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Wednesday 20 January 2016

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des débats
(Hansard)**

Mercredi 20 janvier 2016

**Standing Committee on
Finance and Economic Affairs**

Pre-budget consultations

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

Consultations prébudgétaires

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS

Wednesday 20 January 2016

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Mercredi 20 janvier 2016

The committee met at 0900 in the Valhalla Inn, Thunder Bay.

PRE-BUDGET CONSULTATIONS

The Chair (Ms. Soo Wong): I'm going to call the Standing Committee on Finance and Economic Affairs to order. Welcome to Thunder Bay.

CENTRE FOR RESEARCH
AND INNOVATION
IN THE BIO-ECONOMY

The Chair (Ms. Soo Wong): The first witness coming forward is the Centre for Research and Innovation in the Bio-Economy. Welcome, gentlemen. Come on down. I believe you have a handout for us. That's great, thank you. We have Doug Murray, the CRIBE director and CEO of the Thunder Bay Community Economic Development Commission, and Scott Wiebe.

Good morning, gentlemen. Welcome. You have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will begin with the government side. You may begin at any time. When you begin, please identify yourselves for the purpose of Hansard. Thank you.

Mr. Scott Wiebe: Sure, thank you very much. My name is Scott Wiebe. Like you said, I'm at the Centre for Research and Innovation in the Bio-Economy. With me is Doug Murray, as you had mentioned. I'm going to be going through a handout that I've passed around and you can feel free to follow along.

The Centre for Research and Innovation in the Bio-Economy was set up in 2008 as a \$25-million investment from the Ontario government to really invest in new, innovative uses of wood fibre. It's been a seven-year mandate and the purpose of today is to continue that current project spending that we've been doing at around \$3.5 million per year.

The focus of CRIBE has been on the commercialization of research and innovation, moving beyond the traditional manufacturing of pulp, paper and lumber. As you may or may not be aware, Ontario has lost 50% of its forestry manufacturing in the 2008 US housing crisis. Northwestern Ontario, in particular, lost 80% of its manufacturing capacity.

That was the impetus of why CRIBE was started. We're looking at new products, processes, jobs and busi-

nesses using forest biomass. CRIBE is unique in that we're a small, lean organization with a volunteer, senior, experienced board of directors. They represent industry experts both in Ontario and Canada-wide, drawing on their entrepreneurial and technical expertise. It's been a real asset to have those folks volunteering their time for the purposes of advancing Ontario's bio-economy.

The funding that CRIBE provides: We're in the high-risk range where we fund pilot and demonstration projects of new uses—we fund up to 50% of a project and we require the proponent to put at least 25% cash into the project, so there has to be buy-in, but we recognize that it's a high-risk environment.

We work closely with other research organizations such as the Sustainable Chemistry Alliance in Sarnia. We've worked with the BioAutoCouncil; FPInnovations, which is the forestry research consortium in Canada; NRCan etc. We've worked very well with the rest of the funding partners around Ontario, trying to make things work.

Part of the objectives of CRIBE is to create new jobs and skills in the workforce, supporting existing businesses in Ontario's forest-dependent communities. I can't stress enough how much there are communities that are completely forest-dependent. The closures in Fort Frances and Iroquois Falls are recent examples of what can happen when the industry is not innovating and not moving forward. We work on expanding and diversifying from traditional forest products with higher commercial value. Part of that is moving into developing new novel materials using forest biomass.

We're really focused on enabling the manufacturing shift towards green products. Looking into the low-carbon economy—I'm going to mention this later—this is really where CRIBE is. We've keyed up years ahead of where the low-carbon economy is going. Forestry has always been a low-carbon economy. How can we be moving into the rest of replacing petroleum products in manufacturing processes?

We've funded over 17 projects across Ontario to date. Most projects range from \$100,000 to \$3 million per project.

Now, I have a map on handout 4. We've worked across Ontario, recognizing that wood fibre is largely based in northern Ontario, but there's a lot of chemical and other manufacturing processes that happen in southern Ontario. Really bridging that gap is why we've

partnered with those other organizations that I mentioned previously.

I'd just like to focus on three of them. You have a glossy handout, as well. In there are some more projects that you can look through, whatever catches your eye on that side, but I'd like to focus on three of them across the province just to give you the breadth of what we're working on.

If you look over to the east, in Renfrew, near Ottawa, we've invested \$1.5 million to leverage \$4 million to create a first-of-its-kind dedicated biofuels plant. Now, what this does is very unique. They take 25,000 tonnes of sawmill residues from nine local sawmills in the Ottawa Valley and then condense it into a renewable fuel oil. It's literally liquid wood—that's what they like to call it. It is a direct replacement for heating oil—a 100% replacement for heating oil.

They're actually currently exporting to the US northeast, to hospitals and other public facilities. Those facilities are looking to lock in cost certainty in fluctuating oil markets. So they're at the end of the pipeline, literally. They're subject to peak pricing and everything like that. These hospitals and other facilities have looked into and invested in this process, which is moving liquid wood into these facilities. The US Environmental Protection Agency has recently approved Ensyn Renfrew plant as a registered facility under the US Renewable Fuel Standard Program. This is really big news. This is exciting. We have, in Ontario, an export market to the United States for liquid wood fuel. They're now being able to produce cellulosic biofuel, eligible for credits under the renewable fuels program. That's a direct result of 28 full-time jobs in Renfrew.

If you look further south into Chatham, we've invested \$2 million to date into GreenField ethanol with a contingent tie-in to Lakehead University for \$900,000. This facility is the only one in the province that will allow the complete breakdown of wood fibre outside of a laboratory environment. This unique opportunity is a collaboration between north and south and is at the forefront of the new uses for wood biomass.

The main focus is on the design and development of a biorefinery, using its \$42-million demonstration plant at the Centre of Excellence in Chatham, Ontario. Where this fits in with CRIBE is that they're using poplar, which is a very underutilized species in Ontario. GreenField has developed ways to recover different parts of the wood—I won't get into those here—and they're looking at integrating all of the different parts of the wood and making markets for it.

The Lakehead portion is to look at developing new value-added uses from these products, such as adhesives, biochemicals and biopharmaceuticals. We've been working with them for a few years now. It has been very, very successful, and they're now looking to actually move their production into a commercial facility. So there's a success story there.

Moving back to Thunder Bay, we've invested into a lignin research centre here. So there are three different

parts to wood: You have the cellulose that you make the paper out of; you have the hemicellulose; and you have the lignin, which is the glue. Lignin is always presented as a waste product. We've invested in a lignin extraction centre where we actually take lignin and extract it out and try to find new uses for it such as fuels, resins, rubber additives, thermoplastic blends, nutraceuticals and pharmaceuticals.

This is the only extraction facility. When it was started, it was the only one in North America. So we're really leading edge here in Ontario in moving forward in finding a use for this product. Since then, this facility has taken in tanker trucks full of lignin from other places across Canada and has been processing it here trying to find new uses for it. There are also strong ties to the university environment in this.

To conclude, where are we going? There are some key growth areas. We see building solutions—Ontario's tall wood building plan—as a key component for moving forward on the construction side; there's the world of biocomposites—using wood fibre is very promising. We have small energy systems for remote communities; it continues to be a key platform that we're working on, as well as value-chain maximization: making the best use of our wood fibre throughout the entire process.

The take-home message is that there are many, many different pathways for wood. We've invested in a few, but there's still a lot of potential going forward. Stressing that, the forest industry needs to remain healthy in a predictable and stable primary wood flow, and then this secondary manufacturing is reliant on that.

0910

The bio-economy will be fundamental in transitioning Ontario to a low-carbon economy. Like I said earlier, we've been hosting conferences with the Minister of the Environment and Climate Change on what forestry means in the low-carbon economy.

Continued funding of our projects: Like I said, we've been investing roughly \$3.5 million per year from the Ontario government to invest in the low-carbon economy. Future innovation requires this incubation, this investing in that higher-risk side, to continue.

Thank you for listening.

The Chair (Ms. Soo Wong): All right, perfect timing: 10 minutes. I'm going to turn to Ms. Vernile to begin this round of questioning.

Ms. Daiene Vernile: Thank you very much, gentlemen, for coming in this morning and speaking to us. You are our first speakers, so we're all alert. We've been caffeinated and we're all paying attention.

I'd like to thank you for informing us of the important work that you're doing and expressing your support for CRIBE. As the parliamentary assistant to the Minister of Research and Innovation, I've just completed a tour of various innovation centres across Ontario. We were making announcements, and in particular, when we were in the north in North Bay, we went to the regional innovation centre there, and I was very impressed with

some of the wonderful ideas that young people are coming up with and how they're creating jobs.

