

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

**Official Report
of Debates
(Hansard)**

F-44

**Journal
des débats
(Hansard)**

F-44

**Standing Committee on
Finance and Economic Affairs**

Pre-budget consultations

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

Consultations prébudgétaires

2nd Session
41st Parliament

Tuesday 16 January 2018

2^e session
41^e législature

Mardi 16 janvier 2018

Chair: Ann Hoggarth
Clerk: Eric Rennie

Présidente : Ann Hoggarth
Greffier : Eric Rennie

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Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



ISSN 1180-4386

Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

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

Tuesday 16 January 2018

Mardi 16 janvier 2018

The committee met at 0904 in the Holiday Inn Sudbury, Sudbury.

PRE-BUDGET CONSULTATIONS

The Chair (Ms. Ann Hoggarth): Good morning. We're meeting here today in Sudbury to hold pre-budget consultations. As this is an extension of the Legislature, there can be no clapping, cheering, signs or political material. 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?

I just have one thing to ask of the committee before we begin. In regard to the written submissions, the Clerk would like to know how we would like to deal with them. Would we like one printed copy per caucus and an electronic version for each member of the committee, or does everyone want printed copies?

Mr. Victor Fedeli: We agree with the printed and electronic.

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

STUDENTS' GENERAL ASSOCIATION,
LAURENTIAN UNIVERSITY

The Chair (Ms. Ann Hoggarth): At this point, I will call our first presenter, the Students' General Association of Laurentian University.

Good morning. Once you get seated, if you would please identify yourself for the purposes of Hansard, and you may begin your 10-minute presentation.

Mr. Roch Goulet: Hi. My name is Roch Goulet. If you can't roll your Rs, you can just call me Rock, like rock 'n' roll, and I'll roll with it. I'm also a con ed student at Laurentian.

If I want to be a teacher, I usually have a visual with me, so it's going against my grain not to have any. Hopefully, my voice is not boring and, hopefully, is interesting as I present to you some of the student priorities within Laurentian, and Sudbury as a whole.

As a member of OUSA, the Ontario Undergraduate Student Alliance, we're newer to the topic of advocacy, but, working with them, we've found that there are very pressing matters.

One is with textbooks as an expensive topic. We acknowledge and appreciate that there has already been a

start with the fund through eCampus on open educational resources, but we would ask that the government fund the project over three years with an additional \$2 million to support the eCampus project at scale, where it targets large entry-level classes. With the collaboration of all these universities—I'm talking about first-year classes—you'll see that you're creating student lobbyists, so that in second year, you will have these students who have already experienced a taste of free textbooks. Moving into upper years, they will be fascinated and want to continue with that. This is what eCampus is trying to work towards, but it's lacking that initial infrastructure.

So far so good. Laurentian has a professor who has been granted a fellowship through eCampus. The conversation is starting. We have a campaign currently at our campus bookstore about #TextbookBroke. It started a bit of the conversation. Some professors are asking. But again, the question is, "How do I start?" There is one professor who really is knowledgeable on the topic, but if we want to spread the wealth through even our neighbour colleges, with Cambrian and Boréal, I think it's good to have shared access to all the good that free textbooks can be.

The other one is the tuition framework. I understand that there has been a new tuition grant revision. That's extremely important. I want to express that we're very grateful for the enormous contribution that the government has allowed us to access, but it's still too complicated a system. First-generation students are trying to have debt aversion, but with the high tuition costs, and that gap in knowledge with all the tuition grants, there can be some misinformation shared. I think I'm expressing more from a northern perspective that that knowledge—there is a gap between.

Laurentian, specifically, maybe as an isolated campus—it's a good segue, that integration with everything that we have in Sudbury—is a little unique, because some of our services are lacking.

We can talk about the student experience. Again, I am grateful, and I like to acknowledge the things that the government has allowed us to do. Laurentian has been acknowledged as a big mining core within Ontario, so I really appreciate that. Cliff Fielding is looking extremely nice, and it's going to be a huge centrepiece for our campus.

Sudbury as a whole, in the grander scheme, is really a higher-education core with Boréal, Cambrian and

Laurentian. In the 300 square kilometres that Sudbury is, one out of seven people is a student starting higher education, and they're all scared. I'm scared. I've been grateful that I haven't had that big of an impact with my mental health, but some students have. It has gotten to the point that, on our campus, if you want access to a psychologist or a psychiatrist, the psychologist is a four-week wait, but for a psychiatrist, you're looking at months. For my friend who booked an appointment with a psychiatrist in November, they can't access a meeting until April. If anyone is familiar with our calendar year, your exams are in April. You're abandoning, pretty much, your exam schedule when you have to wait that long.

0910

But when it comes to Laurentian, is it really Laurentian's job to keep getting this access? Or maybe specifically the crisis; I think that comes with it. When we look at all the other universities, and higher education as a whole, a crisis centre—when you look at Sudbury, we're different from the rest, because we don't have access to that, and Laurentian is isolated from a campus, and an integration piece is a bit lacking.

I understand that Health Sciences North is a huge piece that works with Sudbury and our campus, but as our mental health grows—I know there's going to be a revision, and I look forward to the election because that is a huge piece for everything.

I don't have a specific monetary ask, but that Sudbury has a special consideration in higher education because it's such a big transition piece. We need almost that second thought about how it can work in Sudbury. In southern Ontario, it is working, and there's a lot of optimism around it, but in Sudbury, I still feel like we're one step behind on this topic.

Those are my three simple asks. I wanted a short presentation so we could allow questions, if you want to hear the student perspective. It has been a great pleasure to just present my case. I really appreciate it.

Laurentian, Boréal and Cambrian are kind of new into the advocacy side of things. At this scale, it's really important. I know our student membership will appreciate you allowing me to present today.

The Chair (Ms. Ann Hoggarth): Thank you very much. We will start questioning today with the government: MPP Baker.

Mr. Yvan Baker: Thanks very much for coming in. I applaud you for your advocacy and for doing more than you've done in the past, as you've said, and I hope you continue to do more.

Mr. Roch Goulet: Thanks.

Mr. Yvan Baker: I was active in politics in my twenties, but I never presented in front of a group of elected officials, so good for you for doing that. I hope you do more; you did a good job.

There are a few things I wanted to quickly touch on, and then maybe I'll ask you a couple of questions, if that's okay.

Mr. Roch Goulet: Yes, absolutely.

Mr. Yvan Baker: You talked about a couple of things. One was you talked about e-textbooks and eCampusOntario. I was actually there with Minister Matthews and a number of the OUSA representatives when we made the recent funding announcement around eCampusOntario. I've learned a lot about that issue and what has to be done to grow the prevalence of e-textbooks. I completely agree with you and I completely understand why OUSA is advocating for that. Obviously, the potential is massive in terms of the cost savings for students, and also in terms of the ease with which you can access content. It goes without saying that this is an important resource, and we have to continue to build on it, so your point is well heard. I think it's fair to say that Minister Matthews and the government are very supportive of that and, I would say, have been very forward-looking and ambitious in moving that along. But I'll take your feedback back on the funding ask as well. I'm pretty proud as well of the work that we've done so far. I think it has been very positive.

You made a point around mental health supports. Your point is well taken. You may know this, but since 2012, we've invested \$30 million to improve mental health supports for students on campuses. Beginning this year, we're investing an additional \$6 million annually, every year, over three years to improve those supports on post-secondary campuses. This will bring the ministry's annual funding for mental health supports and services to about \$15 million.

We definitely recognize that there's a tremendous challenge there. I know we've been working with OUSA and other student representatives to identify where those resources are needed, and what's needed, and to get them there as soon as possible. You spoke to the issue of the wait-list that you experience here locally. Obviously, the goal has got to be to address that. Your point is well taken.

Obviously, one of the things that has been big—you talked about e-textbooks, but one of the things that OUSA talks about a lot in the context of e-textbooks is the cost savings. I think that one thing I'd be remiss in not mentioning is the reforms to OSAP and, obviously, the free tuition for those who qualify and, for those who don't, significant grants that support their tuition. I'm very proud of that. I was one of the people who helped to work with Minister Matthews on the OSAP calculator that you see online.

Mr. Roch Goulet: Cool.

Mr. Yvan Baker: I'm very proud of that policy—I think we all are—because I think that will make a difference for a lot of students. Hopefully, it will for you and many of your classmates.

Lastly, I'm somebody who has worked very closely with OUSA and some of the other student groups as well, because I'm a big believer that we have to help students make informed decisions about their post-secondary path and the careers that they choose, and so I had a private member's bill around that. I want to thank you and the OUSA team for all of your support and work with me on that.

Mr. Roch Goulet: I'll make sure to pass the word.

Mr. Yvan Baker: Yes, thank you very much for all that. So these are some things I just wanted to mention and put on the record. I think what I would ask you, simply, is could you just talk a little bit about—you talked about mental health. I just wanted to dig below the surface quickly in the time that we have. Could you just talk about how the mental health issue is affecting students on campus?

Mr. Roch Goulet: Yes. I think I'd just like to be allowed this comment to report on the recent \$6 million every year. I don't remember the specific language, but it actually brought two counsellors onto campus at Laurentian. I think it helped us—Laurentian—specifically because it wasn't based on student enrolment so it was a lot more forgiving to Laurentian. We were able to afford two extra counsellors and the wait times were reduced. But I'm reporting for four weeks on this year's—could you repeat the question? Sorry, I commented to report but I forgot the question.

Mr. Yvan Baker: No, no, thank you. Chair, how much time do we have left in the question?

The Chair (Ms. Ann Hoggarth): You have half a minute.

Mr. Yvan Baker: Quickly, tell me how students are being—the mental health challenge. How is it affecting students on campus? Thirty seconds.

Mr. Roch Goulet: I think it's affecting campus based on degree completion and retention as a whole. Sudbury is a youth core for entering higher education, but when it comes to staying in Sudbury and growing the north, that's where we're seeing the lapse. So the goal is come to the north, stay in the north, I think, because that's my story. I've come to the north. I'm from Petawawa, but I want to stay in the north, and I feel the mental health support is not adequate at this point in time.

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

Mr. Roch Goulet: Absolutely.

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

CANADIAN MENTAL HEALTH ASSOCIATION, SUDBURY/MANITOULIN

The Chair (Ms. Ann Hoggarth): Our next presenter will be the Canadian Mental Health Association, Sudbury/Manitoulin.

Mr. Christopher Piel: Good morning.

The Chair (Ms. Ann Hoggarth): Good morning. If you could identify yourself for the purposes of Hansard, and then you may begin your presentation.

Mr. Christopher Piel: My name is Christopher Piel. I'm the manager of finance at the Canadian Mental Health Association, Sudbury/Manitoulin branch. Some of the points I want to talk about are around funding, program funding versus agency-wide funding. The Canadian

Mental Health Association, Sudbury/Manitoulin has not received a base increase for over five years. It's actually been more than that. New program funding is welcome, but does not address budget pressures for established programs that provide much-needed support in the Sudbury/Manitoulin area. For example, for our branch, an increase of 3% to our overall budget would be just over \$180,000.

Another key issue that I want to address is around housing. Access to affordable housing continues to be a challenge. Individuals who have stable and safe housing can reintegrate into the community more successfully. Housing a person in the community is more cost-effective, at only \$72 compared to \$485 a day in a psychiatric hospital.

Some of the challenges that we also face in northern Ontario is we serve a greater geographical area. That means higher travel expenses, which also put additional pressure on our budget. Our rural areas—for example, the Manitoulin/Espanola area—are underserved and it is very hard to recruit qualified staff with the wages that we are able to offer.

Another point I want to bring up is the impact of the minimum wage. The CMHA, Sudbury/Manitoulin as an organization supports the minimum wage increase, as many of our individuals that we provide services to only earn the minimum wage. However, the large increase this year is putting additional pressures on our already underfunded budget.

The minimum wage increase also increases the compression on our salary grid. As a not-for-profit organization offering mental health support to individuals, we're not able to charge fees so we might have to reduce services going forward.

Those are my few talking points. Thank you.

The Chair (Ms. Ann Hoggarth): Okay, thank you. We'll move to the official opposition: MPP Oosterhoff.

Mr. Sam Oosterhoff: Chris, thank you very much for taking the time to come and appear before us and share some of your story. It ties in very well with what we heard earlier from Roch. I think it's an issue that is becoming more and more important, not only to young people but, really, to people across the province and across the country, recognizing the need for mental health. I just want to say that—

Interruption.

The Chair (Ms. Ann Hoggarth): Excuse me. We're going to stop. Next door, they're going to have—we're going to have a five-minute recess because they're having drumming and singing for five minutes, so if you don't mind we're going to have a five-minute recess because it's not fair to the presenter.

Interjection.

The Chair (Ms. Ann Hoggarth): Yes, we will start afresh. We had just started. Okay, five-minute recess.

