shows you that families in the bottom half of the income distribution saw their real earnings drop, while they rose in the top half. It's really like there were two labour markets in Ontario: one that was working well for the top half of families, and another that was failing families in the bottom half of the income distribution.

The recently released census data provides us with important information about inequality in our province. It also provides us with information about the impact of racism and sexism on incomes and inequality. It shows us that indigenous people, racialized Ontarians and recent immigrants are more likely to be losing ground than to be in the 1%. They are more likely to be living in poverty and to have lower incomes.

For the first time in 10 years, we have census data on the incomes of racialized Ontarians. I want to briefly turn your attention to that, which is in your next graph. What that graph shows us is that racialized women make 52 cents for every dollar a non-racialized man makes, and racialized men make 67 cents for every dollar a non-racialized man makes. This gap is persistent and is an issue that needs to be addressed by public policy.

These data, and the gap between those who are able to make ends meet and those who can't, mean that it's urgent for governments to act. That's why the changes to legislation in Bill 148 were so important. Increasing the minimum wage to \$15 an hour, improving working conditions and making it easier to join a union will improve the lives of low-wage workers across this province. It will decrease inequality by raising the incomes of those who struggle most to make ends meet, and it will add certainty to their working lives. That will make it easier to know whether you'll be able to pick up your kids after daycare or take care of them when they're sick. While that's really important progress, more needs to be done, and much more progress needs to be made for Ontarians who rely on social assistance for their income.

0920

The government has received a road map of how to do so, and you have the power to implement it. The first

recommendation of that road map is that the government commit to income adequacy and invest this year to start to meet that commitment. That includes adjusting Ontario Works rates so that everybody starts from the same baseline and it includes increases of 10% to Ontario Works and 5% to ODSP. These investments would kick-start the process of change and would cost \$810 million, and while that seems like a lot of money without any context, it is in fact a very small portion of the \$140 billion in estimated program spending next year. We know these investments will have a payoff. These include increased social inclusion, increased economic activity and lower health care costs.

But the role of government spending in our lives is not limited to income transfers. It has an important role in providing goods and services that would be too complex or too expensive to buy ourselves. We all know the classic public finance example of trying to build our own sidewalks. If all of us had to rent that heavy equipment, figure out what mix of cement we needed and build the sidewalk only in front of our house or our apartment, it would be highly expensive and highly inefficient. So it can be something as mundane as that or as important as our health care system.

We know that public expenditures and public provision in this way is more efficient, but it's also really important in reducing income inequality, because when public services are inadequate or unavailable, low-income individuals cannot buy them privately the way high-income ones can.

I'd like to turn your attention to the last graph, and what that graph shows us is the gap between where program spending has been and where it would have needed to be just to maintain the level of real per capita spending at 2011-12 levels. You heard from the previous speakers about the impact of that on mental health, and we know that those gaps can be felt in very tangible ways in emergency rooms across the province, in classrooms and in those kinds of essential community services that were described.

What we really need in this budget is a down payment on closing that gap. We all know that that will require increased revenues. That was why it was so disappointing to see the drop in the small business tax rate that was announced last month. If the government really wanted to provide support to small businesses in the transition to a higher minimum wage, this was a very badly targeted way to do so. We know that high-income earners who organize their earnings through Canadian-controlled private corporations will also benefit from this decrease in the small business tax rate. This will increase inequality both by increasing after-tax incomes of those high-income earners and by reducing the money available to fund the services that will benefit all of us.

I really urge you to make the investments that are needed in this budget to further progress in reducing income inequality for Ontario. Thank you.

The Chair (Ms. Ann Hoggarth): Thank you. I move to MPP Vanthof.

Mr. John Vanthof: Thank you very much for coming. May call you Sheila?

Ms. Sheila Block: Sure.

Mr. John Vanthof: Okay. Thank you. I think some people would say that increasing ODSP and increasing the level for Ontario Works is actually a cost, but I would suggest it's more of an investment and there would be a return on that investment. Could you elaborate on that?

Ms. Sheila Block: Absolutely. We know that levels of inequality and low income are associated with a lot of costs. One really immediate one is an increase in health care costs because low income and poverty are very highly correlated with poor health outcomes. We also know if we provide the kind of supports people need, they can re-enter the labour market and they can increase overall economic activity, so that increases tax revenues, increases the overall level of GDP and also has positive outcomes.

We know particularly for families with children that there are long-time negative impacts of a childhood in poverty, and that's why it's particularly important to have those investments. I have to acknowledge that both the federal and provincial governments have been making some of those, but they are not sufficient to bring those families out of poverty.

Mr. John Vanthof: You mentioned in your presentation that the income gap for racialized communities and new immigrants was increasing, as an example. I think—I'm just going anecdotally—immigrants come to this country and they start at the bottom, but what I kind of get is that they're having a harder time working their way out of their recent-immigrant status.

Ms. Sheila Block: Right. There are two issues. I think we can collectively decide how close to the bottom we want any Ontarian to be. I think we have to look at income adequacy for immigrants when they first arrive.

As you have indicated, it is getting harder for immigrants—and it's also getting harder intergenerationally—to make that leap. That is particular for immigrants who are racialized.

Mr. John Vanthof: What do you think is causing it long-term, other than an inadequate response from government? Are there other factors that are having that impact on racialized communities and immigrant communities?

Ms. Sheila Block: I think that as immigration comes more from racialized individuals, that has a larger impact. There are big questions about how the labour market has changed. There is a need to change the legislative framework, in the ways that Bill 148 has changed it. I also think we can look to Europe and we can look to the US. There is an increase in racism and xenophobia that we're seeing, and that has negative impacts in a number of ways, including in the labour market.

Mr. John Vanthof: I'll shift gears a little. Regarding the increase to minimum wage, which we support and you support: You did mention that decreasing the small business tax was a bad way of trying to alleviate the impact on some sectors that are having a hard time to compete. What would be a better way?

Ms. Sheila Block: I don't really feel that that kind of subsidy for small business is actually necessary, but this one is particularly badly targeted. You have a one-time increase in costs and you have a permanent decrease in tax rates.

There are small businesses that are structured to minimize the taxes of very high income earners, and we've seen some action on that federally. There are also small businesses that don't have any low-wage workers because they're a high-tech firm or something like that.

If you actually wanted to provide that kind of support specifically for small businesses that have low-wage workers, you could provide a temporary subsidy that would help them over. In terms of that, I think what's really important, and what the last speaker referred to, is that that support would be better directed towards not-for-profit agencies and broader public sector agencies—those kinds of agencies that have those increases in their costs and don't have the market mechanisms to take care of that and actually need that increased support from the budget in this year to comply with the legislation and bring those workers' incomes up, as the legislation was intended to do.

The Chair (Ms. Ann Hoggarth): Thank you very much. If you want to send in a further written submission, the submission is due to the Clerk by 5 p.m. on Friday, January 19.

Ms. Sheila Block: Thanks very much.

TORONTO REGION BOARD OF TRADE

The Chair (Ms. Ann Hoggarth): I'll call the next presenter: the Toronto Region Board of Trade. This gentleman looks familiar. When you get settled, please identify yourself for Hansard.

You may proceed. You have 10 minutes.

Mr. Jeff Parker: Good morning to our distinguished Chair Hoggarth, honourable members and legislative staff. I'm Jeff Parker, manager of policy with the Toronto Region Board of Trade. Thank you for providing me with the opportunity to speak with you today and present the board's position for your pre-budget consultations.

The board is the chamber of commerce for Canada's largest urban centre, connecting more than 12,000 members in the Toronto region. The board seeks to make Toronto one of the most competitive and sought-after business regions in the world. The Toronto region is Ontario's economic engine, accounting for more than half our provincial GDP, with a labour force of more than three million.

0930

Our message to the committee today is to focus on those policies which will improve business competitiveness. While recent economic headlines have been mostly good, the board believes that there are many areas where the government can do more to enhance competitiveness, improve growth and increase prosperity for all.

To begin, it's important to acknowledge key areas where the government has made progress. After too

many years of deficits, including when the economy was growing, it was encouraging to see the province forecast a balanced budget. The government should be commended for the increased degree of spending restraint over the past few years.

The need for discipline has not ended, though. The recent report of the Financial Accountability Officer just this week suggests that keeping the budget in balance will require more than increased tax revenues. The board urges the government to maintain spending discipline to stay out of deficits, particularly when the economy is growing.

The board is also encouraged by the government's continued focus on trade and cluster development. All Ontarians stand to benefit from concentrating on areas of strength and making sure that we're selling our innovative goods and services in global markets. This includes protecting the market access we already enjoy, and the board is pleased to see the government working so productively on NAFTA.

The board continues to provide leadership in this file through our World Trade Centre Toronto service, which runs the successful trade accelerator program. We urge the province to work with business associations like ours to develop and share these successful programs around the province rather than develop government-led initiatives.

Despite these successes, though, businesses continue to face significant competitive challenges, and more can be done in key areas such as housing, labour laws and transit. The Toronto region's businesses are concerned that the rising cost of housing will make it difficult to retain and recruit the talented workforce we need to compete globally.

The board recently conducted a survey of young professionals that found that many are having to decide between getting into the housing market or saving for retirement. These young professionals want to see more housing and options beyond one-bedroom condos.

While the government's Fair Housing Plan may have temporarily reduced prices, the underlying supply issue that is truly driving the problem is still present. Rent controls and the non-resident speculation tax do not produce greater densification around transit hubs or more three-bedroom condos for young families. Indeed, there is evidence that these measures are reducing the availability of rental properties.

The board urges the Legislature to repeal these misplaced interventions, such as expanded rent controls and new taxes, and instead focus on the following:

- first, building more transit to effectively move people from where they live to where they work;

- second, increase densification and development around transit hubs; and finally,

- focus on measures that increase supply, such as changes to planning laws, to allow for building more townhouses, multi-bedroom condos, and laneway and coach houses.

While the challenges on the housing file have developed over a long period of time and will not be solved

overnight, the same cannot be said for the recent changes to Ontario's minimum wage and labour laws. Moving to a \$14 minimum wage in January, with a \$15 minimum wage a year later, is a sudden and disruptive change for businesses both large and small. It flies in the face of the sensible process that the government introduced in 2014 to make increases in the minimum wage consistent and predictable—a change endorsed by the board of trade and other business groups.

Combined with other measures in Bill 148—

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Jeff Parker:—these changes will make it more expensive to do business in Ontario, reduce our competitiveness and cost our province jobs—

The Chair (Ms. Ann Hoggarth): Sorry, six minutes.

Mr. Jeff Parker: Six minutes, okay. I thought that was a little fast. I talk pretty quickly here.

The pressure is especially acute in industries, such as manufacturing, that are already suffering from the effects of high energy prices. But don't take my word for it—as much as you used to; virtually all analysis of the effects of Bill 148, including the Financial Accountability Officer's, the Canadian Centre for Economic Analysis, the C.D. Howe Institute and TD Economics, reach similar conclusions. With fewer than 15% of minimum wage employees supporting families below the poverty line, this remains a poor strategy for helping low-income households.

While the passage of Bill 148 demonstrates the government's unwillingness to listen to the reasonable concerns of business, economists and others, the board urges the government to introduce meaningful offsets that will truly reduce the cost for all businesses. This requires much more than what was offered in the fall economic statement of the insignificant reduction of the small business tax rate.

The board suggests that the government return to its previous commitment to reduce business property taxes, something that it promised to do once the budget was balanced. A recent C.D. Howe report found that provincial property taxes on businesses in Toronto were the third-highest of the country's major markets, behind only Charlottetown and Saint John.

Finally, there is more to be done on the transit file. As the board has stated in previous budget submissions, we have been encouraged by the provincial government's commitment to fund transit, with billions committed to new projects. Unfortunately, despite these provincial funds, there are still many projects that are mired in political conflict or lack proper municipal funding, including the Brampton LRT, the Hamilton LRT and the Scarborough subway, LRT or whatever it becomes.

In response to these missed opportunities, and to reflect the nature of Toronto as a true global city region, the board has recently put forward a discussion paper titled Superlinx, which seeks to transform how we organize transit planning, funding, construction and operations.

As the Legislature debates the billions that are being spent on transit in the coming years, we humbly submit

to the honourable members here that you consider bold and new ideas to get the best results for riders and value for money for taxpayers.

The board is interested in doing more than bringing a shopping list to Queen's Park. In this election and holiday season, we bring you a gift: We are proposing our Agenda for Growth, a series of policy playbooks which introduce and propose concrete solutions to some of our province's key challenges, including energy, transportation, talent and competitiveness. You'll find the first entry in the series, our energy playbook, in front of you.

The board will elaborate on many of these issues that I've mentioned today in this series, and possibly in a written submission to come. In the meantime, I am quite happy to answer any of your questions.

The Chair (Ms. Ann Hoggarth): Thank you. This round of questioning will be from the government side. MPP Baker.

Mr. Yvan Baker: Thanks very much for coming in. I'm going to ask you a question or two and then I'm going to pass it on to my colleague MPP Dong.

So thanks very much for coming in. I really appreciate your input and your insight. You've covered a range of issues that are very important. My background was actually in business before running for office, and most recently it was in management consulting, which basically means that I was hired by, typically, large companies to advise them on—

Mr. Jeff Parker: We do a lot of work with them.

Mr. Yvan Baker: Do you? Okay. So I understand the perspective of some of the folks you represent and the challenges that they face, and I thank you for bringing that voice to the table.

There were a couple of things that you talked about. One was you talked about the need to be fiscally responsible and the importance of balancing the budget but also continuing to maintain financial discipline. I think that's just the best practice in general in any business, and it should be the best practice in government.

In terms of the housing issues, I won't be able to cover everything that you talked about, but certainly I think there's a recognition here that housing is not just critical for people's quality of life but also to attract and retain those talented people whom we need to grow our economy and ensure prosperity for everyone. So your point is well taken.

Your points around the labour issue: I understand those concerns. I met with not just yourselves, but a lot of your members, to hear from them on that.

On the transit file, certainly, you're right. We need to continue to build and move those transit projects forward quickly and make sure that they're being done not just quickly but well and in the interests of the public, both to support quality of life and the economy, as you alluded to. Thank you for all of that.

One of the things that the board of trade has emphasized is the importance of transit-oriented development. As you may know or probably know, there are provisions in the updated growth plan, including major

transit station areas designations, to support density around transit. Would you elaborate on the importance of this kind of development for young professionals in the Toronto region?

Mr. Jeff Parker: Yes. The development around transit stations serves a number of purposes. First, it allows us to create community hubs, places where people can come together to receive social and commercial services and places for people to live. This increases quality of life. It reduces congestion. It's overall good.

But it's also a great opportunity to get some funding for transit. There are transit systems around the world—Singapore and Hong Kong come to mind—that actually fund most of their operations off development. We're not suggesting at the board that we can move to that immediately, but the fact that we leave tens of millions of dollars or maybe hundreds of millions of dollars on the table because we're not developing commercial, residential and social service space around these hubs is such a wasted opportunity. We could be doing much more for both our business community and our transit network if we did more to develop it.

Mr. Yvan Baker: Okay, great. Chair, how much time do we have left?

The Chair (Ms. Ann Hoggarth): About a minute and a half.

Mr. Yvan Baker: Do you want to—

Mr. Han Dong: Sure, yes. Hello, Jeff. Good morning. Thanks for coming in—

The Chair (Ms. Ann Hoggarth): Excuse me.

MPP Dong.

Mr. Han Dong: Thank you, Chair. Thank you very much. I forgot about that, and as I'm the Vice-Chair, I shouldn't have.

0940

But, Jeff, welcome to the committee and thank you for your presentation. As a local member, I want to say thank you to the board of trade for the great work you do advocating on behalf of business.

I just want to elaborate on what my colleague just asked. In the downtown core, I hear most often from constituents—a lot of young professionals—talking about congestion and how rapid transit is needed for the downtown core. Then we have announcements, both from the provincial and the municipal government, on SmartTrack and regional express rail to all be there to support these high-density areas. Then we have plans like the waterfront LRT.

I just want you to share your thoughts on these particular projects and whether or not it's going to resolve the congestion, service the dense community and play a big part in the mixed bag of transit tools.

Mr. Jeff Parker: The board has long advocated for a transit plan to be done in an intelligent and evidence-based manner, putting the funding and the projects where the riders need it and the densification is going to be.

Beyond that, though, the individual projects: We support most of these. Our concern is that the projects that we have on the books, including the ones like the

Brampton LRT that the provincial government has fully funded, are not getting built. This is not simply a matter of money or even having good or bad plans; this is also a structural problem with the governance and the way we build transit.

That's why we put forward this discussion paper, which suggests that all of this should be uploaded to the province. The province has the financial capacity and the expertise in place to build these projects faster. We want to see the downtown relief line. We want to see RER. But we want to see it built quickly, because these are projects that the city needs now, not 10 years, 20 years from now.

The Chair (Ms. Ann Hoggarth): Thank you very much. If you have a further written submission, it needs to be to the Clerk by 5 p.m. on Friday, January 19.

Mr. Jeff Parker: Thank you. Merry Christmas, everyone.

The Chair (Ms. Ann Hoggarth): Merry Christmas.

CANADIAN MENTAL HEALTH ASSOCIATION, ONTARIO

The Chair (Ms. Ann Hoggarth): Our next presenter is the Canadian Mental Health Association, Ontario division. Once you get settled, if you could identify yourself for the purpose of Hansard and we will begin your up-to-10-minute presentation. This round of questioning will be by the official opposition.

Ms. Camille Quenneville: Thank you, Madam Chair. Good morning. My name is Camille Quenneville. I represent the Canadian Mental Health Association, Ontario division. I'm joined this morning by my colleague Steve Lurie, who is executive director of CMHA Toronto branch.

The Canadian Mental Health Association has 30 branches across the province. Our 3,900 staff provide front-line mental health and addiction services to tens of thousands of Ontarians. Our branches are funded primarily by the Ministry of Health and Long-Term Care, with additional project-based funding for specific programs.

However, our branches are, quite frankly, struggling to meet the needs of individuals and their communities. The branches have gone without budget increases in as many as eight years for some of them. Any new investment is always tied to the delivery of a specific program, not to overall operations. As a result, it's becoming impossible to balance service delivery with rising operational costs. It's a challenge to pay the bills and provide competitive salaries to retain staff. Often, vacant positions go unfilled. Most unfortunately, it means we're cutting services.

That leads me to our first ask, which is a 3% increase in budgets for our 30 Canadian Mental Health Association branches next year. That's an additional \$7.4 million from the Ministry of Health and Long-Term Care for our branch network. You might think that \$7.4 million doesn't seem like much compared to a \$54-billion health budget, which really highlights a significant issue, which

is the general lack of funding for mental health and addiction services in the province.

We should all treat our mental health the same we do our physical health. We continually advocate that as an organization. However, the mental health sector is chronically underfunded compared to physical health services. So bear with me while I'm going to start throwing some numbers around. Of the \$54-billion health budget I referenced, mental health and addictions receives about \$3.5 billion, or 6.5%. We actually receive less now than we did in 1979, when we received 11.3% of the health budget.

This takes me to our second ask, which is to increase the proportion of health spending that is devoted to mental health to 9% over 10 years. This is a recommendation that originally came from the Mental Health Commission of Canada, which points out that funding jurisdictions devote 10% to 11% of their funding for mental health.

Funding the community-based mental and addiction sector means you're funding organizations that are innovative and collaborative. We have to be. It also means you're moving towards funding mental health in the same manner as physical health.

We work very hard to keep people out of emergency departments—the costlier model for the delivery for mental health and addiction services, and, frankly, it's not where people want to be. It costs \$72 a day to house a person in a community with support versus \$485 a day to keep them in a psychiatric hospital.

Community-based funding for mental health and addictions is a good investment. Most importantly, as mentioned, it's where our clients wish to be served.

Our third ask is for more supportive housing in the province. Supportive housing provides an anchor for other things in life. With the right housing and supports, people recovering from a mental illness or an addiction gain a renewed sense of dignity and hope and can reintegrate into the community more successfully. But in 2015, there were more than 170,000 households waiting for affordable housing. To help resolve this significant issue, we recommend what the Mental Health and Addictions Leadership Advisory Council—which I was very proud to be a member of—recommends: the creation of 30,000 new units in the next decade, at a rate of 3,000 units every year. This is very achievable.

The Canadian Mental Health Association, Ontario division, as a member of the council, estimates the annual cost to expand supportive housing to meet demand in Ontario is \$278 million in the first year, rising to a total of \$721 million by 2027.

CMHA Ontario and our branches welcome partnerships to deliver mental health and addictions programs or awareness campaigns, most particularly with our partners in government. We invite collaboration on all fronts so that we can collectively best serve the needs of our clients, people who are vulnerable, who struggle with their mental health or an addiction and are in need of safe and stable housing.

We look forward to future opportunities that help serve Ontarians struggling with their mental health or addictions, and we're very grateful for the opportunity to be here with you today.

Steve and I are happy to take your questions.

The Chair (Ms. Ann Hoggarth): We'll move now to the official opposition: MPP Barrett.

Mr. Toby Barrett: Thanks to the Canadian Mental Health Association for some of the figures you've presented here. I can say that we in the opposition recognize the shortfall in funding for mental health compared to physical health and other expenditures. I say that as the husband of a psychiatric social worker; I've been hearing this for a number of years.

On the general trends: As you've indicated, your 30 branches serve 500,000 people. Over the years, from what we're told, we saw that significant transition of people out of psychiatric facilities into the community.

The numbers: You serve 500,000 people now. How many were you serving, say, 20 years ago? Are the psychiatric facilities serving 500,000 fewer people? I just want to get a picture on what was a significant transition.