That leads me to my first question. Within our government, we want to know that we're getting a good bang for our buck. We invested \$25 million in CRIBE. How can you tie this to the jobs that you're creating? How many jobs have you created, and what is the amount of dollars that you've generated for our economy?

Mr. Scott Wiebe: I'll take a first crack at it. If you want to add in anything, Doug, feel free to.

On the jobs side, we haven't invested the full \$25 million yet. So far, we've had about \$17 million of that put in and we're working with the government on continuing our mandate. That's where the mandate extension comes in.

We've had roughly 100 jobs directly with the investment, but then there has been—like I said, this is in the pilot and demonstration stage, so we're building small things that then move on to commercialization. So these small investments have now been moving forward successfully into much larger ones that CRIBE hasn't been—we don't have the metrics to be involved with that side of it.

We've also been highly tied into the university environment, working on creating new highly qualified personnel to work in that.

Does that answer your question?

Ms. Daiene Vernile: You commented, too, on how in 2008 you saw dramatic changes to your industry tied to the housing crisis in the US. You are obviously changing the way you are approaching this industry, and it's good to see that.

There are many people who are troubled by a low Canadian dollar these days, but how is that going to impact you if you are exporting to places like the States?

Mr. Scott Wiebe: I'll let Doug answer that.

Mr. Doug Murray: In response to your question, the forest industry started making changes in the year 2000. The largest consumption of newsprint occurred in the year 2000—actually, it was funny—with the dot-com bubble that occurred, and we've seen declines since then. In the year 2000, newsprint would have been around 15 million tonnes of consumption, and now it's four, so we've lost 65% to 70% of newsprint consumption. And paper consumption in general has declined. Very rarely do you get presentations on paper now, right? So when you look at these dependent communities, whether it's Iroquois Falls in northeastern Ontario, whether it's Fort Frances, whether it's other places like Kenora, these towns were all paper towns. They all made paper.

So we need to continue to drive our research. The forest is still here; the boreal forest is still intact in northern Ontario, and it still potentially has 25 million cubic metres of annual cut. So what are we going to do with that? It's a huge resource that a lot of people's lives are dependent on. This program helps drive the research and the young people's ideas on how to move forward using the forest in a sustainable way. That's why we want to continue that.

Our traditional methods—right now, the primary forest industries are kraft, are lumber, and we still need that from the point of view that those people give access to the forest to bring in raw materials that we can use for these other products. Until we can get these other products to completely grow up, we still need that primary forest industry. But there's going to be continued pressure on the kraft business in North America: the farms of South America as we cut down more jungle and create more plantation farms. That pressure still exists on the Canadian kraft industry. Having this program to help support other people's research and other people's product development will lead to new products.

We just talked briefly about GreenField. I happened to participate in a phone call with them the other day, and they're looking at commercializing into northern Ontario now. They are looking at Thunder Bay, Sudbury, and possibly other towns in northern Ontario to look at where they make the next step now to take some of the products they've been making in Chatham in moving forward.

Is it a slam dunk? No. Do we still have work to do? Yes. But if we don't do that type of work, then we'll have a nice little bit of parkland in northern Ontario, and that's not what we're looking for as a resource—

The Chair (Ms. Soo Wong): Okay, Mr. Murray, Mr. Wiebe, thank you for your presentation, and thank you for your written submission as well.

Mr. Scott Wiebe: Good luck in the future.

The Chair (Ms. Soo Wong): Thank you very much.

CITY OF THUNDER BAY

The Chair (Ms. Soo Wong): I believe the next group before us is the city of Thunder Bay: Mayor Hobbs; Mr. Gale, the city manager; and Mr. McKinnon, the vice-chair of intergovernmental affairs. The Clerk is coming around with the written submission.

Gentlemen, welcome and good morning. As you heard earlier, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the official opposition party. You may begin any time. When you begin, can you please identify yourselves for the purposes of Hansard.

Mr. Keith Hobbs: Thank you, and thank you very much for attending Thunder Bay for these pre-budget consultations. As you know, Thunder Bay will be 50 years old in a few years, and we are one of the fastest-growing cities in Ontario. Infrastructure is very important to us, like other communities. We're struggling with an infrastructure gap, but the good news is we're beating that gap. We put an extra 1.5% of our budget into an enhanced infrastructure renewal plan and we are beating down our deficit in a good way.

We're looking to the government for funding for other big infrastructure projects, and one before you is the Thunder Bay Event and Convention Centre. We have handed out information on that. It's a huge project, a regional project that's going to be an economic driver.

Thanks to the province and the feds, we've revitalized our waterfront. That core is really developing. Our art gallery is going to move down there, and this is going to be the crowning jewel.

It's a six-year project. So far, we're near shovel-ready, and we've been to the government, OGRA and AMO asking for funding. If you look at the person-hours of labour that are attached to this, if you look at the economic development attached to this and the taxes to both levels of government, it's just a great project for the region. I'm not going to speak too much more on it because you have the handout and we've been to you before on it.

The OCIF, the Ontario Community Infrastructure Fund, is one of the best projects we've seen, and we've been the beneficiary of that as a city. We would like that to continue. The reconstruction of Balmoral Street, one of our main arteries, is attached to that project as well. So we would ask you to have a look at that for sure.

The biggest issue in Thunder Bay right now is homelessness, housing, and drug and alcohol addiction. Toronto had 43 deaths of homeless people last year, a city of 2.5 million people. Thunder Bay had 17 deaths of homeless people for a city of 120,000. I don't need to say any more on that issue. We know that the government is coming out with a homelessness strategy soon. There has to be funding attached to that for municipalities, and this municipality wants to work with DSSAB and other agencies in the government to eradicate homelessness. If you look at what they did in Medicine Hat, there was \$33 million from the province and they eradicated homelessness. There's no reason why Thunder Bay can't do the same with similar funding. We're hoping there are dollars attached to that, for sure. We have a shelter house that is over capacity every single night.

The city of Thunder Bay funds an alcohol management program. We've taken 15 of the most marginalized people off the streets and are housing them and teaching them life skills. It has taken the burden off police, off EMS; the hospital doesn't have to deal with these homeless people. We don't get funding from the government for that alcohol management program. It's a health program, and I don't believe the city of Thunder Bay should be funding health programs, so we're asking the province to take that over.

We have been to AMO and have spoken to the Minister of Health and the Minister of Municipal Affairs and Housing on both of these issues several times.

0920

Thunder Bay district jail: We've met with Minister Naqvi and he has said that they don't want to build jails. In 1977, I was the first police officer at a jail riot. It was over horrible conditions. This last year, just in December, we had another jail riot. A correctional officer was taken hostage. He was very lucky that he didn't sustain severe injuries, but I'm sure he'll be suffering with post-traumatic stress disorder, as did people in 1977. That jail is a rathole, and I can't put it any other way. I don't know how to say it nicely. Albeit you're looking at the whole

correctional system and how we rehabilitate people, this is a case where that facility just needs to be replaced. I'm not going to say too much more on that. It has been in the public domain.

Mining readiness strategy: We're very pleased that the government of Ontario has put aside a billion dollars for infrastructure. We've had meetings with Minister Hajdu and MP Rusnak, from Thunder Bay. We have three ministers in Thunder Bay now. We think it's the perfect storm, with a provincial Liberal government and federal Liberal government. It's time to get that infrastructure built, so that we can see some extraction in the Ring of Fire, especially.

Mining is a huge issue, but with mining, we need the transportation corridors. We also need the energy as well. I know my colleague Councillor Iain Angus, from NOMA, is going to speak to those issues later on, so I won't touch on them too much.

On non-urgent transportation, I'm going to acquiesce to Norm Gale, who is the new city manager for Thunder Bay but was the chief of paramedic chiefs in Ontario.

Mr. Norm Gale: Thank you, Mayor Hobbs. Some of you may know that it's an issue that's important to municipalities, and that is that municipalities deliver a health care service in EMS. Unfortunately, in rural and northern Ontario, the utilization of paramedics for non-urgent inter-facility medical transportation does divert from their core duties of responding to emergency 911 calls.

In the city and district of Thunder Bay, we have submitted a proposal to the North West LHIN that provides a solution to this problem. The North West LHIN has accepted that proposal. However, they have not provided funding towards it, nor have they indicated that funding is coming any time soon.