The committee recessed from 0920 to 0929.

The Chair (Ms. Ann Hoggarth): We'll come to order, please. We will start with the five-minute questioning by the official opposition. MPP Oosterhoff.

Mr. Sam Oosterhoff: Excellent. Chris, good to see you again.

I wanted to start out by laying a bit of a picture on the state of mental health, for the committee's sake and for the record. We know that mental health is something that has been talked about a lot over the last decade, really. It's increasing in the public awareness and understanding, but government action hasn't really followed the increased need.

I think that if we look at the statistics, they're very clear. We see that in 1979, for example, 11% of health care dollars were spent on mental health, as opposed to only 6.7% today, I believe. From 2004 to 2011, the Liberals increased funding by, I believe, \$16.45 per capita in the province of Ontario. In Australia, it was over \$100. In New Zealand, it was \$198 that they've increased the spend per capita.

I think that speaks to, unfortunately, the type of rhetoric that we've heard at other places on our stops. Yesterday we were in Thunder Bay. You spoke about a five-year freeze on your base funding, and we've seen that, as well, from other community health centres that we heard from in Thunder Bay that have concerns about this. Unfortunately, the government hasn't taken the necessary action, so it's very important that they also hear from organizations such as yours. I want to thank you for taking the initiative to come before the committee and really bring some awareness to this issue.

I wanted to mention that our leader, Patrick Brown, in the People's Guarantee, committed to matching the federal government's \$1.9 billion over the next 10 years to mental health, to create a comprehensive mental health approach here in the province of Ontario. The PCs would match that with \$1.9 billion, for a combined \$3.8 billion, the largest investment in Ontario's provincial history.

I'm just wondering: Would you be willing to talk a little bit about what that type of significant investment would mean for mental health networks and for the citizens of Ontario?

Mr. Christopher Piel: I just want to go back to the five-year freeze. I put five years in my notes because I've been with the agency for five years. It has actually been longer than that.

Mr. Sam Oosterhoff: Longer? Wow.

Mr. Christopher Piel: I just wanted to clarify that.

One of the issues is retaining qualified staff. If we don't pay fair wages, qualified staff leave the agency. We hire and we train the best we can, and then they leave, which is not good for individuals, because part of the mental health approach is building relationships. To have success, it's important to have the same worker working with individuals, so one of the biggest pressures is around salaries.

Now what's happening is that we try to move operating dollars into the salary budget lines, to do the best we can to have small percentage increases here and there, but then we're going to run into the risk of how we are going to pay for hydro, rent etc. Any increases to the overall budget would help to address that issue.

Mr. Sam Oosterhoff: You mentioned hydro. Have you seen your hydro costs significantly impact the levels of care you're able to provide the patients?

Mr. Christopher Piel: What we've tried to do is take advantage of any other programs to be more efficient for hydro expenses. For example, a few years back, through Sudbury hydro, there was a program to install more energy-efficient ballasts. That helps with the costs, but it's a lot of work and very time-consuming for the agency to focus on those items versus focusing on providing services to individuals.

Mr. Sam Oosterhoff: So would it be fair to say that the increase in hydro rates has led to a diversion of resources away from providing front-line care and into providing hydro costs?

Mr. Christopher Piel: Indirectly, yes, at the end of the day.

Mr. Sam Oosterhoff: That's unfortunate, because that's exactly the situation we've been hearing from other communities, and in my community as well. I have a lot of organizations that have mentioned that.

I believe you had a question?

Mr. Norm Miller: Sure.

The Chair (Ms. Ann Hoggarth): MPP Miller.

Mr. Norm Miller: You mentioned in your presentation that funding for mental health was, I believe, 6.5% of the total health budget, yet as I understand it, many years ago it used to be 11%. And you just talked about how your budget has been frozen for eight years, so we've really seen a decline in investment in mental health over the last number of years. Is that correct?

Mr. Christopher Piel: Yes. In my handout it makes reference to how back in the 1970s it was over 11%.

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 o'clock on Friday, January 19. Thank you, sir.

I'd just remind the committee members that before you speak, you need to be acknowledged by the Chair.

FEDERATION OF NORTHERN ONTARIO MUNICIPALITIES

The Chair (Ms. Ann Hoggarth): Our next presenter is the Federation of Northern Ontario Municipalities. Good morning. If you could identify yourself for the purposes of Hansard, you may begin your presentation, sir.

Mr. Alan Spacek: Good morning. Bonjour. Wachay. My name is Al Spacek. I'm the mayor of Kapuskasing but presenting here today on behalf of the Federation of Northern Ontario Municipalities. We're proud to represent 110 cities and towns—mostly towns—in north-eastern Ontario.

To give you some context for my presentation, 54% of our 110 member municipalities are communities of under 1,000 people; 74% of our membership is under 2,000 people; and we clearly represent 25% of the communities

in the province—just to give you some sense of our size and our resources.

Thank you for the opportunity to present. I'll start off quickly with infrastructure. I'm going to speak quickly, because I've got a bit of information to cover.

The Ontario government is well aware of the infrastructure deficit in the province in the municipal sector. Those estimates are pegged at \$4.9 billion. This does not include inflation considerations, and also assumes that all existing federal and provincial funding programs will be maintained.

FONOM appreciates the commitments made to address the infrastructure deficit through investments made under Moving Ontario Forward and the Ontario Community Infrastructure Fund, yet despite these improvements, the backlog of infrastructure needs in our communities remains significant. It would require a municipal tax increase of 8% per year, every year, compounded for 10 years to meet that commitment.

FONOM supports the initiative taken by the Association of Municipalities of Ontario, AMO, which was calling on the provincial government to increase the harmonized sales tax by 1%. This would be dedicated to municipal infrastructure—not to reducing taxes, but to municipal infrastructure. It would allow for a consistent source of revenue that would be dedicated to municipalities and not shift based on upper levels of government's positions of the day.

Further, it would give more authority to local governments to invest in the projects that are most needed, rather than being tied to programs. Municipal governments certainly deserve their fair share. Right now, we are getting approximately eight cents of every tax dollar that's collected, yet we deliver many of the front-line services that citizens of Ontario need.

In addition to the infrastructure programs previously mentioned, the provincial government also reintroduced the Connecting Links Program in 2015. We welcome this. They have also committed to doubling the funding provided, to \$30 million, by 2018-19. While we certainly appreciate this, it's evident that the \$30-million commitment will not appropriately address the 352 kilometres of connecting-link road and 70 bridges that are within those areas serviced by small municipalities.

Given that there's a significant backlog from the years where there was no connecting-link funding, municipalities should be able to use capital funding from other application programs if their connecting-link priorities are deemed just that: a priority.

Finally, FONOM maintains the position that the Ministry of Finance should reconsider its approach taken to address the system of municipal taxation for railway rights-of-way, so that it's based on value and tonnage. This would include an exemption, though, of course, for short-line, like the Ontario Northland Railway, Algoma ACR and others. We recognize the important role that short-line plays in our economy, and recognize that they obviously don't enjoy the same level of profitability as does long-track. The province did take steps in the last

budget to address this, but unfortunately, it's still not sufficient.

For example, there are still very significant discrepancies between northern Ontario and southern Ontario. Previously, we were collecting about \$35 per acre in northern Ontario while, in southern Ontario it was \$600 per acre. With the new, adjusted rates, we are at a maximum of \$80 an acre, still compared to \$600 an acre in southern Ontario. We would like to see the rate adjusted to reflect also the value and tonnage of goods that are carried, like every other provincial jurisdiction in Canada.

Moving on to policing, the provincial government introduced Bill 175, the Safer Ontario Act, in 2017. It was an extensive, all-encompassing bill that aims to replace the Police Services Act of 1990. FONOM was supportive of the many recommendations that were made in AMO's Policing Modernization Report. There were 38 recommendations that were made. Many of them were related to the civilianization of police services. There certainly is a lot of merit in that first-class constables carrying a firearm don't need to be doing data entry, don't need to be involved in communications and online crime etc. There are many more lower-cost qualified civilians and civilian organizations that could do that. Unfortunately, that wasn't addressed in this bill.

Policing has increased significantly higher than the rate of inflation over the last number of years, and it's no longer sustainable by municipalities.

0940

The next item is cannabis legalization. The federal government certainly maintains its position to legalize cannabis this July 2018, and provinces are pushing legislation through. Ontario has taken a government-run approach to cannabis which would see 49 stores open by July 1, 2018, and 150 by 2019.

The successful implementation of cannabis legalization will largely be a result of the efforts of municipalities, as we are the front-line level of government service delivery. Municipal governments will be responsible for enforcement and providing other resources, such as community supports, policing, public health etc. Municipalities did not ask for and did not pass this legislation, yet will be the level of government most burdened by it. The province must commit to developing and providing adequate resources and funding to municipalities for law enforcement and community supports, among others.

Moving on to energy: While the province has taken dramatic steps to reduce energy costs within the industrial, commercial and residential sector through a number of programs and initiatives such as the Northern Industrial Electricity Rate Program and a 25% reduction on all hydro costs, the province has yet to address electricity costs for the municipal sector. So those people who are enjoying the reductions on their residential bills are ending up seeing an increased cost through their local municipal taxation.

Operating municipal facilities such as recreation centres, waste water facilities and affordable housing is very much impacted by high energy costs, especially for

municipalities, many in northern Ontario, that don't have access to natural gas. We would certainly appreciate the government's recognition that Ontario municipalities are facing a significant financial burden as a result of that.

Health care and emergency services: Potential changes to the public health units, as outlined in the Public Health Within an Integrated Health System strategy, which was a report released by the Minister of Health and Long-Term Care's expert panel on public health, is a concern to us. The recommendation to reduce the number of health units from 36 to 14 poses risks to local decision-making as it pertains to public health, regionalizing a system that is already very large in northern Ontario in terms of scale. We hope that the government ensures that the numbers of public health units are not reduced.

Finally, FONOM maintains its opposition to the pilot projects announced by the Ontario government to expand medical responses by firefighters who are primary care paramedics while on duty. There is no evidence that this initiative would improve patient outcomes. It's another initiative that municipalities that are 100% employers and responsible for fire service did not ask for and do not endorse.

The province maintains its position that the pilot project is voluntary. However, it is evident, based on past practice, that this will likely not be the case. Twenty-four-hour shifts were also a pilot project in the fire services area which, through the arbitration system, have now ended up being imposed on many municipalities. The province must address the interest arbitration system so that arbitrators cannot replicate the municipal sector.

Certainly, pilot projects normally are based on some preliminary data or evidence that suggests there's more research required or justified, and there is none in this case.

We do know—the Ministry of Health does have data that says—that for some investments in the current paramedic service, they would immediately see some better patient outcomes. Unfortunately, we're told that they don't have the resources to implement those, but have the funds to fund 100% of these pilot projects by fire-medics.

In conclusion, the Ontario government has an opportunity to send a strong message in the 2018 budget that communities matter, that local governments deserve their fair share and authority to make decisions that impact residents. Strong municipal governments are essential to a prosperous and growing Ontario, working closest to the people by providing essential services and community supports.

While the provincial government has taken action on a number of asks from the municipal sector there is still much more work that can be done, and much of it would be at no cost to the province.

Once again, we appreciate having the opportunity to provide comments, and hope that our requests and suggestions for a stronger northern Ontario are taken into consideration. Thank you very much. Merci beaucoup. Meegwetch.

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

Mr. John Vanthof: Thank you, Al, for coming, and thanks to FONOM for being a voice for—which is something I didn't know—25% of the communities of Ontario.

You covered a lot of ground, and I'd just like to get you to expand on a couple of issues. One, which we share, those of us in northern Ontario, is the proposed changes to the health units. Could you describe, if they go ahead and make the health units much bigger, how northerners would actually lose with that proposal?

Mr. Alan Spacek: Like a lot of the other service delivery mechanisms in northern Ontario, there's a lot of geography. We're already covering a lot of areas. The health unit in the Cochrane district, which is where I'm from, spans over 180 kilometres in one direction. There's good structure and local governance in place, where they're sensitive to the local needs; they can adapt. Sometimes the community requirements of, say, the Sudbury area, for example, especially urban Sudbury, will be different than they are in the small villages between Cochrane and Hearst, so you lose that local buy-in at the local level.

I believe the concept is to bring them in under the umbrella of the LHIN organization. That's an organization that already has a lot of challenges just in the primary health care section.

Mr. John Vanthof: Thank you. I'd just like to emphasize that. If you take the difference between a farming community like New Liskeard, the needs of a health unit, or a mining community like Sudbury or an education community, they're vastly different worlds. It's been our experience, when it's central governance from a long ways away, that a lot of the nuances and needs of the community are missed.

Mr. Alan Spacek: Yes.

