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Wednesday 26 February 2014

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des débats
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Mercredi 26 février 2014

**Standing Committee on
Public Accounts**

Committee business

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
PUBLIC ACCOUNTSCOMITÉ PERMANENT DES
COMPTES PUBLICS

Wednesday 26 February 2014

Mercredi 26 février 2014

The committee met at 0902 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Norm Miller): I'd like to call the meeting to order. The first item of business—I believe we have a motion that was filed and is about to be moved. Mr. Clark?

Mr. Steve Clark: Thanks very much, Chair. I move that the Auditor General conduct a review of the winter road maintenance contracts negotiated on behalf of the government by the Ministry of Transportation.

This report should include, but not be limited to, a focus on the following issues:

- (1) the number of vehicles;
- (2) circuit times;
- (3) the proper and efficient use of chemical melters and salt on behalf of the contractor;
- (4) hours of operation; and
- (5) response times.

Finally, this report should be completed and reported to the House no later than the end of the calendar year 2014.

The Chair (Mr. Norm Miller): Would you like to make some comments?

Mr. Steve Clark: Yes, I'll just make a few comments. I'm sure Mr. Yurek would like to make some as well.

A number of members of provincial Parliament in our caucus have expressed concern, both to each other and to ministry officials. Many, like myself, have met with the particular contractor and the ministry. More and more, we see concern expressed by drivers along provincial highways about the standards and the response for winter maintenance contracts this year.

I just spoke briefly to the Auditor General. Perhaps she might want to make a few comments as well. I know that this issue has been studied before, but I know, on behalf of the Ontario PC caucus, that we believe it's time for another review.

The Chair (Mr. Norm Miller): Very well. Ms. Gélinas.

M^{me} France Gélinas: I couldn't agree more. This winter has been especially harsh in northeastern Ontario, and the road maintenance has been atrocious.

I realize that it will be very expensive on the contractor to do their work this year just because it has snowed 10 feet in Nickel Belt this year. It's just un-

believable, and we go from minus 40 degrees to freezing rain in a matter of a couple of days. Road maintenance, I have no doubt, was very difficult. It seems to me, and from all of my constituents that have come to talk to me, that the contractors know they are going to lose money this year, and they are cutting back. Sometimes, two days after it has snowed, my road has not been plowed. It was never like that before.

We have a new contractor for most of the areas of Nickel Belt that got the new equipment. I was there when the Minister of Transportation came to Nickel Belt, and I saw the new trucks and I saw all of this. The equipment is there, but they are not deploying it in the way they are supposed to. Things like: There has to be three centimetres of snow for the plow to come—well, it seems like they'll come and measure snow at the only part of the road that does not have three centimetres and then justify not going out until it snows again. The number of accidents, the number of road closures and the number of school bus cancellations are not justifiable. The road is how we get to work. It's how we live our lives. We need our roads to be maintained, and this year has been atrocious. It needs to be looked into.

I've done a lot of work locally with our local representative of the Ministry of Transportation. I've had numerous talks with the Minister of Transportation. It is not getting better. Something's wrong.

The Chair (Mr. Norm Miller): Thank you. Mr. Yurek, did you wish to comment?

Mr. Jeff Yurek: Sure. Thanks, Chair. Yes, I think it's very important that we do a review of winter road maintenance. I've had a meeting myself with the MTO in regard to southern Ontario. It's been a crazy year.

I think the government itself is setting the standards and seeing that these standards are enforced. I think it's very important, and the fact that the Minister of Transportation has come forward and apologized to the Ontario public, that they're failing Ontario in road maintenance—maybe it's time we do an overview of the entire area to see where the deficiencies are lying and, in fact, maybe raise those standards so that, when we do have the worst of winters, our standards are able to handle and maintain the roads, through our worst and best winters, so that people are safe throughout the province and our road closures are minimal, but are done efficiently and effectively.

The Chair (Mr. Norm Miller): Very well. Mr. Mauro?

Mr. Bill Mauro: I think that Mr. Yurek might have just answered my question. So, the scope we're talking about here is the entire province? All provincial highways?

The Chair (Mr. Norm Miller): I believe so. Maybe I'll ask the auditor to comment on what this motion would mean for her in terms of workload and—

Mr. Bill Mauro: Sure. Before I go on, yes. I'd be appreciative of hearing that.

Ms. Bonnie Lysyk: Okay. I'll just comment that a similar type of audit was done in 2004, where the look was at the winter road contracts, and there were a number of recommendations at that point. That's 10 years old, so we do have some previous history to build on.

The way the motion is worded, where it says "that the Auditor General conduct a review of the winter road maintenance contracts," allows us to apply assurance standards in determining how we scope this audit.

Naturally, when we do audits, we don't always look at 100%, so we wouldn't look at 100% of the road system in Ontario. What we would do is make some reasonable, rational, analytical decisions as to how to look at this.