This is inconsistent with decisions made at other LHINs across the province, where both seed and operational funding have indeed been made, to release paramedics and ambulances of this obligation. We think this is an important issue here, because municipalities are, along with the province, providing funding, and this does confound the provision of emergency response in the city of Thunder Bay, but also in the rural areas in the district of Thunder Bay. We ask the province and the government to provide funding so that the city of Thunder Bay can provide a solution to this problem. Thank you.

Mr. Keith Hobbs: My next item is the closure of our city's two delisted homes. We're moving into the St. Joseph's Care Group one—the Centre of Excellence. We thank the government for the assistance on that. But those were due to close in 2009, and the province, through the Ministry of Health, has asked us to continue operating those homes.

We're concerned about annual operating deficits, emergency capital repairs and incremental closure costs. So far, the government has provided funding up to December 31, 2015, but we're going to have to operate well into 2016, as we've just started the big move. Those

estimated costs are about \$3,070,000. We're asking for continued funding until that transition is totally complete, and all the costs associated with it.

Heads and beds: Provincial payment in lieu of taxes for universities, hospitals and correctional institutions, known as heads-and-beds payment, has been unchanged at \$75 per student since 1987. I know that we have been hammering away at different levels of government since 1987 to get that upgraded.

Payments do not meet the actual costs to municipalities to provide necessary services. We're asking the government to adjust it so there's an annual inflationary adjustment applied to the rates each year, moving forward.

Also, designated airport authorities make payments in lieu of taxes to municipalities, based on a formula that applies to passenger traffic. We're asking that those be upgraded as well. I know that NOMA is going to talk about railway and hydro lines as well.

I'm probably at my 10 minutes or close to it.

The Chair (Ms. Soo Wong): No, you've got two more minutes, Mr. Mayor.

Mr. Keith Hobbs: Two more minutes?

The Chair (Ms. Soo Wong): Yes.

Mr. Keith Hobbs: I've covered all of my items, but—

Mr. Brian McKinnon: Interest arbitration.

Mr. Keith Hobbs: Yes. Interest arbitration is a big issue with police and fire. We are lucky that our police just settled for a five-year deal, and we held our firefighters down.

I saw this, and I'm probably part of the problem, because as a negotiator for police over the years, I probably helped drive up these costs. But looking on the other side of it now—and I've said it at LUMCO. I said that what needs to happen is the piggybacking has to stop. Justice Ferguson, who was an arbitrator back in the day, said that police should be compared to police. The yardstick for police wages should be police to police. Somehow, firefighters started comparing themselves to police and there is this piggybacking. Somebody has to get the intestinal fortitude and just stop that practice. They're two different jobs; they're totally two different jobs. I'm not saying that one's any less important but one's a lot riskier than the other, a lot more lives lost in one profession. That whole system has to be revamped.

Arbitrators have to take into consideration municipalities' ability to pay. That needs to be entrenched right in the police and fire acts and give cities a break.

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

Mr. Victor Fedeli: Good morning, Your Worship.

Mr. Keith Hobbs: Good morning, Mr. Fedeli. Nice to see you again.

Mr. Victor Fedeli: Nice to see you again. I think it's been all of three weeks since we were last here.

I want to talk about the jail first. You said that the jail—in the politest terms you could use—looked like a rathole. MPP Toby Barrett and myself, along with our

leader, Patrick Brown, toured that facility in December, only days after the riot. I have to tell you that it would take a lot of paint and a lot of work to get it up to the level of a rathole, in my opinion. I've never seen such deplorable conditions of anything in my life. It sickened me. I have toured jails in the past but I've never seen anything like that. I would encourage all members, if you have an opportunity, to tour this facility. This is ancient beyond words.

Mr. Keith Hobbs: They'll show you where they used to hang people when you tour that jail.

Mr. Victor Fedeli: It was a real shock to the system. I know you said that the minister has said we're not building new jails. This is one that, if there is such a thing as an exception, this is exceptional. It needs—I would like you to spend a minute talking about that.

Mr. Keith Hobbs: Yes, I totally agree with that, Mr. Fedeli. As a former police officer, I escorted prisoners there all the time. The prisoners' conditions are deplorable, so the corrections officers' conditions are deplorable, because for the correctional officers, that's their environment as well.

There's a bunk bed: There's a person on the top bunk, a person on the bottom bunk, and then someone sleeps underneath the bottom bunk. It's just filthy. The floors are filthy. They smoke; they blow their smoke into the ventilation system. Administration staff have to breathe that smoke in. You just have to go through it. I can't do justice to how horrible it is until you go through it, like you said.

Like I said, in 1977 I was the first officer at the scene. Somebody was running out with the keys to the jail, and the whole issue was conditions. There is no rehabilitation involved in that jail.

The thing that really gets me is that people who are in that district jail are on remand, so they're innocent. Those are innocent people; they're not proven guilty yet. Yet the correctional centre, which is a nicer facility, houses people who have been sentenced. Here, you're taking presumed innocent people and you're putting them in those horrible conditions. It's just not right.

Mr. Victor Fedeli: Well, they won't stay innocent long in that environment, I can guarantee you that.

Your number one priority appears to be the event centre, and that is because of economic development. Am I correct in that—

Mr. Keith Hobbs: Yes, Mr. Fedeli. The province and the feds have been very generous. They're funding us for our waterfront development. We put about \$70 million into our waterfront. There's about a \$100-million private investment going on there with condos and a hotel. It's just brought vibrancy to the whole downtown core. The art gallery wants to move from Confederation College property to the waterfront. It's the place to be.

0930

Mr. Victor Fedeli: And that, of course, contrasts with your number one issue: homelessness.

Mr. Keith Hobbs: We've seen record numbers of people coming to the downtown. We had 25,000 people

at Canada Day on our waterfront. We had 8,000 people for our blues fest. It's just a vibrant area. We've seen new condos springing up, new restaurants—we have built a downtown core. We have a new law school, thanks to the province, in the downtown core. It's a huge economic development piece. There are going to be tax dollars for the province and the feds. There is going to be employment, jobs, forever.

Our current facility is 62 years old. If you talk to any person, we can't get shows here. We can't attract conferences. I was at the chiefs' assembly conference yesterday, and they said they'd have their national conference here in Thunder Bay, but we won't have it. We don't have facilities.

Mr. Victor Fedeli: I want to wrap up, then, with your, as you said, number one issue, the homelessness. Can you just give us a bit of a picture so we understand what you're referring to?

Mr. Keith Hobbs: I do walkabouts as a mayor, and I walk over people sleeping out on the streets and under vehicles. A lady died right across from city hall, right in the laneway that I can see out the window of my city hall office.

Like I say, when you lose 17 people in one year, compared to 43 in Toronto—do the math; it's a huge problem. We're a catchment area for First Nations people coming down from the north for a better life. When those kids don't make it in school, they couch-surf. They want to stay in the city because they have nothing on their reserve. It's a horrible, horrible situation. With that comes alcohol, drugs, violence and crime. We had 11 homicides in 2014, and some of those were attributed to homelessness. There's a whole raft of issues that go with homelessness.

I said it in the *Globe and Mail*, I said it in the *Toronto Star*, I was on Canada AM and I said it nationally: If we can get a handle on our social issues and our homelessness in Thunder Bay, we're going to get the whole issue of our crime—and racism is connected to that. We're going to be a beautiful city—we already are a beautiful city, but we'll be the most beautiful city.

Mr. Victor Fedeli: Thank you very much, Your Worship.

The Chair (Ms. Soo Wong): Thank you very much, Mr. Mayor, Mr. Gale and Mr. McKinnon, for your presentation as well as your written submission.

Mr. Keith Hobbs: Thank you very much. We appreciate your time.

The Chair (Ms. Soo Wong): Hopefully we'll come visit your convention centre someday.

NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION

The Chair (Ms. Soo Wong): The next group coming before us is the Northwestern Ontario Municipal Association. Mr. Angus, welcome and good morning.

Mr. Iain Angus: Good morning, Madam Chair and members of the committee.

The Chair (Ms. Soo Wong): The Clerk is coming around with the written submission, so thank you. You may begin any time. You have 10 minutes for your presentation. This round of questioning will be coming from Ms. Fife from the third party. Welcome.

Mr. Iain Angus: Thank you, Madam Chair. I want to echo the comments of Mayor Hobbs: Thank you very much for once again holding hearings here in northwestern Ontario. We strongly believe that we are different than other parts of Ontario and we're different than other parts of the north. While some of our issues may be similar, I think we have some nuances that will help to facilitate your understanding of who we are and what we're faced with.