Mr. John Vanthof: Second, could you expand on the railway tax situation? Because I don't think there's full comprehension of what that difference in taxation makes.

Mr. Alan Spacek: Sure. In many of our northern communities, obviously there are main lines that run through them: CP, CN. In most jurisdictions across Canada, there is a taxation rate that is tied to the tonnage and to the value of the product that's being moved. Yet for some reason, in Ontario, it's tied to an assessment of value, and a much-subsidized assessment of value, for whatever reason. They pay \$600 an acre in southern Ontario; they pay \$80 an acre now under the new system in northern Ontario.

In many northern communities—I use Hornepayne as an example—the railway literally runs right through the middle. The railway also has control over much of the prime commercial land downtown, yet is exempt from normal municipal taxation under the current legislation.

Mr. John Vanthof: Yesterday in Thunder Bay, we heard from the Catholic school board that part of the funding formula for new schools or for changes was an

increase in population. Could you comment? From our perspective, a lot of times in northern Ontario, in my community and your community, the population isn't increasing, but the needs of the community are still there. We still service business; we still service the people. Just because our population isn't increasing in some cases, we still need access to programs.

Mr. Alan Spacek: Certainly you need a base level of resources to appropriately deliver educational services. It can't be tied to volume. You need the same standard of education anywhere in the province of Ontario, and when you're tied to almost a private sector strategy of volume and numbers, it just doesn't work.

Schools are the heart and soul of many small communities. They serve a regional area—they don't just serve that community—so it's important that they're funded appropriately.

Mr. John Vanthof: But could that also be expanded to other services, not just education?

Mr. Alan Spacek: Currently, the province is undertaking a review of the district social services administration boards, and I think you're going to see some similarities in the dynamics that go on there. We're seeing challenges. There are five district social services administration boards in the north. Two work really well: Sudbury and Sault Ste. Marie. That's because Sudbury, the city of, has its own, and Sault Ste. Marie, the city of, has its own. The outlying districts have their own. That works well.

When you mix large urban and small rural, like in the other three, there always seem to be challenges and acrimony. I think you heard that consistently in the input going through the DSSAB Act review.

There are always problems when you mix large urban and small rural. There are different priorities and challenges.

Mr. John Vanthof: How much time, Chair?

The Chair (Ms. Ann Hoggarth): A minute—actually, half a minute.

Mr. John Vanthof: Okay. Infrastructure backlog and your tax revenues: Describe the infrastructure backlog and how that's affecting your municipalities.

Mr. Alan Spacek: Sure. As I mentioned to you, many of our municipalities are small and it's a huge challenge for them. Ontario has mandated that many municipalities put in place asset management plans, so the province knows as well as we do what our requirements are for infrastructure, yet so often, those programs are tied to the lottery system of applications for grants that are significantly less in resources than what the need is in the municipality. We need dedicated, predictable annual funding.

Mr. John Vanthof: Thank you very much.

The Chair (Ms. Ann Hoggarth): Thank you, Your Worship. If you have a further written submission, you can have it in to the Clerk by 5 o'clock on Friday, January 19. Thank you, sir.

Mr. Alan Spacek: Thank you very much.

0950

EACOM TIMBER CORP.

The Chair (Ms. Ann Hoggarth): I call on Eacom Timber Corp., please. Good morning. Once you get settled, if you could identify yourself for the purposes of Hansard. You may begin your presentation. Thank you.

Ms. Christine Leduc: Good morning. My name is Christine Leduc. I'm representing Eacom Timber, a Canadian wood products company. In the audience, I have also my colleague Brian Nicks.

It's really a pleasure to be here in front of you today in Sudbury. Eacom's closest sawmill is about 50 kilometres away, where 180 Ontarians are working to produce softwood lumber.

Eacom's operations include the manufacturing and distribution of lumber and wood-based, value-added products, as well as the management of crown lands in Ontario and Quebec. In Ontario, management responsibilities are for approximately 7.8 million hectares of crown forest. That's so much forest, it's hard to put into perspective.

With our six facilities in Ontario, Eacom is the province's largest softwood lumber producer. The company employs 1,135 Canadians.

Our low-carbon-footprint wood products are used to build homes in North America. Those of us in the forest products sector are proud of our contributions to the fight against climate change. Our resource is a renewable one, and 50% of the dry weight of wood is carbon. We're pleased to see a recognition of the benefits of using wood. I'll just take this opportunity to remind you of the 2014 building code change in Ontario to allow for six storeys from four storeys. Thank you for your advocacy on that file.

The year 2017 marked the latest iteration of the softwood lumber dispute between Canada and the US. As of April 2017, we were paying a duty on all of our shipments to the US, which for Eacom represents about 50% of our sales. Then, the other 50% stays in Canada, the majority of which is destined for the GTA. In response, Canada and the provinces, including Ontario, have initiated a defence through the World Trade Organization, as well as through NAFTA's chapter 19. We do expect to prevail. However, litigation could take years. We may be looking at litigation for the next four or five years. Until a resolution is achieved, we will be paying a 20% border tax on all of our shipments to the US.

Despite this uncertainty, we believe in the potential for Ontario to be a leading jurisdiction. Our company has invested over \$60 million just in Ontario since 2012, and these investments have delivered significant results. Our company's annual production has increased from 518 million board feet in 2013 to 960 million board feet in 2017, almost doubling in four years. Accordingly, our workforce has grown from 820 workers in 2014 to the 1,135 that I stated earlier. This is good news. We will continue to invest in our mills, and the next investments you will hear about later in 2018.

To realize continued growth and investments, we're committed to working with the province on issues related to access to wood supply, as well as ensuring a predictable forest policy environment. That said, I am here today with one request for this committee for the 2018 budget: roads funding. We are grateful to the government for its commitment towards northern and rural infrastructure through this program in the past. In the 2015 and 2016 budgets we had a program at \$60 million, and in the 2017 budget we had a \$74-million program.

I would like to explain to you a little bit more about how the program works. This funding supports the construction and maintenance of roads outside of the provincial highway network system. Because of the investments of industry and government through this program, many roads, bridges and water crossings are replaced and maintained on an annual basis, with significant safety and environmental benefits. Additionally, these roads are critical for the movement of people and goods—I will have some specific examples for you—not only supporting the industries, whether it's resource sectors like mining or forestry or tourism outfitters and trappers, and many First Nation communities are only accessed through these roads.

In order to be eligible for roads funding, the roads have to be identified in a forest management plan. They have to be on crown land. Primary roads are eligible for 100% reimbursement. Branch roads are eligible for 50% reimbursement. The difference between the two is the longevity: a primary road up to 10 years, a branch road closer to five years. The road has to be on crown land and it cannot be restricted to the forest industry, so there have to be other industries and users of the roads.

I've got a few examples. A First Nation community accessed by a roads-funding road is Slate Falls First Nation. It's accessed only through an 88-kilometre all-weather road that is solely maintained through this program.

I've got another example from an emergency. Eacom has a mill in Timmins, so we're familiar with the 2012 forest areas which, unfortunately, closed down Highway 144. The Papakomeka/Grassy River forest road was a critical link between Timmins and Sudbury and was the route used for the emergency services during the disaster.

I've got two examples that you may be familiar with, roads that are used frequently by people in northern Ontario: The 91-kilometre Industrial Road, providing a direct route between Longlac and Marathon, can reduce travel times by several hours compared to the highway and the 115-kilometre Sultan Industrial Road, one managed by Eacom, is a road between Highway 144 and Highway 129, again, saving hours off of an east-west trip.

Just to maybe give you some more information for its part in 2017, Eacom was responsible for the construction of 1,035 kilometres of roads as well as the maintenance of 4,850 kilometres of roads through this program. This is just the information for my company, but there are many of us building and maintaining roads all over the province.

Today I'm here to request that the roads funding program be \$75 million for the 2018 budget.

I'll just wrap up quickly by saying that we're a very proud member of this sector. We really believe that by working with the government we can help the province achieve its fiscal and its environmental objectives. Eacom is committed to continuing to work with all parties on this. Thank you. I think I'm under, but I'm happy to take questions.

The Chair (Ms. Ann Hoggarth): You are under. Have you anything else you'd like to say?

Ms. Christine Leduc: No, I'm happy with that.

The Chair (Ms. Ann Hoggarth): This round of questioning is from the government: MPP Colle.

Mr. Mike Colle: I just want to thank you for presenting today some very tangible recommendations, especially the ones about road funding.

I just want to say that there are some very positive things happening in the forest industry in Ontario. It's good to hear that; you won't hear that from the opposition side. Yesterday we also heard from the Ontario Forest Industries Association, Jamie Lim. She was very enthusiastic about the incredible improvement, growth and expansion of the forest industry. What has caused that? Why has there been an upswing in forestry in Ontario and in the production of forest products?

Ms. Christine Leduc: The forest sector was hit hard during the recession, and Ontario was hit disproportionately when it came to mill closures and job losses. Certainly now, in 2018, we've seen an increased demand from the housing market. For us, the big one is the US housing market. We're back up to over one million starts, and we're expecting to see continued growth.

Things like the building code changes in Ontario are the kinds of things that will excite us in terms of the demand for wood. We're hopeful that we can continue to push for more progressive building code changes. We're excited by the use of innovative wood products like cross-laminated timber and glulam.

We've come out of some very hard times—

Mr. Mike Colle: What percentage of your product gets shipped into the US housing market?

Ms. Christine Leduc: Our production is about 50% to the US and 50% in Canada. Of our Canadian sales, two thirds go to the GTA because of our six facilities in Ontario that are well located. We've got a mill here in Sudbury, a mill in Timmins, and mills in Elk Lake and Gogama. They are perfect to send lumber by trucks to the GTA.

Mr. Mike Colle: Basically, you export to the south, and to Toronto and the GTA, so the housing boom in the GTA is beneficial to jobs up here in the north?

Ms. Christine Leduc: Yes.

Mr. Mike Colle: You said you produced 518 million board feet—when?

Ms. Christine Leduc: In 2013. Now we're at 960 million. We have restarted one mill in Ontario.

Mr. Mike Colle: As of what year is that?

Ms. Christine Leduc: That's 2017.

Mr. Mike Colle: Okay, 2017.

Ms. Christine Leduc: Some of that is the result of a restart—so 100 million board feet of that will come from restarting a mill. Ear Falls, in northwestern Ontario, had previously been idle for five years. The increases are the result of investments at all the other mills.

Mr. Mike Colle: My colleague would just like to finish.

The Chair (Ms. Ann Hoggarth): MPP Des Rosiers.

M^{me} Nathalie Des Rosiers: Moi aussi, je voulais, pour commencer, vous reconnaître et reconnaître que vous êtes venue. J'ai eu la chance de visiter les facilités d'Eacom.

Your ask today—I just wanted to make sure that I understand: You're happy with the way the program works. You just want to ensure that the program continues—

Ms. Christine Leduc: Is maintained.

M^{me} Nathalie Des Rosiers: Is maintained.

Ms. Christine Leduc: Yes.

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M^{me} Nathalie Des Rosiers: So the program does deliver what you need to continue to invest in Ontario?

Ms. Christine Leduc: Yes. We saw a \$74-million program last year. This program dates back to 2005, and when it was first introduced, it was introduced at \$75 million. Our costs of building roads have increased with inflation; however, today, in 2018, I'm still asking for a \$75-million program, which will help support the maintenance and construction of roads all over Ontario, which helps our industry and many other users of the forest.

M^{me} Nathalie Des Rosiers: Okay. So that's what I wanted to say: You detailed the eligibility criteria, but I understand that you're happy with the eligibility criteria—

Ms. Christine Leduc: Yes.

M^{me} Nathalie Des Rosiers: —and they allow you, or Eacom, to actually continue to build in Ontario and expand their business.

Ms. Christine Leduc: Yes. I also think you will hear a lot of people asking for roads funding, and maybe this is an opportunity for me to explain to you a little bit more about how it works.

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

Ms. Christine Leduc: Thank you.

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

MR. FRED SLADE

The Chair (Ms. Ann Hoggarth): Our next presenter is Fred Slade. Good morning, sir.

Mr. Fred Slade: Good morning to you.

The Chair (Ms. Ann Hoggarth): When you get settled, if you could identify yourself for the purposes of

Hansard, and you may begin your 10-minute presentation.

Mr. Fred Slade: Perfect. Thank you.

My name is Fred Slade, and I'm here on behalf of business owners who employ low-wage earners.

Before I start, I'd like to mention that I was here just over a year ago to provide advice on behalf of our children, who will be paying for the provincial debt, which has more than doubled over the past 14 years. The suggestions I then presented are still as or more valid today, so you have with you written copies of them—my remarks last year—which you can revisit as you choose.

For my verbal presentation today, I will focus my comments on the bullying of Ontario businesses and their employees. I will present a suggestion on how this government, or more likely its successor, can at least mitigate the damage that's already being done.