Mr. Steve Lurie: Psychiatric hospitals at one point had about 3,000 beds. I'd say, if you're using 1979 as a benchmark—that was 10 years after we closed most of them.

Mr. Toby Barrett: In 1979?

Mr. Steve Lurie: Yes. I think, according to the old statistics, in and out of those hospitals and also including general hospitals, there would have been about 55,000 admissions per year.

Now the people enrolled in community mental health programs—both that we provide and others provide—according to the health indicator tool, are about 500,000. Back four or five years ago, it was about 400,000.

I think you have to look at those numbers relative to the total need. If you take the one in five, that's 20% of the population that will experience a mental health problem every year, so 20% of the population should be able to access mental health services.

Estimates from both Ontario and other jurisdictions would say that 3% to 5% of the population would have a serious mental health problem, and they should be able to be served in the community.

Let me give you an example of some of the gaps here in Toronto: We have wait-lists here for case management. There are 19,048 people waiting to be connected with a community mental health service just in this city alone.

0950

Mr. Toby Barrett: These are adults?

Mr. Steve Lurie: Adults.

There are 13,677 people waiting for supportive housing. When the supportive housing wait-list was developed in 2009, there were 700 people on it. In 2012, it had grown to 5,000 and it's now, as I said, 13,677. It grows by 400 a month.

Mr. Toby Barrett: Back in 1979, those 3,000 psychiatric beds—how many do we have now?

Mr. Steve Lurie: We have, I would say, closer to 2,000 now.

Ms. Camille Quenneville: And many of those, if I could just add, who previously lived in those psychiatric hospitals, of course, are now in communities served by our branches.

Mr. Toby Barrett: Yes. In addition, in the community I represent, Haldimand–Norfolk, we have the local community mental health. We have adult mental health services; we also have children's mental health. You serve 500,000. How many are they serving? Any idea, within our communities?

Ms. Camille Quenneville: The children's sector?

Mr. Toby Barrett: And adult—the adult mental health counselling.

Mr. Steve Lurie: Again, the only statistics that we have available that are comprehensive are what the health ministry publishes through the health indicator tool. As I said, that's about 500,000 the last fiscal year.

The Chair (Ms. Ann Hoggarth): One minute.

Ms. Camille Quenneville: We're happy to go back and look, if you're looking specifically for your jurisdiction.

Mr. Toby Barrett: That's fine.

Mr. Steve Lurie: It was 441,000 in 2012. That's province-wide.

Mr. Toby Barrett: We recognize the need. In fact, we've indicated the need for an additional \$1.9 billion over and above what is being spent now. Less is going to the psychiatric beds, so my question is, will most of the new money go to personnel, to heat and plant and equipment and bricks and mortar? What percentage is going to go to administration, supervision? Just a quick answer on that.

Mr. Steve Lurie: Our administrative costs are 9%. Most of it would go to provide the service.

Mr. Toby Barrett: Okay. Thank you very much.

Ms. Camille Quenneville: And just in terms of our submission, we've asked for 3% in the coming year, Mr. Fedeli.

The Chair (Ms. Ann Hoggarth): Thank you very much. If you have a further written submission, it needs to be to the Clerk of the Committee by 5 p.m. on Friday, January 19.

Ms. Camille Quenneville: Thank you, Madam Chair.

NATIONAL COALITION AGAINST CONTRABAND TOBACCO

The Chair (Ms. Ann Hoggarth): Our next presenter is the National Coalition Against Contraband Tobacco. This round of questioning will come from the third party. When you get settled, if you could please identify yourself for the purposes of Hansard, and you may begin with your up-to-10-minute presentation, sir.

Mr. Gary Grant: Thank you, Madam Chair. I think I'm ready. It's nice to see most of you again. My name is Gary Grant. I am the spokesperson for the National Coalition Against Contraband Tobacco.

Should I start?

The Chair (Ms. Ann Hoggarth): Go for it.

Mr. Gary Grant: All right. Good morning again.

The National Coalition Against Contraband Tobacco is a Canadian advocacy group formed in 2008 with the participation of businesses, organizations and individuals concerned about the negative impact of contraband tobacco in our communities.

The coalition works to raise awareness among government and the public about contraband tobacco, as well as to encourage meaningful action. More information about the coalition can be found on our website, www.stopcontrabandtobacco.ca.

Ontario has the worst contraband tobacco problem in Canada, with about one in three cigarettes purchased in the province being illegal. In northern Ontario, the problem is even worse, with more than half of all cigarettes purchased being illegal. These contraband rates have remained consistent in the past number of years, despite the anti-contraband measures adopted by the government.

The government should focus on the below recommendations in order to get illegal tobacco under control before the problem grows even worse than it already is.

The recommendations include looking at the Quebec model and implementing an ACCES Tabac model with additional resources and funding for an OPP task force; collaborating with other governments to tackle contraband and taking into consideration the illegal tobacco situation when considering tobacco control policies; and placing a hold on planned increases of \$4 in 2018 and \$4 in 2019 until the contraband situation can be addressed.

While contraband tobacco is most seriously impacting Ontario, it is a national problem due in large part to the province acting as the origin point for traffickers to spread it across the country. Contraband cigarettes produced in Ontario have begun to be smuggled into other provinces, east and west. Police regularly seize illegal cigarettes produced in central Canada as they are smuggled into the Maritime provinces. New Brunswick has even seen the need to create a dedicated anti-contraband-tobacco task force.

Traffic in illegal cigarettes funds some of Canada's least desirable elements. The RCMP has said that contraband tobacco is a cash cow of about 175 organized criminal gangs who use the proceeds to finance their other activities—including guns, drugs and human smuggling.

Just last month, the RCMP and the FBI announced a number of arrests involving organized crime groups trafficking approximately three million illegal cigarettes, which were found alongside fentanyl, carfentanyl, heroin, cocaine and methamphetamine, as well as weapons. We have brought copies of a Toronto Star article detailing this event for each of you to review. It is clear from this and from news reports across the country that contraband tobacco is being used as a currency to fund other illicit activity with greater frequency. Given the severe impacts that the opioid crisis is having in the province and across Canada, it is essential that government take this issue extremely seriously.

While illegal cigarettes impact all provinces, Ontario is the epicenter of illegal cigarette manufacturing. Cornwall Island is at the heart of illicit cigarette production in Canada, with the RCMP identifying dozens of illegal cigarette factories operating on both sides of the border. More are located a short drive south of Toronto. In total, the RCMP have identified 50 illegal factories in Canada. A single factory can produce as many as 10,000 cigarettes a minute. That means millions of illegal cigarettes are produced in this province each year.

Preventing youth smoking and cutting off funding to organized crime are reasons enough for the government to take action, but there are also significant effects to the public purse. The Drummond report highlighted contraband tobacco as one of the areas that Ontario should address when battling the deficit.

In 2013, the Canadian Taxpayers Federation released a report estimating that the contraband tobacco trade in Ontario cost an estimated \$689 million to \$1.1 billion in lost tax revenue in 2011 to the federal and provincial governments. That's a lot of money, particularly in an era of fiscal restraint and budget tightening.

Every illegal cigarette sold in Ontario represents a loss to the provincial treasury. But the social harm is much more profound. Contraband brings with it troubling consequences that demand action.

So what can the government of Ontario do? You've made incremental steps towards addressing contraband tobacco in the past few years. Measures included the introduction of a dedicated anti-contraband-tobacco enforcement unit and further enhancing regulations regarding raw leaf tobacco, but these steps are not enough. Contraband incidence has remained virtually unchanged in the province and even increased in some parts. If anything, the government's decision to raise tobacco taxes in the last budget by \$10 over three years has only made the contraband market more lucrative.

Ontario should recognize that its illegal cigarette problem makes a mockery of its other tobacco control efforts. Rules, regulations and pricing are ineffective if the illegal product is readily and cheaply available. Ontario should postpone the implementation of further planned tobacco tax increases until such time that the contraband tobacco trade is mitigated. If price is a deterrent to smoking, the province should also target the cigarettes that are cheapest and easiest to get, the contraband. Raising the cost of the legal product will only make illegal cigarettes more attractive to smokers.

The province should consider the average price that smokers pay for cigarettes, not just the legal price, when measuring deterrent effects. The easiest way to do this is to make contraband harder to get, and there are a number of ways to achieve this. Most essential is enforcement. Ontario has to only look one province east to see what has worked. Quebec has adopted proven, cost-effective and uncontroversial measures to reduce the incidence of illegal cigarettes. There, starting with 2009's Bill 59, law enforcement, including local police and provincial police, were given the tools to investigate and prosecute

contraband tobacco offences. They were also provided the resources to do so, with dedicated funding through the ACCES Tabac program. As a result, Quebec has reduced contraband by 50% and, in 2015-16, generated \$180.6 million in revenues because of these programs. Prior to 2009, Quebec had the same problem as Ontario.

Ontario has waited too long to adopt these sensible, effective measures. The longer it avoids taking action, the longer it lets money flow freely to organized crime groups.

Laws that people are unaware of don't have much effect. Ontario would do well to increase public awareness and enforcement of these fines in areas where contraband sales and use are most prevalent. Public awareness should not only highlight that the laws exist, but also the enforcement and the penalties that are possibly going to be accrued.

1000

There's also clearly confusion among members of the public about what is illegal and what is not, especially as it relates to tobacco tax stamps. More and more, contraband tobacco is sold in branded packs that look like the legal product, and many Ontarians have a hard time spotting the difference between what is legal and what is not. To help clarify, the government should create an awareness campaign that helps consumers differentiate between legal and illegal products, including how to identify which stamps have all taxes paid and are not subject to fines for possession.

This confusion will only increase as the federal government pursues the introduction of plain packaging of tobacco products, enabling legislation which is currently being considered by the House of Commons. When all products look the same, it's even harder to tell legal from not. Already, contraband packages avoid various Canadian requirements.

Plain packaging will also create a market for counterfeit tobacco products that does not currently exist. Any change to tobacco packaging should be preceded by meaningful action against contraband. Reducing the availability of illegal cigarettes will enhance the effectiveness of other tobacco control measures, including redesigned packages. While packaging regulations are a federal responsibility, Ontario will bear the brunt of a contraband increase.

Finally, all governments must work together on this issue. We would encourage Ontario to ask the federal government to make contraband tobacco a priority in their tobacco control efforts. On matters such as awareness of what illegal products looks like, regulation of tobacco manufacturing materials and cross-jurisdictional enforcement, there is a clear role for the federal government to play.

The coalition's mandate is to encourage action on Canada's illegal cigarette problem, and Ontario, to date, has been unable to properly address its illegal cigarette problem. This experience can offer a number of important lessons for the province—

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Gary Grant: —as it considers how to regulate legal marijuana. Additionally, there are a number of proposed solutions to the marijuana challenge that can and should be adopted.

The scale of addressing newly contraband marijuana will be immense. It will necessarily require a dedication of resources and effort. However, the contraband challenge is already extremely large.

Ontario cannot let marijuana enforcement minimize its contraband tobacco enforcement, and while one is being priced to prevent the black market and the other is allowing price to allow the black market to flourish, there should be some consistency.

In conclusion, the trafficking of illegal cigarettes is a scourge on our communities. It funds organized crime. It facilitates youth smoking. It shortchanges taxpayers a phenomenal amount of money. The move towards plain packaging will undoubtedly make things more difficult for the government, particularly in terms of enforcement.

There are clear and straightforward steps that Ontario can take to address this problem, which will hurt organized crime, make our communities safer and help the budget's bottom line. The only loser in the equation would be the criminals who are involved in the trade.

There are the last couple of pages that I couldn't get to that I would hope you would read, as you all have a copy of this. I'll close now and take any questions you may have. Thank you.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Vanthof.

Mr. John Vanthof: Thank you, Mr. Grant, for your in-depth analysis of a problem that I think you would probably agree that very few people in the general public are aware of. Just from personal experience, coming from northern Ontario, I'm aware of this issue, but I have never had anyone come to my office to complain about this issue—because the people who are buying cigarettes aren't going to complain. But it's obvious that the problem is there. Every year, we read about it in the budget.

What are the roadblocks that seem to be stopping the government? Obviously, in Quebec they have taken action. What are the roadblocks, in your opinion, that are stopping Ontario from—

Mr. Gary Grant: My background on this comes from 40 years as a Toronto police officer. Most Canadians don't smoke, which is why a lot of people don't know about it.

Obviously, when organized crime is coming into a community and we're losing a lot of money, it's bad for the community.

One of the problems is, of course, the implementation, the allocation and the difficulty of resources to go to police to address these problems—which is why the Quebec model is so important. ACCES Tabac is a government-funded program that encourages renewed enforcement, continual enforcement, not just once in a while. A lot of that comes from the fine money and seizures that are taken and funnelled into more contraband investigations.

It's difficult to enforce these things. Even some of the police services that I talk to aren't aware of the scope of the problem. I think that's why the awareness campaign has to come in as well.

Mr. John Vanthof: You have a long history in the police force. The way our system is set up, would it be possible for us to implement something—maybe not a carbon copy of what they do in Quebec, but something similar? With our structure, is it possible?

Mr. Gary Grant: It would be very easy. During my time in policing, one thing we were always told is, "If you're trying to address a problem, look at best practices throughout Canada in other police services. Take a look at the best practices and what they are doing."

I will say that, for the last three, four or even five years that I've been coming in front of committees and talking to government agencies and whatnot, I've continually suggested, "Why not look across that imaginary border to Quebec? How hard could it be to take a look at what they've done in Quebec to such resounding success?" So far, there has not been any traction on my request.

Mr. John Vanthof: It was interesting, your comparison with the upcoming regulations on the legalization of cannabis. Do you think, with the government, the way they've been treating contraband tobacco, we presently have the capability to work against contraband cannabis?

Mr. Gary Grant: I certainly think you do. I think the province of Ontario is still—you've got the law enforcement agencies in the province of Ontario, and the government is still one of the most effective law enforcement agencies in Canada. If given proper resources—i.e., if you have nine people in the anti-contraband task force now and all of a sudden the boss comes in and says, "By the way, you've now got 4.5 people working on contraband because the other 4.5 are going to work on marijuana," that will lessen the impact. Particularly in the Quebec model, all municipal services are allowed to do this enforcement as well. I think we certainly have the capabilities.

Mr. John Vanthof: I probably used the wrong word. Do we currently have the willingness to do this? Are we committed?

The Chair (Ms. Ann Hoggarth): One minute.

Mr. John Vanthof: Do you feel we're truly committed to tackling the contraband tobacco issue in Ontario?

Mr. Gary Grant: I think the first thing we would do before we take stronger measures on enforcement—the issues that encourage smokers who are hooked to go to contraband are when prices become really high, tax increases happen, plain packaging happens, and it becomes more confusing for the buyer. In my policing career, any time there's a void or there's some impediment to a legal market, the black market will always win out. I just think we have to be cognizant—I'm all for stopping smoking and I'm all for youth cessation of smoking, but I'm also saying that it's naive to think that you can continue to target regulated products while the unregulated products go unchallenged.

Mr. John Vanthof: Thank you very much for your advocacy.

The Chair (Ms. Ann Hoggarth): Thank you very much, Mr. Grant. If you have a further written submission, if you could have it to the Clerk by 5 p.m. on Friday, January 19.

Mr. Gary Grant: Thanks very much.

The Chair (Ms. Ann Hoggarth): At this time, the committee will recess until 1 o'clock in this room. That's a change; usually it's 2 p.m. So make sure your calendars have 1 o'clock.

The committee recessed from 1008 to 1300.

The Chair (Ms. Ann Hoggarth): Good afternoon. We're meeting here today to hold pre-budget consultations. Each witness will receive up to 10 minutes for their presentation, followed by five minutes of questioning from the committee.

Are there any questions before we begin? All right.

ONTARIO NURSES' ASSOCIATION

The Chair (Ms. Ann Hoggarth): I'll call the first witness, and it is the Ontario Nurses' Association.

Good afternoon. If you could please, once you're settled, give your names for the purposes of Hansard, and your 10 minutes will begin.

Ms. Cathryn Hoy: Thank you. Good afternoon. I'm Cathryn Hoy, a registered nurse and the vice-president, region 2, for the Ontario Nurses' Association, or ONA. With me today is Lawrence Walter, ONA's government relations officer.

ONA is Canada's largest nursing union, representing 65,000 registered nurses and health care professionals, as well as more than 16,000 nursing student affiliates, providing quality patient care each and every day across the health care sector.

In a speech from the health minister at our recent convention in December, we were very encouraged when the minister said that more registered nurses are needed in every sector of our health care system. We wholeheartedly agree.

Unfortunately, at the moment, Ontario's registered nurses feel under attack in their workplaces. Funding models are driving decisions to eliminate and erode the RN positions. These decisions are based on balancing budgets and are not based on the clinical needs of our patients and their rising acuity.

The ratio of RNs to population in Ontario is the lowest in Canada for the second year in a row. That's sad. Ontario has 703 RNs per 100,000, compared to 839 RNs for 100,000 people in the rest of Canada. The difference creates a significant gap in RN care for Ontario patients. We would require 19,126 more RNs just to catch up to the rest of our own country.

This afternoon, I want to focus my remarks on the dire need in this budget to fund more RN care in our hospitals, our community sectors and in our long-term-care homes.

In 2016 and 2017, Ontario budgets finally recognized that hospitals were being starved for funding after many

years of 0% increases. Two years of very modest increases for hospitals, however, do not replace the 10 years of funding hospitals at less than the actual cost pressures that they faced each and every day. Therefore, we are first asking for a 5.3% increase in hospital base operating funding, to cover the full costs of inflation, population growth and aging, plus increasing demands for hospital services.

We were very encouraged by the health minister's revamping of the nursing graduate program in 2017 so that the funding is no longer available to hospitals where they were having nursing reductions or where nursing reductions were anticipated. We are now looking to the health minister to take the same hands-on role in the staffing decisions that are being made by the hospitals to balance budgets.

Second, we are calling on the health minister to issue a directive to all hospitals, to ensure that hospitals make appropriate, evidence-based decisions on nursing staffing that will not negatively affect patient care. There is extensive and compelling literature on the relationship between higher RN staffing levels in hospitals and improved patient outcomes, which in the end saves money.

We urge the health minister to define the role of RNs in this vision for patient-centred care in Ontario. The Auditor General identified high-risk nurse-to-patient ratios in Ontario hospitals in her 2016 annual report. She cites the comprehensive research showing that every extra patient beyond four patients added to a nurse's workload actually results in a 7% increase in risk of death. That's significant. In fact, lack of funding was the precise reason hospitals gave for their extremely high and risky nurse-to-patient ratios.

The Auditor General noted that savings can be found by appropriate RN staffing decisions by hospitals. In addition to the impact on the quality of care for our patients, high patient ratios mean higher overtime costs and higher sick leaves, because of the extensive wear and tear on the existing nursing component.

In addition, RNs' share of nursing employment in Ontario has been falling significantly over time, from 75.4% in 2003 to 69.8% in 2017. Replacing RNs with less-trained staff is not cost-effective, as identified by the Auditor General, when the impact on patients is taken into consideration. Along with the directive from the health minister to all hospitals and increased base funding for hospitals, therefore, ONA is calling for an immediate moratorium on further cuts to invaluable cost-effective RN care.

Third, we are calling for funding: a four-year plan targeted to reduce the significant gap in the RN population ratio between Ontario and the rest of Canada.

Fourth, we are calling for the government to move forward to a fully integrated public home care system that integrates the delivery of home care services with care coordinators in the LHINs. Combining the delivery of home care services with care coordinators in the LHINs eliminates the duplication of costs of managing the contracts and for-profit home care agencies, provid-

ing cost savings from the elimination of for-profit home care systems that can be reinvested in more front-line home care services.

Fifth, ONA is recommending that the government implement and fund a regulated minimum staffing standard of an average of four worked hours of nursing and personal care per resident per day, including 48 minutes of RN care per resident per day.

Sixth, ONA is calling on the government to fund the implementation of all the 2017 recommendations coming from the Workplace Violence Prevention in Health Care Leadership Table. We have set out the minimum standards that must be top priorities for the government in 2018: safe RN staffing levels, appropriate security staffing, use of best practices for training, accessible panic alarms linked to security, and electronic and visual alert systems for flagging potential violent patients.

Nurses know that appropriate enforcement mechanisms, regulations and legislative action will be essential to improve the safety of Ontario nurses and will go a long way to preventing the rising rates of lost-time injuries for health care workers that arise from incidents and workplace violence, and it is out there. Nurses know that we can do better in Ontario. We set out a course of action for the government to do the right thing, so that increasing acute patients receive the care they need and they deserve. Thank you.

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The Chair (Ms. Ann Hoggarth): Thank you. This round of questioning will be done by the government. MPP Baker.

Mr. Yvan Baker: Thank you both for coming in to speak with us today. First of all, I completely appreciate the important role that RNs play in our health care system. I've had the opportunity, since being elected about three and half years ago, to visit the health care facilities that are either in my riding or that serve my community, and I've had the chance to tour the local hospital with some RNs, actually, so I've really had the opportunity to understand the work that they do from their perspective. I wanted to say that, first of all, to share with you that I understand that and appreciate it and to thank you.

I know that recently we, the government, amended the Nursing Act to give RNs the ability to prescribe medication. I know the College of Nurses of Ontario is currently doing further work. We expect that to be implemented in the near future. Could you just speak to why that's important?

Ms. Cathryn Hoy: In my hospital, we have not seen that yet. The hospitals are overcrowded. They're overflowing. I don't know if the average Ontarian really understands what it's like. When they will have the right to do prescriptions, maybe we can move patients out of hospitals quicker, if there are directives there that they can follow. Really, I don't know how we'll see that impact and how it will affect the hospital setting. Our acuity is just so high. We are just so full. Our population growth far exceeds the hospital beds in our province. It

may actually add to the RNs' workload, that this will now be another expectation for them, to move people in and out of hospital.