NOMA represents all of the municipalities in the Thunder Bay, Rainy River and Kenora districts, and we have for many, many years. We've got an excellent working relationship. We believe that northwestern Ontario needs to be supported in its bid for the development of a strong and diverse economy through the province taking leadership in planning, developing and owning the infrastructure necessary to support the Ring of Fire development.

It's also important to extend regulatory and infrastructure support to the other mining ventures under way in the northwest. You have in your package a map that shows all of those potential projects. We keep reminding people that the northwest is much more than the Ring of Fire. Because of the numerous discoveries and mining companies involved, the Ring of Fire is a unique development in Ontario. As such, we have continued to argue that it requires a more planned public approach than what has occurred in the past.

Noront Resources is the lead company in the Ring of Fire, but their project is currently at risk. Ontario can intervene, as a partner with First Nations and industry, to remove and/or mitigate the barriers and move this development to the production stage. There are no significant projects as mature as Noront's Eagle's Nest.

Financial support from Ontario is essential if a road is to be constructed to serve the Ring of Fire. Specifically, an east-west road is required to access the Eagle's Nest deposit from the Pickle Lake highway extension or the so-called north road. Four First Nations would see immediate benefits, as would the new mine, as well as paving the way for the development of the numerous deposits distributed throughout the Ring of Fire.

Transmission infrastructure should also follow the same artery and be paid for the same way. This will take four First Nations off of diesel generation and eliminate the need for Noront to establish their own diesel generation facilities. In turn, the combined effort will reduce the impact on the environment.

As a result of the United Nations' climate change summit held in Paris, many governments are obligated to reduce emission targets. Implementing this infrastructure plan would certainly assist in meeting Canada's commitments and would showcase Ontario as a leader in saving the planet. We urge the Ontario government to commit to

assist the Eagle's Nest development in implementing the east-west road and transmission corridor.

We are on the cusp of significant economic growth, but government investment is required. In addition to the six mines currently in production, there are 22 mines outside of the Ring of Fire that are in the planning and development stage. We believe that at some point in time, each and every one of these mines will come into operation. The manufacturing industry in Ontario will see substantial growth as a result of the mining taking place in northwestern Ontario. This will be the economic driver for the province of Ontario. It's the government of Ontario's job to make this happen, not the private sector.

The auto industry has historically received billions in government investment from both levels to support its growth and economic development. The mining industry now needs similar support through infrastructure investments that will drive the economy for decades to come. We ask that you immediately commit to creating a cross-ministry implementation task force with a mandate to expedite the investment and regulatory streamlining necessary to ensure that there are no barriers to these mines coming on stream.

I want to now touch on railway taxation. Municipalities—like the Ontario government—are facing a lot of fiscal challenges. We're seeing reductions in industrial assessments—you heard Doug Murray talk about the decline of the forest industry. That has hit us hard in the northwest. That means that municipalities don't have the dollars to do what they used to do. Then there are the reductions of the OMPF and its impact on our communities.

We haven't sat idle. We've taken a look at what we can do: What are the opportunities available to us for revenue generation? One that has been identified by one of our member communities is railway taxation.

Under the Municipal Act, the government sets the rates of tax to be imposed by a local municipality on land occupied by railways. A lot of our communities are large land masses, and if you look at page 3, you'll see the chart that shows, for the districts of Kenora, Rainy River and Thunder Bay, how little those communities are paid in taxes by the railways: a few thousand dollars, as compared to what other communities elsewhere are receiving.

The current mechanism is that it's a \$1 per acre. The total acreage that the railway occupies, whether it's the mainline track or the yards: That's what they are taxed on. In Manitoba, Saskatchewan and Alberta, where the vast majority of the railway products come from, whether it be petroleum, grain or potash that moves through the northwest, they do a dollars-per-tonne-mile taxation rule for the railway companies, and that generates substantial dollars for them.

For example, Swift Current received more than \$571,000 a year for right-of-way compensation. If that same taxation scenario were applied in Ontario, particularly in northwestern Ontario, the town of Fort Frances—which, as Doug Murray mentioned, lost its mill—would

be receiving \$3 million a year instead of \$3,600. If you think about that in the context of all of our other asks, which is usually that the government of Ontario give us more money, here's a way in which we can solve some of our problems by you just giving us a better tool than what we already have.

Our request to you, to recommend to the government, is that they implement a dollar-per-tonne-mile taxation structure for the railway companies.

Switching to municipal infrastructure funding, investments in roads and bridges as well as other critical municipal infrastructure such as water and wastewater, storm water, transit, public housing and all the other services that municipalities deliver to our citizens are investments in our quality of life that support continued economic growth and development. But it's a challenge for all of us to maintain our infrastructure.

Further complicating the issue is the requirement by the province that municipalities must use reserve funding or take on debt in order to be eligible for provincial funding. The government needs to recognize that property taxes in northern Ontario are typically higher than their counterparts in the south. All you have to do is compare Toronto's home taxes to Thunder Bay's home taxes to Rainy River's home taxes. There is a significant difference.

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Under the Municipal Act, we are required to responsibly manage our finances. We are doing this, yet municipalities who have operated in a fiscally responsible manner, who pay as they go, are now being penalized by the government because they have declared that they are ineligible for major infrastructure projects.

While we appreciate the \$100-million infrastructure fund to help small, rural and northern municipalities undertake infrastructure projects, too many of our communities are ruled out at the start. While it is intended to provide consistent base funding, the government needs to recognize that there are limitations that small northern communities face in terms of generating revenue to pay for their share of large infrastructure projects and capital purchases.

Mayor Hobbs talked about the "heads and beds" payments. I'm not going to go into that in any detail, other than to say that next year is the 30th anniversary of the last time this rate was changed. It's about time. As someone once said, "It's 2015." Well, now it's 2016. It's about time to make that change.

In conclusion, the future of Ontario is in the north. We were pleased to see the province releasing earlier this week a statement around regulatory burden changes and the launching of the Red Tape Challenge this spring. One of the things we want to suggest is that the forestry and mining components were listed almost as an afterthought, that we'll get to it whenever. That needs to be at the front end of the review.

I'll give you one example. The Ontario Energy Board has just commenced a consultation on who should pay for transmission. Up until the late 1990s, throughout the history of Ontario Hydro, any improvements to the grid,

any additions to the grid, were paid for by the ratepayers as a collective. Since the late 1990s, that's now become a business case, so that the proponent, i.e. the mine that needs the power, is going to have to pay for that transmission line. So a mining company that is already seeking market support for a half-billion-dollar project must also try to get \$100 million, \$200 million, \$300 million to pay to hook up the wires to the grid—

The Chair (Ms. Soo Wong): Mr. Angus, I am going to just stop you here. I'll turn to Ms. Fife to ask you some questions about your presentation.

Mr. Iain Angus: Okay, fair enough. Thank you.

Ms. Catherine Fife: Thank you very much, Mr. Angus, for your presentation. You've covered a lot.

I think I have a responsibility to raise the issue of the Ring of Fire, because I think the frustration out there in the progress—some people are calling it the Ring of Smoke, because there are a lot of promises that have been made. Do you want to address the weight and the importance of the east-west transmission corridor to the impact of this project fully?

Mr. Iain Angus: Certainly, thank you. Just to put it in context, there are two separate proposals for how to connect the Ring of Fire area to the rest of the province. One is the east-west road which was proposed by one particular mining company.

Let me diverge a little bit. There are different requirements by different types of mines. A chromite mine requires heavy rail to move its material out; a copper/zinc/nickel mine only requires a road. So there are rationales for the two different approaches.

One company has proposed an east-west road. They are the first ones out of the gate. They need to have that road. It's halfway there. There are winter roads already in existence. There are some all-weather roads. So it's much easier to connect the two. They are looking at a slurry pipeline that would take the ore partway through to a processing facility. It's much easier to do the work. The engineering has been done by the mining company. The province is now working on doing their own assessment, although one of the frustrations is that the province apparently is not talking to the company that already did the work, and that's a real disconnect.

The other is a north-south route which has been staked by one of the companies. There's an article in the paper today about their work with a Chinese company to do further research on building a rail line to connect in Greenstone.

Both are viable; both are appropriate. We just want to see the east-west one started now. The province needs to put in a good part of the money to build it because, really, it's public infrastructure. It's not just for one mine. Once that road is built, the exploration will ramp up on all of the other 15 or 18 properties in the Ring of Fire, and that's what will really drive the economy of the northwest. But we've got to have that infrastructure—roads and transmission—in place sooner rather than later.

Ms. Catherine Fife: That's an important point, because we want to see those other mines developed as well.