So, the wording allows us to scope it to a viable level of work and still give you the information you need in a reasonable period of time. So it isn't 100% of the roads. Having said that, the contract coverage—we would look at the bulk of the contracts that cover. It's the depth that we would do within each of those contracts that might vary, depending on what we see as we go through the audit process.

Mr. Bill Mauro: Well, then maybe I should ask the Conservatives, who have moved the motion, if they're comfortable leaving it up to the auditor to decide what roads are checked, or did you have something more specific that you'd like to speak to in the motion?

Mr. Steve Clark: No. As the auditor said when she mentioned to me at the start of the meeting that there was an existing report—I'm satisfied that we can provide input to the Auditor General, but I'm confident that this motion and the existing study will provide us the results that we're looking for.

The Chair (Mr. Norm Miller): Auditor, go ahead.

Ms. Bonnie Lysyk: I'll make one comment on this, in terms of the time frame. Our resources are a bit stretched because of a couple of specials and because we're right into the work for the annual report that comes up in December. Because of the depth of the value-for-monies, there's a lot of fieldwork that's done.

I would just ask, with respect to the motion—we would definitely, if it was the wish of this committee, conduct this work. I would just ask that we have a little flexibility. It says "no later than the end of the calendar year 2014." If that could read "March 2015"—the main reason is that it does conflict with the December annual report, where there are a number of projects that are already under way for that report.

Having said that, we will try and meet December, but just not to disappoint you, I'd rather put a reasonable date in there for it, and that's March. I know it seems, when

you sit back, that's a long period of time, but these audits, in order to get the right information and confirm everything, take a while.

0910

Plus, our staff, in a case like this one, would likely go in the field, so there would be some visits to the communities. Given where we are in the time of year, we might need to see what this looks like next winter as well, if there's a melt coming.

These contracts, we know, also look at the summer maintenance, so we could also look at how these contracts work during the summertime in terms of gravel roads and that.

The Chair (Mr. Norm Miller): Yes, Bill? I don't think you were finished yet.

Mr. Bill Mauro: If I could ask the auditor: Have you had a chance to review the 2004 report?

Ms. Bonnie Lysyk: Just broadly. I'm not reading it in detail, but I can just say that I can give you a couple of the comments that were in that report, if that's what you're—

Mr. Bill Mauro: Please, yes.

Ms. Bonnie Lysyk: Specifically, we commented that at the time, the ministry "did not have assurance that its oversight of the work of contractors was effective and efficient; did not have adequate procedures to ensure that sanctions for contract violations were administered in a consistent manner; and could not readily combine inspection results with other data, such as complaints by highway users and service-level data, to provide comprehensive information about the performance of contractors and ministry inspection staff."

At the time it was looked at, there were some recommendations.

Mr. Bill Mauro: So it seems like the concern then was more about contractor performance than the requirement from the ministry in terms of what was contained in the contract and what was expected to be done—but more about what the contractor was actually doing.

Ms. Bonnie Lysyk: Yes, it was monitoring the contractors' performance and the particular information that was being received in order to enable monitoring of their performance.

Mr. Bill Mauro: Mr. Chair, listen: I, clearly speaking in the northern Ontario context, as do you—and I heard you speak to this in the Legislature a little while ago, a couple of weeks back, I believe, or a week or so back—we were just here for a week—or maybe it was before the break in December; I don't recall. I can tell you that in my riding of Thunder Bay–Atikokan—and we welcome the motion, and as Liberals, we're very pleased to support this and be party to this. As Ms. Gélinas has mentioned, it has been an incredibly harsh winter in all of Ontario, especially with the amount of snowfalls coupled with the incredibly cold weather that is an odd coupling of the dynamic, I would say, when it comes to snow removal and putting undue—not undue; it's unfair of me to say "undue"—a different type of pressure on the snow removal contracts.

Having said that, it's my belief that what we're seeing is more likely to be—and I'll be interested to see what the review brings back. We are more likely to see issues related to contractor performance than issues related to what's contained in the contract in terms of the expectations that are placed on the contractor.

I've spoken a number of times and written letters and made numerous phone calls to the MTO in my riding, and I can give you a very clear and specific example of the problems as I see them. When I leave Thunder Bay and head west in my riding—Atikokan is two hours west—I turn off Highway 17 onto what is Highway 11, going to Atikokan, which is two hours west, almost at the western boundary of my riding. The contract work and the condition of the highway change immediately, and has for years—two or three years—when you reach a point where the contractor responsible for the clearing changes. So for two or three years, I've been writing letters and calling on this. People in Atikokan will have a very clear understanding of what I'm saying.