Mr. Yvan Baker: One of the issues I know that you've been working on with the government is the issue of workplace violence. I know that there's a workplace violence prevention leadership table that's in place. I know that ONA is a partner and sits on the executive of that table. I know that there was a progress report of 23 recommendations, if I'm not mistaken, in the spring. I know that we're now in the process of implementing those recommendations. Again, can you share with me why that's important, both to you and to patients?

Mr. Lawrence Walter: As you may know, if nurses and other health care workers aren't safe, then, obviously, the patients that they care for can potentially be compromised as well and get caught up in that situation, in violent incidents in hospitals.

Yes, ONA was a participant in the leadership table, and the work will carry on this year. You'll see in our submission that we've set out some of the top priorities of the recommendations to be implemented that we think will go a long way towards resolving and preventing some of those incidents of workplace violence. We hope that the government will put some funding in the budget this year to move some of those recommendations forward.

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

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Yvan Baker: Recently, the government announced the action plan for seniors. This includes the commitment to increase staffing levels in long-term care. Can you tell me a little bit, in the 30 seconds or 40 seconds we have left, about how RNs can support better quality of care in long-term-care homes?

Mr. Lawrence Walter: As in the other sectors, like hospitals and community care, the residents coming into long-term-care facilities—their acuity is rising as well, because the whole point is to try and move patients who previously would have been in acute care in hospitals into other settings, like community care and long-term care.

With that rising acuity of residents in long-term care, there's a need for the skills and assessment skills, in particular, of RNs. So that's why we're asking for 20%—four hours of personal care—

The Chair (Ms. Ann Hoggarth): Thank you.

Mr. Yvan Baker: The Chair is very strict.

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a further written submission, it needs to be to the Clerk of the Committee by 5 p.m. on Friday, January 19.

Mr. Lawrence Walter: Thank you.

ONTARIO GOOD ROADS ASSOCIATION

The Chair (Ms. Ann Hoggarth): I call our next presenters: the Ontario Good Roads Association.

Welcome. Once you get settled, if you could give your names for the official record, and your 10 minutes will begin.

Mr. Scott Butler: My name is Scott Butler. I'm the manager of policy and research for the Ontario Good Roads Association.

Mr. Ken Laupé: My name is Ken Laupé. I'm manager of road operations for the city of Brampton, and I'm also the OGRA president.

Mr. Scott Butler: In coming here today, we are really coming with one simple—well, simple for us, complex for you—request in mind that we'd hope would be factored into deliberations when the budget is being developed for next year—

Interjection.

Mr. Scott Butler: Pardon me?

Mr. Gilles Bisson: Upload those roads?

Mr. Scott Butler: Well, that wasn't really what we were talking about, but if we want to begin that conversation—no, we wanted to talk about asset management planning at the local level.

We have been advocating for this for a long time. We applauded the government's decision to mandate asset management planning for local governments back in 2015. We have been intimately involved with the creation of the regulation that is poised to come forward any day now—the final version of that regulation.

What we've noticed over the last little while, through conversations on the regulation development, through conversations that our board of directors has had, and through conversations we've had with our members, is that there is considerable—I don't want to say it's anxiety, but there's considerable concern about how governments are actually going to be able to satisfy the prescriptions contained in that draft regulation. There are some new components to that regulation that municipalities, even large municipalities like Toronto or Hamilton, currently aren't doing in their asset management plans, and they are going to be obligated—all municipalities in the province of Ontario will be obligated—to abide by them.

In particular, there are a couple of departure points. One is incorporating levels of services; another one is looking long-term at incorporating the impacts of climate change on local infrastructure.

Those demands are being offset by the fact that approximately, say, a quarter of municipalities in Ontario are under the gun in terms of generating revenue. If they raise property taxes by 1%, they generate approximately \$20,000 in revenue.

We at OGRA began a process, when we saw the regulation coming forward, to stress-test some of the realities. We have engaged a number of our members, approximately 50 municipalities representing a cross-section of geographic, municipal size—a whole series of different considerations—to see what the implications of that regulation are going to be.

What we found is that there is a deep understanding and appreciation for what the province is trying to do

with this, and there is considerable concern about their ability to be able to satisfy those objectives.

When we looked at this and we began talking to those members about what would be required to modify their asset management plans, and what would be required to modify their processes internally to satisfy those asset management prescriptions, they talked about the fact that they needed to perhaps collaborate with neighbouring municipalities to hire staff; they might need to engage third parties to do some engineering work; or they might need to make some investments in software.

We've been pushing the province to do this. We think there's a fairly strong rationale for looking at a predictable, sustainable funding arrangement between the province and local governments, to allow municipalities to satisfy all of the conditions that are going to be contained in that regulation.

The municipalities, for the most part, are doing some of this work already, but we realize that workload is about to increase. We think it's a benefit: The public good is going to be served by making sure municipalities are compliant with that. We also recognize that the burden that is going to be assumed by municipalities, in terms of satisfying the regulation, is going to provide some tangible benefit to the province. We think that's a strong basis for ongoing provincial investment into this process.

With that in mind, we would ask that you would consider and continue to engage the municipal sector to look at what those needs are at a local level and how a partnership between the provincial government and local governments can be structured in order to satisfy a need at the local level, to make sure we're good custodians of the assets that we have, while at the same time providing the province with the knowledge they need in order to make decisions strategically in terms of the investments they are putting forward in their long-term infrastructure plan.

That's all I have.

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The Chair (Ms. Ann Hoggarth): Thank you. The questioning will be from MPP Fedeli.

Mr. Victor Fedeli: Thank you very much for your presentation. I'm going to get to the specific question about asset management plans in a second, but I was just struck by something you said, that a 1% tax increase would bring in—how much did you say?

Mr. Scott Butler: For about a quarter of municipalities, that's \$20,000 or less. If property taxes go up 5%, they generate \$100,000.

Mr. Victor Fedeli: I know, as a former mayor of the city of North Bay, a 1% tax increase would bring in more than a million—it's \$540,000 every 0.5%—somewhere in that million-dollar range. It's interesting that there's such a difference when you look at the smaller rural and northern communities, compared to the larger urban centres, and what that means.

Mr. Scott Butler: Yes, and our request isn't for—with all due respect to the city of Brampton, our chair-

man happens to be employed by them—we are less concerned about those large municipalities that have some capacity. Where we really want to focus and where we're hearing concern is from those smaller communities, the 375 that currently receive OCIF funding. They are quite concerned about how they're going to be able to comply with the regulation.

Mr. Victor Fedeli: In my area, my riding of Nipissing, I serve with 11 mayors: 10 rural and one urban. We collected the 10 rural mayors this summer for a summit at my home, actually—breakfast, lunch and dinner. You talked about something that we ended up doing: The mayor of one of the communities said, "All right, we'll hire the next inspector and we'll do it on a cost-sharing." The next mayor said, "We'll hire the fire inspector, the fire trainer that all of us are mandated to take, and we'll split the cost." The next one said, "We'll hire the chief building officer and share the cost." Is that something you'd advocate for, or is that something you're saying is not good if that happens?

Mr. Scott Butler: No, no. I think that there is some merit in that approach. We know it's happening already. What we're seeing, though, is that the knowledge or the expertise that you need to be able to do asset management planning effectively isn't necessarily something that is easy to hire, and when you do find somebody, it tends to be expensive. I know, for instance, in your riding a number of municipalities share an engineer. It's a perfectly reasonable approach. I think it provides some efficiencies, it ensures that everybody has access to those services and programs that they need, and we would advocate for that in a heartbeat. It's only a good, prudent approach.

Mr. Victor Fedeli: Your member Rick Champagne—his mayor, Bill Vrebosch, was at the summit and they basically agreed to do one of the hirings that will be necessary.

What do you think we should do about these asset management plans and what are you asking us to do differently, then, when we leave this room? What's the one take-away that we can do differently?

Mr. Scott Butler: Well, I'm not sure that I would—I wouldn't advocate for doing anything differently.

Mr. Victor Fedeli: Because, I mean, it could be the funding, it could be the timing, just something—what's your ask, I guess?

Mr. Scott Butler: Right. We did a stress test. We created a hypothetical small town in Ontario with very simple assets: simple roads, simple bridges and culverts, some basic water facilities. They're going to be on the hook in terms of actually doing that asset management planning process. Just the cost associated with that is going to run in the neighbourhood of about \$400,000 a year over 10 years.

Mr. Victor Fedeli: What size is that hypothetical community?

Mr. Scott Butler: It's a generic community. We'll say 10,000 people.

Mr. Victor Fedeli: And it's that much for—

Mr. Scott Butler: Yes, well, you're doing road inspections, bridge inspections, you have water mains—there's lots of stuff.

What we're looking at is a partnership. Municipalities are absorbing that cost already. We think that the quid pro quo in this is you get knowledge that you need to be able to make better decisions here, and municipalities get the forward guidance they need at the local level by having this plan in place. That forms the basis of a rationale for jointly funding this process.

Mr. Victor Fedeli: Well, there's a need. I think I told you last year when you were here—I can't remember if I did or not. When we tore up Fisher Street in North Bay, we pulled out a 20-foot section of wood: a barrel stave style of sewer line that was 20 feet long, all wood with metal wrapping. It still worked.

Mr. Ken Laupé: If I could also add, through you, Madam Chair, the city of Brampton, as big as it is—and we do have an asset management plan in place—has created a separate asset management department. We've had to bring in some international expertise that we hope to make part of our university. That works for a city of 650,000 people.

One of the takeaways, I would hope, from our discussions today is: How can a province and even OGRA assist the smaller municipalities in establishing an asset management plan? I suspect, talking to my counterparts—

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a written submission, it needs to be to the Clerk of the Committee by 5 p.m. on Friday, January 19. Thank you very much.

Mr. Ken Laupé: Thank you.

Mr. Scott Butler: Happy holidays.

The Chair (Ms. Ann Hoggarth): Same to you.

CANADIAN FEDERATION OF STUDENTS—ONTARIO

The Chair (Ms. Ann Hoggarth): Calling the next presenter: the Canadian Federation of Students—Ontario. When you're settled, please give your name for the purposes of Hansard. You may begin your 10-minute presentation.

Ms. Nour Alideeb: Wonderful. My name is Nour Alideeb. I would first like to begin by thanking you all for allowing me to speak today.

As I mentioned earlier, my name is Nour Alideeb, and I'm the chairperson for the Canadian Federation of Students—Ontario, the largest and oldest student-run organization in the province. I have the privilege of representing over 350,000 students across the province of Ontario.

I'm here today to advocate for the renewal of public funding for public services that our students heavily rely on here in this province. Our 2018 budget document calls for fairness for students, with increased funding for a better 2018.

The provincial and federal governments have a joint responsibility to ensure that public services remain just that: public. A continued partnership with both levels of government is paramount. But first, I would love to see a strong commitment from our provincial government in demonstrating a need for public dollars to fund public services.

The first thing I'd like to start off with is fairness in tuition fees for Ontario students. One of our first priorities as an organization is alleviating the cost associated with tuition fees. The release of the 2017 Ontario budget announced OSAP+ for households making less than \$50,000 a year. This program began in September 2017 and has been greatly successful, considering that over two thirds of college students have had their tuition fees covered.

This plan from the provincial government is an amalgamation of previous grants all into one grant. This has not actually reduced the cost of tuition fees and unfortunately has not provided additional funding to the sector. Ontario has the highest tuition fees in the country and, as such, is the most expensive province for post-secondary education.

Therefore, the federation would like to recommend a cost-sharing model between the provincial and federal governments in order to adequately fund our public colleges and universities. This increased funding will allow for a reduction and elimination of tuition fees for all students in the province of Ontario.

The next thing we would like to talk about is fairness in the quality of education. As our institutions struggle to balance their budgets due to the lack of adequate funding from the province, students can feel the effects of these shortfalls in and outside of the classroom. Ontario has the highest student-professor ratio in Canada, creating a situation whereby professors are often overwhelmed by the number of students in the classroom and are unable to give adequate attention and support to those students in order for them to succeed in their academic careers.

Lab assistants, teaching assistants and research assistants try to offset the high student-professor ratio by providing student support outside of lectures. However, due to the lack of proper funding from the government, these positions are often precarious and unstable. It is, unfortunately, no surprise that our college faculty went on strike. As students, we know that the working conditions of our instructors, professors and teaching assistants are plummeting, but it's crucial to see the connection between student learning conditions and faculty working conditions. Providing funding to the post-secondary education sector is much needed.

The federation would like to recommend that there be proportional faculty representation pegged to student enrolment to ensure that our learning conditions are equipped with the supports needed to succeed. In addition, we would like to recommend that college and university administrative salaries be capped so that additional money can be reallocated to faculty funding and support.

Let's shift a little to our graduate students. They are the heart of innovative research and projects that are integral to enhancing our economy and community, but unfortunately, chronic underfunding to our post-secondary institutions has forced graduate students to seek funding from private sectors. The presence of private corporations funding our research projects can actually threaten the integrity of the research that is accomplished. The federation would like to recommend increased funding for graduate studies to ensure and secure the highest quality of research possible.

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Ontario graduate scholarships and funding only reach 5% of graduate students in the province. So to address this financial gap, the federation would also like to recommend introducing a system of post-residency fees for graduate students so that when they are writing their thesis, they're not also charged tuition fees for the amount of time that they are away writing that thesis.

I would like to touch on the importance of our French-language education and promotion. As a province that is committed to bilingualism, and with an increasing demand in the job market to be able to read, write and speak French and English, it is imperative that our education system equips students with high-quality bilingual education.

The federation recognizes the efforts of the province to make French education more accessible by opening a satellite campus in Toronto. However, due to current funding for our post-secondary institutions, this actually pits a lot of existing francophones and bilingual institutions against each other as they try to secure long-term funding. It's critical for the government of Ontario to prioritize and recommit to the protection of French-language education by investing new funds into bilingual institutions in order to create more accessible French courses for our students who intend to study bilingually. For those students in Ontario who are able to access French-language education from kindergarten to grade 12, there are few supports and mechanisms to ensure that that education is high-quality.

Let's shift focus to our international students. The federation would like to recommend again the re-integration of international students into the Ontario Health Insurance Plan, after they were removed in the 1990s. International students contribute over \$3 billion annually to Ontario's government through consumption, taxes and working, and the vast majority of international students remain after their studies here, to live in Ontario. But provinces such as British Columbia, Manitoba and Nova Scotia all cover international students under their public health programs. So in order for Ontario to remain competitive and continue to be seen as an attractive destination for international students, we must integrate them into the OHIP system, with no premiums and a three-month wait period, consistent with all new residents to Ontario.

I'd like to end with mental health supports for our students. The availability of consistent and adequate

mental health supports on campus has been a growing issue for students across the province. Campus supports have long wait times and are consistently understaffed, making it a challenge for students to access the resources when they need them.

A commitment to combat the stigma associated with mental health is one that is a principle of the federation, and we feel that our institutions and government must help combat this stigma in an effort to provide a successful, healthy and educated population.

Similar to the work that we had done with sexual violence and harassment through the Ministry of Advanced Education and Skills Development, the federation would like to recommend the creation of a new division within the ministry to focus solely on the development and implementation of standardized mental health policies and supports for our institutions across the province. This division would include stakeholders such as students, administrators, staff and other campus community members, to ensure that campaigns and services targeted to improving mental health services are (1) encompassing of our students' unique realities, and (2) effectively implemented.

For now, that is all until January when you receive the written submission, but I just want to say thank you so much for taking the time to hear from us, and I look forward to your questions.

The Chair (Ms. Ann Hoggarth): Thank you very much. This round of questioning is for the third party: MPP Bisson.

M. Gilles Bisson: Parlez-vous français?

Ms. Nour Alideeb: A little bit. I can understand better than I can speak. That's a product of the education system.

Mr. Gilles Bisson: Just on the francophone university issue, I'm obviously supportive of the initiative. It's something that the community, something that we and others, have been pushing along with the government for some time. However, the model that has been selected, as far as limiting what it is that they can offer and where they can offer it—I'd just like to have your thoughts on that. I come from a place where we have a francophone university, l'Université de Hearst, in Kapuskasing, Hearst and Timmins, of which my daughter is an alumni and is now there actually on that payroll at the University of Hearst.

Just your thoughts: Did we do the right thing here but kind of miss the boat in the sense of really offering all students across Ontario access to post-secondary education, and should we have partnered with the existing institutions, such as Hearst?

Ms. Nour Alideeb: I think that the intention was good. I think maybe the execution could have been better if we had collaborated with the institutions that already exist, so we can find out: What are they missing and why is it so difficult for them to retain students, to keep them in their programs? Is it because they're northern institutions? Is it because of what they have to provide? Or is it really just no interest, and we need to support the individ-

uals in hubs like Toronto? I think it should be something across the board. But we need to work with institutions that already exist, because they are suffering from lack of funding, they are suffering from retention of students and a number of different issues. To properly assess that situation, we have to work closely with them.

Mr. Gilles Bisson: As you've touched on in regard to foreign students in the system, a lot more students are coming in from abroad. In fact, l'Université de Hearst in Timmins has just bought a residence. Essentially, we're catering to Africa. A lot of French-speaking people from Africa are coming to Timmins, Kapuskasing and Hearst.

As a northerner, I look at, are we kind of missing the boat to a certain degree by not making people know as much as they need to—that they don't have to come to Toronto; that they don't have to come to Ottawa; that there are other places in Ontario that offer a French environment and a French university? Should we be doing more?

Ms. Nour Alideeb: I definitely think that our communication strategy for students who are looking to study in Canada and in Ontario could be better, just so that they know exactly what they're coming to when they get here. We've had a number of students who go to northern Ontario and are shocked as to what they imagined it to be—or students go to the University of Ottawa and expect that their courses will be provided solely in French, and then find out that some of their courses are in English and only some of their courses are offered in French.

M. Gilles Bisson: Come to l'Université de Hearst, et c'est tout en français.

Ms. Nour Alideeb: Yes, which I think is amazing. But it's something that we should standardize across the board, and our communications could do that.

Mr. Gilles Bisson: It's just one of my bugaboos. Northern Ontario was built on immigration. Unfortunately, it was immigration from a different era. It was mostly European: Italian, Polish etc. Now the immigration patterns are coming from elsewhere, and we're not saying, "Here's a place that you can come to, establish your family and make a life for yourself"—and that we don't end up having everybody come into the same area.

I hear you in regard to the policy that was announced and in regard to tuition fees, but from what you're saying, it's not as effective as it could have been.

Ms. Nour Alideeb: I think it was a great step in the right direction, and it is years of work about discussing the issues of tuition fees. But there are still some missing parts, such as that our part-time students and our international students are not able to access it. For example, at the University of Toronto, where their tuition fees are over the average tuition fees in the province, for most students it doesn't cover the entire amount that they have to pay off, so they have to find different ways to make up for it. So I think that we can continue to work together to ensure that everyone is included in it and that all of our tuition fees are covered.

Mr. Gilles Bisson: I'll just end on this: I support what you were saying in regard to the strengthening of our

public services, because the more they deteriorate, I think the worse it becomes.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. You said you were going to have a written submission. It needs to be to the Clerk of the Committee by 5 p.m. on January 19.

Ms. Nour Alideeb: Perfect. Thank you so much.

ONTARIO COALITION FOR BETTER CHILD CARE

The Chair (Ms. Ann Hoggarth): Our next presenter will be the Ontario Coalition for Better Child Care.

Good afternoon. Once you get settled, please give your name for the purposes of the official record, and then your 10-minute presentation will begin.

Ms. Laurel Rothman: Thank you. I'm Laurel Rothman. I'm the interim coordinator of the Ontario Coalition for Better Child Care. With me is one of our key members. I'll let her introduce herself.

Ms. Brooke Richardson: I'm Brooke Richardson. I'm currently president-elect of the Association of Early Childhood Educators Ontario.

Ms. Laurel Rothman: You probably know who we are. We're the central advocacy group for a universally accessible, high-quality system of early childhood education and care. We've been around since 1981. Our members are broad: early childhood educators, parents, local groups, centre directors, social activists and many others across communities. Mostly, we're people who care about child care.

We have a number of specific asks, but I thought I'd set a bit of a context. Last year, in our submission, we highlighted what we called a silent crisis in child care of unaffordable fees and inaccessible and unavailable services. I think it's fair to say that with the June 27 announcement of the five-year action plan to expand child care by 100,000 spaces, the conversation has changed. For that we're most grateful, and are in the conversation with many of you, as many ministries and community groups are.

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The action plan outlined seven areas of action. Currently, there's work under way to address affordability, workforce issues and access, and we're pleased about that. Specifically, the municipalities are putting in place and using those first 24,000 spaces and the \$200 million that was in the last budget.

Two specific things are also happening: Dr. Gordon Cleveland is doing an affordability study, which will lay out some options to make child care more affordable, and there is an external consultant assisting with a large group of stakeholders, including ourselves, to develop a workforce strategy. So things are lining up in the right direction.

I don't want to forget that there's a key economic rationale involved in child care, as well as, of course, the very important benefits for the well-being and development of our youngest children, to assist in poverty

reduction and to help with social solidarity and gender equality. Funding child care makes economic sense. I won't repeat everything, except you know that one of the real lessons of the Quebec experience—which is certainly not perfect—is that as it makes child care affordable and more available, women are entering the workforce and they are paying taxes, and that program is actually generating at least \$200 million in excess of its cost. The citation for the economic study is there. We think there are lots of good reasons to move forward, and Ontario's Gender Wage Gap Strategy Steering Committee also recommended that.