Thank you for making the point about the greenhouse gases. I think it would be really surprising for people to learn that there are four First Nations communities running on diesel, so we have to address that.

Mr. Iain Angus: Actually, there are probably 20 to 25 communities running on diesel.

Ms. Catherine Fife: You cited those four, though.

Mr. Iain Angus: Yes.

Ms. Catherine Fife: This would address that issue.

The railway taxation: Thank you for the reminder on this. This came up at AMO in the summer. I know that NOMA met with the ministry staff. I think that there was genuine interest at the time, but I'll follow up on this issue. I remember the feedback from the ministry was that this is a very complicated formula. But if other provinces can figure out a fair and equal railway taxation system, then Ontario can.

Mr. Iain Angus: Actually, if you look at the chart, you'll see that within Ontario, there are different rules in different parts of Ontario. Some municipalities or regional governments get significantly higher dollars than we do up here.

Ms. Catherine Fife: Yes. So we need a right-of-way compensation model that is fair and equitable and transparent.

Mr. Iain Angus: And it's a cheap one for the province to implement.

Ms. Catherine Fife: That's right.

Your point around municipal infrastructure funding, and how the government has further complicated this issue through asking municipalities to use reserve funding or to take on debt to be eligible: The north is a different beast, so I think that this point really resonates well with us. I'll follow up on this as well.

Mr. Iain Angus: Thank you.

Ms. Catherine Fife: Anything else that you'd like to leave us with?

Mr. Iain Angus: I just want to echo the comments of Mayor Hobbs in terms of solutions for homelessness. Housing First is an appropriate tool that I think the province should use. That comes under the construct of the DSSABs, under NOSDA.

But we certainly do need more dollars for social housing, both in terms of new capital, but also in terms of supportive housing—a lot of the people who are homeless cannot live independently without some kind of assistance on an ongoing basis—and funding for rent supplements. The private sector has a real role to play.

This applies right across the north, in small communities and big communities. We all have challenges, and we need increased support from the provincial level.

Ms. Catherine Fife: Thank you for that. I'll follow up with our health critic on the North West LHIN and the emergency patient transfer and emergency services. This is a long-standing issue. We need to find a solution, and they need to fund it, because accepting a proposal but then not providing any funding for emergency transfer of patients is a problem.

Mr. Iain Angus: Yes, it is. Thank you.

The Chair (Ms. Soo Wong): Mr. Angus, thank you very much for your presentation and your written submission as well.

ONTARIO DENTAL ASSOCIATION

The Chair (Ms. Soo Wong): The next group coming before us is the Ontario Dental Association: Amanda MacKenzie and Jerry Smith. Welcome and good morning.

Dr. Jerry Smith: Good morning.

The Chair (Ms. Soo Wong): I'm going to let you settle in for a minute before we begin. As you probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin any time. When you begin, can you please identify yourself for the purposes of Hansard. Thank you.

Dr. Jerry Smith: Good morning, Chair Wong, Vice-Chair Milczyn, members of the committee, ladies and gentlemen. My name is Dr. Jerry Smith. I'm a practising dentist here in general dentistry in the city of Thunder Bay and have been since 1987.

I thank you for accepting the Ontario Dental Association's application to present this morning. Welcome to Thunder Bay.

Madam Chair, as the ODA's immediate past president and a practising dentist in this city, I have a perspective on oral health and dental care in Ontario that is both local and province-wide.

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I would like to speak to you this morning about the challenges that Ontario's most vulnerable citizens—low-income children, youth and seniors—face in accessing publicly funded dental care programs, and, on the other side, the issues that dentists across the province have both in participating in government dental programs and then demonstrating success and value.

First, some background: We can all agree that tooth decay and gum disease have recognized links to overall health and that oral health care is a priority public health issue. In a speech to the ODA last year, Minister of Health and Long-Term Care Dr. Eric Hoskins acknowledged the importance of ensuring that all Ontarians have access to dental care and treatment. He said: "The issue of access, prevention and treating oral health problems is vital to Ontarians' health and well-being."

Access to dental care and treatment for all children and youth in Ontario is a primary concern for all dentists. Every dentist in Ontario is committed to ensuring that no child ever goes to bed in pain. Ontario dentists have been delivering dental care and treatment for Ontario's most vulnerable for decades.

In fact, Ontario dentists created the very programs that provide low- or no-cost dental care to those most in need. It was only in the late 1950s that the dental profession partnered with the government of Ontario to deliver social assistance dental programs like the Ontario Dis-

ability Support dental program for children with disabilities and the Ontario Works program to provide emergency care for adults.

More recently, the ODA worked closely with the Ministry of Health and Long-Term Care staff and dental stakeholders to deliver on the government's commitment from December 2013 to integrate six different dental programs for low-income children and youth into a single, streamlined, centrally and electronically administered program. The new Healthy Smiles Ontario program was implemented on January 1, 2016, just three weeks ago, and it is an achievement to be celebrated.

The new Healthy Smiles program certainly improves on the six programs that preceded it, but what was implemented three weeks ago is not meant to be the last iteration of Healthy Smiles. The ODA and ministry staff as well as other stakeholders agree that the program is designed to grow and change. Well over 300,000 Ontario children and youth are eligible for Healthy Smiles, but those families' ability to access the program is hampered by inadequate funding. Healthy Smiles Ontario is simply not funded well enough to achieve the goals of the program.

The Ontario Dental Association is proposing that the savings achieved by integrating the six programs into one be reinvested into the program to improve dentists' ability to deliver dental care on behalf of the government and that new funding be allocated to ensure access to timely, high-quality care in every Ontario community. The ODA will work with the Ministry of Health and Long-Term Care to identify where additional savings can be found to fund priority aspects of the program and adequate funding to enhance access to dental care and treatment.

This leads into the second proposal that the Ontario Dental Association is presenting to this committee. Ontario dentists have an historic commitment to dental care and treatment for Ontario's most vulnerable. However, the government of Ontario is falling short on its commitment to reimburse dentists for providing dental care on its behalf. The ODA will provide a formal written submission to the committee which will clearly illustrate the decline in the government's commitment to dentists over the last 20 years.

As it stands today, dentists that provide care under public dental programs are reimbursed, on average, just 44% of the ODA's 2015 suggested fee guide. Ontario is in the last place in Canada, by far. The Canadian average for similar programs is about 80%. The current situation is neither sustainable nor equitable.

Ontario as a province spends just \$5.67 per capita on publicly funded dental services. The Canadian average: \$19.54. For many Ontario dentists, overheads are about 70% of revenue, far outpacing the estimated medical family practitioners' overhead of about 30%. Our overhead costs include office rent, equipment, materials, utilities and providing safe, well-paid employment to our employees: dental assistants, dental hygienists, receptionists and office managers—over 20,000 in all across the province.

When a dentist enters practice, that dentist becomes a committed contributor to the local economy and community. For every dentist in Ontario, at least three jobs are created: the dentist themselves, a dental assistant or hygienist and an office administrator. Dentists are often called upon to support their community through sponsorship of sports teams, the arts, special events and an array of other requests.

The math is quite simple. With overhead costs at about 70% of fees and reimbursement under government programs at an average of 44% of fees, dentists in Ontario are paying out of their own pockets to deliver care on the government's behalf. The consequences of this are that smaller numbers of dentists in Ontario are shouldering the burden of a growing number of patients, and waiting lists for care, especially complex procedures, are growing. This is neither sustainable nor equitable, and it must be addressed.

When I was ODA president, I toured the province, visiting with many dental societies, and I was delighted to find that my colleagues are committed community leaders. The proof of this is that my colleagues accept their social responsibility and always have, and would, as a start, be willing to accept a reimbursement rate of about 75% of current suggested fees. Seventy-five per cent will cover overhead costs and show that both the profession and the government of Ontario are working together to deliver timely, high-quality dental care and treatment to those most in need.

Another facet of publicly funded dental care in Ontario is hospital-based OHIP-insured dentistry. Hospital dentistry is essential to our profession and to the oral health of Ontarians. Teaching hospitals are where dental specialists train through internships and residencies, just like medical specialists. Sometimes, the hospital is the only place where dental care can be provided for people with serious disabilities, people who are undergoing or who have undergone life-changing health problems, people who are accident victims, etc. They all deserve to receive OHIP-funded dental care in a hospital close to home.