Time permitting, I will give two examples of the law of unintended consequences; of course, I am referring to the sucker punch to employers, especially small businesses, delivered by Bill 148.

Most people I know support improved wages and better work conditions for low-income Ontarians, but it is reprehensible that a worn out government should stick employers alone with both the responsibility and the cost of this election-year offering, estimated at over \$10 billion for 2018 alone.

If it were truly concerned about fairness, this cost would have been assigned to all taxpayers in Ontario. If it were truly concerned about fairness, this government will correct that injustice in the upcoming budget.

We know that there are a myriad of changes to comply with, but the concern to employers is the massive cost increases over a short period of time. For minimum wage employees, that increase alone was over 20% in three months and will exceed 29% over 15 months.

Now, those who know me will be very surprised to hear me suggest a new tax, or maybe we should call it a premium. That phraseology seemed to work well for a former Premier, who had promised no new taxes, but we have limited choices. I prefer paying our way for what we truly want now rather than passing it on to our children and grandchildren—too much of that has already been done. The only other way is to reallocate wasteful spending, and that's something our current governments seem unable to achieve.

The costs of Bill 148 should be paid by everyone earning more than a certain amount—say, \$25,000—and it could be increased at higher incomes, similar to the Ontario health premium. That way, public service employees, MPPs and others could each contribute \$300 to \$900 rather than forcing business owners only to pay as much as \$6,000 for each person they employ.

If this had been done in the first place, we wouldn't be seeing people losing benefits, losing hours or losing their jobs because employers have no choice but to cut, close their doors or relocate out of Ontario, but this wasn't done, and it's tough to put a genie back in its bottle, so we need another way to offset these costs employers are now facing.

That solution is not the useless 1% reduction on the tax rate on small business. One per cent of nothing is nothing, and many won't be paying any taxes with the increased costs. If someone still manages to make, say, \$50,000 after these changes, they will save \$500. That's less than 10% of the cost increase for one employee.

The only businesses that will benefit from this ill-conceived PR move are those without employees. How much sense does that make?

Instead, the premiums collected should be re-distributed to the employers with employees who make less than a certain amount—say, \$25,000. This could easily be done with a refundable tax credit along the lines of the current Apprenticeship Training Tax Credit.

To quote French novelist and Nobel Prize winner Albert Camus, “The evil that is in the world almost always comes of ignorance, and good intentions may do as much harm as malevolence if they lack understanding.” I would add to his comments by suggesting that the aforementioned unintended consequences are virtually guaranteed when social policies are designed by campaign advisers rather than by those who understand mathematics and business.

I have submitted a worksheet showing two not-so-hypothetical examples. As a CPA with over 40 years of experience and a broad clientele of local employers, I can assure you there are many other horror stories, but I only have time—hopefully, I have time—to describe these two.

The first is a restaurant owner, who seems to be doing really well. His business makes \$200,000 per year before tax and before paying himself. Surely he could afford to pay his 20 full-time equivalents more than the \$12.50 an hour that he now pays. Well, let's factor in a few things. He has invested over \$950,000 to acquire this business. He has \$750,000 in loans still outstanding, which will take 10 years to retire if he pays \$75,000 each year and if interest rates don't increase. That leaves less than \$125,000 for him, because the \$75,000 to service the debt is after-tax dollars. But even if it wasn't, \$125,000 that he would have available works out to \$31.25 an hour on an 80-hour work week. That seems like a lot, but this individual that I base this story on probably makes a little less than that, because he's usually 12 hours a day, seven days a week, 51 weeks a year. Any of you who know family-owned restaurant owners would not be surprised by that. At \$31.25 an hour, he's still better than the Canadian average of \$26 an hour, but it shows that what on the surface seems to be a fat cat, perhaps, by someone's description, is actually a business owner with a lot of employees and not living in the bed of roses that some might think.

With the wage increases he will face, along with the increases in food costs and overheads—because his suppliers' wage costs are also going up over 30%—he will pay an extra \$225,000 and end up working for less than nothing. Even if he increases his prices by 10%, he's still down \$55,000 per year, and that means it will take 37 years instead of 10 years to pay off his debt.

My second example of an unintended consequence is a real-life employee. This person works part-time in retail, earns minimum wage and has had this job for six years. As of January 1, his wage increases, he gets an increase in vacation pay and he gets paid more for statutory holidays. He also gets up to two days' personal emergency leave if he needs it, and a number of other potential benefits. Those are all good, but who's paying for it?

Just costing out the first three of those items, he will be paid 41% more this year for the same amount of work. You would think he would be over the moon about something like that, but sadly, he's not. He has just been laid off. His employer simply can't justify that type of cost increase.

In closing, I would like to further admonish those who dismissed claims last year that these types of unfortunate results were inevitable as “fearmongering.” You can debate the job-loss prediction numbers of the Canadian Centre for Economic Analysis, and you can debate those of the Financial Accountability Office, but you can't debate the answers that the Canadian Federation of Independent Business heard from 3,800 real-world members when asked how they would be forced to deal with the burden. Some 66% said they would increase prices, 64% said they would reduce planned new hires, and 52% said they would reduce hours for existing employees. Let's hope those numbers don't turn out to be even worse. Thank you.

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

Mr. Victor Fedeli: Thank you very much, Fred, for being here again this year. Sadly, your presentation last year didn't go over well, because nobody listened to anything and the program was implemented, and here we are today and exactly what you forecasted in that very chair last year has indeed occurred. You used the word “inevitable” a minute ago, and I must say to you that it was inevitable. Not only did we hear during pre-budget consultations from people like yourself and many, many groups, including the chambers of commerce right across Ontario, but when we had the Bill 148 hearings, we heard from businesses, again, who came to the hearings and told us what the Financial Accountability Officer said: that we would lose 50,000 jobs throughout Ontario—TD Bank said 90,000; and just recently, the Bank of Canada said it will be 60,000. They're just quibbling over how many tens of thousands of jobs will be lost.

You've been an accountant in this town, you told us, for 40 years?

Mr. Fred Slade: A little more.

Mr. Victor Fedeli: A little more than that? You started when you were young, then, Fred.

I don't want to ask you to forecast the numbers, but you have clients—are you still in business?

Mr. Fred Slade: Absolutely, yes.

Mr. Victor Fedeli: So I'm guessing this restaurant person may be a client of yours.

Mr. Fred Slade: I've altered the numbers slightly, but, yes, they're a very realistic determination of what actually happens in this business. He actually doesn't do quite as well; he doesn't make \$200,000 a year, but he could if things were different.

Mr. Victor Fedeli: Is this going to happen—these stories?

Mr. Fred Slade: These types of things? They are happening now. Most of the conversations I had with my clients during the month of December were about how they were planning to deal with the upcoming changes.

Mr. Victor Fedeli: What are some of the thoughts of how they're going to deal with the changes? What are they going to do?

Mr. Fred Slade: Well, for the most part, I'm hearing about laying off; I'm hearing about price increases. Since January 1, it has shocked me a little bit that people are just finding out about some of the costs, particularly with statutory holidays. Obviously, that's very pertinent with part-time staff. It's a very dramatic change to part-time staff. It doesn't change full-time staff at all. They knew that they were getting an increase to \$14 an hour. So now they're simply saying, "Well, I'm going to have to lay off more, and I'm going to have to not hire part-time employees anymore. I'm going to hire full-time employees because I can't afford the new rules on statutory holidays."

Mr. Victor Fedeli: So that's one: The part-time employees won't be hired?

Mr. Fred Slade: Well, that's what one fellow who knew of everything that was coming. He employs just under 50 people. He told me in December that he was planning to lay off eight employees. He called me on the 4th of January incensed over the new rules for the statutory holidays. The retail employee example I give you here is a pretty accurate number of his employees who received a termination notice this week.

Mr. Victor Fedeli: The Financial Accountability Officer told us that it was going to particularly hurt low-income earners and youth. Are you seeing that in your real-life examples of your clientele?

Mr. Fred Slade: Well, it's a little premature. I actually don't know this fellow's age. But I know it's going to hurt part-time employees a lot because either they're going to become full-time employees and there will be less of them or they'll be unemployed.

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

Mr. Victor Fedeli: The chamber of commerce in North Bay sent a submission in to this committee, and in it they talk about the fact that some businesses have gone so far as to cancel group benefit plans. Have you seen that?

Mr. Fred Slade: I have not seen that yet. I won't be surprised if I do.

Mr. Victor Fedeli: Yes, well, we're going to see it when we read their presentation.

Mr. Fred Slade: You can't get blood from a stone. A lot of these business owners are just starting to realize these consequences now.

Mr. Victor Fedeli: Why didn't they know that before? We were beating the drums—

Mr. Fred Slade: You and I were, and I know that the chamber of commerce and the Canadian Federation of Independent Business were. But they're busy. They're busy working 80 hours a week. Some of them are very skilled at what they do. They know customer service, they know how to prepare food or order food, or even how to schedule staff and manage staff. But they're not watching the newscasts—or the same ones that you and I are, I guess.

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 o'clock on Friday, January 19.

Just before we go on, there have been discussions about the noise level. For those who are presenting, please get the microphone as close to you as possible. And could we have everyone speak up just a bit? Unfortunately, there's really no other way to combat this, so we're going to have to be patient. I thank you all for your patience.

Also, the next presenter may speak French, so your headphones are available if you wish to put those on.

CHILD AND FAMILY CENTRE

The Chair (Ms. Ann Hoggarth): I will call upon the Child and Family Centre to come forward.

Good morning. Please identify yourself for the purpose of the Hansard, and then you may begin your 10-minute presentation.

Mr. Josh Tillson: My name is Josh Tillson. I'm a 17-year-old student here in Sudbury, Ontario. Back in February 2016, someone very close to me, my stepfather, took his life in our home. It was abrupt, something I could have never anticipated. It was truly traumatizing because I was not only left with the feeling that I had some kind of responsibility in his death, but I was also left with a feeling of betrayal.

In the weeks and months that followed, I distanced myself completely from my friends and family and I tried to suppress all of my dark emotions. Several times I sought the help of a counsellor. However, these interactions were extremely difficult because I felt as though no one could understand me—I was just an extremely successful student and athlete, and that's all anyone ever saw.

Eventually, it got to the point where I attempted suicide. I'm extremely fortunate to be here today. I felt utterly alone. I did not know of the resources that were available to me. There are so many other youth who struggle with these same thoughts and emotions. I was fortunate to have turned to running as my escape, where I could release my emotions. However, most youth are unsure of what to do and where to go when they're faced with depression and low mental wellness. They don't know of the resources that are available to them, and sometimes they can't even access these resources. Here in Canada, 1.2 million children and youth are affected by

mental illness, yet only 20% will ever receive the proper treatment.

We, as youth, are the future of Canada. Each and every one of us has something extremely positive to contribute to our society. Because I didn't die back in May 2016, I've had the opportunity to do some amazing and positive things in my community. Every life, every youth that we lose to suicide had something beautiful to contribute to our world. These individuals can go on to be very successful and positively contribute to our economy.

As a society, we need to invest in our youth and invest in mental health resources so that no one feels alone.

Furthermore, mental illness costs Canada over \$50 billion annually in health care costs, lost productivity and reductions in health-related quality of life. The social costs of poor mental health are high. A person with severe mental illness is at high risk of experiencing poverty, homelessness and unemployment. There is strong evidence that promotion and prevention and early intervention targeting children and their families can produce significant net cost benefits. For example, improving just one child's mental health from moderate to high has been shown to have a lifetime savings of \$140,000. Taking into note that about one million youth in Canada are currently affected by mental illness, that is a huge savings for our economy.

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Taking all this into account, not only are we saving money by putting more money towards mental health programs; we're also saving lives and improving the quality of life for all Canadians.

Invest in our future. Invest in our youth.

M^{me} Jocelyne Bédard: Bonjour. Je me nomme Jocelyne Bédard et je préside le conseil d'administration du Centre de l'enfant et de la famille. J'apprécie grandement votre attention ce matin.

La stigmatisation de la santé mentale s'estompe lentement, mais il reste tant de chemin à parcourir. Chaque jour, nous rencontrons et desservons des enfants et des jeunes d'un peu partout dans notre région, qui s'étend du grand Sudbury à l'île Manitoulin jusqu'à Chapeau plus au nord.

Il est stupéfiant de savoir que la proportion de jeunes déclarant avoir manqué l'école pour cause d'anxiété est de 25 %, tandis que plus du tiers des parents ont besoin de s'absenter de leur travail pour prendre soin de leurs enfants. Cela génère, évidemment, un coût incroyablement important pour nos économies locales.