Let me say at this point in time that the claim is that we're going to have a transformative approach, and we support that. We think we have to go from a disorganized market approach to a more planned system of child care. We're optimistic, but that means three things have to happen at once.

There are three pillars that require action: affordable fees for parents, which will be made possible by substantial operational funding of programs; decent work with professional pay and recognition for early childhood educators and staff—and Brooke's going to talk more about that; and expansion limited to the non-profit and public sectors that provide efficient and accountable services. We're pleased that that's part of the direction that has been announced.

All of those three things have to happen because they're linked, to try to say it succinctly. In a child care budget, the only source of revenue is parents' fees, and the overwhelming costs are staff, human services costs. They go together. If parents aren't paying the fees, then we need that important assistance from public policy and public funding. The third thing that has to happen is, as that affordable child care becomes known, it becomes in greater demand, and we need to continue to expand the services.

Maybe what I'll do is I'll give you our asks, and then Brooke will talk and we can have time for questions, if you wish.

What we're saying is that the affordability crisis is critical. We're glad for and we support the study of the external consultant, but we want to see money in the next budget. We're suggesting you begin the transformation with providing operational funding for all licensed infant and toddler spaces and child care centres on the one hand, and on the other hand, establish a sliding-fee scale for everybody to collect back parental contributions. We're not setting a limit. We're saying you could, for example, use the rule of thumb that Scotland is going to use and that the US has talked about, which is that people with low to modest incomes—we'd suggest \$40,000—don't pay any fees directly; people above that would pay—perhaps, one idea would be—up to a maximum of 10% of their income.

We're looking to make that transformation in the first year. We're recommending an allocation of \$600 million for this down payment on affordability. We're also asking for a commitment of \$375 million as a first step to

create a province-wide wage scale for early childhood educators and child care staff, who would have an entry-level salary of \$25 an hour, quite commensurate with what others with post-secondary credentials have.

I'll stop there. Thank you.

Ms. Brooke Richardson: That's a good place for me to pick up.

I'm Brooke Richardson. Today I'm here representing the AECEO. I'm also a professor at Ryerson in the early childhood studies department.

I want to talk specifically about the workforce, because I feel this is an essential component of moving the child care system forward in terms of transformative change.

We know that decades of research unanimously reveal that stimulating, innovative learning experiences that occur within responsive relationships between educators and children are essential to positive developmental experiences for young children. Simply put, without well-educated, remunerated and respected educators, quality child care programs cannot exist.

The AECEO definitely commends this government for their commitment to the much-needed expansion of the child care sector in Ontario, but we remain urgently concerned that the workforce is not being prioritized in these efforts. I'm sure you know—or maybe you don't—that about one third of licensed child care centres in Ontario right now are operating with exemptions to licensing in terms of staffing. They are supposed to have a certain number of registered early childhood educators within the program. They can't recruit and they can't retain these qualified educators, so they are getting exemptions to licensing—

Mr. Gilles Bisson: Because we don't pay them enough.

Ms. Brooke Richardson: Exactly. That's what I'm saying, yes.

What we're doing right now is clearly not working, including the Wage Enhancement Grant, which is the solution that had been proposed and implemented back in 2015. Clearly, that's not having the desired effect, or it's not working as the policy solution as the government hoped.

I also think it's really important to point out that there have been increasing professional expectations on registered early childhood educators. As you know, they now have a regulatory college, which is excellent, and they must hold the standards of practice and engage in continuous professional learning. However, with these increased professional expectations, there has been absolutely no shift in professional recognition or pay, so what we're seeing is, again, more expectations and an increasingly burned-out workforce. These increased qualifications are in some cases, sadly, acting as a deterrent.

I feel it's important to share with you today that of the 200 third-year students in my class at Ryerson University, only two are planning on working as registered early childhood educators in the child care sector. That's a huge problem. I can also tell you that of my master's

students, none are working in child care. This is a major problem.

I don't want to take up too much more time. I think what I'll finish with is saying that we're calling on the government to—while we acknowledge that the Wage Enhancement Grant is a first step, we do not feel that it's adequate. I think that if we actually want to see quality educators, we need to increase the minimum wage on a sliding scale to \$25 an hour—

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. This round of questioning goes to the Liberals. MPP Martins.

Mrs. Cristina Martins: I wanted to start off by thanking Laurel for being here, and—I believe I heard Brooke was your name, right?

Ms. Brooke Richardson: Yes.

Mrs. Cristina Martins: Thank you for being here today. As the mother of two young boys—it feels like the other day that they were still in daycare—I know how difficult it is to find affordable, good-quality, safe, engaging daycare. Thank you for the work that you do to advocate on behalf of those parents and people who are looking for exactly that.

I just wanted to pick up on a couple of things that you said that I think are worth mentioning here with regard to the support from your organization—and from other advocates in the province of Ontario, as well—on our approach to child care. You speak about Ontario's direction toward universally accessible child care and development of strategies to address affordability, and how a work-force strategy will begin to establish the system of high-quality early childhood education and child care services in the province of Ontario. I think you're right. I think that really took off with the launch of the five-year action plan.

1350

I know that in the most recent budget, in the 2017 budget, we did commit an additional \$200 million towards child care to ensure 24,000 more children will have access to quality licensed child care across the province in 2017-18. We've also committed \$1.6 billion in new capital funding to create 45,000 new spaces in schools, communities and publicly owned spaces across Ontario.

I know that in my own riding of Davenport, I have close to 100 new child care spaces coming as a result of this particular funding, whether it's renovations or retrofits to existing classrooms or brand new spots. I've got 50 brand new spots at one of my schools.

But we all know we all need to do more.

What I wanted to ask here was, with the increased growth in the early years and child care sector, can you discuss the potential challenges associated with strengthening child care quality, and how the government can best respond to them?

Ms. Laurel Rothman: I'm going to turn to Brooke, because I think that's why we said we need all three pillars.

Mrs. Cristina Martins: And you probably touched on it, but let's—

Ms. Brooke Richardson: Yes. I think the bottom line, like I said in my presentation, is that you can't have quality child care services—and this is part of the problem. The parents can't—and I'm a parent of three, with one on the way—

Mrs. Cristina Martins: Brave, brave woman.

Ms. Brooke Richardson: Yes. Parents don't see quality, so it's something that they have a hard time imagining. Really, what it comes down to is the educators in the room. It doesn't really matter which toys you have, which room you're in, all of those things—we need basic health and safety, of course—but it's the quality of interactions and the learning experiences and opportunities that the children have. I think parents recognize that, or are increasingly recognizing that. It's very difficult to put in place a checklist to measure that.

The best thing that we can do—the highest-quality programs consistently come down to those with the best educated staff, and you only get the educated staff if you pay them, right?

Mrs. Cristina Martins: Right.

Ms. Brooke Richardson: That is just the bottom line.

Mrs. Cristina Martins: And Laurel, you were going to add something?

Ms. Laurel Rothman: Yes. I was just going to say pay them and, as part of that, establish a wage scale and—what's the right word?—send the message that this is as serious a profession as we know it is.

Mrs. Cristina Martins: Most definitely. I wanted to say thank you to all of the early childhood educators and all the teachers of the little kids, because their patience, the way they take care of kids and that TLC they often need are so special.

The Chair (Ms. Ann Hoggarth): One minute.

Mrs. Cristina Martins: I'm not sure if you can allude a little bit to that, because I know you spoke about—and I was trying to find it here in your presentation—a study that is going to be coming out, I believe, in February with options to make child care more affordable. The way you commented—we're grateful for the change and the conversation that's going on right now with the sector, with the government. We're also grateful for this level of engagement and looking forward to the study, to see where we can continue to collaborate to make sure that we ensure affordable, quality child care across Ontario. So I'm looking forward to that particular study.

If there is anything you want to share with us?

Ms. Laurel Rothman: No, except that we don't have all the tools and numbers, but we did a little back-of-the-envelope estimate of how things could look next year, and we want to make sure you put the marker in the budget so when that report comes out in February, its recommendations, which we have reason to believe will be positive ones—

The Chair (Ms. Ann Hoggarth): Thank you.

Mrs. Cristina Martins: Perfect. Thank you so much. Thank you for being here.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, if you could get it to the Clerk of the Committee by 5 p.m. on Friday, January 19. Thank you.

ONTARIO ASSOCIATION OF CARDIOLOGISTS

The Chair (Ms. Ann Hoggarth): I'd like to call our next presenters: the Ontario Association of Cardiologists, Dr. James Swan—or as my aunt used to call him, Jimmy.

Welcome, Doctor. If you could give your name for the official record, please, and then your 10-minute presentation will begin.

Dr. Jim Swan: Thanks, Ann. I'm Jim Swan. I'm president of the Ontario Association of Cardiologists. I'd like to thank you for the privilege of coming here today to present.

As cardiologists, our members are the doctors that you really don't want to meet, but often do, in the middle of the night when you come to the hospital with a heart attack or another acute event. We also are the doctors in the communities throughout Ontario where family doctors send the patients with cardiac problems when they need further testing and assessment.

On-call days are during the day and at night and on weekends and holidays. We save the lives and improve the quality of life for thousands of mothers, fathers, husbands, wives, children, co-workers and friends all across the province. We even save the lives of politicians as well.

Laughter.

Mr. Victor Fedeli: Is that reluctantly?

Dr. Jim Swan: No, no. We actually don't ask you what you are when you come in. One of the things I would encourage you to do is to take a few minutes and look on the Ontario Association of Cardiologists website and look at a video there. It's called A Day in the Life, and it shows what cardiologists do to rescue people throughout this province, whether you're in Thunder Bay, Kingston, Barrie, Toronto, wherever. It's a very, very nice summary, and I think it speaks well to what we do.

One of the things you have to remember is that in order to do this service, you have to be extremely well trained. You have to stay up on all things because you have to be aware of what's going on, to make the correct decisions. So we work very hard, and one of the things we don't stand for is a drop in quality of care. The quality of care that we deliver must be top, and it must represent what's happening today not just in Ontario but around the world. We're always moving forward to deliver better care. We provide good value for the Ontario taxpayer.

Our system that we have today does a good job of addressing the needs of the urgent patient. When you come in with a heart attack, our goal is to get you inside the lab within 45 minutes. If we do, we can save your muscle and we can get you out quickly. The patients who also need diagnostic testing quickly, and patients who

may need an implantable cardiac defibrillator to save their lives from life-threatening arrhythmia—we can do those acute patients. We do a very, very good job of looking after the acute patients.

Where we struggle is in servicing the patients with chronic heart disease. These are the patients with congestive heart failure. These are the most difficult patients that we have to face. They're the toughest. Not only do they require medication, but they also require devices, and we have to get the devices into them in a timely manner. If we do, we can change the quality of their lives dramatically.

We have patients with life-threatening arrhythmias. These types of arrhythmias can be atrial fibrillation or ventricular fibrillation or ventricular tachycardia. The patients often sit around in a community, and they're looked after by the cardiologist, but what we really need to do is get them into the system where they can get their ablation or their intervention done quickly.

We're not doing a good job there right now. The problem is really one of resources and support, and that's where we need your help in this upcoming budget. We need you to think about those patients. We can save their lives and improve the quality.

One thing you need to know is that cardiologists are seeing more patients with a higher burden of cardiac disease than ever before. The cuts that this government made to cardiologists unilaterally between 2012 and 2015 have undermined the outpatient cardiac infrastructure that you as a government, the Liberal government, asked us to build. Now you're chopping it down, which I don't think is good for Ontario patients. I know it's not good for the cardiologists who are trying to serve the patient.

The unilateral actions in recent years seem very curious to us as cardiologists because of what we know about heart disease. As you know, it's heart disease and cancer that kill us: 20% of us sitting in this room are going to die from cardiac disease. And remember this: Heart disease kills more women than all the different forms of cancer together. That is something that you really need to keep in mind.

Congestive heart failure is out of control in the province of Ontario. We are not doing a good job treating it. Some of the reason for that is that we do not have the resources to look after those patients.

Eighty per cent of the work that you can do to help prevent cardiac disease is what we were taught in kindergarten—and I think I was taught by Ann's aunt, by the way. It's exercise, diet, all the things—stopping smoking. But there's still that other 20% that you have to deal with.

1400

What we're asking you to do is to take a leadership role and be the first government to step forward and say, "Look, we're going to put cardiac disease front and centre, we're going to start to fund it appropriately and we're going to stop having patients die without getting the right services." We're also going to try and reduce the morbidity, because when patients are waiting around,

things happen. When ventricles—that's the main pumping chamber: the left ventricle. When that function deteriorates, we're in trouble. We want to get people early on. What we need you to do is get a coordinated strategy to address heart disease so that the families and the people around this table here are not going to suffer.

Last year, in your budget, you never even mentioned heart disease. You gave \$50 billion to health care. In the mandate letter to Eric Hoskins by Premier Wynne, there wasn't even a mention of heart disease. We also aren't here to criticize others, but neither the NDP nor the Conservatives have it as a front-line thing in their platform.

What we really want you to do is remember that 20% of us are going to die from cardiac disease. What we need to do is to lower that. When I first started out as a cardiologist, the mortality from bypass surgery was 50%. It is now down to 2%. When we're talking about 20%, we can lower that, but we can't lower it unless you give us the resources to do it. We have skilled ladies and gentlemen who are cardiologists who can do the job, but we have to have the resources. We need the operating rooms, we need the places to recover and we need the support in the local communities.

So let's be proactive in 2018. Let's put heart disease at the top of your list and put the appropriate funding there, which is needed.

The other thing is that between 2012 and 2015, you made unilateral cuts to cardiac care. As a consequence, you broke down that outpatient structure that you asked us to build in the 2000s. Now cardiac patients are suffering because of that. Restore the cuts.

Some of the other things that we've done—and the cardiologists are very proud of working with the ministry on this. We looked at echocardiography labs around the province. We always like to function under standards, so we wrote standards and the ministry has agreed on the standards and we have an accreditation program to inspect every lab. But we haven't had the appropriate funding to carry out that inspection in a quick and efficient way. There are over 1,000 labs that have to be inspected, and we've done 150. How can we move forward? We need more resources and funding.

Ladies and gentlemen, please give some thought to saving people's lives. I do it every day. That's my job: to save lives. But I can't do it unless I have the tools that this government needs to provide to myself and the other cardiologists in the province. So put it as a priority in your budget. I thank you for your attention.

The Chair (Ms. Ann Hoggarth): Thank you, Doctor. I call on MPP Barrett.

Mr. Toby Barrett: Thank you, Dr. Swan, for testifying on behalf of the Ontario Association of Cardiologists. We've got your list of recommendations on disease prevention and patient education.

You talk about the unilateral cuts. You've made it very clear. Your organization has testified before?

Dr. Jim Swan: Yes, we've been here. We've been fortunate enough to be asked, and I thank you for that privilege.

Mr. Toby Barrett: Again, your point is that the workload is up and the money through fees has gone down. You also make mention of the need for investment in infrastructure.

I represent a rural area. We deal with hospital and general practitioners, so it's—

The Chair (Ms. Ann Hoggarth): Excuse me, MPP Barrett. Could you bring the microphone close to you, please?

Mr. Toby Barrett: Sorry. I welcome a presentation like this. In my rural area, I guess we're about an hour or an hour and half from any of the 19 hospitals that provide advanced cardiac care. I think of St. Catharines, Hamilton and London. If you live further away from these centres, I'm sure the morbidity and mortality rates are higher. I think that's something that has to be fixed. I think of a town like Kenora—a five-and-a-half-hour drive to a cardiac care centre.

You made mention of political platforms. We just brought ours out about a week and a half ago. I will mention that we make a commitment to build new cardiac care centres in underserved areas of the province. I just wanted to point that out.

Do you have any further comments on the infrastructure out there?

Dr. Jim Swan: Talk about being an old man—I was one of the 12 guys who founded the Cardiac Care Network of Ontario. The reason we founded it was because people were dying on the waiting list. Our goal at the Cardiac Care Network—it's now called CorHealth—as cardiologists and cardiovascular surgeons, is to try to give equal care to every patient wherever they lie in the province of Ontario.

When we talk about the infrastructure where the cuts occurred, it's making it very difficult for the cardiologists in just the particular area you're talking about to deliver that care close to home. Time is muscle. One of the biggest problems we have is, we've got to get the acute patient there. Most of those people we can get there quickly. There are air ambulances and different things, and we get them coming in by air ambulance and stuff. Most of them we get; some of them we have to give a drug to and then transport, and that's not ideal. So the more places that we have for intervention are helpful. But we don't want to see that infrastructure in the cardiologists' offices or clinics or outpatient facilities of the hospital destroyed, because we need that infrastructure.

The congestive heart failure patient is our toughest patient. One of the cuts that happened was to deal with congestive heart failure, and your government recognizes that, because every time they bring an agreement to the province's Ontario Medical Association, you're always trying to put that back in. But you cut it, and as a consequence, you've really hurt the heart failure patient. We could do a lot for them with the appropriate service.

The other thing you have to remember is, there's a lot of technology necessary to deliver the outpatient service. It's not just walking into the cardiologist's office; they need the results of an echocardiogram machine, maybe

nuclear medicine—but the echo is probably the most critical thing. If you have that support service there, you can make the decision on how you're going to treat that patient and, again, send the person off to the appropriate centre.

Mr. Toby Barrett: Just a point of clarification: I'm not a government member.

Dr. Jim Swan: That's fine. I'm just worrying about where you—

Mr. Toby Barrett: The platform I was referring to was the opposition's platform. That's our platform.

We hear what you're saying. In rural and northern Ontario, we have enough trouble getting family practitioners, for that matter—I didn't have a doctor for two years, recently—let alone specialists, which is a problem right across Ontario.

Another platform promise from a few weeks ago—if you could check it out—we're setting up a task force in that area.

Dr. Jim Swan: Just to let you know, the cardiologists are always available. We have the help lines, and we get calls all through the night when we're on call. There's no cardiologist in this province who isn't going to help out a doctor, wherever they lie.

Mr. Toby Barrett: But do we have enough of you? Do we need more?

Dr. Jim Swan: We could always use a few more.

The Chair (Ms. Ann Hoggarth): Thank you, Doctor, for your presentation. If you have a further written submission, it needs to be to the Clerk by 5 o'clock on Friday, January 19.

It's good to see you, Doctor. Take care.

Dr. Jim Swan: Thanks.

ONTARIO COUNCIL OF AGENCIES SERVING IMMIGRANTS

The Chair (Ms. Ann Hoggarth): The next group I will call is the Ontario Council of Agencies Serving Immigrants.

Once you are settled, please give your name for the purpose of Hansard, and then you may begin your 10-minute presentation.

Ms. Debbie Douglas: Thank you. My name is Debbie Douglas. I'm the executive director of OCASI, the Ontario Council of Agencies Serving Immigrants.

Mr. Mike Colle: I didn't recognize you, Debbie.

Ms. Debbie Douglas: Hello, my friends in the room.

OCASI is the umbrella organization and collective voice for immigrant and refugee-serving organizations in Ontario. We have 230 member agencies across the province, from the most northern part to the most southwestern tip.

For this presentation, I will focus on four main areas of concern: immigrant and refugee settlement services; Bill 148; racialization of poverty; and the human rights framework in Ontario.

Settlement services: Ontario's population growth is driven primarily by immigration. Ontario depends on

immigration for its economic and labour market needs and to meet the needs of its aging population.

1410

The Ontario Immigration Act, which is set to come into force next month, recognizes the role that immigrants play in growing the economy, as well as the importance of family and humanitarian commitments.

We are proud of the fact that Ontario is a national leader in Canada's refugee resettlement efforts, both by ordinary Ontarians who came forward as private sponsors during the Syrian initiative over the last 18 months or so, and the resettlement of government-sponsored refugees.

Ontario's commitment of 5% francophone immigration is a critical element of the provincial immigration strategy. For the most part, francophone immigrant service organizations don't have a full suite of settlement services for their clients, and French-speaking arrivals, we're continuing to hear, are often not aware that services exist in their language.

Ontario's investment in refugee and immigrant settlement bridges a critical gap that is not covered by federal funding, specifically for people such as refugee claimants; migrant workers, including those who may have become out-of-status; and naturalized citizens who are still dealing with settlement barriers like language proficiency.

Some of our recommendations:

—Longer-term funding: While we appreciate the new investments for refugees and vulnerable migrants, program funding must be longer-term. The present model of 18 months of project funding—and this is specific to this new investment—does not allow agencies to address the intensive and often specialized support that some service participants need. We are particularly concerned around those who are coming in as refugees, and as refugee claimants, who may have experienced significant trauma.

—Ethno-racial and gender equity lens: Funding allocation and outcomes assessment must be based on a comprehensive equity framework. Such a framework will recognize that systemic barriers, such as racial discrimination and Islamophobia, have an impact on the types of assistance that refugees and immigrants need, as well as how well they do in accessing jobs and services. The framework will recognize, for instance, that trauma survivors will find it more difficult to learn a new language, and some may never acquire those skills in English or French. Therefore, expected program outcomes must take into account the specificities of the population being served.

Bill 148: OCASI is pleased that Bill 148, the Fair Workplaces, Better Jobs Act, was passed. We look forward to the implementation of the \$15-per-hour minimum wage in January 2019, and welcome the other changes that promise greater protection for workers.

We are pleased at the new commitments to information-sharing between Immigration, Refugees and Citizenship Canada, or IRCC, and the Ministry of Citizenship and Immigration in the new Canada-Ontario immigration agreement. We trust—and we've been pushing

on this—that this will include information-sharing on temporary workers and the businesses that employ them, and that information will be used by the Ministry of Labour proactively to enforce employment and workplace health and safety standards.