For me, it was very obvious: The issue was not about what was expected in a contract in terms of performance, because you could leave one section of highway where the highway was as clear as the tables that we have our papers set on here today, and immediately, as if you had flipped a switch, you would be on snow-packed, slushy road that obviously had not been maintained. Clearly, it was the same highway classification, the same expectations, the same weather—no change in anything. I don't think we could have a more clear example of a contractor not doing what was expected to be done.

I wanted to go back, though, and speak a little bit to what Ms. Gélinas said in terms of what's changed. In my mind, it has improved. It's sad to hear that the results, perhaps, in her riding have not changed. I can tell you, going back a few months now since I've been advocating on this issue, there has been a marked improvement, and the people in Atikokan very clearly will support that, but I guess I want to underscore for me—when you do your work, I'm hoping we'll see a clear distinction in terms of what the MTO, in their contracts, has expected from the contractor and what the contractors are actually doing.

I think it's also important to note that the minister has been very active on the file. We've seen very recently that a number of contractors in northern Ontario have actually been fined. Three, or five, different contractors have actually been fined. This goes back and predates the call for this particular motion, where he has been very active on file and in fact has talked about how much more equipment has been put on. So perhaps the scope of the motion can speak to whether or not the amount of equipment that's available or expected from the contractors is meeting the test as well. Do we need more equipment? Do they have enough equipment?

The last point I'd like to make too is in regard to a point that Ms. Gélinas raised. I'm not sure she meant to say this or she was meaning to say it—I'm not sure—but there was an implication, intentional or otherwise, that the amount of snowfall and the cold weather coupled to

put the contractors in a position where, if they did what was expected from the MTO, they couldn't make money. In other words, "It's snowing so often and the weather conditions are so harsh that we can't keep up, and if we have to keep up, we're going to lose money. So we're not going out on the roads."

I hope I'm wrong, but I can't believe that's the case. I can't believe that a contract by MTO would be structured in such a way that if it snows an inordinate amount, the contract would be structured in such a way that the contractor has to back off and say, "I can't go out on the road because if I do, I'm going to lose money."

Many of us around here have municipal experience. We are party to municipal contracts for snow removal, and I know they were never structured that way municipally. I can't imagine we would structure them that way provincially. So I would hope that you would look at that.

I would leave for Ms. Gélinas my opinion that it's very unlikely that that's the case because, as I said in my example, I can leave one piece of highway where it is as bare as this tabletop and when I go another 100 yards, the road conditions change immediately. So if one contractor is able to do it appropriately and quality and meet a standard—I think this comes down to individual contractors, and the minister fining these people has really brought about a significant change in the behaviour.

I'd be interested to know that the contract is not structured in such a way as to limit the ability of these people to go out and do the work they're supposed to do.

The Chair (Mr. Norm Miller): Thank you for your comments. Did any member wish to move an amendment to change the date or—

Mr. Steve Clark: I'd like the date to remain the same, but I recognize that if the Auditor General can't meet that and it is in fact going to be March 2015, she can report back to the committee. I'm not upset about it. I recognize that there are staffing issues. She's got a lot of reports that have to be generated. I just want the report as soon as possible.

The Chair (Mr. Norm Miller): Okay. Very well. Then—sorry, Ms. Gélinas?

M^{me} France Gélinas: Just to clarify what the honourable member was talking about, first of all, if it takes till March, I certainly agree to the new deadline. I would like it as soon as possible, but snow removal is pretty good in July. You can come, it's always done on time, on budget. It goes pretty good. So I understand that you may actually need to be there when it's snowing.

The second part is that constituents come to me and say, "It's cheaper for the contractor to take the penalty than to do the work." So when there are some circumstances that come with harsh weather, really cold with lots of snow, we hear that it's cheaper for the contractor. They'll pay the penalty rather than do the work and give themselves three or four days till it's not as cold etc. to do the work. So if it's not true, I hope you will be able to put that to rest, because it leaves people in Nickel Belt with this idea that the government contract is not serving

us well and nothing good comes of that. So I think your work will be able to shed light on this and see where the truth lies.

0920

The Chair (Mr. Norm Miller): Okay. Yes, Mr. Mauro.

Mr. Bill Mauro: Thank you. For the auditor, too, and the Conservatives having moved the motion, is the scope then—I guess I'm curious how far back we're looking. Are you interested in a review of the contractors who are presently doing the work today, the contracts that are in existence today, or is the scope of the motion that you will go back to previous contractors?

Ms. Bonnie Lysyk: To start with, I think we'd get a sense of, let's say, the 12-to-16-month period and then we'd go forward. I'm not sure, unless the committee wants information on the past, whether there's value to looking at the past versus the current contracts going forward. But I'll put that to you.

The Chair (Mr. Norm Miller): Mr. Clark.

Mr. Steve Clark: I feel that that's a good review, to go back 12 to 16 months. There's a perception out there that with these new contracts, there has been some significant change. I'm sure some members around the table will agree that there's a perception that the contract was significantly changed. I've got constituents who feel that there are less vehicles on the road and that the response times are not what they were with the previous contractors.