However, while the number of people requiring hospital-based OHIP-funded dentistry has increased, the budget for this essential care has remained stagnant. Furthermore, dental departments and clinics in hospitals are an easy target to cut spending. In southwestern Ontario, the Sarnia hospital cut operating room time for dentists to practically nothing, leaving patients there to travel to Windsor or London. Most recently in London, large cuts to OR time were made in the last quarter. This is not patient-centred evidence-based care; these are budget-centred funding-based decisions that have a real impact on real people's lives.

Hospital-based general practitioners and specialist dentists work incredibly hard each and every day in collaboration with their medical colleagues to treat the wide variety of patients that come through the hospital doors. Many dentists working in hospitals contribute a portion of their fees back to the hospital, ostensibly to

pay for space and equipment. And dentists are last on the list to get operating room time. Again, this is neither sustainable nor equitable, and it must be addressed.

The ODA is requesting that this committee recommend that adequate funding be allocated for hospital-based OHIP-funded dentistry to make up for the several years of freezes, along with increases to deal with population growth and inflation every year thereafter. This would ensure that dental specialists will continue to be trained—

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

Dr. Jerry Smith: —and that Ontarians dealing with serious health issues or disabilities will continue to receive their dental care where it belongs: in a hospital in their community.

To conclude, Madam Chair, I appreciate the time to speak to you this morning and to this committee. I would also ask for this committee's support for something that doesn't cost the government any money. Minister Hoskins sent a letter to all municipal councils very, very recently, stressing the importance of community water fluoridation. Community water fluoridation benefits everybody in a community, regardless of their age or socioeconomic status. Community water fluoridation saves the government money. It reduces dental decay and dental problems and, in the long run, benefits everybody in the community.

Thank you very much, and I'd be happy to answer questions.

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

Mr. Peter Z. Milczyn: Good morning, Dr. Smith. Thank you very much for your presentation this morning. I've had the pleasure of speaking to some of your colleagues back home—

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Dr. Jerry Smith: Dr. John Glenly.

Mr. Peter Z. Milczyn: Yes, Dr. Glenly. So I've already had the primer on this.

I just wanted your comments on the good working relationship between the ODA and the ministry, coming to the point where a number of programs were able to be integrated together. The overhead and administration costs were reduced and it streamlined the ability of people to actually access services. Could you explain a little bit more about, in practical terms, what all of that achieved?

Dr. Jerry Smith: Okay. As for cost savings, because the government isn't always willing to share dollars and cents and data with us, there were six children's programs all over the province that were—after a suggestion for a number of years by the Ontario Dental Association to streamline these into one program, it's now called the new Healthy Smiles Ontario program. Eligibility requirements have decreased, and over the last little while, over 100,000 new patients were eligible to receive treatment under these programs.

The problem is that there is an increase in the number of patients, but there has been no new funding envelope for any of these dental programs for a decade. Dentist reimbursement out of these programs, as I already mentioned, used to be at 90% of fees, much like it is with the federal government when dealing with First Nation populations and the dental plan that covers those individuals. We are now at less than 44% of current fees. With office overheads, as I mentioned, of around 70%, every time a patient comes into my practice, I pay to treat those patients.

What's even worse is that when a patient cannot find a dentist to treat them in a timely manner, they end up in hospital emergency rooms. In 2015, there were 30,000 visits to hospital emergency rooms for dental problems. Each visit cost the taxpayers \$513 for nothing. The patient receives an analgesic and an antibiotic and is sent on his way. This does not address the cause of the dental problem; this is not definitive treatment. I can give you an example: Recently, I saw a patient at my office who was in the ER here in Thunder Bay three times: \$1,500 of taxpayers' money for nothing. I got paid \$39 to remove the tooth—definitive treatment. My dental assistant makes \$24 an hour. I have front-desk staff. I have heat and hydro to pay for, taxes, equipment and a surgical set-up. I didn't want to even do the calculation of what it cost me to do that.

I have been accepting my social responsibility for 28 years. Dentists across the province have done this unequivocally. We do not turn away people in pain. We do this, and we believe that there should be a partnership with the government to sit down and come to a meaningful solution. We're not asking to be compensated at 100%. We would like our overhead costs covered, and we will ensure that every patient in every community has access to timely, definitive dental treatment, especially the most vulnerable in our society.

Mr. Peter Z. Milczyn: Thank you. You're a former president of the ODA, so you have a good provincial perspective. Is there a difference in different regions of the province in the ability of people to access services under the Healthy Smiles program?

Dr. Jerry Smith: Yes. What you're finding is that certain regions of the province, as you know, are harder hit than others. I can give you an example of south-western Ontario, in the Windsor area. The number of people covered by all government-sponsored dental programs has increased dramatically. Dentists are finding it difficult to accommodate more and more of that patient population within their practices. People have to wait much longer to receive timely care. I know that with some of our dental specialists who deal with the developmentally challenged, dental anesthetists for example, there are some of them who have 60% to 70% of their practice covered by government-sponsored dental programs. They are finding it more and more difficult to provide treatment under the terms of the programs.

Mr. Peter Z. Milczyn: Now, a final question: You mentioned fluoridation. I was wondering two things. First

of all, what percentage of Ontarians actually have their drinking water fluoridated? And is there an impact from the larger number of people who drink bottled water? Does that have an impact on their exposure to fluoridated water and the health of their teeth?

Dr. Jerry Smith: Some 79% of Ontarians have access to fluoridated drinking water. Most bottled water does not contain any appreciable amounts of fluoride. As Minister Hoskins is very well aware—he has read the research and the data—there are 90 national and international health organizations that defend the benefits of community water fluoridation. Community water fluoridation benefits everybody in a community, from the very young to the very old. I see the examples here in Thunder Bay. We are a non-fluoridated community and have been for as long as I can remember. If a patient in their thirties or forties comes into my office and they don't have any fillings or dental decay, my question is: Where did you grow up? I'll tell you, probably about 99 times out of 100, it was in a fluoridated community, and not in the city of Thunder Bay.

Mr. Peter Z. Milczyn: Thank you very much, Doctor.

The Chair (Ms. Soo Wong): Dr. Smith and Ms. MacKenzie, thank you for your presentation. If you have any written submission, it will be due on February 2 at 5 p.m. to the Clerk's office. Thank you very much for your presentation. We look forward to it if there's any written submission.

Dr. Jerry Smith: Thank you very much.

POVERTY FREE THUNDER BAY

The Chair (Ms. Soo Wong): The next group coming before us is Poverty Free Thunder Bay. I believe we have Erin Bottle, Ann McGuire and Virginia Necan. Are they here? Can you come on up, please. You need to come forward. Your colleague can come as well.

Good morning and welcome. As you've probably heard, you have 10 minutes for your presentation followed by five minutes of questioning. This round of questions will be coming from the official opposition. When you begin, can you please identify yourself for the purposes of Hansard. Welcome, and you may begin any time.

Ms. Erin Bottle: *Remarks in Ojibway.*

My name is Erin Bottle.

Ms. Ann McGuire: My name is Ann McGuire.

Ms. Virginia Necan: I'm Virginia Necan.

Ms. Ann McGuire: I guess I'll go with the introduction. We didn't have really time to get ready for this. I'm Ann McGuire and I work here at Shelter House Thunder Bay and I'm with Poverty Free Thunder Bay.

I will just explain a little bit about Poverty Free Thunder Bay. We're an advocacy coalition working for change at the local, provincial and national level to eliminate poverty and its impact on our community. Our membership is broad and diverse, including agencies in the health and community sectors, faith groups, labour and academics, concerned citizens and low-income

individuals and families. As a community builder, we continue to focus our efforts to engage, educate and act as a catalyst for systematic change and social inclusion.

Recently I participated in the Point in Time survey and the 20,000 Homes Campaign.

For housing, the things that I want to mention are: Having safe, affordable, accessible and appropriate housing is the first step to improving people's health and to providing a life of dignity and stability. While Thunder Bay is considered one of the most affordable places to live if you are a homeowner, the same is not true for renters. Due to a vacancy rate of 2.3%, the average price of a rental unit for a bachelor apartment in Thunder Bay is \$605. This amount exceeds the maximum shelter allowance of \$376 for a single person on Ontario Works by \$229. This gap in the maximum shelter has grown and continues to grow as a single recipient on Ontario Works has not received an increase in their shelter benefit.

With the high cost of rent and low vacancy rates, Thunder Bay is experiencing an increase in shelter usage and social housing wait-lists. In 2013, the homeless shelter average occupancy rate was 123% and the number of active households on the social housing wait-list was 1,135 with an average wait time of eight months. The cost of relying on emergency services to provide housing is a very expensive option with the average monthly cost of \$1,932 a month for a shelter bed, \$4,333 for provincial jail or \$10,900 for a hospital bed. It would be cheaper and more dignified to give people housing with supports rather than to have them living in temporary housing and accessing supports through emergency room visits.