However, there is a huge gap in the lack of recourse for workers facing wage theft. The Ontario Employee Wage Protection Program, which was in place until 1997, guaranteed employee wages up to a specified maximum where an order for those wages went unpaid by an employer. This was, unfortunately, left out of Bill 148.

According to a Toronto Star investigation from last August, only \$19 million of a total of \$47.5 million in ministry orders was ever recovered for out-of-pocket workers. So, even when a worker files a successful complaint to the Ministry of Labour for unpaid wages, 60% is never collected. And despite these chronic and widespread violations of the Employment Standards Act, only 0.18% of law-breaking employers were subject to prosecution.

We need a wage protection program in Ontario so that workers who are cheated of their wages can get some relief while the province goes after the employers. This is a concern for OCASI, given that many of those workers are new immigrants to Canada.

Our recommendation: We ask the Ontario government to support funded agencies to implement the Bill 148 changes, in effect to align its funding practices with its role as employment standards regulator. Most urgent, funded agencies—or transfer agencies, as they're sometimes called—will need help to meet the resulting budget pressures, some of which will start in January 2018. As you know, the minimum wage moves up to \$14 an hour, and there are some other aspects of Bill 148 that come into effect next month.

Looking to the future, we ask that you support decent work in our sector by offering longer-term funding agreements that reflect real costs, including coverage of health benefits and pension premiums, and resources for staff training, professional development, research and program development.

Racialization of poverty: Ontario's indigenous and racialized populations have continued to grow. The census has been released over the last few months, and high levels of poverty among indigenous peoples and among racialized people, particularly those of African descent, are a continuing reality in the province. Ontario's Poverty Reduction Strategy does not mention racialized people, despite the fact that they're over-represented in poverty and are included in the Poverty Reduction Act. It is critical that the disproportionate disadvantage and systemic discrimination that racialized peoples face is explicitly included in all poverty reduction measures in policy and the budget, including taxation benefits, housing, child care and more.

It is important for you not to conflate non-citizen or newcomer and ethno-racial equity, as they are not the same. Racialized people, both indigenous and people of African descent, and other racialized folks like the Chinese, have lived in Ontario for hundreds of years, and

not all newcomers are racialized, thus facing very different experiences. We are pleased that the Ontario Anti-Racism Directorate is making the collection of ethno-racial disaggregated data a priority. This will be an important resource for Ontario to ensure that legislation and policy is appropriately targeted to address the racialization of poverty.

We urge you to recommend that Ontario gives everyone a fair chance in the job market as one policy measure. We need equity in hiring, retention and promotion, which can be done best through legislation on mandatory employment equity and through community benefits agreements in all publicly funded projects and transfers.

An equity in education grant: Education has an important role in giving disadvantaged students the opportunity to realize their full potential. Ontario's Equity and Inclusive Education Strategy needs to be funded on a dedicated basis so that the promise of this framework can be realized. We ask you to recommend that the provincial education funding formula is augmented through an equity-in-education grant.

The Chair (Ms. Ann Hoggarth): One minute.

Ms. Debbie Douglas: The court challenges program—actually, I'm going to skip the court challenges program and move to Legal Aid Ontario, which is a much more pressing issue for us.

We were alarmed earlier this year when Legal Aid Ontario announced that it would be suspending services for refugees and immigrants due to a budget shortfall of approximately \$7 million. The agency has pegged the annual cost of service provision for its refugee and immigration unit at approximately \$21 million per year. We strongly encourage you to increase the budget for Legal Aid Ontario, with additional funds earmarked for legal services to refugees and immigrants.

I thank you for this opportunity.

The Chair (Ms. Ann Hoggarth): Thank you. I'll move now to the third party: MPP Vanthof.

Mr. John Vanthof: Thank you, Ms. Douglas, for making your presentation on behalf of the Ontario Council of Agencies Serving Immigrants. I would like to start where you left off, with legal aid services. Just think: Refugees and immigrants could be some of the most vulnerable people in most need of legal services. Could you expand on that a little bit?

Ms. Debbie Douglas: Yes. Increasingly we were seeing that we've had an increase in numbers, for example, of refugee claimants, people who come into Canada seeking protection. The services were already pared back to a bare minimum, where lawyers were giving two or three hours to meet with the clients and get their stories so that they're able to put in a basis of claim, which is a first step in claiming assistance. With federal regulations, which have tight timelines, what we were finding is that there were very few lawyers who were wanting to take legal aid, first of all, because the amount of dollars they're making and the limited time period to do a good job just aren't enough. But then when legal aid then came up with a shortfall, one of their first responses was to discontinue services.

Luckily, the federal government, through lots of advocacy from the community-based sector but also from the provincial government, made up the shortfall of \$7 million, but it was a one-time make-up. We need both the Ontario government—and we're hoping that all three parties, as we head into the election, will make a commitment to this. We need the Ontario government, as well as the federal government, to commit to and meet the budget allocation for legal aid so that those who are most vulnerable in Ontario are able to have access to legal services.

1420

Mr. John Vanthof: Thank you. Now to go back to your comments on Bill 148: Other presenters have made similar comments regarding publicly funded agencies, that it's one thing to make the regulation, but in organizations in which the government pays the bills—how big of an impact do you think that will have if funding isn't available for those agencies? Private ones pay the same, but public ones also face—child care agencies—

Ms. Debbie Douglas: Oh, absolutely. While many of our member agencies pay above the minimum wage, we anticipate that there will be upward pressure as the minimum wage moves up for folks who are close to the minimum wage to expect an increase in funding. Agencies only have the money that they are funded to work with. There are very little private dollars in our sector outside of the United Way. The United Way is one of the sector's funders.

The expectation is that the government, as the employment standards regulator, will also pay attention to the fact that its transfer agencies also must live up to Bill 148 commitments and to employment standards in general. The expectation and the recommendation are that all ministries that transfer dollars to the non-profit sector are paying attention and are ensuring adequate funding so that they are able to meet, as employers, their obligations to their employees.

Mr. John Vanthof: Your comments regarding the lack of recourse that's happening now with the current minimum wage that we have—that there is lack of enforcement—

Ms. Debbie Douglas: There is lack of enforcement around wage theft. What is heartbreaking about it is that it's often the most vulnerable workers in our sector. It's bad enough that it's a complaint-driven process, but even when they go through the complaints process and they are successful and there is an order against the employer, it's not followed through. We have very little proactive enforcement around that. As I mentioned—

The Chair (Ms. Ann Hoggarth): One minute.

Ms. Debbie Douglas: —the Toronto Star investigation from 2016 showed that very little—only \$18 million or so of \$47.5 million in outstanding wages had been collected by those workers. And they have little recourse, right? It goes back to access to legal services.

Mr. John Vanthof: So unless you increase your enforcement, raising the minimum wage for those people doesn't make any difference.

Ms. Debbie Douglas: Not if employers are not going to pay them, especially when they know they're vulnerable workers.

Mr. John Vanthof: Thank you very much for your advocacy.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, it needs to be to the Clerk by 5 o'clock on Friday, January 19.

Ms. Debbie Douglas: We will. Thank you.

INSURANCE BUREAU OF CANADA

The Chair (Ms. Ann Hoggarth): I'd like to call on the next presenter: the Insurance Bureau of Canada. Once you are settled, if you could please state your name for Hansard, and your 10 minutes will begin.

Ms. Kim Donaldson: Good afternoon. Nice to see you again so soon. My name is Kim Donaldson and I'm here with my colleague Barbara Taylor, who is the director of policy for the Ontario region at the Insurance Bureau of Canada, the national insurance association representing Canada's private home, auto and business insurers. Its member companies make up 90% of the property and casualty insurance market in Canada, and we champion key issues and help educate consumers on how best to protect their homes, cars, businesses and properties.

P&C insurance touches the lives of every single Canadian and every single Ontarian and plays a critical role in keeping businesses safe and the Canadian economy strong. It employs 54,000 Ontarians and pays \$8.3 billion in taxes, \$2.39 billion of which is in the province of Ontario.

The overarching theme of our presentation today is that IBC supports government's commitment to creating opportunity and ensuring fairness for Ontarians. The property and casualty insurance industry is similarly focused on ensuring peace of mind for consumers through a stable and affordable insurance market. With that in mind, IBC is recommending seven low-cost measures to improve safety, certainty and convenience for Ontario consumers.

On the topic of rate regulation reform, which is very near and dear to the hearts of our members, I'd like to start by recognizing the leadership of Mr. Baker and the government in committing to improve the auto insurance system, as recommended by David Marshall.

As you know, the province currently regulates both the product and the pricing of auto insurance. IBC believes that this double regulation inhibits innovation and limits product offerings. Now that the government has created an innovative and new financial services regulator, IBC recommends that the regulator adopt a significantly more progressive form of rate regulation.

For example, the use-and-file system, versus our prior-approval system, which has been in place in Illinois for more than 40 years, has been very successful. Between 2000 and 2014, the average annual premium increase in

Illinois, in a use-and-file system, was 1.2%. Just think about that: a 1.2% yearly increase. That's well below the rate of inflation at 2.3%; it's half, give or take. Use-and-file would benefit consumers by allowing insurers to respond to market conditions faster and to stabilize premium changes.

Another few notes on cumbersome regulations that stifle innovation: IBC advocates for regulation that is technology-agnostic. That's regulation focused on "what," not "how." Here's an example: Currently in Ontario, proof of insurance, in this day and age, must still be in paper format. You can book a ticket on a plane and travel to Timbuktu with your phone, but auto insurance proof of payment in Ontario is a little pink card in your wallet or your dash. That's an example of "how."

Insurers must also contend with outdated rules about how they price usage-based insurance. These rules are a disincentive to offering this product. Imagine being judged not by where you live exclusively but by how you drive. That will make a heck of a difference.

Insurers are eager and successful innovators. They welcome the new regulatory super-sandbox as a step toward improving the regulatory environment in the province. IBC applauds the government for introducing the new sandbox and recommends that it be accessible to both incumbent insurers and new market entrants to level the playing field for everyone being involved.

The Chair (Ms. Ann Hoggarth): Could you move a little bit closer to the microphone?

Ms. Kim Donaldson: I sure can.

The Chair (Ms. Ann Hoggarth): Thank you.

Ms. Kim Donaldson: Should I start again?

The Chair (Ms. Ann Hoggarth): No, no.

Ms. Kim Donaldson: In terms of the sharing economy, which has quickly developed to be a major pillar of our new, dynamic economy, Ontarians are not only comfortable using these services; they expect to use them and to have the same protections that they do with conventional service. IBC has developed a legislative framework to allow insurers to offer new products to meet the changing sharing-economy landscape and to provide consumers and service providers alike with protections.

The components of this framework that we're proposing do the following: They define the type of vehicle use within a sharing-economy business. They prescribe minimum insurance requirements for vehicles that are used in the sharing economy. They require sharing-economy businesses to co-operate in the investigation of any claim and to share information, and they have the provincial insurance regulator approve standard insurance forms for use by sharing-economy businesses. These reforms will provide both customers and service providers with peace of mind and certainty that they are protected.

On to fraud: I'm sure that everyone in this room has heard us on fraud. It's as important today as four days ago, when we mentioned it to you last time. IBC supports the government's actions to establish an integrated and dedicated serious fraud office by spring 2018; we were

grateful for that announcement. IBC recommends that to be effective, the serious fraud office should develop a formal intake process that leverages investigative work already done by insurers, that it develop a framework for collecting and pooling data from insurers and police, and that it work diligently with FSRA to access its data, to conduct investigations, to highlight trends, to identify perpetrators and to clarify roles and responsibilities.

1430

Consumers recognize that insurance fraud is a significant problem. Honest Ontarians should not have to pay for fraud, should not have to foot that bill.

On another front entirely, we'd like to speak to improving community flood resiliency. Private insurers are introducing new overland flood products and taking on risk previously shouldered by governments. In the two years since coverage for overland flooding has been on the market, a quarter of Canadian households have added it to their insurance policies.

To improve Ontario's flood resilience at the community level, IBC recommends:

- educating and empowering consumers on mitigation;
- targeting priority infrastructure investments, more specifically investment in sewer waste water infrastructure and funding to enhance the resiliency of communities across the province;
- working to improve land use planning;
- improving and implementing building codes and building standards;
- promoting data access; and
- encouraging wetland preservation and restoration.

These are common-sense measures that will guard against damage to our communities from severe weather and ensure that insurance products are available and affordable to support recovery.

Another issue very important to us is joint and several liability reform. Ontario's joint and several liability rules encourage frivolous lawsuits. That's not fair. Large organizations and municipalities are targeted because of the perception that they have vast financial assets to pay damages higher than any contributory negligence. Municipalities, which own two thirds of public infrastructure in Ontario, are especially easy targets, but we must all remember that there is only one ratepayer. Frivolous lawsuits result in increased costs for taxpayers, and in some jurisdictions they lessen services that are offered in order to reduce liability.

IBC recommends that the government reform its joint and several liabilities, add those rules, to make them fair.

Finally, the standard condominium unit definition: IBC applauds the government's efforts to improve fairness and affordability in Ontario's housing market; they've been very busy on that front. Unfortunately, a standard condominium unit is not defined in Ontario—

The Chair (Ms. Ann Hoggarth): One minute.

Ms. Kim Donaldson: —leaving unit owners vulnerable when it comes to assigning the responsibility for repairs. Condo corporations can make unit owners pay for the repairs to common elements above their existing

fiscal arrangements. To rectify this, IBC recommends that Ontario include a standard unit definition in regulation.

Thank you very much. I look forward to your questions.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Baker.

Mr. Yvan Baker: Kim, thank you very much for coming in. It's good to see you. I wanted to start by thanking you for your very kind words and also thank you for your hard work that you've done, not just with me but with Minister Sousa and his team, and not just your advocacy but your collaboration, because the goal here is to reform auto insurance by working with all the parties who are involved. So I want to thank you for that hard work.

You've spoken quite thoroughly and inclusively to the issues that you and I have discussed over the course of quite some time. Maybe what I'll do is just focus a little bit on the recent announcement around auto insurance, if I can. That focused on better consumer protection, on better support for victims of accidents, for combatting fraud, as you alluded to.

One of the components of that was providing programs of care—it's called programs of care. I'm wondering if you could explain to not just my colleagues but those folks who are watching or reading this in Hansard, what that means and what your view is on that.

Ms. Kim Donaldson: I'm going to actually turn this one over to Barb Taylor, who has worked extensively on this.

Ms. Barbara Taylor: What a program of care is, is basically when someone has an injury—and auto injuries tend to fall into certain types of injuries; for example, neck strain, back strain—they would be worked on to determine what the best kind of treatment for that particular injury is, and someone would go through a program to basically try to ensure that they get back to their proper function which they had prior to the accident. So it could mean a series of physical therapy or chiropractic treatments. Basically, the chiropractors and the physiotherapists would know what kind of treatment they should give and how much treatment that person would likely need. That would be predetermined, and then people could, without having to fill out a lot of forms, get that treatment very quickly and get back to their function and back to their normal routines in life.

Ms. Kim Donaldson: It would be evidence-based and outcomes-based, and the evidence would be shared across the entire network, as I understand it, for an understanding of best practices, and then implemented. There would be a process—because not everyone is going to fit into that category. Most people will, but not everybody will. There's a process, then, for those people who wouldn't respond to this program of care, as designed.

We think it's a marvellous way to speed up treatment and wellness for the consumer and the injured party.

Mr. Yvan Baker: And hopefully save money and reduce costs in the system—

Ms. Kim Donaldson: Yes, I think this announcement will ultimately remove significant costs from the system.

Mr. Yvan Baker: For those who aren't as familiar—because the auto insurance system is complex—reducing costs allows us to keep premiums down. Am I right?

Ms. Kim Donaldson: Yes, once a stable business environment is restored, absolutely. That would be what we would expect.

Ms. Barbara Taylor: There's a direct relationship between costs and premiums. Costs drive premiums. Obviously, costs aren't the only factor—companies have overhead and sales expenses etc.—but cost is the overwhelming amount of what drives premiums in Ontario.

Mr. Yvan Baker: That makes sense. Thank you for that.

Chair, how much time do I have?

The Chair (Ms. Ann Hoggarth): Another minute.

Mr. Yvan Baker: We'll go back to fraud, one of our favourite topics. Could you just speak to the role of fraud in terms of the impact it has on costs in the system and therefore on premiums for people, and how you believe the announcement we made the other day could help address that issue?

Ms. Kim Donaldson: I probably don't have the time to do all of that, but I will say that the low-water mark, in terms of estimating fraud, is \$1.3 billion, and the high-water mark is \$2 billion—a big spread. It's a chunk. It boils down to something like \$236 per premium in fraud costs. So identifying fraud and removing that, whether it's in tow trucks, med rehab, any of that area, will just simply take cost out of the system. Then, again, that will be reflected because that is the cost that drives the premium price. The better that is, the better it is for consumers. It just makes total sense.

Mr. Yvan Baker: My personal view is that people who are perpetrating this fraud are stealing from consumers.

Ms. Kim Donaldson: They're absolutely stealing. I think they see it as a faceless crime, so it's less troublesome to them. But it's theft, pure and simple. If someone takes this here, someone else over here has to pay for it. It's just like that.

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have any further written submissions—

Ms. Kim Donaldson: We've submitted them. Thank you.

The Chair (Ms. Ann Hoggarth): Thank you. At this time, since there are no other presenters here, we're going to take a five-minute recess.

The committee recessed from 1438 to 1447.

GREATER TORONTO AIRPORTS AUTHORITY

The Chair (Ms. Ann Hoggarth): I'd like to call our next presenter: the Greater Toronto Airports Authority. This round of questioning will be with the official opposition.

If you would identify yourself for the purpose of Hansard, please. You may begin your 10-minute presentation.

Ms. Lorrie McKee: My name is Lorrie McKee and I'm the director of public affairs and stakeholder relations with the Greater Toronto Airports Authority. My colleague Siobhan Desroches is here with me as well. Good afternoon, and thank you for inviting me to speak today.

Toronto Pearson is Canada's largest airport. In 2016, we served 44 million passengers and we expect to end this year with 47 million, which is an increase of three million over the year.

The airport is a very significant economic engine. It facilitates about \$42 billion or 6.3% of Ontario's GDP, and 300,000 jobs across the province. It might surprise you to learn that Toronto Pearson is the fifth-most-connected airport in the world, the second in North America next to Chicago. Today, the airport connects to 70% of the world's economy, with daily direct non-stop flights. We expect that over the next 20 years this will grow to 80%. By 2037, Toronto Pearson will be on par with airports such as London Heathrow and Frankfurt and will connect Ontario to even more of the most important economic centres in the world.

This superior connectivity will expand Ontario's trade relationships, encourage further foreign direct investment and support Ontario's tourism industry. It goes without saying that the growth that the airport is experiencing is a reflection of Ontario's growth and the demand for air travel from our local and national economies.

As the province grows, there's an opportunity for the airport's economic contribution to grow in step.

Toronto Pearson is operated by the Greater Toronto Airports Authority. It's a private not-for-profit company. For 20 years, the GTAA has made the necessary investments to meet Canada and Ontario's aviation needs, and we're committed to doing so in the future.

We're looking for our governments to continue to partner in two key areas. The first: Congestion in the western GTA is choking our economy. We're seeking Ontario's support for key transit investments that could connect into Toronto Pearson's planned regional transit centre.

Beyond the airport and its employees and passengers, there are 300,000 people who work in the area around the airport, which we call the airport employment zone. It's the second-largest employment area in the entire country, yet the lack of transit options in the area is at odds with the zone's economic potential, and studies have shown that congestion and commute times will only increase.

Earlier this year, the province's growth plan spoke to the importance of cross-jurisdictional planning for areas with concentration of employment that cross municipal boundaries. Metrolinx's Draft 2041 Regional Transportation Plan also recognized the importance of improving transit access to the airport employment zone.

We believe that these are both very important and positive steps forward to unlocking the potential for this area, and we thank the province for the recognition.

Today, while the UP Express is proving to be a popular and well-used option to access the airport, only 10% of people take transit to the airport. Compare this to 30% in Vancouver and 40% in Amsterdam, and it becomes clear that we're starting to lag behind.

Toronto Pearson is committed to invest the funds to build this regional transit centre—a Union Station west, so to speak—on the airport lands. The area is ideally located to serve as a second major mobility hub for the western GTHA, with its unique ability to connect three bordering municipalities and their transit services, and to facilitate suburban-to-suburban commuting along the northern arc, a commuter journey that today is underserved by transit but sees high demand.

The facility would connect planned and existing regional transit lines such as the Mississauga Bus Rapid Transit, the Eglinton and Finch LRTs, GO RER, buses using the 407 Transitway, and the proposed high-speed rail.

But beyond its ability to help ease congestion and facilitate goods movement, the regional transit centre would help to connect priority neighbourhoods like Rexdale and Malton to jobs in the airport area, reduce the cost of commuting and help reduce GHG emissions. It would also connect students across the western GTHA to post-secondary institutions such as Humber College, U of T Mississauga and Seneca College.

As I said, we're prepared to build the facility, and we ask governments at all levels to work collaboratively to advance the necessary studies of the various transit lines, to make the transit centre come to life.

The second area relates to tourism. Tourism, as you know, is a critical part of Ontario's economy, and Toronto Pearson plays a critical role in the equation. We are the first and last impression that many visitors have of Ontario, so we need to make sure we're putting our best face forward. Some 3.6 million visitors to Canada arrive by air, 42% via Toronto Pearson.

We ask the province to consider support for the introduction of two duty-free programs that travellers have come to expect at major international airports: arrivals duty-free, and dual duty-free. Dual duty-free would allow domestic passengers to purchase products at duty-free stores and pay all the applicable taxes and duties. This would increase sales and generate additional federal and provincial taxes of \$3.75 million annually.