In my neck of the woods, with 416 and 401 and some of the other provincial highways, people know who the previous contractor was, and there's a perception that they did a significantly better job than the present contractor. Was it because the contract was changed? Was the level of service reduced? These are some of the things that I think that the Auditor General should look at. That's why we structured the five points in the motion.

The Chair (Mr. Norm Miller): Mr. Mauro.

Mr. Bill Mauro: But how will you know that unless you go back far enough? How are you going to compare? What do you have to compare it to if you only go back 12 months? So I'll support that. I think that goes to the root of what we're trying to find out. But how are you going to know unless you go back far enough? To Mr. Clark's point, I'm not sure—it seems to be a bit of a paradox there.

The Chair (Mr. Norm Miller): Auditor?

Ms. Bonnie Lysyk: Looking at this audit, what we do usually is, we get a lot of data—so we'll accumulate data first to get a sense of what's happened. We go back for data longer than 12 to 16 months—we may go back five years—and we'll see what the statistics look like on vehicles, circuit times etc. Then, what I meant when I said 12 to 16 months is, we'll focus some of the more detailed testing on more current contracts just to see, on a go-forward basis, how the current contractors are operating in accordance to their contracts.

Mr. Bill Mauro: If I could, my final point, Mr. Chair, would be—again, Ms. Gélinas raised the issue of the

structure of the contract that I tried to address previously. It would be really remarkable if we have structured a contract in such a way that a contractor would not go out on the road because they lose money in continuously adverse weather conditions, and it would be cheaper for them to pay the penalties that are included in the present contracts than it would be for them to actually go out and do the work. If that's the case, I'm very interested in hearing that. As I said, I'd be very surprised if that's the case, but I just want to underscore that I think that's really a salient point that we need to draw out of this exercise.

The Chair (Mr. Norm Miller): Okay. So I think we're done debate on this—Mr. Fraser, yes?

Mr. John Fraser: One quick question just for my own edification, since I'm new here. As part of the scope of this motion, are you comparing contracts? In other words, we just had a comment from Mr. Clark in regard to whether there's a difference in the contracts. I don't know if that's in this motion or will that be—

Ms. Bonnie Lysyk: That would be something we would look at. We would look at the contracts, see similar differences using a template; what process did they go through on those contracts, if we see differences. So we would look at that—

Mr. John Fraser: In other words, that there was a change in contract, or a new contract compared to the last contract—

Ms. Bonnie Lysyk: Yes, how that transitioned. We would consider that.

Mr. Bill Mauro: And I would just—sorry—again, perhaps ask the auditor, I think it would be relevant and informative if we could find out the positioning of the contracts today in terms of what's expected from the contractors currently and penalties associated with non-performance, compared to where we were when the service was first privatized by the Conservatives in the late 1990s. For me, that would contain some relevance. I think for people in northern Ontario, it would contain some relevance. I'm just wondering if the movers of the motion would feel that that would be appropriate so that we could have a sense of where we started and where we've ended up.

The Chair (Mr. Norm Miller): Ms. Jaczek.

Ms. Helena Jaczek: Very much along the same lines, simply reading the motion the way it's worded now—when I saw it last week, the first thing that I was concerned about was, has there been a change in the contract? Is it the contractor? Is it the contract? Even though it says, "This report should include but not be limited to a focus on the following issues," I think we need to at least specify that the AG should look at the previous contract, the current contract—performance under the previous contract, performance under the current contract. I'm not sure, even from this, when this particular contract was let in terms of timing.

So I would like to somehow work some more specificity into what we're looking at, unless you can give us some sort of assurance. Perhaps you could work in some wording to really show us exactly what the scope is

going to be to get at the important information that we have that maintenance is clearly not what is expected in some areas of the province.

The Chair (Mr. Norm Miller): Auditor?

Ms. Bonnie Lysyk: Obviously, we haven't been in the field or we haven't had discussions with the ministry around this. The information we have at this point is based on a few conversations over the past few days. So I think we need some more time to actually have that discussion around what the scope is more specifically. But I can assure you that if you've put this request into Hansard, which it now is, we'll take this comment into account even if it's not in the motion particularly. It would be something we would look at.

When you do these types of audits, you sit back and you look at the whole picture around this program, and you do get an understanding of the history of the current situation. We look at data from the history of the current situation, and where we can get comparisons, we will lay that out in the report.

The Chair (Mr. Norm Miller): Mr. Mauro?

Mr. Bill Mauro: I just need to be clear, then. My last comment was about trying to determine where we started when the service was privatized in the late 1990s and where we've arrived today. Did you just say that that will be part of the scope? Do we need to amend the motion to make it part of what you'll bring back to us? It goes to the time frames and some of the other things where the motion is a bit vague and open-ended and leaving a lot of discretion with the auditor in terms of what will be brought back. I think it's fair to try to get some specificity around exactly what you'll be coming back to us with.