Au Centre de l'enfant et de la famille, nous faisons de notre mieux pour répondre aux besoins de la population. Mais quelque 40 % des jeunes qui tentent d'avoir accès au système disent ne pas pouvoir obtenir le traitement requis, ce qui peut entraîner des conséquences pouvant être fatales, car ne pas obtenir de services en temps opportun est souvent synonyme de suicide—un prix à payer bien trop élevé.

Au cours des 25 dernières années, les dépenses gouvernementales pour le traitement dans les communautés

ont été réduites de plus de 50 %. Nous fonctionnons avec une fraction des ressources dont nous disposons il y a quelques décennies. Ajoutez à cela une augmentation de 67 % du nombre de jeunes cherchant à recevoir un traitement dans les hôpitaux, et vous obtenez un problème de surpopulation qui coûte plus de 190 millions de dollars par année.

Nous savons qu'environ un jeune sur cinq sera aux prises avec un problème de santé mentale avant l'âge de 18 ans. Notre région compte environ 40 000 jeunes dans ce groupe d'âge. Nous devons donc être en mesure de servir plus de 8 000 jeunes en difficulté. Il s'agit, comme vous pouvez le voir, d'une tâche monumentale pour un organisme qui compte à peine une quarantaine de cliniciens. Vous comprendrez que nous ne pouvons pas assurer les services comme il se doit avec les ressources dont nous disposons actuellement.

La région du nord-est ontarien enregistre les taux les plus élevés de visites au service des urgences dans les hôpitaux, soit un tiers de plus par rapport à la moyenne provinciale. Les taux de suicide ont augmenté de 89 % dans les dernières années. Nous perdons près de 14 jeunes par 100 000 jeunes, ce qui équivaut à près de six décès par année depuis 2014, une proportion deux fois supérieure à la moyenne provinciale. La crise que nous traversons ne peut plus être ignorée.

Le ministère de la Santé et des Soins de longue durée a déclaré avoir pour objectif de réduire les coûts des soins de santé en investissant dans les soins communautaires et à domicile, ainsi que dans la santé mentale des adultes. Nous applaudissons ces mesures, mais nos jeunes n'en ont pas profité.

L'investissement qu'a récemment annoncé le ministre Hoskins dans les carrefours bien-être pour les jeunes est une excellente idée, mais, encore, il ne se traduit pas par une augmentation nette des services de traitement.

Nos enfants et nos jeunes ont besoin d'une solution plus globale afin de pouvoir recevoir un traitement de qualité, et ce, à proximité de leur domicile. Ils sont nos ressources les plus précieuses. Les mettre sur le bon chemin constitue le meilleur investissement qui soit pour assurer la prospérité future de notre collectivité.

Mr. Robin Tiplady: Good morning.

Thank you, Jocelyne, for pointing out some of the mental health challenges facing our region.

My name is Robin Tiplady, and I'm a director on the board for CFC. In my three years as a director, I have developed a deep appreciation of the great work that the centre does in our community.

At CFC, we are always seeking ways to improve our service delivery without significant increases in our funding. CFC is responsible for providing services, across an area that is more than 15 times the size of the GTA, which must be responsive to our francophone population as well as the cultural needs of our indigenous peoples.

On an annual basis, we provide service to approximately 2,300 clients. This past year saw a 35% increase in youth requiring crisis services. That's an additional 63

young people who need intensive services, including counselling and therapy. This is the group of service users who are at their most vulnerable.

Our Brief Service, or mindSpace, has seen an additional 650 clients over last year's total. This is more than triple last year's numbers—a 327% increase. This increase in volume has resulted in us being limited in the amount of time that can be devoted to clients. The demand on our Brief Services program has forced us to redirect staff and caused wait times for intensive services. We simply do not have the capacity to manage all the services required of us.

It is imperative that we don't take our eye off the ball. We can't simply accept that our youth suicide rate is double that of other parts of the province. We hope that you can appreciate the urgency under which we must improve services.

With one out of every five kids experiencing a mental health problem, we desperately need to build a better and more responsive system so that we can meet the needs of 8,000 kids across our service area. If we are to achieve this, our agency needs to see a 30% increase in our funding, to the tune of approximately \$2.2 million.

Compounding the problem in northeastern Ontario is the lack of residential treatment beds. We have to send our kids to southern Ontario for treatment. This only serves to add more stress on the families, who are already dealing with incredibly stressful situations. Add this to our inability to keep qualified staff because of better-paying positions elsewhere, such as the hospitals and schools.

We firmly believe that improvements to home and community mental health services will lead to a decrease in emergency department visits, and contribute to the reduction of overcrowding. A system that works for children, youth and their families will give these kids the opportunity they need to grow up and lead healthy, productive lives.

If we choose not to invest in our kids, we will continue to have negative outcomes. Kids will continue to be challenged to fit in.

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

Mr. Robin Tiplady: Kids will continue to struggle with anxiety and depression. Kids will continue to take their own lives.

The time for change is today. For the children, youth and families dealing with mental health challenges, the answer to a better system is clear: More funding for programs and services is the only way we will save lives and reduce the burden on our health care system.

We thank you for your time today. We hope that we have been able to impress upon you that every child and youth deserves access to the right service at the right time in the right place. We need your help to make this happen.

The Chair (Ms. Ann Hoggarth): To the third party. MPP Gélinas.

M^{me} France Gélinas: Thank you so much for coming. I will start with Joshua. I am really impressed with the

courage that you have shown this morning, to share with us what is a very personal story. I'm happy to see that you are here, that you are well and that you've received the services that you needed.

I take it that the reason that you came and that you shared this story with us is because you're worried that other youth in your situation may not be able to access the help they need.

Mr. Josh Tillson: Well, for me, a lot of my friends who are going through those same emotions and thoughts and depressive states don't know of the resources around them, and a lot of the time they can't get to see a counsellor. On a lot of occasions I've driven friends to go to CFC to meet with individuals, to meet with their counsellors, just so that they can have those resources. I think that if we can get more funding, we can reach out and stretch across our extremely big city to be able to reach all the youth.

M^{me} France Gélinas: I agree. The Child and Family Centre is a wonderful organization in our community. You do provide fantastic services to people who can get in. So my question to you, Mr. Tiplady, is, what are your wait-lists like right now? If a family picks up the phone, phones the Child and Family Centre and says, "My child is struggling," how long before they will have access to your services?

Mr. Robin Tiplady: To some degree it depends on the types of services that are required. Wait times vary. The government has indicated that average wait times for treatment are about three months, but we can't speak on behalf of MCYS or the government on how they reported their data.

Wait times of up to 18 months were based on surveys of CMHO members in 2016. The Auditor General, in its 2016 report, also came up with similar data on wait times of more than a year.

The wait times do fluctuate. In September and March they tend to be higher, and then they fall in July, when school is over, because that's such a major stressor.

M^{me} France Gélinas: Agreed. I have had families call your services before, and I know of children in our community who have waited over a year to be able to gain access to the programs that you offer. Those waits are really, really tough on the family. The family doesn't know what to do. They often disagree as to how to handle the child, so you bring conflict inside of the family on top of not helping the child move forward.

1030

You have made an ask, a \$2.2-million ask, or a 30% increase to your base budget. What will happen if you don't get that \$2.2 million?

Mr. Robin Tiplady: Well, essentially, we're going to have to rob Peter to pay Paul. Our mindSPACE service has grown enormously.

M^{me} France Gélinas: Yes, that's fantastic.

Mr. Robin Tiplady: And brief services are so important because very often, once you attend a brief service, that's the end of your involvement, but at the expense of people who need more intensive therapy and

counselling. I'm not sure how we're going to juggle that without proper funding.

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

M^{me} France Gélinas: When was the last time you got a significant base budget increase? Last year? The year before? Ten years ago?

Mr. Robin Tiplady: No. I think 2003 and 2005 were the last years there was an increase. They were 3% or 5%, I believe. In that time, inflation has risen 55%, 60%, so we're way behind.

M^{me} France Gélinas: How do we reconcile the fact that we all know that you provide good quality work, yet in the last 15 years, you haven't seen a base budget increase? You deal with people as precious as in the story that Joshua told us. How do we reconcile that? How do we give children's mental health the importance that it needs and the money that it needs to provide quality care?

Mr. Robin Tiplady: Well, that's why we're here today. Those are the decisions you need to make, and they need to be made now. We can't wait. We can't accept a suicide rate that's double the provincial average.

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

Mr. Robin Tiplady: Thank you very much.

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

FAMILY COUNCIL OF CASSELLHOLME HOME FOR THE AGED

The Chair (Ms. Ann Hoggarth): I'd like to call on the Family Council of Cassellholme Home for the Aged. Good morning. Once you get settled, please identify yourself for the purposes of Hansard, and you may begin your 10-minute presentation.

Ms. Ann McIntyre: Good morning. My name's Ann McIntyre and I'm a member of the family council at Cassellholme in North Bay. This is my friend Blanche-Hélène Tremblay, who is also a member of the family council.

First of all, thank you very much for arranging for and allowing us to present to you today, particularly in the north. It's very nice to be able to have an opportunity here in our northern climes.

We're here today as members of a family council in a long-term-care facility here in the north. Most of the members of the family council are made up of family members of those who live in a long-term-care facility. They often spend a large amount of time there to supplement the care that their loved ones receive in the facility. In my case, I'm there five to six hours a day, while my friend Blanche-Hélène is there for approximately nine hours a day.

We believe that the staff do not have the time to care for all of the residents' needs. We are here to recommend that you invest in long-term care, as we believe that

financial investment has not kept up with the increasing needs of long-term care and it is affecting the care and safety of our loved ones.

We recognize that the Ministry of Health and Long-Term Care has been working hard to ensure that our seniors and others are well cared for. Changes are always being implemented. We also know from personal experience that long-term care administration and staff are also working hard to ensure proper care.

We recognize, however, that needed changes and upgrades cannot be implemented without further support from the Ministry of Finance. We are here today to ask that during your budget deliberations, our seniors in Ontario are not forgotten.

The Liberal government has recently announced and promised an action plan for seniors that would allow Ontarians to age with confidence, knowing that the supports will be there when needed, whether it be in a nursing home or through home care. They have indicated that funds will be allocated over the next three years. According to media releases, \$115 million will be spent over the next three years to construct many new beds—I think 30,000 new beds. We are here to remind you that these promises require a commitment from the Ministry of Finance.

According to the North East LHIN, there are 684 people waiting to receive beds in a long-term-care facility in North Bay and the surrounding area. The wait time ranges from 140 days to 1,481 days. This puts a huge strain on families and their loved ones.

We recommend that funds be set aside in the budget for development of long-term-care beds across the province, including the North Bay area.

The other promise made by the Liberal government is to ensure that residents receive four hours of personal care per day. This is most important to us, as we see residents being admitted to long-term care who are sicker, older and likely suffer from some form of dementia. Since the clientele are changing in terms of their increased needs, so too should the funding formulas and allocated amounts. This is imperative.

In the nursing homes with which we are familiar, there is one personal support worker for approximately 12 to 15 residents. That one PSW must, in the morning, rouse them from bed, help them to the bathroom, change incontinence protection, assist them in getting dressed, wash them, shave them and clean their teeth. If you determine the amount of time they have to do this before breakfast, it works out to eight to 10 minutes per resident. This is an almost impossible task. Many of them must be lifted out of bed by mechanical lifts. They need more staff. In my husband's case, he has advanced MS, requires a lift and is incapable of completing any of these tasks himself. We all know that we, as able-bodied people, could not get up in eight to 10 minutes. Why is it that we expect our elderly, frail and ill patients to do so?

We want to ask that these commitments and promises be funded adequately by the province. We are here to ask that the money be set aside and that it be allocated in a timely fashion.

As well as the need for an increase in the number of long-term-care beds, we also want to make sure that money will be made available for needed improvements to the care, supervision, safety and staffing of our long-term-care facilities. We are asking that the monies required to increase the number of hours of care per day to four hours be allocated.

We need enough people to feed residents in our homes. We need enough staff to take residents to the bathroom when they need to go, so that they do not become incontinent because of the system. We need more staff to ensure that residents are not always placed in diapers, whether they require it or not. We need changing of briefs when needed.

We need staff who do not feel so rushed that they have no time for niceties and even tending to anything other than basic needs. We need staff who are not burnt out. We need residents to be safe at all times, with an appropriate number of staff on duty. We need more monitoring by staff, especially with more and more residents who suffer from dementia and behavioural issues. We need to be able to leave the facility knowing that our loved ones' needs are met and that they are safe.

With the mandated number of staff at the present time, we believe these necessities cannot be met. We want and need our seniors to be treated with dignity and respect, and to be able to live in a home that provides effectively for their needs and keeps them safe. We have all seen and heard the horror stories on TV and in the news.

With the system we have now, which we believe is broken and which has been underfunded for a long period of time, we believe our seniors do not receive the care they require and deserve. We are asking that, in your budget deliberations, you prioritize our seniors, all of whom have contributed to our society in meaningful ways. They deserve it.