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Our recommendations are to:

- create housing that includes both physical units and additional money for supports;

- increase money for street outreach advocates/workers so that they can provide supports and navigation to homeless individuals in finding appropriate, accessible, affordable housing, and accessing health care and employment skills such as resumé building, training and job searching;

- restore or create a new Home Repairs Benefit for ODSP and OW recipients who are homeowners so that they can continue to live in affordable, appropriate housing.

Thank you.

The Chair (Ms. Soo Wong): Are there any other speakers? Because you have lots of time. You've got another six minutes.

Ms. Virginia Necan: Okay, I'll go next. Mine is on raising the rates for OW and ODSP recipients.

My experience is—I had something written up, but I left it. But I was watching the news last night and, at that NAN conference that's going on, Alvin Fiddler mentioned that a 10-year-old from a reserve up north committed suicide. I was like, "Wow. Ten years old. How does a kid even live life and understand it?"

But it got me thinking. When I was growing up, I was in extreme poverty too, and I can understand how that kid

felt. Just to have your own bedroom where you can stick your posters on the wall—you know, what teenagers do. It does get to you. It gets in your mind. What's the point of living if this is all there is and all you see is poverty and addictions and problems? They say that Canada is kind of a rich country and you have all these freedoms, but why are you killing yourselves?

Something has got to be raised: either the Ontario Works or else raise the minimum wage to \$15. Something has got to happen, something has got to change, because the old way is not working. We're all still sitting here talking about the same things, going in a circle, while nobody is stepping out there and really challenging everything. Thank you.

The Chair (Ms. Soo Wong): Ms. Bottle, would you like to say anything before I turn to Mr. Barrett for the questioning? You have a couple of minutes.

Ms. Erin Bottle: Okay. I guess that I just want to comment on the presentations that were made with the ODSP/OW rates. When you have a family that has experienced poverty and they go through this system, not many of the families receive adequate supports within the structure to establish, for example, ID replacement, and a lot of the employment places require certain SIN cards. When you don't have that support within the structure of the system, it definitely puts a damper on the opportunities that are provided to our people who are on low-income and ODSP housing, not to mention the human rights issue when it comes to the fire codes with ODSP recipients within a municipal structure, that they are to exit a building at a certain time. If they can't exit a building at a certain time, it also affects their housing eligibility. So it is a kind of two-tiered system for the disabled people on ODSP.

In terms of income security and housing, a lot of the mothers and the single fathers within the structure also need extra support systems when it comes to accessibility rights of certain benefits. As it stands, off-reserve Indians do not qualify for certain federal benefits under the Department of Indian Affairs.

With dental work, our children go through jurisdictional limbo within the structure of the ODSP program, where some of our people have to send our children up north to our communities so that they can access dental services.

In terms of income security, and security itself, the street workers also can provide the additional support services, as I understand that the homeless count had been the first of its kind in Canada.

I think that there's also a social responsibility within the structure for the trained social services workers to provide extended support in terms of what federal programs and what provincial programs are qualified to us.

Then within the structure of the system, when a family is cut off of welfare, they have a 30-day appeal process. Not a lot of our people are explained the appeal process, so it becomes a very big impact on the families and the communities that have to go through the appeal system. When they go through the appeal system, the monies that

they do get appealed through Kinna-aweya Legal Clinic and legal services—that money is also banked as an overpayment.

When you have a family that's cut off for certain things without an explanation or without a paper trail, it also affects them in the sense that—the structure itself puts them in poverty when it comes to the appeal process of the OW structure.

Within that structure, I think there is a lot of re-vamping that needs to be done. Also, looking at how the ODSP/OW workers can help the homelessness initiative and the anti-poverty strategies, we need to have a definite think-tank session on how we can fix those flaws within the system and the structure.

In terms of street patrol and street outreach workers, we have, I'd say, about 84 visible aboriginal and non-aboriginal people that are on the street. Some of them have been on the street for about five to six years. When they are out there like that, we don't have agencies that are mandated to go out to reach out to these workers or reach out to these human beings who, respectfully, need to live in dignity.

Within the structure, I think our people need to also look at funding street outreach so that we can also reach those who are in severe poverty who are out there.

Meegwetch.

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

Mr. Toby Barrett: Thank you very much. I don't know where to start. You've touched on so many different problems.

I'm kind of asking myself—we have government for a reason, and government should be planning and dealing with a lot of these issues and sorting it out, issues that have been going on for many, many years.

You talk about kind of a disconnect between what the federal government is doing and what the provincial government is doing. Even within the provincial government, within the Ministry of Community and Social Services, there are something like 800 rules and regulations and, of course, the forms to fill out and the paperwork. For a lot of that, we get assistance from caseworkers. I've talked to caseworkers who have indicated to me that they spend about 70% of their time filling out all the forms and dealing with all the complex issues that you're talking about, rather than directly helping people.

That's a message to government. We always seem to end up with more rules every year instead of fewer rules and getting right to the basics—like you say, getting right out on the street.

I live down in the rural south, in farm country. We don't have any cities or large towns, but of course, poverty is down there as well. I'm down next to Six Nations, the Caledonia area. The street outreach program has to be so important. Being from the south, although over the years, I've spent a lot of time up here, I recall one night 40 years ago, late at night—I was much younger then—there was a guy passed out in the snow. We just happened to see him. We were driving by. We

got him in the back. I think we were drunk too, I have to admit, being younger. We got him somewhere.

But that was just kind of a volunteer thing. I know that in your earlier presentation, you talked about faith groups and labour and different groups coming together. How involved are volunteers in helping out—pick a problem: alcohol, for example.

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Ms. Erin Bottle: For example, before the city established the Guardian Angels program, I had volunteered for two years as a peacekeeper. I was there on the night of the Idle No More movement in the city. It concerned me that there were a lot of our young people under 40 that were on the street. These are individuals that are coming from their communities that may have disadvantages within the legal framework of the judicial process. It concerned me that there was an X-number amount of violence happening on our people. I had to go do street patrol. I had to police the police and I had to help drag our people from the snowbanks and to call the SOS. These are things that I sat with with city council. I tried to establish a peace patrol here, but because of the liabilities of the city, we weren't able to do that as a people. I reminded the crown that when we made these peace treaties, we never, ever relinquished the right to protect our people. We have a duty to protect our people, regardless of provincial or municipal liability laws.

Mr. Toby Barrett: "Do it yourself." I mentioned to this committee yesterday or the day before that down my way in the town of Dunnville on the Grand River, all of us—well, 240 of us from the town; it's a small town—signed up for a course on poverty and how to better understand those who are less fortunate: the language, the way of thinking, the culture. It was farmers, and there were other professionals that wanted to upgrade their skills. It was a program called Bridges Out of Poverty. We filled our community centre. These were volunteers: faith groups, various religious groups. We found that quite valuable. A lot of people do want to help, but they don't know how to do it. Maybe they don't move in those circles. It's a bridge, I guess.

The Chair (Ms. Soo Wong): Mr. Barrett, I'm going to need to stop you here.

Mr. Toby Barrett: I just wanted to leave that with you. It's a really good program.

The Chair (Ms. Soo Wong): Ladies, thank you for your presentation. You still have some time to submit anything in writing to the committee. You have until February 2 at 5 p.m. to submit your written submission to the Clerk. I know that you shared your story with us. Please do come forward with any more additional materials so that the committee can make a recommendation to the Minister of Finance. Thank you, ladies, and thank you for being here again.

NORTHWESTERN ONTARIO ASSOCIATED
CHAMBERS OF COMMERCE

The Chair (Ms. Soo Wong): The next group coming before us is the Northwestern Ontario Associated

Chambers of Commerce. I believe it's Mr. Nathan Lawrence.

Good morning. Welcome, Mr. Lawrence. You have 10 minutes for your presentation, followed by five minutes of questioning. I believe the Clerk is coming around with your written submission. This round of questioning will be coming from the official third party. You may begin any time. Please identify yourself for the purpose of Hansard when you begin.

Mr. Nathan Lawrence: Wonderful. Thank you very much. My name is Nathan Lawrence. I'm the president of the Northwestern Ontario Associated Chambers of Commerce. Through my comments today, you'll probably hear me refer to it as NOACC in short form, just for clarification.

The Northwestern Ontario Associated Chambers of Commerce is the voice of business, representing the interests of nearly 2,000 members from Kenora and Rainy River in the west to Marathon and Greenstone in the east.