With no disrespect, I'm not completely comfortable leaving it up to the auditor completely when it comes to some of these decision points. I would wonder if we are going to see where we started and how the contract details and requirements were when the service was first privatized, compared to where we find ourselves today.

The Chair (Mr. Norm Miller): It seems like the auditor said that if your comments are in Hansard then she will work those into the—

Mr. Bill Mauro: So it's not necessary for us to amend the motion?

Ms. Bonnie Lysyk: I don't think so. What we do—in the introduction of all the reports that are written by the office, that are requested by the committee and even that are done normally in the regular process of the office—is outline the history around programs. So it's not unusual for us to sit back and say, "Here's the history of the Winter Roads Program." We can go through that.

Initially, we did think that we'd likely look at reviewing the contracts to ensure contracts had adequate provisions for compliance with the winter maintenance standards and that MTO has the appropriate oversight mechanisms in place to ensure that contractors are meeting their commitments in the contracts—we have that—where maintenance standards are not being met, that there's timely enforcement action being taken to address these deficiencies to ensure road safety. The

penalty provisions in the contract should be sufficient to prevent reoccurrences of the deficiencies in the future. We look at that in the realm of the big picture. We will have data in terms of the history of how roads were over the last few years too.

When I say "audit," we can't look at everything 100%. So we start with the big picture and we narrow down. When all the discussion here is captured in Hansard, we will definitely go through Hansard and say, "Okay, here's what the committee wanted us to cover," and we'll make sure we include that.

Mr. Bill Mauro: I think the comparison of where we started and where we are today is important because it may underscore the distinction of what has occurred this winter in terms of conditions. I really do believe that's possible. It won't be the only factor, I'm sure, but—

The Chair (Mr. Norm Miller): Good point.

France?

M^{me} France Gélinas: I'm not going to let an opportunity like this go by. If we're going to go back and look at when it was done by public servants—when it was not privatized at all, what did it look like? If you're interested in how this program has evolved and you're going to go back to the 1990s when the Tories privatized this, I would say, have a look at how we had it before we went down the privatization road, before we had all of those contracts to maintain and penalties to take and all of this, when we just had civil servants who did their job because that was their job.

The Chair (Mr. Norm Miller): Ms. Jaczek.

Ms. Helena Jaczek: Yes. Further to all the discussion that's been going on, I find it hard to vote on a motion that has some ambiguity, and I'm wondering if we couldn't quickly incorporate some of what we've discussed into a motion that lays it all out.

I appreciate what you're saying in terms of your comments, Bonnie, but, you know, we're usually fairly specific around here, and I think that it would be good to have something a little bit tighter.

The Chair (Mr. Norm Miller): If you do want to amend it, we'll need to recess so you can get it specifically amended.

Mr. Bill Mauro: We can do that.

Ms. Helena Jaczek: Yes, we would like to move that.

The Chair (Mr. Norm Miller): Okay. Then we will have a recess for five minutes, if that's enough time.

Ms. Helena Jaczek: Ten.

The Chair (Mr. Norm Miller): Ten minutes? Okay, a 10-minute recess, and we'll reconvene.

The committee recessed from 0931 to 0942.

The Chair (Mr. Norm Miller): Okay, we're back in session now. We have a motion that seems to be a completely new motion, not an amendment to the motion, so—

Mr. Steve Clark: Chair?

The Chair (Mr. Norm Miller): Yes, Mr. Clark?

Mr. Steve Clark: I am not withdrawing this motion. Mr. Barrett tabled this motion. It has been moved. I have all the confidence in the world in the Auditor General, based on her comments, that she'll deal with this matter

in a way that I would be satisfied. So, my constituents—I was elected in 2010, and I have worked with my constituents over the last almost four years. They were very clear to me, this winter, on what they felt had changed in terms of winter maintenance. My whole thrust, as articulated in this motion, is dealing with the review of those contracts. Everything the Auditor General has said, I concur with. I see no reason to amend this motion based on what she said here at committee today. My thrust is that if someone wants to amend the motion, fine, but I'm not withdrawing this motion.

The Chair (Mr. Norm Miller): Yes, Mr. Mauro.

Mr. Bill Mauro: Should we at least read what we've brought forward here into the record? I'd like to do that as a first step.

The Chair (Mr. Norm Miller): No, because it's a completely new motion. We have to deal with the motion that's on the table. If you were—

Mr. Bill Mauro: Okay, then I'll just speak to Mr. Clark's comments, if I might.

The Chair (Mr. Norm Miller): Yes, go ahead.