We're also seeking permission for arrivals duty-free. More than 60 countries around the world have already allowed passengers to purchase their duty-free products when they arrive at an airport. The expected financial benefits of arrivals duty-free in Ontario would be up to \$130 million in repatriated sales which currently occur in foreign airports; almost 300 jobs at Toronto Pearson alone; and \$14 million in additional new revenues for the province. It also offers the unique opportunity to promote Ontario products and travel destinations to arriving visitors.

In closing, as the country's largest airport, we make it possible for Ontario businesses to reach domestic and

global markets, generate jobs and tax revenues, and facilitate trade, foreign direct investment and tourism.

In order to ensure that we can continue to serve as one of the province's most critical economic engines and enablers, we hope that the government will partner with us on these initiatives I've mentioned.

Thanks very much, and I would be happy to answer any of your questions.

The Chair (Ms. Ann Hoggarth): Thank you. We will go to the official opposition: MPP Fedeli.

Mr. Victor Fedeli: Thank you for your presentation. I guess we'll start in the same order that you did it in, and talk about congestion and transit.

You may or may not be aware that the PC Party has launched our People's Guarantee, which takes over projects such as the relief line, the Yonge extension to Richmond Hill, and extending the Sheppard subway to close the loop with Scarborough. Those very projects are integral, I think, in bringing the congestion relief that you're looking for.

When it comes to transit, what other specific programs—use half our time on that one, and then we'll talk about tourism. What other specific programs would you be interested in discussing in terms of the transit?

Ms. Lorrie McKee: When we look at the opportunity for transit to help serve the airport from an employee perspective or a traveller perspective—getting passengers there—it really is about the economic lands around the airport.

Every airport in every community is a huge generator and magnet for investment, and Pearson, because of its size, is that much bigger. As I said, there are 300,000 people who work in the lands around the airport. There's a significant opportunity to connect the airport in a way that would serve the region and people trying to get in there for jobs and connect some neighbourhoods around the airport to access jobs that are currently challenged today, but really to put us on the map in a way that we see other airports in the world are.

If you look at major airports like Frankfurt, Hong Kong and Schiphol where you see they've connected their air hubs and their ground hubs in a way that really leverages the economic potential that you have to move people effectively in a multi-modal way, that's the vision that we see. So by making the right investments to connect to a new hub—we're a very large region. When we look around the world, other regions of our size have had multiple major ground hubs when they've reached our size. Today, we have Union Station, but with our population growth and size—and the landscape and the breadth and the scope of the distances people are having to travel—we think it makes sense.

Mr. Victor Fedeli: You talk about other airports in Canada and around the world. How has the aviation fuel tax affected the companies at the Toronto airport?

Ms. Lorrie McKee: The aviation fuel tax is a tax that is paid by the airlines, as you know, not the airports. I think any opportunity to reduce the burden and make us more competitive is something that we would support.

The challenge with the aviation fuel tax today is that competing jurisdictions don't have it, so across the board in the United States it doesn't exist, nor does it exist in some of our neighbouring provinces. In Ontario, it actually is the highest as well.

Mr. Victor Fedeli: I've only been here six years, but I have not heard about domestic duty-free or arrival duty-free. Are there any other places doing a domestic duty-free in Canada, and are there any other arrival duty-frees in Canada as well?

Ms. Lorrie McKee: No, arrivals duty-free doesn't exist in Canada.

Mr. Victor Fedeli: It's around the world.

Ms. Lorrie McKee: It exists elsewhere in the world; it doesn't exist in Canada.

Mr. Victor Fedeli: But not in Canada; okay.

Ms. Lorrie McKee: The same is true for dual duty-free: It doesn't exist. It starts at the national level and then provinces could opt in.

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Victor Fedeli: How many employees—I failed to hear that—are involved in GTA airport operations?

Ms. Lorrie McKee: When we talk about employees within "the fence," there are about 49,000. When we talk about employees who are sort of facilitated by the role that the airport plays to investment and goods, it's about 300,000.

Mr. Victor Fedeli: I'm sorry?

Ms. Lorrie McKee: It's 300,000.

Mr. Victor Fedeli: Those would be people who are preparing meals off-site and driving them in or—

Ms. Lorrie McKee: Even beyond. Our economic analysis also includes this catalytic impact, so it involves jobs that are supported. Because you can get on a plane and travel between here and the UK—that supports the movement of goods and investment and business activity. It's beyond direct, indirect and induced to catalytic impacts as well.

Mr. Victor Fedeli: Okay. Thank you, Chair.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, it needs to be in to the Clerk by 5 o'clock on Friday, January 19.

Ms. Lorrie McKee: Great. Thank you very much.

ONTARIO HOSPITAL ASSOCIATION

The Chair (Ms. Ann Hoggarth): I'd like to call forward the Ontario Hospital Association. Once you get settled, please give your names for the official record. You may begin your 10-minute presentation.

Mr. Anthony Dale: Hi there. I'm Anthony Dale. I'm president and chief executive officer of the OHA.

Mr. Lou Reidel: I'm Lou Reidel, chief system planning and performance officer at the OHA.

The Chair (Ms. Ann Hoggarth): Go ahead.

Mr. Anthony Dale: We'd like to thank the committee for this opportunity to present on behalf of the OHA and the province's 143 publicly funded hospitals. Today,

we'll share the details of the OHA's pre-budget submission and then answer any questions that you might have.

Ontario hospitals have been responsible partners with government over the past decade. They have supported more sustainable growth in health care spending while continuing to deliver better quality care.

During a period of significant austerity beginning in 2008, Ontario's hospitals accepted years of 0% funding increases at a time when inflation, patient volumes and labour costs grew significantly. At the same time, hospitals advocated for investments in other areas of the health care system, especially home and community care and long-term care, to ensure that health care dollars were being allocated to the areas of greatest need. During this time, hospitals showed tremendous leadership. They embraced change, retooled their operations and, working with their partners, especially government, innovated to create new models of care.

1500

Today, evidence suggests that Ontario's hospitals are the most efficient in all of Canada. For example, per capita funding for hospitals is the lowest in the country, generating an efficiency dividend of \$5.5 billion annually, allowing the government to spend this money on other important priorities. Unfortunately, competing evidence, along with very recent experience, especially over the past year, suggests that we are now at a turning point. After years of austerity, with so many efficiency gains having already been made and with the reality that there simply isn't yet enough capacity in place outside the hospital setting, Ontario's hospitals, the traditional safety net of the health care system, are themselves now in need of significant investment.

For far too many hospitals, occupancy has reached an all-time high. The surge conditions that presented themselves last winter have never stopped. In fact, this past summer, many Ontario hospitals operated under very unusual and worrying conditions during a time when historically demand has actually receded. Hospital emergency departments serve as an early warning for how the health system is performing overall, and today that warning system is flashing red.

This past September, wait times for patients scheduled for admission to hospital through the emergency department were the longest they've been in seven years. Ten per cent of patients waited 32 hours or more to be admitted. Under these new surge conditions, occupancy exceeded 100% at approximately half of the province's hospitals. In some cases, especially among large community and tertiary academic research hospitals, occupancy genuinely has reached as high as 140%.

The root of today's capacity challenge is that far too many frail, elderly patients can't yet get access to the care they need outside of the hospital setting. The number of patients waiting in hospital for an alternate level of care is growing, and quickly. A typical hospital patient in need of long-term care, for example, spends an average of 68 days waiting for discharge. Today, almost 4,500 people are stuck in hospital, waiting to leave. As of

September, 17% of all acute-care beds are occupied by an alternate-level-of-care patient. These are very difficult and complex systemic challenges, and they are a long time in the making.

Over the past two years, the government has renewed investment in hospital services through subsequent budgets and fall economic statements. Earlier this year, we welcomed the government's announcement of the temporary reopening of up to 1,200 hospital beds to address additional flu season pressures this winter.

The OHA has a productive relationship with the government of Ontario, and we are engaged in constant, regular discussion about the issues. Over the past two years, the government has shown that it is listening. On behalf of the OHA, I would like to thank Premier Wynne, Minister Hoskins and Minister Sousa for this renewed investment. It has helped to maintain access to services over the past 24 months.

Recent commitments from the government and opposition parties to expand access to long-term care and other important services, especially mental health, are also welcome news. Over time, these should assist in reducing inappropriate reliance on hospitals. But the hard truth is that it will take time before the full promise and potential of these investments and the government's Patients First agenda can be realized, and, unfortunately, overcrowding in Ontario hospitals is now a very serious issue today.

Organizations are deep into the planning cycle for next year, and in our own discussions with them, many hospitals are reporting very significant financial pressures. These pressures and the scale of the measures required to address them vary. In order to maintain stability within the hospital sector, it's essential that hospitals know their funding levels as soon as possible. That's why the OHA recommends that the Ontario budget come as early as possible in 2018.

The population of Ontario is growing and aging at a rapid pace. Today's aging population is living longer, with more chronic conditions and with complex health needs. As a result, in the next budget, Ontario's hospitals also recommend a bridge strategy for the health care system, to stabilize access to hospital services and address growing wait times as capacity is built up elsewhere.

For 2018-19, the OHA therefore recommends a 4.55% increase in operating funding to ensure continued access to existing hospital-based services. This investment would address population growth and inflationary pressures, including the new operating costs created by the government of Ontario through Bill 148, now known as the Fair Workplaces, Better Jobs Act.

The capacity challenges facing hospitals in the wider health system underscore the need to accelerate change and create new models of care. It also points to the need for a provincial capacity plan for all health services.

In conclusion, it's essential that hospitals, their provider partners and government continue to work closely together, collaboratively, in building a health care system

to properly meet the needs of patients and clients, not just in hospitals, but across the entire continuum of health services.

Thank you for your time. We're very happy to answer any questions that the committee might have.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party. MPP Vanthof.

Mr. John Vanthof: Thank you, Mr. Dale and Mr. Reidel. You've put an awful lot of stuff on the table. The problems at hospitals have been the focus of the Legislature for the last little while.

In your presentation, you said that this summer was concerning because summer is usually not like the fall and the winter, so that's an extreme short-term problem but it's something that's been building up over the long term, like the ALC. So there's kind of a long-term problem and a short-term crisis. Am I characterizing that accurately?

Mr. Anthony Dale: Things were relatively stable, I'd say, up until about 12 months ago. The ALC rate in the province had remained relatively stable, so had wait times in emergency departments and for a lot of in-hospital surgical activity—diagnostic testing and so on.

But we think it's around this time last year that events really began to catch up with hospitals and the wider system. Hospitals have become so efficient; they've taken a lot out of their operations, again, to invest in other parts of the health care system. But you haven't yet seen the kind of capacity that's needed to permanently take pressure off so that, really, those two lines met. That's when you saw really rapid growth in wait times in emergency and rapid growth in alternative-level-of-care patients after years of relative stability. Again, it's why the government has taken short-term action in an effort to stabilize the situation and, of course, make sure that patients get good, quality care through the winter.

But, you're right, it really will require—in our opinion and in our advice to this committee and to the government—a bridge plan to get the hospital sector through this period until much more capacity outside of the hospital setting is in place.

People should not mistake the directness of our submission for the OHA shifting away from a position regarding the significance of capacity building in long-term care, the home and community care sector, supportive housing, assisted living and so on. These are critical elements to making sure that people get the right care, in the right place, at the right time. This is about a bridge plan to get us to a stable place through the next year.

Mr. John Vanthof: We realize that the government has been talking about getting people out of the hospital system—like care at home—but to date that gap, from what I hear from you, is actually increasing.

Mr. Anthony Dale: In the last year, definitely the pressures have become far more apparent. Over the past decade, hospitals absorbed hundreds of millions in new pressures.

There is, and continues to be, a strong consensus about how important it is to expand capacity elsewhere. People

all across the system felt comfortable enough with that because of the promise of a more robust home and community care system. The hard-working people in the home and community care sector and in long-term care are doing everything they can to care for patients and clients to the best of their ability. It's just that the hospital sector, at this moment in time, needs help over the short term to get us through this year ahead.

1510

Mr. John Vanthof: I used to be on the hospital board, before I got elected, in my home area, and the term was very familiar: "Can you find that within your budget?" I take it that there's nothing left to find within the budget anymore?

Mr. Anthony Dale: There are no longer, kind of, really big, significant efficiency gains to be made. You've seen the length of stay significantly reduced in hospitals to about an average of—

Mr. Lou Reidel: Around six days.

Mr. Anthony Dale: —around six days, and in some cases, for hip and knee replacements, it's down to two. Cost per weighted case, average per capita spending: It's a system that's very efficient, and we should be proud of that. That's something to celebrate, not to necessarily criticize. It's just that we're probably at the point where it's no longer reasonable to expect the hospital sector to continue to absorb that kind of massive financial pressure. It's time for an investment in hospital services for patients.

Mr. John Vanthof: What was the average wait time? I believe it was seven—

Mr. Anthony Dale: Which one?

Mr. John Vanthof: Emergency room wait times. Just quickly.

Mr. Lou Reidel: It's about 32 hours for what they call the 90th percentile, so you've got 10% of patients waiting longer than 32 hours in emerg.

Mr. John Vanthof: Okay. Thank you very much.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a written submission, it needs to be sent to the Clerk of the Committee by 5 p.m. on Friday, January 19.

Mr. Anthony Dale: Thank you for your time.

ONTARIO HOME BUILDERS' ASSOCIATION

The Chair (Ms. Ann Hoggarth): I'd like to call the Ontario Home Builders' Association. Good afternoon. If you could give your name for the purpose of the record, please, and then your 10 minutes will start.

Mr. Joe Vaccaro: Thank you very much, Chair and members of the committee. My name is Joe Vaccaro. I serve as the CEO of the Ontario Home Builders' Association. Joining me is OHBA's manager of government relations, Stephen Hamilton. OHBA represents 4,000 member companies organized in 29 local associations across Ontario, from Windsor to Ottawa and Thunder Bay to Niagara.

Last year, almost to this date, I shared with you our concerns regarding real challenges to the delivery of housing supply, which was not keeping up with the real demand and resulting in increasing home prices. I also shared with you concerns with respect to the cumulative tax burden on new housing, which was also contributing to the ever-increasing cost of housing.

In the year since I last addressed this committee, the government has moved a number of important pieces of legislation, along with launching the Fair Housing Plan, which, included in this list but not limited to it:

- attempted to address perceived excess housing demand by introducing a foreign buyers tax;
- introduced rent controls;
- finalized the growth plan with higher density and intensification targets;
- made significant changes to the Construction Lien Act;
- introduced legislation that would split the warranty and regulatory roles of the Tarion Warranty Corp.;
- replaced the OMB with a local appeals tribunal, which will limit appeal rights and make local planning decisions more political;
- passed legislation to give municipalities the ability to introduce inclusionary zoning bylaws;
- put forward a huge study area to potentially expand the greenbelt in high-growth and high-demand communities; and
- introduced a new regulatory regime for handling of excess soils that will impact brownfield redevelopment opportunities.

The activist government has been busy adding new layers of legislation and regulation on the new housing industry. This is against a backdrop of continued new home price escalation as demand is outstripping supply. Yes, resale home pressures may have been eased, but that has not translated into the new housing sector.

In October 2017, the average price for a new home in the GTA was \$1.2 million. In October 2016, the average price was \$940,000. This compares to a decade ago, when a new low-rise home could be purchased for just over \$400,000 in the GTA.

There have also been significant price increases for new condo apartments in high-rise and mid-rise buildings and stacked townhomes. In October 2017, the average new condo price was \$677,000 compared to a year earlier at \$483,000—an increase of over 40% in one year. This compares to a decade ago when the average was just over \$300,000.

The price increases are the result of significant migration into Ontario and a strong economy and employment rate. Annually, Ontario has an average population growth of over 130,000 people. While new Ontarians positively contribute to a growing economy and richer communities, they also add pressure to the housing demand. According to the government's own estimates by the Ministry of Finance, Ontario's population will increase by 1.6 million over the next 10 years.

Along with the demand-side actions of the Fair Housing Plan, there are some positive points about supply-side tools. Last year, OHBA requested of this very committee the creation of a housing panel to address housing supply challenges. The government responded and put together a Development Approvals Roundtable chaired by the secretary of cabinet, Steve Orsini. We are pleased with the work of the round table. Over the summer, they produced a 14-point action plan to untangle some of the red tape frustration on the supply side. Now that the action plan is out, you can count on OHBA to hold the government accountable and to ensure that the action plan is implemented. None of the 14 items are going to bring supply to the market immediately; they are some good long-term public policy changes that will be helpful.

I also want to thank the government for the creation of the housing supply team, headed up by the Provincial Development Facilitator, Paula Dill, to help to quickly move forward private sector housing projects that are frozen in the provincial approvals system. This is a necessary step to bring supply to the market.

The government has also released provincial land with a housing plan to add more specific housing to the community.

These are all positive steps.

Before turning the floor over to Stephen, I want to go back to my earlier list of the regulations passed in the last year. It is really an overwhelming list. While 2017 may have been overwhelming from a policy standpoint, in the year to come it will be up to the industry and municipalities to absorb and implement and ultimately deliver the housing supply Ontario needs. The bottom line, from OHBA's perspective, is that it's getting harder and more complicated to bring new housing supply—ownership, rental, high-rise, low-rise or the missing middle—to growing communities and people who need it.

I'm here today to ask that all MPPS think about the cumulative amount of change in the system and consider how the government can assist with new supply and provide relief to consumers, because not only do we need more homes, not politics, but this government needs the housing sector to keep performing if it is going to keep its fiscal house in order. The fact is, the provincial budget is balanced due to the revenue generated from the hot housing sector. Last year, for the first time, Ontario actually collected more from the land transfer tax than they did from the gas tax. The LTT alone provided \$637 million more than the government even forecasted. The city of Toronto is collecting over three-quarters of a billion dollars from its land transfer tax, and municipalities across Ontario are heavily relying on robust development charge revenues.

A recent report from the Altus Group has found that since the province introduced the HST, the province has collected some \$7.2 billion in HST revenue from new homebuyers over the past seven years, and \$3.4 billion of that represents net new tax revenue due to the changes in the tax structure as a result of the HST. That is a lot of new revenue from the new housing sector and does not

even include corporate taxes collected from our members or income taxes collected from the employees in the industry. The fact is, the province needs a healthy and strong housing market.

Stephen?

The Chair (Ms. Ann Hoggarth): Could you reintroduce yourself, please?

Mr. Stephen Hamilton: My name is Stephen Hamilton. I'm the manager of government relations at OHBA.

Today, I'm going to speak about two separate items that OHBA is supportive of. The first is the Graduated Apprenticeship Grant for Employers, or GAGE. One thing our members press upon government and all MPPs is that apprenticeship opportunities and completions can only happen when there is an employer that is willing and able to hire an apprentice. Without employers, the system does not work. The new GAGE program is recognition that the province understands the importance of rewarding employers that provide apprenticeship learning opportunities to teach the next generation of skilled tradespeople. GAGE provides a graduated grant for employers that increases every year. In total, an employer will directly receive up to \$19,200 if they train the apprentice from registration to completion. This is an improvement over the existing tax credits which were administratively complicated and which many small contractors were not aware of or did not even apply for.

The second item OHBA is very supportive of is the renovation rebates for home energy retrofits. These are incentives that were a recent initiative established through the Green Ontario Fund, which provide significant rebates when homeowners install new insulation, high-performance windows and air-source heat pumps. This program has the ability to transform the energy-inefficient existing housing stock and will lower greenhouse gas emissions. In addition, this program also will incentivize the use of professional contractors who are insured and who follow the building code, pay taxes and offer warranties.

As has been stated by the Ministry of Municipal Affairs, the Ontario Building Code and our new homes are already the most efficient in terms of energy efficiency in North America. If the government is truly committed to lowering greenhouse gas emissions, they would focus on the existing four million homes where there are more opportunities to reduce greenhouse gas emissions.

1520

While this is an excellent start, OHBA believes that more can be done to upgrade the existing housing stock through consumer disclosure and education. Therefore, it is important that the government fulfill its long-standing commitment to start a home energy rating and disclosure program so that homebuyers are aware of their home's energy performance before they purchase a home.

Joe?

Mr. Joe Vaccaro: The 2009 introduction of the HST on new housing increased the taxes on new homebuyers by taxing land and construction services for the first time.

The new housing rebate was designed to be charged at a rate of 2% on the value of a new home up to the first \$400,000, and then 8% on the value above \$400,000.

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Joe Vaccaro: In 2009, 65% of all new homes were under the \$400,000 level. Today, only 47% are under the \$400,000 level.

As the recent budget showed, the revenue collected from new homebuyers is over \$600 million more than forecasted. It is time for the government to review the threshold and update it to \$500,000, providing new homebuyers with some direct tax relief and helping them secure their dream of home ownership.

As we move into next year, OHBA will be promoting a simple approach to new housing policy as we respond to real demand in Ontario. We have launched a program called More Homes, Not Politics, and we will be challenging all MPPs and governments to test their decisions against that principle. We look forward to engaging all MPPs in this important conversation, as housing affordability will certainly be a topic in 2018.

Thank you very much.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Colle.

Mr. Mike Colle: You gave us a lot to chew on here, to say the least.

Thank you very much for a number of very positive suggestions. I know you're working with various ministries on these issues.

Just in terms of what's happening in other jurisdictions, is there a more active construction or home building entity in North America than Toronto? I know that one time, we had more construction cranes in the sky than every North American city combined—in the GTA, that was—including Mexico.

Is there another jurisdiction that's building as much as Ontario or the GTA?

Mr. Joe Vaccaro: The GTHA as a region continues to be one of the top three regions of construction. It's been in the top-three list for the last five or six years. I don't know where we stand today; we'll have an update of that at the end of the year.