Blanche-Hélène will take over from here.

Ms. Blanche-Hélène Tremblay: I have been visiting my parents, both at the hospital in what was then called a transition unit, and at a long-term-care facility, since November 2011. For the past 16 months, I have spent nine hours of each day in a long-term-care facility, sometimes even spending nights at the home where my mother lives.

What do I do when I'm there? I sit with her and I use sensory cues to communicate, pausing after each cue to give her time to understand. I do my best to control the sound environment so that she is not overstimulated. I walk her to the toilet four to five times a day, when she indicates that she needs to go. Because of my mother's responsive behaviours, the home requires that the staff use a lift. A sling transfer requires two people, whereas toileting by a daughter who explains and gives you time to think takes only one.

I assist her with walking two to four times a day. I supervise her at mealtimes. Imagine sitting at the dining room table, hungry, but not understanding that the thing in front of you is your meal and, when you finally realize what it is, having it taken away because you have been

asked if you were finished and you were not quick enough to understand the question and not quick enough to respond with a no.

1040

In the time that I have spent in my mother's home, I have observed the decline and passing of many residents, in my view not always because of the natural course of aging but because of the lack of direct care staff to meet their needs. Imagine being confined to a wheelchair because there are not enough staff to ensure your safety when you walk. Imagine being in ill-health and having the opportunity to wash your hands only twice a day.

I have also seen competent staff become discouraged because they did not have time to care for residents in the way that they need and deserve. I have witnessed numerous efforts by management and administration to make things better within the limits of the resources that are allocated.

Increasing direct care to residents in long-term-care facilities will contribute to Ontario "moving forward with its plan to create fairness and opportunity for people across the province..." Health care workers contribute to maintaining a strong and stable economy in less-populated areas of the province.

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

Ms. Blanche-Hélène Tremblay: Better care for residents in long-term care frees their families to continue to work and be effective in their employment. Individuals exploring their career options may be more attracted to long-term care if they are confident that their workload will be reasonable and that the residents will be well cared for.

Ann and I are very happy to have had the opportunity to speak to all of you today. We are especially pleased that there are representatives here from all parties because, regardless of who wins the next election, we will need all parties to be on board to make things better for the citizens of Ontario and, in particular, the residents of long-term care. We recommend that the honourable Minister of Finance allocate additional funds to increase direct care for residents in long-term care.

The Chair (Ms. Ann Hoggarth): Thank you. We will move to the government. MPP Martins.

Mrs. Cristina Martins: Good morning, ladies, and thank you very much for being here and taking the time to get your ask across. You speak about something that's very near and dear to me. I have aging parents myself—I think most of us do—and I think about some of the things that you're going through.

But even closer to home, my husband still has his grandmother, who's 96—on Saturday, actually, she's turning 96—and his grandfather just passed 10 days before Christmas at the age of 96. Neither one of them were in a long-term-care facility but they—my husband's grandmother—were fortunate enough to be in their children's homes. My mother-in-law, her sister and brother, on a monthly basis, rotate and take care of them and provide them the services that they need. But they do require some sort of assistance at home, so they do have

a personal support worker who comes in on a daily basis to help with the bathing and to help with some of that.

It's definitely something that's very close and dear to my heart. I know that our government deeply appreciates our seniors and what they've contributed to build our province. You said that seniors in Ontario are not forgotten, and no, they shouldn't be forgotten and they are not forgotten.

We also know that, with all of the different advancements that we have in medicine, people are living longer, which is perhaps a good thing. The number of seniors is expected to double to about 4.6 million by 2041. Our government has actually committed to increase the hours of care each resident receives to an average of four hours per day—and I think you touched on that briefly—for a total of 15 million additional hours of nursing, personal support work and therapeutic care for long-term-care residents across the province. Could you share with us how this benefits residents of the province's long-term-care homes? What does this really mean?

Ms. Ann McIntyre: I think we all realize that this has not started yet.

Mrs. Cristina Martins: That's correct.

Ms. Ann McIntyre: Right now, my understanding is that in a long-term-care facility, most facilities provide between two and two and a half hours of care. That would be one and a half more hours of care. I think in our comments we mentioned the fact that in our long-term-care facility they don't have enough people to feed people who require feeding at meal time. That would be one instance.

I'm there every day. I feed my husband. Sometimes they're short-staffed and I feed other people as well. There are at least eight to 10 people in that one dining room who need to be fed, and there are only four workers. That means that people have to sit and wait for a second round of a meal. That would be one area.

Just every area. The safety of residents—we see wanderers, people pushing other residents. The safety factor is a big issue. The incontinence is a big issue. My husband was not incontinent when he went to a nursing home. He is now. Part of it is the MS but I think the other part is definitely the system. Any amount of time that we can get to help out in a nursing home would not only help the residents but also the workers, because they're burnt out. They can't possibly do the things that are expected of them in the amount of time that they have.

Mrs. Cristina Martins: You referred to the need, perhaps, to have more staff on hand, and I think you in your deputation spoke about perhaps needing to have more people come into the personal support work realm. How can we do that? We did improve the conditions for personal support workers. We did provide them with an increase in their wages back in 2014-15. What more can we do as a government to attract more people into that area, into that field?

Ms. Blanche-Hélène Tremblay: I would say that any conscientious worker has trouble right now working in that field because of the lack of direct care. They suffer

from the fact that they have no time for human interaction with the residents, especially residents who have no family to come and visit.

Mrs. Cristina Martins: Those are all my questions. Thank you very much.

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 on Friday, January 19. Thank you.

MR. FRANK DOTTORI

The Chair (Ms. Ann Hoggarth): Our next presenters are White River Forest Products, Hornepayne Lumber and Hornepayne Power. Good morning.

Mr. Frank Dottori: Good morning.

The Chair (Ms. Ann Hoggarth): Once you are settled—is it just you, sir? If you would identify yourself for the purposes of Hansard, you may begin your presentation.

Mr. Frank Dottori: My name is Frank Dottori. I'm president of White River Forest Products, Hornepayne Lumber, Hornepayne Power and WRC Timber.

The Chair (Ms. Ann Hoggarth): Could you put the microphone closer to you please, sir? Thank you.

Mr. Frank Dottori: Thank you for allowing me to make a presentation. I think I'm, I guess, defined probably as a right-wing socialist. I believe in creating jobs so you can create money so you can address all the issues that the previous speakers mentioned here. I put my focus on creating jobs. I just wanted to note that in the last four or five years, I've participated in starting up Terrace Bay, which has created—it's probably 1,000 jobs—White River Forest Products and a lot of these companies that have probably, I guess, in total, 1,000 direct jobs, and pay about \$20 million in taxes to fund social services. I want to also mention that being in forest products, I'm in total support of the OFIA presentation that I think was made in Thunder Bay.

Just philosophically, trees and water have been here since man, or life, was created and they'll be here until—that exists. I'm happy to, and I believe you should, focus on the forestry industry for environmental reasons: to create oxygen and keep water clean. It's an important industry.

When I started out years ago and built a company called Tembec, which ended up being a \$4-billion international company with about 11,000 employees, our philosophy was always to treat people with respect, as if they were partners. We had profit-sharing in our operations. When times are good, they share. When times are bad, then we all suffer. So I think, especially, even including the environment—we were the first company with FSC certification in Canada and became the largest FSC-certified company in the world. We also participate in the Lands for Life. So I think I have credentials in creating jobs, in responsible social service and in the environment.

Sometimes I'm a bit not politically correct, I've been told from time to time. I tend to be a little bit of a right-winger with my views.

1050

This is a finance committee, so I wanted to give a little bit of finance advice which is fundamental: If you don't have a customer, you don't have a business. It's important for us and the government to make sure that we have a business, which means you need to defend us against the US. Particularly for northwestern Ontario, about 60% to 70% of our product has to go into the US. We don't have access, like BC, to the Far East or, on the eastern side, to the Middle East and other areas. I think Ontario needs to take a stronger position and needs to be a little more vocal. The rest of the provinces are very vocal, and we don't hear very much from Ontario. I think the civil servants are doing a great job, but I think it needs a little more political push.

As I think the Premier of Quebec said at one time, caribou are important but so are people—and their jobs and their families.

If we have a customer—I presume the government will help us make sure that we have access to the US markets—the other issue is the cost of production. The lumber industry is really a social industry. I hate to put it that way, but we are, for all intents and purposes, because everything we do is controlled by the government. The wood is allocated by the government; the wood price is determined by the government; transportation is determined by the government. We can't move wood from one mill to another unless it's approved by the government. The transfer licences takes five to six months when it should take six days.

Our wood costs are higher than in most places, because the yield—if you go to Europe, they grow eight, 10 cubic metres per hectare. Here, it's about one or two, because we don't do proper harvesting or reforestation. There's no incentive to do so, even though the law says that if you cut a tree, we have to plant a tree, which we do, by law. But the sawlogs in Ontario, I can tell you, are about five inches to six inches at the butt and four inches at the top. If you go down south in the US, where they claim that we pay less for lumber, the average tree is about 15 inches to 16 inches at the butt and 10 inches at the top. Ours aren't even 10 inches at the bottom.

We have a higher-cost wood, so it's tougher for us and we have to be more efficient and more competitive. I think governments have to recognize that. The delivery cost is higher because of that. So we recommend strongly that the government maintain their \$75-million infrastructure for roads. I think that's fundamental to the industry to keep that up there.

Bear in mind that the roads open up the whole region for mines, for tourists. It's a good investment. In the US, there are highways all over because of the 300-and-some million people. Here, come up to White River, I think some of the politicians that I talked to not that long ago said, "Where is that?" It's a pretty tough go, up there.

The other big thing is environmental issues. We've just gone nuts. You know what I think? I was a greenie. I

used to be persecuted by the rest of the industry because of my sort of left-wing views on the environment. But we've gone too far. It has now become a religion. It's no longer based on fact; it's a religion. People just say things because they think it's true, without coming up there and checking it out. So we get these silly things with the ESA; we get this moose. We get whippoorwills now. In the forest, we had a fisheries review on top of a frigging hill where I had a sandpit, by some young lady from Toronto.

We've got to get practical here. We all talk about it, and I've gone through this for 30 years of politicians: "Oh, yes, we're going to get rid of red tape." If you want to get rid of red tape, give me six months. I'll get rid of the red tape, and I will be more efficient and better respecting the environment than we do today.

Do you know what we've got? The Blanding's turtle. The turtle—you were going to run it over on the highway, so we spent, what, a couple millions of dollars putting the little 12-inch fence along the highway to Sudbury? We were crazy. Get a frigging farm and let them regenerate, for heaven's sakes, and then let them loose. You can have more turtles instead of shutting down a sawmill for 60 days—so we can't run a truck? It's just gone nuts. Anyway, I'm a believer in environmental policies but this is going a little bit too far.

The other thing isn't just with labour. Again, we have all these issues with PTSD, whatever you call it. Now, when you go and talk to an employee and you say to him, "Look, this is the standard; you've got to do this. It's what you have to do to work," they get stressed out. Now, with the government in its brilliance, they can even qualify under WSIB. It's already 7% of our wage costs. Where is this nonsense going to stop? You've got to make employees accountable as well, not just the companies.

We treat our people with respect, but we heard about mental issues and whatnot. It's a great out, I can tell you. There are people who are legitimately sick, but there are a lot of people who know how to play the system. When I was younger and started out in business, it was the backache. Now, with all the technology, you can't work that one too well, so now it's psychological issues. I'm just saying, be careful. You have opened the door to some real problems here.

I strongly believe the owners should be like driving a car: You cross a red light you get a fine, but don't come and drive my car. Tell me to follow the rules and I get nailed if I don't follow them. That applies to me but it also applies to my employees.

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

Mr. Frank Dottori: The other item I would like to say is on training. I think that the government should review their training system because it doesn't work. I started off with a \$2-million program and I think I got \$67,000 out of it after two years. It's nuts. Why don't you put in a system that says, "Companies, you can deduct 2% of your wages if you spend it." You can set up the program; it's got to be classroom training. That's where you have to watch it so employers don't abuse the

tax; you can do that very simply. Let companies decide what they want to train, not the social good that says, “I think we need turtle watchers.”

The message is we need to create jobs. Jobs give you the tax and the money so you can pay for all these social services we need. My mother was in a home—I heard the story; I can relate to it. But you need to create jobs so that you can afford to have the taxes to do those things. I would like to see the government do that—

The Chair (Ms. Ann Hoggarth): Thank you. We turn to the official opposition. MPP Miller.

Mr. Norm Miller: Mr. Dottori, thank you for your presentation. I want to talk a bit about forestry and the environment. I liked your comment, “Caribou are important but so are people.” And I got your request about the roads funding. Eacom, as well, wants to see that \$75 million for roads funding.