Mr. Bill Mauro: What Mr. Clark has just said is nothing new from the debate that we had since we started around 9 o'clock. We clearly articulated, on this side, the Liberal support for this particular motion, and we've articulated the reasons why. What we're trying to do, and I'm hoping that perhaps the NDP are supportive of what we're trying to put forward, is to articulate in our motion that we brought forward, that apparently we're not allowed to read into the record, where we've started from and where we've gone. How else can we demonstrate if there is no benchmark with which to compare what the status of the present-day contracts already means? It's, in my mind, like saying, "Okay, this is the contract, but we're not sure if it's good enough or bad enough, and it won't speak to the individual conditions of what's occurred this winter in Ontario, in terms of the harshness and the conditions that the contractors have had to deal with."

We can address that point if we will simply provide a benchmark from where we started, when the services were privatized by Conservatives in the late 1990s, to where we are today. I'm willing to do that. We support this. I've articulated how important this is in the northern Ontario context. I've articulated very clearly how I have personally experienced neglect on behalf of contractors, and we've addressed that in a very significant way through the minister with the fines that he's provided and his public acknowledgement that there is more equipment being applied. But I don't understand why we would just take a snapshot of the contract today, because I don't think that provides the public with the information they'd really be interested in knowing. They want to know where we started and where we've come to. I think that's fair. I don't know why we wouldn't provide a scope.

Perhaps, I would say to Mr. Clark—I'm not sure why he would be opposed to what we're trying to do. Maybe it'll show that we've made it worse. Why wouldn't you want to know that? Maybe it'll say that the contracts that are in existence and in place today aren't as good as they

were in 1997 or 1996, or whenever the Conservatives privatized this service. Why wouldn't you want to know that? I want to know, and I don't know.

The auditor spoke to the report that came out in 2004. I asked that question about half an hour ago to try and get a sense of whether there was any information in that report that spoke to that. I don't think we really were able to glean from the answer whether or not, from 1997 to 2004, things had regressed or progressed. It's a very simple request, and we support everything that's trying to be done here. We just want a benchmark so that we can compare. That's all I'm asking for, and I'm not sure why it wouldn't be supported.

I would be interested to hear, perhaps, what Ms. Gélinas and the NDP have to say on this. She hasn't had an opportunity. You've got our motion in front of you, I believe—the new motion, I would hope. I hope that Ms. Gélinas and Mr. Singh have had an opportunity to read what it is that we're trying to do, and I'd be interested in their comments, because obviously we need to vote on the original motion at some point. So, I'm hoping to hear from the NDP on this, to see what they have to say.

The Chair (Mr. Norm Miller): So we're dealing with the original motion. Are there any other further comments on the original motion? The auditor?

Ms. Bonnie Lysyk: I'm sorry; I just wanted to comment that the report that was issued in 2004, just to be more specific to your comment on a response to your answer, did not deal with privatization compared to non-privatization.

The Chair (Mr. Norm Miller): Any other comments? Mr. Klees.

Mr. Frank Klees: Chair, I think there's another aspect to this that we have to keep in mind, and that I would ask the Auditor General to take as part of her investigation here, and that is the issue of the Ministry of Transportation actually enforcing the existing contracts, because we're making an assumption here that contracts or the contracting out has changed from when the original change to contracting out was made.

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I can tell you this, that we have evidence that Carillion—particularly this company—is causing a great deal of concern right across the province, not only on the maintenance side but on the actual road construction side. We have taken to the attention of the minister a number of circumstances where Carillion has refused to pay its subcontractors for work done and signed off by engineers. So I think what's at issue here is the integrity of a company that is contracting with the Ministry of Transportation, and in my opinion, a good part of this issue is, what is the Ministry of Transportation doing to actually enforce, hold Carillion or any other company accountable for the work that they've contracted to do? It's very evident to me that this company—and by the way, I think the Auditor General should check the record of Carillion worldwide. This is a company that has been sued in other jurisdictions for the lack of quality. There are subcontractors who are in legal disputes with this company in other jurisdictions around the world. The

reputation of this company is such that I question why they are even allowed to bid into contracts in the province of Ontario.

So we keep that in mind, and the only thing I would say is that we too want to get to the bottom of it. This is about the kind of service that's being delivered by these companies, and I think that it's not a matter of, is it being contracted out or is it being done in-house; it's a matter of, is the work being done in accordance with the agreement that's in place; and second, if in fact an agreement has been changed or watered down, that there aren't the appropriate accountability measures there, then that's something that has to be addressed as well. That is the responsibility of the Ministry of Transportation, which is contracting with whoever the provider may be.

The Chair (Mr. Norm Miller): Ms. Gélinas.

M^{me} France Gélinas: Well, I find myself in a situation very similar to what Mr. Klees was just talking about. It's DeAngelo Brothers who have the contract for most of Nickel Belt, and I'm getting calls from subcontractors that have not been paid, subcontractors that are now refusing to do work for DeAngelo Brothers, because they have bills back to July 2013 that DeAngelo Brothers hasn't paid and accounted for.