Mr. Mike Colle: We're very active in construction and building, so we're almost a victim of our own success here, as you know, Joe.

The thing that we get as elected officials, as you well know, is—like what's happening in the Dufferin corridor, there, where I am, and Yonge and Eglinton—the canyons that are being built there. You talk about taking the politics out of building: The residents always complain that there's too much building. Look where my colleague here is. He's got wall-to-wall condos that match Shanghai almost down in his riding, and it's not stopping.

Then we were told there's always a bubble. "Oh, the bubble's going to burst in the Toronto condo market," remember? For 10 years, they've been talking about this bubble. Well, now they don't even talk about the bubble anymore, because people, no matter what the price is—they're paying \$600,000 for 400 square feet in my friend's riding.

Do you get what we're getting? We're getting pushed about saying, "You're allowing too much development." On the other hand, you guys are saying we need to build more. So we're caught in between in many ways.

Mr. Joe Vaccaro: I guess the challenge we have on our side of the equation is, we often get asked the question, "Why are the prices so high?" Yet the reality is that as these projects come to market—low-rise, high-rise, stacked towns, whatever—they are selling. There is a real demand for homes.

The industry can only respond on the supply side, and they're trying to bring projects forward. Our challenge is that even when a project makes sense in a transit-oriented corridor, the politics to get that approval dealt with sometimes result in—what should be an easy approval, it makes sense; the provincial government wants us to grow up, so they're going up—you get the pushback. What should be a one-year approval process ends up being a three-, four- or five-year.

All of this works itself into the price point. As long as there's demand—and there is real demand out there—those prices will continue to go up. Our challenge right now is, we can only respond one way to the demand: bringing more supply to the marketplace.

Mr. Mike Colle: The housing construction industry is one of the most phenomenal success stories in the world. The expertise we have here, thanks to all the immigrants who came here from Portugal, from Italy, from Poland, from everywhere—it's an incredible machine that you've built up here.

Again, what we're finding, though, is people want it both ways. They want a cheap house, yet when you try to build something, they're down at city hall, they want us to get rid of the OMB. It never stops.

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Mike Colle: One of the things that I think hasn't been looked at is, look at our main streets, okay? I go up Yonge Street in my riding. I've still got one-storey buildings all up and down Yonge Street—one storey. Why aren't we pushing for as-of-right six storeys on main arterials? It could be in any city in Ontario, not only Toronto. Paul Bedford recommended that many years ago and everybody went crazy. "Oh, you can't have six storeys on Yonge Street." Now, as you know, they've got 80 storeys on Yonge Street.

Why not push for that as one piece of it? I don't know; there are so many other pieces of it.

Mr. Joe Vaccaro: OHBA has a long-standing position supporting as-of-right zoning on transit corridors. We've been asking for it for over 10 years. We've asked the provincial government to enact its transportation policy statement. You could do it as a tool yourselves.

Mr. Mike Colle: On Dundas, on St. Clair, we've all got one storey—with transit investments, with all kinds of libraries and schools—one-storey buildings. People could live above them.

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a further written submission, it needs to be in to the Clerk by 5 o'clock—

Mr. Joe Vaccaro: I think I'll let Mr. Colle write my submission. He's got it covered off. Thank you very much.

The Chair (Ms. Ann Hoggarth): —on Friday, January 19. Thank you.

Mr. Joe Vaccaro: Thank you.

ONTARIO MUSEUM ASSOCIATION

The Chair (Ms. Ann Hoggarth): We will hear from the next presenter, the Ontario Museum Association. Welcome.

Ms. Marie Lalonde: Good afternoon, Ms. Hoggarth and members of the committee. My name is Marie Lalonde. I'm the executive director of the Ontario Museum Association.

Je suis directrice générale de l'Association des musées de l'Ontario, et comme vous le savez tous probablement, il y a énormément de musées dans notre belle province.

The Ontario Museum Association, the OMA, is the leading cultural organization in Ontario that's working to ensure a relevant and a sustainable museum sector for the benefit of all Ontarians. We welcome this opportunity to make recommendations as part of the Ontario pre-budget consultations. I really appreciate this opportunity to address the committee today.

We thank the government for its recent support of Ontario's cultural sector through the Ontario Arts Council. While noting that Ontario Arts Council funding has positive benefits for a few of our members, the only program that provides operating support to community museums is the Community Museum Operating Grant—CMOG is how it's referred to—and it is not part of this investment.

Museums provide Ontarians with better learning experiences and support for the education curriculum, and increase social vitality through the engagement of citizens of all ages as workers, volunteers and visitors—I'm sure many of you do all of those. Museums are also recognized as community hubs in municipalities across the province. They also draw more visitors annually to Ontario than sporting events, with cultural tourism resulting in a significant economic impact.

Museums are part of Ontario's vibrant cultural sector. They directly contribute \$25.3 billion towards the province's GDP—nearly 4%—with Ontario museums contributing \$765 million.

Over 700 Ontario museums, galleries and historic sites employ almost 10,000 museum professionals and engage 30,000 volunteers.

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With larger institutions—and those are very close to this location—welcoming individually more than a quarter of a million students annually, and over 30,000 school visits are on record per year, museums directly enrich and support Ontario's education curriculum.

Cultural tourism is a key part of Ontario's economy, and a growing one. Arts and culture tourism generates about \$3.9 billion in GDP with 8.7 million overnight trips

to museums, art galleries, historic sites and collecting institutions. Each year, 48% of Ontarians visit a museum or an art gallery. It's important to note—and most people don't know this—that 81% of visitors to Ontario museums are from within the province, 55% are from the local area and 88% of museums are free to the public at select times, many with free admission on special occasions.

Ours is one of the few provinces in this country that does not have a provincial museum telling the story of our province and its people. Instead, the Ontario Heritage Act recognizes community museums as the stewards of Ontario's rich cultural heritage, telling our stories as Ontarians and holding the collections of the province in trust for the people of Ontario.

Over the last two years, our organization—the kinder, gentler OMA—working with Ontario museums, conducted an exhaustive sectoral study. It was directed by a task force of Ontario museum leaders and individuals from various regions and types of museums with expertise on the issues that are surrounding our museums. This process was reflective of leading international museum initiatives in progressive jurisdictions such as the UK and Wales. It was directly informed by province-wide consultations, key stakeholder interviews and hundreds of responses from Ontario museum surveys. This was all supported by data available from the Ministry of Tourism, Culture and Sport from, again, this particular program, the Community Museum Operating Grant program.

The result is a strategic vision and action plan for our museums. That was the result of this process, and we called it Ontario's Museums 2025. It presents a vision and action plan that focuses on the creation of vibrant and vital museums; relevant and meaningful collections for all Ontarians; a strong and successful sector; and an effective and collaborative workforce.

Ontario's Museums 2025 also identified a strategy to position museums to ensure that they enhance their public value and contribution for all Ontarians. To do this, we need to build their capacity for innovation, inclusion and collaboration. This is in alignment with the goals of Ontario's Culture Strategy. To achieve our mutual goals and respond to local community needs and provincial priorities, museums require adequate and consistent operating funding within a responsive and renewed museum funding model.

To continue to serve Ontarians in every town across this province, museums have identified an immediate need for additional operating funding, and we're formally requesting an increase of \$5 million for Ontario's community museums. This would bring the current Community Museum Operating Grant funding envelope to \$10 million a year.

In our survey of 200 museums, not including provincial or federal agencies, only 10% of the full 100% of government funding came from the province of Ontario. This funding has not been increased in 10 years, limiting the museum sector's ability to deal with growth, increased costs and community demands. An adequate

funding increase is required to respond to the last 10 years of inflation, along with the increased hydro costs, infrastructure maintenance, implementing green and many other initiatives and, of course, as of January 1, meeting the minimum wage increase.

Provincial funding is critical to our museums, especially smaller community museums, and it's essential to leverage other levels of public and private investment. Additional funding is vital for our museums to survive and thrive, and this is for the benefit of Ontarians in communities in all corners of the province. Museums contribute to cultural tourism. They contribute to the knowledge economy, meaningful job creation for many highly educated workers, including youth employment, and they are safe places for community inclusion and engagement.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government side.

Interjection.

The Chair (Ms. Ann Hoggarth): Oh, sorry. It's the third party. MPP Vanthof.

Mr. John Vanthof: No, it's the official opposition. You only have one more left.

The Chair (Ms. Ann Hoggarth): Okay, let's go with that third one: the official opposition. Go ahead, MPP Barrett.

Mr. Toby Barrett: Thank you, Chair. Yes, thanks for the presentation from the Ontario Museum Association. You mentioned 200 museums. Are all of the museums in Ontario members of this association?

Ms. Marie Lalonde: Yes, most are. There are 700 museums, art galleries and historic sites.

Mr. Toby Barrett: How many?

Ms. Marie Lalonde: Seven hundred museums, art galleries, historic sites. Currently, the community museum operating program reaches fewer than 200 of them, and it has not been increased in 10 years.

Mr. Toby Barrett: And so your membership is 200 out of the 700-plus, or whatever?

Ms. Marie Lalonde: More than that, very close to the 700.

Mr. Toby Barrett: So are there little museums, for example, that aren't members?

Ms. Marie Lalonde: Very few, because they especially need the support, the resources. Some are volunteer-run. Many of our members—I'll say almost the bulk of our membership—have museums that have staffing of perhaps two or three individuals, relying tremendously on volunteers, and of course, they're desperate for the younger, professional workforce that's available, ready and willing to work, but don't have the resources to offer them employment.

Mr. Toby Barrett: The membership fee is not a barrier or anything like that, to be represented?

Ms. Marie Lalonde: No. We're not certifying.

Mr. Toby Barrett: We have certainly smaller museums in our area, many of them now under the umbrella of the municipality or the county—I'm just speaking as an elected representative down in the Haldimand-Norfolk area. I don't seem to get invited to any funding

announcements of anything for museums, and you mentioned it's been flatlined.

A typical small museum with a couple of staff: How much money do they get a year from Ontario?

Ms. Marie Lalonde: They would get less than 10% of the government funding that comes to them. I want to say the average grant that would come for museums under the operating funding is potentially around \$10,000, but it's something that's very scaled. There's a formula in the Ontario Heritage Act.

It's very important to note that the work we did—the museums got together and we did an extensive two years of work, to say: How can museums be positioned to thrive in 2025 so that we can be proud of them and they can engage, continue to work as they do and really fully reflect the diversity of this province? Museums that we want to be proud of.

At this point, with the limited resources they have, it has been very difficult. Many operate with annual budgets of \$200,000 or less. There's a cumulative impact over that period of time, and needless to say, they are limited in how many opportunities they can seize. In the work that we did, we really looked at renewing the funding model, but in the absence of a fully reconsidered relationship of how this province wants to ensure that museums contribute as they can and fully, there is a need for a renewed model that looks at new practices and looks at resourcing the needs.

The Chair (Ms. Ann Hoggarth): One minute.

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Mr. Toby Barrett: Oh, okay. I think of one museum I've been associated with for as long as I can remember. It's mothballed right now, and it's in the centre of the county seat. It's a beautiful building with a gigantic addition built during Confederation. It's pretty well closed. They still do a bit on genealogy. They're trying to get over this hump. It has been going on for a couple of years.

The general public—are they not as interested in history anymore?

Ms. Marie Lalonde: I'm very pleased to report that increases in visitor attendance continue for museums. What is important is to ensure that museums are resourced to be able to collaborate better and to enter into better partnerships. Part of the work we did was to look at how we can share storage and look at collecting in ways that bring the resources and the knowledge together.

Ontario's Museums 2025—we look forward to that. We hope to continue to offer—

The Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have a further written submission, it needs to be to the Clerk by 5 p.m. on Friday, January 19.

Ms. Marie Lalonde: Thank you very much, Ms. Hoggarth.

INCOME SECURITY ADVOCACY CENTRE

The Chair (Ms. Ann Hoggarth): I would like to call forward the Income Security Advocacy Centre.

When you get yourself settled, if you could please identify yourselves for the purpose of Hansard, and then you may begin your 10-minute presentation.

Ms. Jennefer Laidley: Great. Hello there at the end of your long day. My name is Jennefer Laidley. I'm the research and policy analyst at the Income Security Advocacy Centre. I'm joined by Mary Marrone, who is ISAC's director of advocacy and legal services.

ISAC is a specialty legal clinic in Ontario's community legal clinic system. We've got a provincial mandate to advance the rights, interests and systemic concerns of low-income Ontarians with respect to income security and employment law.

We're here today to talk with you about important investments that should be made in both areas of our mandate.

First, we commend the government on Bill 148, which is a great achievement and will improve the working conditions of millions of workers in Ontario. Now that the bill has become law, however, it is the government's responsibility to properly protect workers by ensuring compliance with these new employment standards.

The Ministry of Labour should be given the resources for a comprehensive communications and education plan to ensure that employers properly understand their new responsibilities. For those employers who don't comply, an effective enforcement regime that can take immediate proactive action must be in place.

We understand that the government has committed to hiring 175 new employment standards officers by 2021. We recommend that that funding be expedited in budget 2018 to accelerate that hiring. Now is the time to ensure that workers get the protections provided for in the new Employment Standards Act. Workers shouldn't have to wait three years for the Ministry of Labour to get the resources that it needs to protect their rights under the act.

Failure to enforce basic employment rights has the greatest impact on historically disadvantaged groups and communities, and without strong and immediate enforcement, these workers will not see the positive, substantive changes of Bill 148.

To ensure access to justice for all workers, the Ministry of Labour should be funded to provide interpretation services to assist workers whose first language is neither English nor French to access and work through the employment standards complaint process.

Switching gears a little bit: Now that the government has taken steps to improve working conditions in Ontario, the next step is to make much-needed changes to Ontario's income security system.

The Ministry of Community and Social Services recently released a report called *Income Security: A Roadmap for Change*. That's this report. This is a 10-year plan to reform supports for both low-income workers and people receiving social assistance.

As you know, there has been a consensus for some time that Ontario's social assistance system is broken. Despite recent positive changes, social assistance remains

an outmoded system designed in the 1990s to be deliberately inadequate, punitive and coercive.

As a result of the structure and requirements of the programs, which are entrenched in law, people who receive supports actually become sicker, experience more social exclusion and are less able to participate in the labour market.

Social assistance not only enforces poverty through low benefit rates and income clawbacks; it provides little to no support to deal with the traumatic situations that often lead to reliance on the system, to create or take advantage of opportunities and ultimately to get out of poverty and live with health and dignity. There's no reason for this backwards, counterproductive situation to continue. The recommendations in this road map report provide the opportunity to change it.

Three working groups were invited by the government to develop the road map: an income security reform working group, a First Nations working group and an urban indigenous table. My colleague Mary was one of the members of the first working group.

As such, the road map has input from and endorsement of municipal and provincial program managers, persons with lived experience, social policy experts, advocates for low-income people, the private sector, the Chiefs of Ontario and a range of First Nations communities, First Nations social service administrators and three key organizations that represent the interests of urban indigenous peoples.

Preliminary public feedback has been overwhelmingly positive, despite a very low-key release of the report. Negative feedback has been small, but the negative feedback that there has been reflects an entrenched cynicism about whether or not this government will actually act.

This budget is the opportunity to demonstrate a commitment to the first steps towards the transformative change that the road map recommends. In this budget, we're asking for two key investments that will jump-start the transformation to create a system that actually works for people and will bring them out of deep poverty. This is no longer about investing in a broken system; this is about investing in fixing the system.

The first investment is related to simplifying the rate structure in social assistance by collapsing the current "basic needs" and "shelter" portions of benefits and eliminating other rate categories.

Creating this structure would achieve three important goals. First, it would reduce government intrusion into people's lives. Currently, people on social assistance have to regularly report on where they live, whom they live with, how much rent they pay, who prepares their food and a number of other things, and caseworkers have to verify this information. This is an unnecessary imposition on the dignity of recipients and it's a waste of time for both recipients and caseworkers. That time could be better spent by people on improving their current situation and could be better spent by caseworkers on giving people the supports and services that they actually need to deal with the real issues in their lives, to pursue education or training or to move into the labour market.

Secondly, a flat rate would eliminate punishingly low rate categories that depend on a person's living situation. Under the current rules, a person receiving ODSP, for example, who has disabilities that are severe enough that they need assistance with meal preparation from the same person or institution that provides their housing, actually receives less money than someone in a regular rental situation who doesn't need that support. This is not rational or fair, and it's probably a violation of the Human Rights Code.

Third, the flat rate structure would ensure that people on social assistance who live in social housing actually get more money each month and would flow more funds to social housing providers to pay for much-needed maintenance and repair of social housing stock.

The flat rate structure is a critical recommendation of the road map which we support. It creates immediate improvements in the incomes of people relying on OW and ODSP and lays the groundwork for change in the role of the caseworker from so-called welfare police to case collaborator and problem-solver, which is a major recommendation for action in the road map.

We're also recommending a significant increase to social assistance rates. This is not the first time that you've heard me say this. The road map recommends a 10% increase to Ontario Works and a 5% increase to ODSP rates this year, but the report also says that this doesn't go far enough. We certainly share that sentiment. These increases are the very least the government can and should do to finally deal with the loss of purchasing power imposed by the 22% rate cut in the 1990s, the eight years of rate freezes that followed, and the failure of annual rate increases to keep up with the pace of inflation. I've provided you all with a copy of the current rates sheet so that you can see just how low rates actually are for people who receive Ontario Works or ODSP benefits.

I'm sure you'll be happy to hear that we're also working with government on regulatory and policy changes that don't have budgetary implications but would be similarly important for kicking off transformation of the income security system in the right way.

The reality is that Ontario's current system will cost an additional \$2 billion by 2020 even if no changes are made, but it will produce the same unacceptable outcomes for people who rely on it and for the province. Without these two key investments this year to kick-start transformation, the system will continue to impoverish people, keep them in poor health, increase their distance from the labour market, make it harder for them to participate in their communities, and limit their options and opportunities to build a better life for themselves.

Savings will come as a result of transformation, but an infusion of investment is required now to get us there. I want to remind committee members that not acting also has associated costs: higher health care costs, implications for the justice system, lost productivity that results in between \$4 billion and \$6 billion less income tax revenue each year and costs of between 4% and 7.6% of GDP each year.

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I also want to highlight the multiplier effect in the economy that comes from putting money in the hands of low-income people. For every \$1 invested, it's estimated that the economic return is \$1.30. That's almost as great a bang for the buck as investing in infrastructure.

I want to thank the committee for your attention and for hearing from us today. Good luck on your deliberations about budget 2018 and for the rest of your hearings. We'd be happy to arrange for you to receive a copy of the road map if you're interested, but we've already provided you with a shorter background that is probably more accessible.

We're happy to take questions at this point. As I said, my colleague Mary was a member of one of the working groups and can speak to any of the specifics of the road map that you might want to ask about.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the third party: MPP Vanthof.

Mr. John Vanthof: Thank you for your advocacy on these issues. Can you elaborate a bit on the importance of moving to a flat rate structure and perhaps on some of the roadblocks that have stopped it from happening so far?

Ms. Mary Marrone: The reason why the working group thought that this was a really important change to happen in year 1 was that it encompasses a couple of things: By removing the intrusion into the question of people's living situation, it immediately reduces the caseworker's role, it begins to change the relationship with the client by being less intrusive and it frees up time for the caseworker to start performing some of the functions that we recommend they do in the road map, which is accessing supports. When people come into OW or ODSP, usually something has happened in their lives that they need help with. We're trying to position the caseworker in a place where they're there to help.

The other thing is that we talk a lot about the inadequacy of the ODSP rate and the OW rate; what we don't talk about as much is that there are other rates that are even less than that. If you're homeless, you only receive \$337 on OW. But the really insidious one is the board and lodge rate. As Jennefer mentioned in her presentation, if you're on ODSP and you have a really severe disability where you need help with meal preparation and your living situation is one where the landlord's services include meal preparation, instead of the full ODSP rate you get \$881. That is so irrational, because you actually have higher costs because of the higher need, but you get less money. In determining that, the caseworker has to ask all sorts of questions about your personal living situation.

So it's important because it does both eliminate those really small rate categories—if you're on OW and you're on board and lodge, it's \$594. These are outrageously low amounts of money for people to live on. It brings everybody up to at least the low rate that we all understand of \$720 or \$1,100, and it immediately makes a person's living situation nobody else's business. That simplifies things for everyone and reduces the policing.

Mr. John Vanthof: Okay. We haven't heard, really, at our level, a lot about the road map. Obviously, you've got a lot of experience in it. What are the most important components that we could move on to change this?

Ms. Mary Marrone: The two things that are recommended for year 1 are the flat rate in the increase to social assistance because it's the easiest way to get into people's hands. It exists; you just have to do an increase.

But the other areas that we are recommending action on are the transformation of social assistance. The regulation changes that Jennefer referred to are about getting rid of all the mandatory sanctions. The smallest infraction right now carries a mandatory suspension of benefits. If you don't deliver the piece of paper your caseworker asked for last week, your benefits stop. Those are the things that have to end. You have to find out why the paper wasn't delivered: What's going on in the person's life and how can you help them get past it? Beyond that, it's about moving on some of the recommendations for people who are not on social assistance who need more supports because of the precarious labour market. One of the things that I think is a top priority is drug, dental, vision and hearing. I think, if you're not getting those things from the labour market anymore—employers are rarely providing those kinds of benefits, so I would say that the health benefits are our highest priority and there's a recommendation for a housing benefit to help people meet the increasingly unaffordable housing costs.

Mr. John Vanthof: Okay. Thank you very much.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, it needs to be to the Clerk by 5 p.m. on Friday, January 19.

Ms. Jennefer Laidley: Thank you so much.