It seems to me that forestry in Ontario has a good environmental message to sell but it doesn’t really seem to get out there, that it’s been done under the Crown Forest Sustainability Act in what seems to be a very responsible way, but now we’re coming up with all kinds of new rules as demonstrated by your comment.

Can you talk a bit about access to market and the importance of having rules that allow you to do forestry year-round?

Mr. Frank Dottori: I think FSC is recognized as a pretty independent certification. A lot of companies don’t like it; they prefer SFI and other ones.

We think Ontario industry operates, probably, under tighter regulations. I spend a lot of time in Sweden, Scandinavia; Germany is probably the toughest. We’re tougher than all those countries already, in terms of the environment, without bringing in layer upon layer of environmental regulations that have no scientific basis.

Mr. Norm Miller: With forestry management, there’s a good story to talk about in terms of climate change as well. A properly managed forest is a positive climate change—stored carbon.

Mr. Frank Dottori: Absolutely. Every cubic metre of wood absorbs about a tonne of carbon dioxide, so you should plant more trees, absolutely.

1100

Mr. Norm Miller: I think Mr. Fedeli would like to ask a question.

The Chair (Ms. Ann Hoggarth): MPP Fedeli.

Mr. Victor Fedeli: Frank, you were an important client of mine 40 years ago, so we’ve known each other a long time. I’m just going to put it out here: When they make your movie, I think it’s Robert De Niro who is going to play you. I’m seeing that familiar face. I’m just throwing it out there, Frank. I’m just making a play for your movie, as the patriarch of the forestry industry in all of northern Ontario, for sure—all of Ontario.

We’ve talked about the increase to six-storey wood buildings and what that did for Ontario and companies, like yours in White River, that make lumber. I know the States is an important market, but we’ve got a bid out right now for a 14-storey wood building build. I know

you’re familiar with it. U of T wants to build a 14-storey building pretty close to the corner of Avenue Road and Bloor in Toronto. Do you want to take it from there?

Mr. Frank Dottori: I’ve sat on the U of T advisory committee on forestry. We’ve been pushing that—I think it’s four years. BC and Quebec are there. We’re trying to get Ontario there, and we’re happy that Ontario is going there.

This is good, because if you go to Finland—if you go to a lot of those places—I think they use three cubic metres per person; here we’re at less than one. And those are some pretty nice buildings there.

With the moves that we’re currently making on using wood, I think it’s good for the environment, it’s good for the industry, and it develops, obviously, a market. The problem is that we produce 20 billion feet, and the market isn’t big enough in Canada to take that. So we need an export market in spite of that.

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

Mr. Victor Fedeli: What else do you think we could be doing to support the forestry sector here right across northern Ontario? Fourteen-storey wood buildings? Pushing more political input for the States?

Mr. Frank Dottori: Well, I think the market access is a safe—if you don’t have a customer; you don’t have a business. That’s the primary thing. The rest of us, then—we need to control our costs.

The best thing to do—for example, right now, you need people. We don’t have people—or people who want to work nowadays. There are people out there, but there are some who don’t like to work because of the social services. We’ve just gone a little bit too far. I think putting incentives for people to work is good. I don’t mind if you eliminate income tax until people earn \$50,000. Right now, a lot of people say, “Why should I work? It costs me to go to work, because I’ve got to pay a babysitter, I’ve got to pay this, I’ve got to pay for a car, and you’re going to pay me 30 bucks an hour. By the time I’m finished, I’m working for three bucks. So I’m not coming to work.” You’ve got to fix that. That’s one thing.

The other issue is, for example, housing. We have all of this housing in Toronto, we’ve put up homes for this, but we don’t do anything for small communities—

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

Mr. Frank Dottori: Thank you. Just remember: Make money.

ONTARIO CONFEDERATION
OF UNIVERSITY FACULTY
ASSOCIATIONS

The Chair (Ms. Ann Hoggarth): I call on the next presenter: Ontario Confederation of University Faculty Associations. Good morning.

Ms. Gyllian Phillips: Good morning.

The Chair (Ms. Ann Hoggarth): Please identify yourself for the purposes of Hansard, and then you may proceed with your presentation.

Ms. Gyllian Phillips: My name is Gyllian Phillips. I am president of OCUFA, the Ontario Confederation of University Faculty Associations. I'm also an English professor at Nipissing University, just down the road.

Unfortunately, my colleague Mark Rosenfeld, the executive director of OCUFA, was going to be here, but his flight was cancelled. Welcome to northern Ontario travel.

Thank you so much for allowing me to speak here today and having the opportunity to represent OCUFA, which is the provincial voice for university faculty across Ontario. We represent 27,000 full-time and contract professors and academic librarians in 28 member associations around the province.

We are dedicated to ensuring that all students in Ontario have access to a high-quality university learning experience. We engage with students every day, preparing them for life beyond the classroom, and we undertake research that contributes to the economic, cultural and democratic well-being of our province.

OCUFA is pleased that the government has taken steps to improve access to post-secondary education for students from all socio-economic backgrounds. We've heard from students that, despite some gaps, the rollout of the Ontario Student Grant is benefiting many students from low-income families. However, tuition fees in Ontario remain the highest in Canada, 76% higher than the average for the rest of the country. Since 2015, tuition fees now make up more than half of Ontario universities' operating revenue.

We are concerned that this increased reliance on tuition fees and shift towards funding individual students rather than the system as a whole will undercut efforts to ensure every student has access to a high-quality university education.

No doubt, even after years of underfunding, Ontario's post-secondary institutions continue to do amazing work, producing world-renowned research and exceptionally talented graduates, but existing resources are stretched thin. On a per-student basis, Ontario's universities receive the lowest level of public funding in Canada. Ontario has now ranked last on per-student funding in Canada for eight years in a row and sits 35% below the average in the rest of the country. Even when tuition-fee revenue is included in the overall picture, Ontario's universities are still at the back of the pack. In fact, estimates show that, in the coming year, per-student funding will have dropped back to levels not seen since 2005. This erosion of public funding is a remarkable backslide.

To bring Ontario's per-student funding in line with the average for the rest of the country, the government would need to invest an additional \$5.9 billion over the next three years.

OCUFA believes that a sensible step in the right direction for this year's budget would be to return Ontario to

2008 levels of per-student funding, which was achieved at the height of the provincial government's Reaching Higher investments in post-secondary education. This would start with an additional \$335-million investment in this year's budget.

Over the longer term, the government should plan to invest in a more robust system of public funding that demonstrates to Ontario's students the government's intention to provide them with an equitable and high-quality learning experience comparable to that of students in the rest of Canada.

Since 2015, the Ministry of Advanced Education and Skills Development has been engaged in a review of the university funding formula and intends to implement a new funding model in 2020. To implement this new model, the ministry has negotiated strategic mandate agreements, or SMAs, with each of Ontario's universities, identifying academic priorities, enrolment targets and a series of performance metrics to determine whether each institution is achieving its mandate. According to the most recent figures from the ministry, approximately \$300 million of at-risk funding will be allocated according to the ability of universities to meet these performance targets.

MAESD's intention to allocate funding based on performance raises serious concerns. Performance funding is counterproductive. Linking funding to a series of metrics and withholding financial resources from those institutions that fail to meet prescribed targets actually reduces the capacity of these institutions to improve. Funding allocation mechanisms should not be structured in a way that harms students and the quality of education.

The new funding model should not link performance metrics to funding; instead, available post-secondary education data should inform long-term plans to improve educational quality and research.

Every student's learning experience and every university's capacity to produce research relies on the faculty members who teach, research and engage in their communities, but the number of faculty available to do this foundational work is lagging. Over the past decade, student enrolment has increased by 23% while full-time faculty hiring has only increased by 3.4%. This means the rate of increase in student enrolment has been almost seven times that of faculty hiring. The impact of this hiring gap in the classroom is dramatic. Ontario now has the worst student-faculty ratio in Canada. At Ontario universities, there are 31 students for every full-time faculty member, compared to an average of 22 students for each faculty member across the rest of Canada.

While full-time faculty hiring has stagnated, universities' reliance on contract faculty who face unpredictable scheduling and job insecurity has increased dramatically. OCUFA estimates that the number of courses taught by contract faculty has nearly doubled since 2000. While contract faculty are highly qualified teachers and researchers, they are too often constrained by their working conditions and lack the institutional support needed to reach their full potential.

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The ongoing public conversation about the need to address precarious work and the recent college faculty strike have brought the need for fairness for contract faculty into sharp focus. Recent legislative changes made in Bill 148, the Fair Workplaces, Better Jobs Act, include new provisions that aim to ensure equal pay for contract, part-time and temporary workers. Unfortunately, loopholes and broad exemptions in the legislation leave too much room for employers to avoid paying their contract workers fairly.

As these new rules are rolled out, close attention to gaps in coverage will be crucial. In the broader public sector, the government must take the lead to facilitate implementation and ensure the intended impact is achieved.

I will also add that it is disappointing that the abuse of fixed-term contracts was not addressed in this new legislation, because it is a central issue for professors working contract to contract. Research conducted by OISE suggests that 15% of contract faculty have been working as contract faculty for over 15 years, and roughly one third for nine or more years. Even long-serving contract faculty have to re-apply for their jobs every semester, leaving them without the stability needed to make long-term plans for themselves and their families.

Overall, the provincial government must set a standard for the future of post-secondary education that recognizes the importance of decent, stable jobs at universities. To this end, faculty renewal should be established as a government priority in this budget. While hiring decisions are made by each university, government can and must take leadership on this issue by setting a direction and encouraging universities to invest in hiring more full-time faculty.

To improve the student-faculty ratio by a modest margin and get Ontario halfway to the rest of the Canadian average, OCUFA estimates that 3,380 full-time professors would need to be hired by 2020. Hiring at this level should be supported by increased public investment and would cost universities around \$480 million over three years.

The creation of new faculty positions must preserve the principle of tenure and the fundamental connection between teaching, research and service within the academic profession.

These investments must also be directed at supporting pathways for contract faculty into more secure positions with fair working conditions. There are many contract faculty across the province ready and willing to take on full-time positions.

There is broad public support for setting Ontario's universities on a path towards hiring faculty in secure, full-time positions. A recent poll showed that 94% of Ontarians believe that universities should be model employers and support good jobs in their communities.

Just in conclusion, to guarantee a high-quality learning experience for the next generation of Ontarians, the province must invest in our universities and faculty so

that these vital institutions and the students who learn there can thrive. Thank you.

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

M^{me} France Gélinas: Thank you so much for coming today. I hope the drive went well from North Bay to Sudbury.

Ms. Gyllian Phillips: It was great.

M^{me} France Gélinas: It went well?

Ms. Gyllian Phillips: Thanks.

M^{me} France Gélinas: Good. It's not always the case.

Ms. Gyllian Phillips: I know.

M^{me} France Gélinas: We all know we are number 10. Out of 10 provinces, Ontario is the one that funds their universities the least. Ontario is the one that has the lowest ratio of funding to—it doesn't matter how we cut it; we are number 10. We are the worst. There's room for improvement and you've made that clear.

The first ask that you've made is an ask of \$335 million to bring us back to the 2008 level. I'm not familiar with what the 2008 level was, so if you could explain to us what that \$335 million would do.

Ms. Gyllian Phillips: This was during the Reaching Higher investments. The government targeted post-secondary education. What we would like to see is a similar approach to education or turning the government's financial priorities to post-secondary, an infusion of support into the system to make the system more sustainable.

Right now, the focus has been on increasing individual student accessibility, which is great. So many more students are going to university now, hence part of the shift in proportion, and that's an awesome, excellent step. But what we would really like to see is a move, in addition to that, toward basic sustainability of the whole system: money that specifically can be used for universities that make their own decisions individually, to help address this gap in faculty renewal that I've been identifying.

M^{me} France Gélinas: Sounds good—a step in the right direction.

You talked about the university funding formula that is yet to be announced. Do you feel reassured that small northern universities will find their way forward in this?

Ms. Gyllian Phillips: I know that there has been discussion and a desire to support northern universities, and of course, northern universities are really important regional drivers, both socially and economically. I guess I would like to see a focus not just on the north, but on university sustainability across the province, because I do represent all the faculty associations across the province.

I do see some positive steps in terms of the talk about that. However, as I mentioned in my presentation, some of the warnings that we also see are this tying funding to specific performance metrics, which may not be appropriate across the board or across the province. It indeed may, in fact, end up punishing universities, like universities in economically challenged or demographically challenged areas like the north, which might have low enrolment in certain programs and so on. So there are some significant problems associated with that.

M^{me} France Gélinas: Do you know if there are foreign students at Nipissing?

Ms. Gyllian Phillips: There's a small proportion of foreign students. I know that internationalization is something that's on everybody's radar for sure.