DeAngelo Brothers depends on those subcontractors to maintain their machinery to do some of the extra work, and now they are refusing to do this because they're not getting paid. They're not an international company or anything like this, and I don't want to say that whatever is happening with this international company is happening in Sudbury. It's not. DeAngelo is a local company, but they are also having some financial challenges that I think may be linked to the poor service we're getting.

The Chair (Mr. Norm Miller): Mr. Clark.

Mr. Steve Clark: Just for some clarity, I think I would accept a friendly amendment that this motion would include a review from the time the service was privatized. Would people concur with that?

The Chair (Mr. Norm Miller): Mr. Mauro.

Mr. Bill Mauro: So that is exactly what I was just going to ask. Thank you, Mr. Clark. I was going to ask the Clerk for wording that would have allowed an amendment to the present motion because they won't allow our new motion to be—so I'd be interested in the wording that—

The Chair (Mr. Norm Miller): You can amend the current motion; you just can't move a whole new motion.

Mr. Bill Mauro: Understood, yes. So what is it going to read, then? Is somebody going to draft that and let us know?

The Chair (Mr. Norm Miller): Do we need time for that?

The Clerk of the Committee (Mr. William Short): Maybe a five-minute recess.

Mr. Norm Miller: Okay, we'll have a—

Mr. Jagmeet Singh: Chair, before you do that, a quick question.

The Chair (Mr. Norm Miller): Yes?

Mr. Jagmeet Singh: Would the language of privatization include a comparison of when it was public or, by saying specifically when it became privatized, does that limit it to just the privatization?

The Chair (Mr. Norm Miller): So we'll take a five-minute recess, and the Clerk will work with all three parties to make sure that the wording is agreeable to all three parties.

Mr. Bill Mauro: Perfect. Thank you.

The Chair (Mr. Norm Miller): Okay. Five-minute recess.

The committee recessed from 0955 to 1003.

The Chair (Mr. Norm Miller): Okay, we're back in session and we have, I think, a friendly amendment to the motion. Mr. Clark.

Mr. Steve Clark: Thank you very much, Chair. Here are the friendly amendments—do you want me to read the whole motion or the friendly amendments?

The Clerk of the Committee (Mr. William Short): Just start with the friendly amendments.

Mr. Steve Clark: The friendly amendments in the first line: We would remove the word “contracts” and replace it with the word “program,” so the sentence would read: “I move that the Auditor General conduct a review of the winter road maintenance program, negotiated on behalf of the government by the Ministry of Transportation.”

The second friendly amendment would be a separate line between the response times and the last sentence, and that sentence would read: “A review of this program from one year before it was privatized.”

The Chair (Mr. Norm Miller): Okay.

Mr. Steve Clark: Do you want me to read the whole motion again?

The Chair (Mr. Norm Miller): Please read it—

Mr. Bill Mauro: Just the amendment.

The Clerk of the Committee (Mr. William Short): We've just got to vote on the two amendments first.

The Chair (Mr. Norm Miller): So we'll vote on the amendments then. All in favour? Carried.

Now we'll read the whole motion, as amended, please.

Mr. Steve Clark: My original motion, as amended, is:

I move that the Auditor General conduct a review of the winter road maintenance program, negotiated on behalf of the government by the Ministry of Transportation.

This report should include, but not be limited to, a focus on the following issues:

- (1) the number of vehicles;
- (2) circuit times;
- (3) the proper and efficient use of chemical melters and salt on behalf of the contractor;
- (4) hours of operation; and
- (5) response times.

A review of this program from one year before it was privatized.

Finally, this report should be completed and reported to the House no later than the end of the calendar year 2014.

The Chair (Mr. Norm Miller): With no further discussion, we'll vote on the motion, as amended.

M^{me} France G elinas: Just before we vote—

The Chair (Mr. Norm Miller): Yes, Ms. G elinas?

M^{me} France G elinas: I was willing to accommodate the request from the auditor that says “as soon as possible but no later than March 2015.”

The Chair (Mr. Norm Miller): Okay. That would be an amendment to the motion. Did you want to make that amendment?

M^{me} France G elinas: Do I want to make that amendment? Mrs. Auditor, do I want to make that amendment?

Ms. Bonnie Lysyk: You know, I guess if the committee puts this motion forward and we have a problem in meeting this timeline, I'll come before the committee and explain that to you. So we'll try our best, but if there is a problem—you can appreciate a resource constraint—then I'll come before the committee.

May I make just one comment?

The Chair (Mr. Norm Miller): Yes, please.

Ms. Bonnie Lysyk: I think that amendment, with the change, which was a good change—it said to “conduct a review of the winter road maintenance program, negotiated on behalf....” It might be, “... program, considering contracts negotiated on behalf of the government,” because the program is not negotiated. That would be my only comment, and I'm not sure—

Interjection.