ELEMENTARY TEACHERS' FEDERATION OF ONTARIO

The Chair (Ms. Ann Hoggarth): I would like to call on the Elementary Teachers' Federation of Ontario for their presentation. Good afternoon. If you could please, once you're seated, give your name for the record. You may start your 10-minute presentation, Mr. Hammond.

Mr. Sam Hammond: Yes, nice to see you, Chair.

The Chair (Ms. Ann Hoggarth): It's good to see you.

Mr. Sam Hammond: I'll try to get through this in 10 minutes. I understand we're one of two presentations—your final presentations—so we're standing between you and the end of your presentations.

The Chair (Ms. Ann Hoggarth): They're being very patient.

Mr. Sam Hammond: Yes.

Anyway, thank you. Good afternoon. I'm Sam Hammond, president of the Elementary Teachers' Federation of Ontario. With me today is Vivian McCaffrey, a member of our executive staff.

ETFO represents 80,000 elementary public school teachers and education professionals across the province and is the largest teachers' federation union in Canada.

A year ago, ETFO's pre-budget submission focused on a chronic problem that affects the ability of elementary educators to perform their professional responsibilities: the issue of classroom violence. In January 2017, we held a news conference calling attention to the problem and issuing a call to action on the part of the government. A year later, we are able to say that, although we've made some progress working with the government, the issue of classroom violence continues to be a serious one and that much more needs to be done.

Through negotiating a two-year extension to our collective agreements, ETFO achieved improvements to class sizes in grades 4 to 8 and a cap on kindergarten class size phased in over two years: a 30-student cap this year and 29 students next year. We also negotiated some additional funding to improve supports for students with special needs.

A major concern related to school violence has been the lack of consistent and rigorous practices related to reporting workplace violent incidents. Working with both the Ministries of Education and Labour, education unions are also making progress in developing protocols and resource materials to establish more effective reporting practices.

These improvements are significant, but Ontarians should not have to rely on collective bargaining cycles and union leverage at the negotiating table for governments to address important issues like class size and support for special education. ETFO is looking with much focus to the 2018 budget to build on the gains of our recent bargaining and to respond to urgent classroom issues. Elementary educators continue to be challenged by disruptive student behaviour, students experiencing serious mental health issues, large class sizes, full-day kindergarten implementation issues and test-driven classrooms.

This submission reviews a number of policies that require attention to address current classroom challenges and the government's focus on student achievement and well-being; for example, vital supports for students with special needs and mental health issues. Integrating students with specials needs into regular classrooms requires much more resources to support the students, as well as our members. The government must increase its funding for educational assistants, psychologists, behavioural therapists, school support counsellors, child and youth workers and speech-language pathologists.

Research shows that 61% of elementary schools report that they don't have sufficient access to a psychologist to adequately support students; 13% of elementary schools report that psychologist services are completely unavailable; and 47% of elementary schools report that child and youth worker services are, again, not available. For elementary schools, an increase in the number of educational assistants is particularly important to address the current on-the-ground stresses in the classroom.

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A second important recommendation to mitigate violent behaviour is the reduction of class size, especially in kindergarten and grades 4 to 8. Smaller classes improve student behaviour and peer relationships and increase student engagement and achievement in early grades. Smaller classes mean educators have more opportunity to give students individual attention. Grades 4 to 8 have the highest class sizes in the kindergarten-to-grade 12 system, and there is no pedagogical rationale, no reason whatsoever, for this.

In her 2017 annual report, the Ontario Auditor General notes the difference in class sizes and remarks that it means that not all students will be benefiting from smaller class sizes.

The recently negotiated improvements to funding for grades 4 to 8 amend the funding formula to assist those school boards that had failed to meet the Ministry of Education requirement to have an overall board average of 24.5 students in grades 4 to 8 classrooms. ETFO believes that these grades should have a class size cap of 24 students, which is still below the 22 average class size funding benchmark for secondary classes.

Although the kindergarten program is funded to have an average class size of 26 and an average staff-to-child ratio of 1 to 13, there continue to be classes with 30 and more.

Educators in kindergarten classrooms face significant challenges in terms of having adequate space to set up activity centres to support the play-based program and managing classroom behaviour when many of the students are experiencing formalized learning environments for the first time and, in many cases, have learning or behavioural issues that have yet to be formally diagnosed and supported. Overcrowded classrooms limit the ability to take full advantage of the play-based program and create stressful, overly noisy and dangerous learning and working environments.

It is not a coincidence that among ETFO members, kindergarten staff have the highest rate of accessing our long-term disability plan. Reducing class size would significantly improve the kindergarten learning and working conditions, and ETFO supports implementing a kindergarten class size cap of 26 students.

Funding shortfalls affect kindergarten classes in other ways. Classes with 15 or fewer students typically are not assigned a DECE. Students in these classrooms don't benefit from the early childhood development expertise of early childhood educators.

The lack of funding for lunchroom supervisors and other non-teaching staff means that school principals often assign early childhood educators significant supervision responsibilities outside of their classroom—commonly as much as 500 minutes per week.

Joint planning time is a fundamental aspect of creating an effective and collaborative professional team, but the education funding formula does not fund preparation time for these educators. Consequently, the DECE supervision assignments make it virtually impossible to

schedule joint planning time for the educator team in kindergarten classrooms. It also means that when the principal assigns the DECE outside of the kindergarten room, the teacher is left on their own.

ETFO is clearly seeking a significantly increased investment in elementary education, and, frankly, we don't apologize for that. Along with health care, education is central to the ability of Ontario to thrive and prosper.

The government boasts that it has the lowest per capita spending in the country. In terms of education, Ontario ranks fifth among the provinces in per pupil funding and 45th compared to the US and Canadian provinces overall.

After an austerity period when the government was increasing education funding by below-inflation-rate levels and cutting educator salaries and benefits, the 2017 budget finally introduced real increases to education program funding.

Based on our own report on education funding released in August, ETFO is joining other education sector organizations and provincial agencies in calling for a review and update of the education funding formula.

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Sam Hammond: The formula must be reformed to ensure Ontario is meeting the needs of its students, especially those with learning exceptionalities and mental health issues.

Thank you. I can't believe I got through that in 10 minutes. I'm more than prepared to answer any questions you might have.

The Chair (Ms. Ann Hoggarth): Thank you. We'll move to the government. MPP Baker.

Mr. Yvan Baker: It's good to see you both. Thanks for coming in again and speaking to us and presenting to us, as you do every year. Just thank you for advocacy in general. I know I've met with you and your representatives in the past, so it's good to see you again.

There are a couple of questions I have for you, but there are a couple of things that you spoke to that I just wanted to quickly refer back to, if I could. One of the things that you talked about was special education. I think something that's worth noting is that last year, the government invested an additional annual \$220 million in 2,400 new teachers and education workers to support students with special needs and other students at risk.

I know we also committed about \$49 million over three years for student and staff well-being, including violence prevention resources. Any incident of violence in our schools is unacceptable, and our learning environment has to be one that's safe for everyone—for students, and it's got to be safe for staff. I'm sure we agree on that and we share that as a priority. This is an investment to try to address that. Clearly, I hear you saying there's more work to be done. I hear that and I'll take that back. But I wanted to highlight that in the context of sharing the fact that we share that as a priority.

The other piece I wanted to share with you is I hear your point about per pupil funding. No one metric tells a full story, of course, in any context. One of the things that I know as a member of Treasury Board and as

somebody who's been involved with the Minister of Finance is that one of the advantages we have is that we are one of the larger jurisdictions—certainly the largest in Canada, but even if you compare us to some of the other jurisdictions in the US states, we're larger. Because we have scale, we can do things on a per person basis that other jurisdictions just can't.

I know that's not always true. I know if you go out to some of our smaller communities across Ontario, that's not going to be possible, but I wanted to put some context around that as well, because I think that's worth factoring in. At the end of the day, we want to provide the best-quality education possible, and in a safe environment, as you alluded to and I alluded to.

One of the things that I wanted to ask you about was the education equity action plan. For those who aren't familiar—I know that you are—this fall, we committed \$7 million to the first year of that plan to reduce systemic barriers and ensure that all students in Ontario can reach their full potential. This includes enhancing school and classroom practices to ensure that they reflect and respond to student and staff diversity, including more culturally relevant teaching resources, curriculum and assessment. Can you provide us with ETFO's perspective on this and how we can support it further?

Mr. Sam Hammond: And how it relates to the budget? I'm not sure—

Mr. Yvan Baker: How it relates to the budget and how we can support it further.

Mr. Sam Hammond: If I can go back to your first comment about additional funds put into the system—absolutely. One of the things we're saying, and I said it in my submission, is we should not be waiting for the cycle of bargaining to make important investments in the education system, particularly for special education students. Rather than waiting for that cycle, we're hoping the government will step up knowing that there is still a need, do that through the budgeting process.

We absolutely applaud the government for the equity plan they've come out with and the investment in that. I think, short and long term, it is a good investment—

The Chair (Ms. Ann Hoggarth): One minute.

Mr. Sam Hammond: —in the publicly funded public education system in Ontario.

Mr. Yvan Baker: Thank you. One minute is left, so I'm just going to move on to another topic briefly, and that is, there is an investment of \$49 million in new and expanded well-being programs for students and staff, including funding for initiatives that boost the cognitive, physical, social and emotional well-being of students. This includes funding for active transportation, increasing funding for school boards to support local well-being priorities, increased funding for student mental health etc. Could you just talk about these initiatives and the extent to which—how you think they will or could impact students?

1610

Mr. Sam Hammond: I don't have enough knowledge around those particular initiatives to comment on them. I

would say that absolutely everyone is concerned about the well-being of our students, the well-being of our members and the well-being of administration etc.—anyone involved in publicly funded education.

The Chair (Ms. Ann Hoggarth): Thank you very much.

Mr. Mike Colle: I just wanted to say that my grandchildren go to—

The Chair (Ms. Ann Hoggarth): MPP Colle, come to order, please.

Thank you for your presentation. If you have a further written submission, if you could have it to the Clerk by 5 p.m. on Friday, January 19.

Mr. Sam Hammond: Thank you.

The Chair (Ms. Ann Hoggarth): It's good to see you. Take care.

CORPORATION OF MASSEY HALL AND ROY THOMSON HALL

The Chair (Ms. Ann Hoggarth): I call the Corporation of Massey Hall and Roy Thomson Hall to come forward with your presentation. Once you get situated please identify yourselves for Hansard, and then your 10-minute presentation will begin.

Ms. Eileen Costello: Good afternoon. My name is Eileen Costello. I'm the chair of the board of governors of the Corporation of Massey Hall and Roy Thomson Hall. With me today are Deane Cameron, our president and CEO; as well as Grant Troop, our director of operations. Thank you for this opportunity.

We are here to present the Massey Hall revitalization project to this committee and to discuss our request that the Ontario government continue its support and partnership on this project, which is really the first significant work on this iconic hall. It's a nationally recognized site, since it was built in 1894.

Since 1952, our corporation has been a self-sustaining charitable corporation which has operated without any operating subsidy from any level of government. But today I want to share with you why we're here to talk about your support for this project and to explain our request for an infrastructure investment of \$30 million over three years from the province of Ontario. We believe that fiscally, socially and culturally, the revitalization of Massey Hall will have a measurable and lasting impact for our artists, for our audiences, for the music industry as a whole and, broadly speaking, for the citizens of Ontario.

The project began in 2013 as a result of a very complex land development deal at one of Toronto's busiest corners, which saw us get a very small but critical piece of land behind our hall. That meant that, for the first time in over a century, we had room to breathe and we had room to think about expansion. We were presented at that time with a now-or-never situation: Take the land and use it, or else. We're grateful that at that time, the Ontario government and the federal government recognized that opportunity and partnered with us.

That first phase had a cost of just over \$29 million, of which the provincial government contributed \$8 million. It was completed under budget and ahead of schedule, and it now provides the much-needed infrastructure for us to launch the second phase of the project.

This year, both levels of government also contributed to the early design stage for phase 2, and have allowed us to continue our work. Our sincere thanks for your prior and your ongoing support and partnership, but we're now at another critical juncture. Due to the other construction activity on the block, Massey Hall will close in July 2018 for a period of 24 months, and, really, that's our once-in-a-century opportunity to not only fully restore the hall but also add on to the rear and to allow us to revitalize the hall for another century of artist and audience engagement.

To do this responsibly and accountably, we've been seeking infrastructure investment from both levels of government as well as a private philanthropic campaign. Today we're here to talk about the request for \$30 million over three years to finish the project. That request would bring Ontario's total contribution to \$42 million over the lifetime of a project that's \$130 million in total. To put it another way, we're asking for a 30% contribution. We have asked the federal government for a similar contribution, and we are looking to our private philanthropic campaign to cover the other 40%. I'm very pleased to tell you that the corporation has received early and enthusiastic support from private industry and private citizens.

Why does a public contribution of that sum make sense? Here are some ideas: When fully operational in 2020—when we reopen—going forward, the revitalized hall will generate 430 full-time-equivalent jobs. That's up from the 270 that the smaller, limited hall has today. As important, during construction, we will create over 1,700 jobs.

The construction activity will generate more than \$17 million in tax revenue for the province. Operationally—again, once reopened—the new hall will generate over \$5 million a year in tax revenue for the province.

What this means, when we take that all together, is that by 2026, six years after we reopen, we will have fully repaid, through those tax revenues, the total contribution we are seeking from the provincial government for the project.

But beyond those jobs and the fiscal impact, we believe that this project promises important benefits for Ontario's artists, for the audiences, for the music industry, and indeed, for all of our communities. We regularly hear from Canadian artists that Massey is the pinnacle that they aspire to, and now, more than ever, sustaining this hall for artists and the music industry is crucial.

Royal Wood, a Canadian artist who has performed on our stage, had this to say: "Massey Hall is a special place that defines Ontario and Canada. It's not just a venue; it is the home of the musical voices that speak to the heart of Canadian music. After years of hard work and support from Massey, I've been offered my own headline per-

formance in May 2018, and I have to tell you that being on that stage as a headline artist will be a career highlight for me.”

You all know of the disruption that has occurred in the recording music industry over the past 10 years. As a result of that, live performance is now critical for Canadian artists, both to generate an income and to sustain their careers. In fact, in Ontario, live music generates over \$600 million each year for the province’s GDP.

Communities across Toronto, large and small, I think have realized this. They look to music as part of their cultural identity and as part of their economic viability, and they’re all generating live music strategies. Really, all of those individual community strategies come together as a framework and as a network, and Massey is a critical component of that ecosystem. Supporting that ecosystem is part of what our corporation does.

Just like Royal Wood, we partner with Canadian artists, and we bring them along from opening at a small club in their hometown to opening for a big artist at Massey to one day headlining it. Creating that infrastructure for them then allows them to launch an international career, which in turn sustains the rest of our music industry.

But beyond all of those numbers, we believe that our hall has a very important and unique place in the cultural identity of the country and of the province. It’s a public asset that has hosted some of the country’s most significant events. Wilfrid Laurier debated on this stage. The suffragette movement was launched from this stage. Arguably the most important jazz concert ever, in 1953—

Interjection.

Ms. Eileen Costello: —the promotion of Joni Mitchell, and of course, the institution that is Gordon Lightfoot, who has performed regularly in our hall.

Mr. Lightfoot had this to say about Massey Hall: “Massey Hall is important to Torontonians and Ontarians. Beyond its economic contribution, which will be more significant with the revitalization, it holds a special place that defines Ontario and Canada. It needs to be preserved. There is no other venue like it, which is why I continue to call Massey Hall my music home.”

With over a century behind us, we look forward to serving this province for another century or more. We are restoring and retaining all of those critical heritage elements, including the over 100 stained glass windows, some of which we’ve unbricked for the first time in a generation. But we’re also preparing for the future. The building will be LEED-certified. It will be plugged in so that you can record live off the stage. We’re partnering with educational institutions like Ryerson and national partners like the National Music Centre. We are going to engage in a new musical and cultural landscape for the country and for the province.

The revitalized hall will also have purpose-built education space so that we can focus on our Share the Music program. Last year that program saw over 2,000 children come in and experience live music for the first time. We’re looking forward to enhancing that program.

We’re committed to serving the diverse culture of Toronto and of Ontario, from our First Nations and indigenous people to the new citizens of cultural and ethnic backgrounds who want to be on our stage. With them, our programming and presentations continue to evolve.

We hope you can appreciate the passion and the commitment that our corporation has not just for the artists and not just for the audiences, but for this building, because it’s truly iconic, and this is our one chance to ensure that it’s here for another century.

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A final word from Mr. Lightfoot, before I get my one-minute warning: “Long overdue, the prospect of what the revitalized Massey Hall will hold for artists and audiences is exciting. As a public institution, Massey Hall offers a unique and special opportunity to artists like me and to our audiences.”

Thank you for this opportunity, and I welcome your questions.

The Chair (Ms. Ann Hoggarth): Thank you. We’ll now move to the official opposition—

Interjection.

The Chair (Ms. Ann Hoggarth): MPP Colle.

Mr. Mike Colle: Sorry. I’m just so enthused about Massey Hall.

The Chair (Ms. Ann Hoggarth): MPP Barrett.

Mr. Toby Barrett: Thank you for the presentation.

Yes, it’s truly a beautiful, monumental edifice. So many of these buildings across Ontario over the years, thankfully, have been restored. Oftentimes in downtown Toronto, a condominium goes up behind the facade. I don’t think you’re pouring footings or anything like that.

Ms. Eileen Costello: That’s not what we’re proposing, no.

Mr. Toby Barrett: No. I’m out in a rural area south of here. We had presentations, in the past: Gordie Lightfoot; that was at the drag strip. Joni Mitchell: That was in a high school gym. So entertainers can show up anywhere; that’s one point I want to make.

But what I’m puzzled by—all of us, as elected people over the years—we fight and try and help out with government grants. I’m sure you’ve been talking to the minister. Is there anything looming? There’s an election coming. I know down our way, every election, brand new ice arenas get built. Have you been missing out on those kinds of grants, for example, over the years?

Ms. Eileen Costello: No. Not at all.

Mr. Toby Barrett: There’s capital construction—

Ms. Eileen Costello: We’re not proposing an ice rink, so we’re going to be out on that one.

Mr. Toby Barrett: No, no. My question: Election after election—certainly, the last 15 years, and when I was a government member here—an election comes up, a brand new ice hockey arena goes up here and there, across the province. But you’ve been missing those, or you don’t qualify for that kind of cycle?

Ms. Eileen Costello: No, not at all. I think there are two things—if I could, to answer your question. It really wasn’t until about five years ago when this additional

piece of land became available. Massey was built lot line to lot line; we didn't even have a loading dock.

It wasn't until the new piece of land became available that this opportunity even presented itself. Without the new land, any intervention we would make would have to be in the original hall. Part of the goal is to not do that; it's to restore it and leave it as-is and build behind.

Up until quite recently, we simply didn't have the opportunity. But, indeed, in the first phase—which was undertaken in the first few years, once we had the additional land—we received a contribution of \$8 million from the province. This past year, we've received a contribution of \$4 million, which has allowed us to undertake the design and the serious engineering infrastructure investigations and work for the heritage building. We have, indeed, been very well supported by the province and by the federal counterparts, as well as by our own private fundraising through those early phases.

But it really is a moment in time. We got the land, and we have a window when the rest of the development is going to occur on the block. Once the block is built out, we actually don't have access to be able to construct anymore. So the next two years is truly our snapshot; it's our moment to get it done.

Mr. Toby Barrett: Yes, we think of timing—I mentioned earlier the mass of expansions and additions to museums during Confederation year. We're just wrapping up Canada 150. Some refer to it as Ontario 150, although this province is 225 years old.

Were there any Canada 150 capital grants available? Was there anything like we saw 50 years ago?

Ms. Eileen Costello: We received the \$4 million this past year, which was tremendous.

Mr. Toby Barrett: Which grant was that, then? What was it called?

Mr. Grant Troop: It was through the Ministry of Tourism, Culture and Sport.

Mr. Toby Barrett: To celebrate Canada's 150th?

Mr. Grant Troop: No, it wasn't. It was specific to our project. We have received funding from the federal government as well.

Mr. Toby Barrett: Yes. So it's timing and the luck of the draw sometimes?

Ms. Eileen Costello: Very much. It's also a capital investment. A lot of the Canada 150 money went to programming and went to events, whereas this is very much bricks-and-mortar. We appreciate that that's a different kind of ask.

Mr. Toby Barrett: Is there anything you can do for people in my area to access the music electronically? We have halls and what have you—just like the Air Canada Centre, where they reach out much beyond the people sitting in the seats.

Ms. Eileen Costello: Very much. As I mentioned, one of the key components is the digital enhancement of the hall, so that not only would you be able to record from the stage, in terms of doing an album, but you could also record concerts. We do something that's called Live at Massey Hall now, where we put that out for wide publication. We do it with Canadian artists, with folks who are from all over Canada, to try to promote their career.

The Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have any further written submissions, they have to be to the Clerk by 5 p.m. on Friday, January 19.

Ms. Eileen Costello: Thank you very much, Madam Chair. I know it has been a long day. We appreciate it.

The Chair (Ms. Ann Hoggarth): Committee members, could you stay for a minute, please? Before we adjourn, I'll just have the Clerk update you on a couple of things.

The Clerk of the Committee (Mr. Eric Rennie): In terms of the upcoming travel for the pre-budget consultations in January, I just wanted to let everybody know that everything is under way, contracts are under way. I hope to have a full itinerary out to members next week with all of the locations and venues. If there are any questions, please do not hesitate to contact me.

The Chair (Ms. Ann Hoggarth): The committee is adjourned until Monday, January 15.

The committee adjourned at 1626.

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