M^{me} France Gélinas: And why is that?

Ms. Gyllian Phillips: I think there's an interest in expanding the Ontario system so that it's more broadly open to students across the globe, and that's great. That has a lot of benefits for universities, not the least of which are financial. But I think the more important focus, again, is not to look to short-term solutions, but to actually building long-term, solid sustainability in the system as a whole.

M^{me} France Gélinas: So when we hear things like how 100 more international students mean \$1 million more coming to balance the budget, you don't think that this is the main driver of—

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

Thank you very much. If you have a further written submission, it needs to be in to the Clerk by 5 o'clock on Friday, January 19.

Ms. Gyllian Phillips: All right. Thank you very much.

TOWN OF BRACEBRIDGE

The Chair (Ms. Ann Hoggarth): Our final presenter for the day: the town of Bracebridge. I recognize you, sir, as you're on CTV more than I am.

Mr. Graydon Smith: I refer to that as an occupational hazard, Madam Chair.

The Chair (Ms. Ann Hoggarth): If you can identify yourself for the purposes of Hansard, your presentation may begin.

Mr. Graydon Smith: Good morning. My name is Graydon Smith. I'm the mayor of the town of Bracebridge, and I'm also a district councillor for the district of Muskoka. I serve as vice-chair of the Ontario Small Urban Municipalities and sit on the board of directors for the Association of Municipalities of Ontario. It's nice to see many familiar faces today.

I hope that my remarks reflect a local, regional and province-wide perspective on several issues of municipal concern that require the government's consideration when developing Ontario's next provincial budget. I'll start today with infrastructure and sustainable funding for municipal infrastructure.

Like all communities in Ontario, Bracebridge and the other municipalities in Muskoka are faced with significant demands to update existing or construct new infrastructure. Recent estimates show that municipalities in Muskoka, both upper tier and lower tier, are faced with over half a billion dollars' worth of capital costs over the next 10 years.

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Through our long-term capital planning and asset management processes, the town of Bracebridge has identified the need for over \$89 million in capital ex-

penditures over the next decade. Of specific concern for Bracebridge is the fact that, in addition to maintenance and replacement of core infrastructure such as roads and bridges, the town is also faced with the pressing need to replace our current aging single-pad arena, which was built in 1949, and to expand the town's current public library. These investments in culture and recreation facilities are required to ensure that Bracebridge remains a strong and vibrant community and is able to provide the services expected by the residents of our community.

Ontarians place a high value on the availability of safe and modern infrastructure. A national survey conducted by the Federation of Canadian Municipalities found that at current reinvestment levels, the quality of recreation infrastructure will continue to decline. Increasingly, municipalities are unable to keep pace with the needs of their communities for cultural and recreational infrastructure.

The significant needs facing Ontario's municipalities highlight the importance of provincial support for infrastructure projects in helping to promote community sustainability and local economic development. Additionally, the information demonstrates the need for access to provincial programs that specifically help to fund infrastructure projects such as libraries and arenas.

During other pre-budget consultation sessions, the provincial government heard from AMO regarding the findings of two lengthy reports, which highlighted the fiscal challenges municipal governments will face in the next 10 years. In response to those challenges, AMO has launched a municipal proposed action plan called the Local Share.

The Local Share is a proposal to raise the HST by 1% and fully dedicate those funds to help critical local services and infrastructure in communities across the province. The new revenue would:

- fund roads, bridges and transit, among other people-focused services;
- help reduce the constant upward pressure on property tax bills; and
- diversify how communities fund infrastructure investments.

Ontario's municipal leaders remain committed to implementing a solution to our systemic challenge, a solution that substantially meets local needs over time. Ontarians themselves have told AMO that they are willing to consider a bigger and bolder option like this innovative proposal.

As recently as November 2017, the council of the town of Bracebridge confirmed its support for the efforts of AMO to secure new sources of revenue, such as the receipt of a portion of HST revenue or other sustainable alternatives, to help fund critical municipal services like roads, bridges, transit, recreation and cultural facilities, clean water and other areas of need.

For Ontarians, municipal needs are important. Ontarians live and breathe their local experience on a daily basis. They understand the challenges their communities have. They understand the challenge that property

taxation offers—a tax that has no relation to the ability to pay, yet continues to rise in most communities.

Although one-time grant programs have a role, they are not the cornerstone of the future. The town believes that the provincial government should provide new dedicated funding for infrastructure to help address the diverse range of infrastructure needs that municipalities are facing.

In addition to talking about infrastructure today, I'd also like to speak to the issues of sustainable funding for Ontario's smaller hospitals and the expanding role of municipalities into health care-related issues, and I'll start first with funding for smaller hospitals.

Ontario hospitals are required by law to balance their budgets on an annual basis, a requirement that our own local hospital, Muskoka Algonquin Healthcare, which operates hospital sites in both Bracebridge and Huntsville, has been unable to meet since the 2014-15 fiscal year.

The funding provided to MAHC—and I'll use that acronym—under the hospital funding formula is insufficient to allow the hospital to balance their operating budget, and without additional mid-year funding provided by the Ministry of Health and Long-Term Care, the hospital would have finished each of the last three years with a deficit.

MAHC did balance the annual budget when health system funding reform was first introduced by making unpopular changes. MAHC has adjusted operations to reduce duplication. They have reduced acute and complex continuing care beds. However, bed occupancy has steadily increased over the last few years to the point where additional beds are now warranted, but there is insufficient funding to keep them opened and staffed. In this, MAHC is no different than many of Ontario's public hospitals that are struggling this winter with very high occupancy. MAHC's board reports that they have hit that wall, as many other medium-sized hospitals throughout Ontario are experiencing.

MAHC understands that they need to look carefully at their operations and make choices on what services they can continue to provide and how those services may be reconfigured so that they can live within the approved funding allowances. However, it's apparent that multi-site organizations of MAHC's size, and other small and medium hospitals, are disadvantaged by the health system's funding formula, and that changes in operations that would be required to make MAHC balance are drastic and would lead to an erosion of health care services in Muskoka, if implemented.

MAHC is currently developing a capital redevelopment plan, engaging municipal, community and primary-care representatives in designing hospital care for the future. Projections are that, in the near future, MAHC will see an increasing volume of patients from the aging population that MAHC serves. Slashing services to balance current budgets goes contrary to good planning when statistical forecasts demonstrate that an increasing demand for hospital services is building within the

catchment area. The people of Muskoka and east Parry Sound deserve high-quality and accessible health care.

Although the additional one-time funding of over \$815,000 announced by the LHIN on January 12 will help to support operating pressures and reduce MAHC's operating shortfall for this fiscal year, it does not solve continued budget challenges anticipated in future fiscal years. The town and the other area municipalities believe that the ministry must continue to look at options to address the budget gap. Steps must be taken to reform the funding formula to ensure that base funding provided to hospitals recognizes the diverse models for hospital operations, including small, rural and multi-site hospitals. AMO has suggested, and the town agrees, that the provincial government should at least tie annual provincial base hospital funding to the previous year's rate of inflation.

I also want to talk about the expanding role of municipalities in health care-related issues. Based on our experience over the past several years, it's clear that municipalities must become actively engaged in these issues in a manner not previously required. To that end, the town believes that it is appropriate for the provincial government to mandate a municipal voice in health care service planning and decision-making.

As I noted previously, MAHC is actively involved in the preparation of a capital redevelopment plan. Although work continues on the development of final recommendations to the LHIN and to the Ministry of Health and Long-Term Care, it is evident that the expectation by the hospital is that municipalities served by MAHC will contribute a significant amount of capital funding for any new hospital facilities. Although municipalities wish to support the provision of acute care services, the province must recognize the limited revenues available to Ontario's municipalities—we are not funders of the health care system—especially smaller and northern communities, to provide large contributions to hospital facilities in the face of the other pressing infrastructure requirements that I spoke of earlier.

Accordingly, the province is requested to provide adequate capital funding to hospitals to support the services that residents need in their communities. If the province cannot remove the requirement for community capital funding for these projects, it should, at the very least, cap the community funding required for major capital projects such as new hospital builds.

Our experience in Muskoka has shown that there can be efficiencies realized in hospital-related capital projects by ensuring that the capital planning process for hospitals leverages the significant investments in local infrastructure that have already taken place based on the extensive municipal capital planning process, and by making sure that land use planning principles and policies are respected in considering the development of new acute-care facilities. We urge the province to ensure that these efficiencies—

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

Mr. Graydon Smith: —are recognized in the development of plans for other new facilities.

There are a number of other matters that we support AMO on, Madam Chair. I'm not going to touch on them today. But I would say, in conclusion, that municipal governments are important to the provincial government. We are the front-line providers of many services that make communities strong and that grow the economy.

The residents of Bracebridge and other municipalities in Ontario expect their governments to work together for the common good on pressing and emerging issues. By working together, we can develop plans that help municipalities make ends meet and help our communities succeed. Although we are small, the town of Bracebridge is committed to assisting with this work in the future. I know I speak for my municipal colleagues when I say that we are here to be strong and effective partners with the provincial government, for the betterment of Ontario.

Thank you, Madam Chair, and thank you, committee members.

The Chair (Ms. Ann Hoggarth): Thank you, Your Worship. MPP Rinaldi?

Mr. Lou Rinaldi: Well, thank you. Good to see you again, Your Worship. Hopefully, we'll see you next week.

Mr. Graydon Smith: You will.

Mr. Lou Rinaldi: Good, good. Thanks for being here today. Obviously, you bring a whole number of points to the table. I would say, to be honest, they're not new, in many cases. We've heard these in the past. There have been attempts to work with municipalities, and the government is committed to keep on doing that.

Before I go any further, I must say that I have some ties to your neck of the—I have a son who lives in beautiful downtown Torrance, just outside of Bala, so I'm up there at least a couple of times a year. It certainly is a beautiful part of the province.

There were a lot of points, and, like you, we're running out of time here. I just want to say that the plight—I spent 12 years in the municipal sector as councillor and mayor, and I've always promoted sustainable funding sources—it didn't matter from where, whether it was the federal or provincial government—so at least municipalities could plan.

1130

Although we need to do more, do you have any comment on the OCIF funding, which is going to grow next year to some \$300 million? It's mostly geared to smaller municipalities: \$200 million formula-based; \$100 million—and it's stackable, so you don't have to spend it all in the same year.

Mr. Graydon Smith: Absolutely. Thank you for the question. Through you, Madam Chair, I think all the funding that the province has provided thus far and over the years has been greatly welcome, especially OCIF, but that said, it has shown to be not enough. It also does not cover some vital areas and communities that need specific funding for specific matters.

Again, to highlight the Bracebridge condition, we've got an arena that's pushing 70 years old, and we've got a library that's over 100 years old. We want to make that better for our citizens. Our citizens are demanding that we do that, and we need programs to help us accommodate that. That's very specific.

In broad form, we know that there are all the other infrastructure challenges that we continue to face. Through AMO, they've done a lot of work. They've looked at the cost of what those challenges are going to be collectively over the next few years, and it's a staggering and terrifying number.

Whether the HST proposal is the thing or not the thing, it's the start of a dialogue that we need to have long and deep conversations about.

Mr. Lou Rinaldi: Just on that piece about the 1% from HST: I must say that I've been in this game for about 25 years now, and I'm not so sure I have ever heard three provincial party leaders unanimously send the same message out to municipalities. Although the leader of the government of the day takes the brunt, I think the message was very, very clear from all three. And I'm not supporting—I represent seven municipalities. Not all of them are supported with 1%. Although they're not speaking out loud, they came to me and said, "We don't support the 1%." Once again, I'm not into the argument of what's right. But you know that when the Premier last year—I believe it was at AMO—rejected the 1%, she also made a commitment to work with AMO, and there has been some dialogue with AMO on how we move the yardstick. We know that the infrastructure deficit is huge and we need to address it.

Mr. Graydon Smith: Through you, Madam Chair, I think there's a recognition that that was a controversial stance for AMO to take. At the same time, it was taken in part to highlight the severity of the problem and to get the conversation started, and I think it has done just that.

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

Mr. Graydon Smith: If we achieved nothing else at the August convention, we certainly got everybody's attention. Again, whether that's the solution or not the solution, there needs to be a solution. I'm sure each party would go at that differently. On behalf of AMO and their board, we look forward to that continuing dialogue. But there is a severe problem that needs to be addressed.

Mr. Lou Rinaldi: Yes, and I think we're all recognizing that. We're just trying to find the tools to move ahead.

Thank you very much for being here today.

Mr. Graydon Smith: Thank you very much.

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

At this time, committee members, we are going to adjourn until 9 a.m. tomorrow in Ottawa.

The committee adjourned at 1133.

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Also taking part / Autres participants et participantes

M^{me} France Gélinas (Nickel Belt ND)

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