Ms. Bonnie Lysyk: Yes. Okay.

The Chair (Mr. Norm Miller): Mr. Clark.

Mr. Steve Clark: Yes, I concur with what the auditor said.

The Chair (Mr. Norm Miller): Okay. We'll need to amend it.

Mr. Steve Clark: So it would change to say, “I move that the Auditor General conduct a review of the winter road maintenance program, considering the contracts”—

The Chair (Mr. Norm Miller): “Considering contracts”—

Mr. Steve Clark: —on behalf of the government.

The Chair (Mr. Norm Miller): Okay, so can we vote on that amendment? All in favour? Agreed.

Okay, so we'll vote on the motion, as amended. Do you want to read the whole thing again, please?

The Clerk of the Committee (Mr. William Short): No, he doesn't need—

The Chair (Mr. Norm Miller): Okay, you don't need to read the whole thing. Can we vote on the motion, as amended? All in favour? Carried.

Very well, we are done with that. I believe we have a notice of motion to be handed around.

Interjection.

The Chair (Mr. Norm Miller): Mrs. Elliott, welcome to the committee. It's the practice of the committee—I know you have a motion that you would like to discuss—that it be distributed to the committee without it being read in or voted on today. But if you want to just briefly

talk about it and hand it around to the committee, that would be great.

Mrs. Christine Elliott: Certainly. Thank you, Chair. I believe it is being distributed now. Basically it is asking for the Auditor General to review the 14 community care access centres and the Ontario Association of Community Care Access Centres. We are asking for a much broader review than reviews previously conducted by the Auditor General's office, covering five main categories.

The first category, and one that has been spoken about already, is the question of executive salaries and the increase in executive salaries by significant amounts, save for one, the Central East CCAC, over the last few years. The average executive salary is now \$234,000, and in some cases CEO salaries have been increased by 50% over the last three years. That's certainly an area that we would ask the Auditor General to consider.

Secondly, we would ask the Auditor General to consider the question of administration costs in CCACs, the percentage of budget allocations that go to administration. The goal is to ensure that as much as possible of the budget goes to front-line care, of course.

The third issue is an apparent conflict of interest which has arisen, wherein the CCACs are mandated to be the ones to provide contracts to health care providers. Yet in some instances, specifically in the area of nursing, CCACs are directly hiring nurses to provide care themselves. This apparent conflict of interest, which we would like to ask the Auditor General to consider, has the effect of both increasing costs to the system because the CCACs are hiring nurses at a higher rate than would be paid by nursing care providers, and it's also causing the nursing and other home care providers to have their volumes decreased and to have their staff raided, and therefore diminishing their capability to carry on business.

The next area of concern is the issue of certain protocols that have been mandated by the CCACs. I would speak specifically, by way of example, of the wound care protocol, which some CCACs have adopted in order to standardize service, I suppose, and to save cost. But it is also having the effect in some cases of compromising patient safety and reducing the ability of clinicians to use their best judgement in dealing with wound care. So there are significant concerns with respect to some of these protocols, both in terms of their actual efficacy and their ability to efficiently use taxpayer dollars.

Finally, we would ask that the Auditor General take a look at the issues involving the unwillingness of many health care providers to speak up about a number of these issues because of their fear that their volumes are going to be cut. There very much seems to be a culture of fear and intimidation with a number of the CCACs, and I believe this is having an impact on service providers' ability to deliver care and for people to receive the best home care possible.

So the parameters are quite wide. We are asking for a much broader review of the CCAC operations than has ever been asked for before.

The Chair (Mr. Norm Miller): Now members have this before them, so they can take it away over the next week, and we'll deal with it at next week's meeting.

Mrs. Christine Elliott: Thank you, Chair.

The Chair (Mr. Norm Miller): Thank you very much. We are now going to go into closed session to continue with our report writing and other matters.

The committee continued in closed session at 1011.

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Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Lorenzo Berardinetti (Scarborough Southwest / Scarborough-Sud-Ouest L)

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

Ms. Helena Jaczek (Oak Ridges–Markham L)

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Mr. John O’Toole (Durham PC)

Mr. Jagmeet Singh (Bramalea–Gore–Malton ND)

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Mr. Steve Clark (Leeds–Grenville PC)

Mr. Frank Klees (Newmarket–Aurora PC)

Mrs. Amrit Mangat (Mississauga–Brampton South / Mississauga–Brampton-Sud L)

Mr. Jeff Yurek (Elgin–Middlesex–London PC)

Also taking part / Autres participants et participantes

Mrs. Christine Elliott (Whitby–Oshawa PC)

Ms. Bonnie Lysyk, Auditor General

Clerk / Greffier

Mr. William Short

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Ms. Susan Viets, research officer,
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