We appreciate this opportunity to outline our concerns on a number of different topics. We'd also like to thank the government for implementing a spring bear hunt pilot program that includes non-resident hunters. While this decision may not be well understood in southern parts of the province, we know that this program represents a significant opportunity for regional tourist outfitters across northwestern Ontario.

We also appreciate the government's commitment to an annual investment of \$120 million per year for the Northern Industrial Electricity Rate Program to help industrial operators with the high cost of energy. We ask that this program continue to be expanded to include new mining, forestry and manufacturing operations as they develop across the northwest.

Many of these new developments may also require additional electricity transmission and/or generation capacity. Current energy policies require that customers pay for the entire cost of new transmission lines or the upgrade to an existing transmission line if they are the only customer ready to connect. This makes it harder for prospective mines to raise sufficient capital to not only pay to construct the mine but also to connect it to the grid over hundreds of kilometres.

NOACC firmly believes that energy infrastructure of this kind should be built and paid for by the province through needs analysis systems and should not be the responsibility of the user.

The province also needs to address the skills gap. Two major trends are creating skills shortages. The first is the aging population and the departure of baby boomers from the workforce. The Conference Board of Canada's long-term economic outlook projects that by 2025 one in five Canadians will be 65 years or older. The second trend is that jobs are becoming increasingly specialized, which in turn demands more educated and skilled workers.

The evidence is clear that the rising shortfall of skilled workers and the growing mismatch between skills required and those available has evolved into a skills

crisis affecting both Ontario and the Canadian economy. Funding is vitally important to address the training and skills needs of Ontarians in all sectors.

We also remind the province of the urgent need to engage aboriginal communities in skills training programs and opportunities to ensure that they take full advantage of the benefits of economic growth. There is much work to be done to provide the training and skills that will enable and engage aboriginal peoples in our growing economy.

Despite the challenges in the mining sector, we are confident that our region presents an exceptional opportunity for significant fiscal growth for the entire province. Northwestern Ontario produced 19% of Canada's annual gold production in 2015, and our region hosts Canada's only primary palladium mine. Four new gold mines are forecasted to be in production within the next four years.

We encourage the province to continue to move forward in the planning and development of the Ring of Fire, which has been valued at nearly \$85 billion. This development is vital to the Ontario economy and we must ensure that the anticipated jobs, taxes and other economic benefits are not lost. We must be ready to go when the global markets turn around.

Investments must be made in the transportation, energy and technology infrastructure that will be needed to bring these projects to fruition. We recognize that the development of this infrastructure will require a substantial investment by the province; however, we feel that the return on the investment through \$5.75 billion in tax revenue will more than offset these upfront costs in the long term.

Mining is not the only opportunity for economic growth through our natural resources. The forestry industry is on the rebound and will continue to grow and prosper with the support of the provincial government. The all-in cost of fibre in the province of Ontario is among the highest in the world, which makes it difficult for the provincial forestry sector to remain competitive in a globalized economy.

The sustainable use of a secure and affordable supply of renewable wood fibre results in jobs and a wide range of economic benefits. Whether you are an existing mill, a new entrant, a big international company or a small, family-run company, in order to keep people working and put Ontario's wood to work, the forest product sector needs consistent access to affordable, renewable fibre. We encourage the province to permanently establish through regulation a minimum 26 million cubic metres per year of accessible fibre for industrial use. Furthermore, we encourage the government to conduct socio-economic impact assessments on all legislation, regulation and policies that could reduce the provincial fibre supply and/or reduce access to the land base.

The Liberal government has spent billions to improve the Trans-Canada Highway across the northwest, adding passing lanes, increasing road shoulders, upgrading bridges and roadbeds as well as the ongoing expansion to the four-lane divided highway between Thunder Bay and

Nipigon. These investments are much needed and appreciated. Unfortunately, events at the Nipigon bridge in recent weeks have shown the fragility of the vital transportation link as Canada's road shipping network was halted for 18 hours without an alternative Canadian route.

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Closure to the Trans-Canada Highway is a regular occurrence in northwestern Ontario due to traffic accidents, severe weather, road maintenance and other issues. Each closure of the highway has a negative impact on our economy. We encourage the government to develop a long-term, fully funded plan for highway investment that addresses the constant closure of this vital transportation link and ensures that alternative routes are available to keep goods and services moving.

Thank you very much for your time and your attention this morning.

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

Ms. Catherine Fife: Thank you very much for the presentation, Nathan. I appreciate the fact that you started off the conversation, on behalf of your members, around energy costs. This is a consistent theme across the province. As you know, the Liberal government has decided to sell off and privatize 60% of Hydro One. We've raised this as a concern because we are seeing in past practices and history that the cost of energy will only go up.

Do you want to talk about how important the northern industrial electricity rate is to your members, and also the importance of a needs-analysis system around the downloading of those costs for energy prices to the users? What is the full impact of the energy policy right now in the province of Ontario on northern Ontario?

Mr. Nathan Lawrence: The reality is there are a lot of businesses in the northwest of Ontario, both small and large—and prospective businesses—that look to invest in industry like mining in northwestern Ontario and that are heavily impacted—or their decisions to expand or invest in different areas are heavily impacted—by the cost of electricity. The cost of electricity makes up, especially for resource-based companies, a significant cost to their bottom line, impacting whether or not they choose to invest in or expand in our region.

Ms. Catherine Fife: Or stay, right?

Mr. Nathan Lawrence: Or stay, for that matter. So it is a significant concern for the regional chambers. It's one that our members have pushed us for time and time again.

With respect to looking at future investment, it's always important to make sure that we're making smart investments, that we're investing for the needs today, but also planning for the future, not overspending on those investments, but making sure that they are the right and smart investments, and making sure that when we're looking at how we're investing in those, especially for northern players, when we're downloading some of those costs to mines, for instance, when expanding or upgrading transmission lines to meet their needs, we have

to look at how those transmission lines can benefit the north in other ways through connecting other northern communities and through the future benefits that can come or the future businesses that will be allowed to develop as a result of that investment. By downloading those expenses to our businesses, we can sometimes, more often than not, force them to make a decision not to invest in our region.

Ms. Catherine Fife: So it's a game-changer. Energy prices are a game-changer?

Mr. Nathan Lawrence: Yes, it can be.

Ms. Catherine Fife: We have heard that it's a deterrent for future investment and the need for stability—just to level the playing field, because, as I said, that's the game-changer.

On the Ring of Fire, for us it seems like it just has been such a stall process. I was in the House in 2007 when the Ring of Fire was first announced. We've had many promises along the way around potential infrastructure investment. We heard this morning how important the physical infrastructure—that east-west road—is for linkages. We agree with you that the tax revenue that would come, down the line at least, is important.

Can you talk about the importance of the government stepping up on the infrastructure piece to ensure that the Ring of Fire actually becomes a reality?

Mr. Nathan Lawrence: I think that, especially in this part of the region, most of us can attest to the significance of not only the Ring of Fire but also all of the other mining projects that are happening out in the region. When we look at the current global markets right now, we can appreciate the fact that things have turned, which can delay investment from businesses into resource-based projects. However, that being said, there is a significant component of our northern region that is inaccessible through transportation, through electricity and other means of infrastructure.

When the global markets do turn—they always do—if we wait until that point to start talking about infrastructure spending, we're too late to the table. We need to be in a position to be ready with that infrastructure, have a plan in place and know what direction we're going so that when things start to turn around and we're ready for those companies to come and make those significant investments in northwestern Ontario, we have the infrastructure that they require to start accessing those sites, to start construction and to start pulling minerals out of the ground.

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

Mr. Nathan Lawrence: Thank you very much for your time.

THUNDER BAY CHAMBER OF COMMERCE

The Chair (Ms. Soo Wong): The next group before us is the Thunder Bay Chamber of Commerce. I believe it's Charla Robinson, the president, coming before us.

Good morning, Ms. Robinson. Welcome. I believe there is a written submission from your organization, so the Clerk is coming around with your written submission. You have 10 minutes for your presentation, followed by five minutes of questioning. In this round, the questioning will be coming from the government side. When you begin, could you please identify yourself for the purposes of Hansard. Welcome.

Ms. Charla Robinson: Wonderful, thank you. I'm Charla Robinson, president of the Thunder Bay Chamber of Commerce. I'm happy to be here again this year to speak to you about some of the issues of the chamber of commerce in Thunder Bay. We are also a member of NOACC, so some of our issues will align with what you've just heard from NOACC. I apologize for any repetition.

The Thunder Bay Chamber of Commerce is the "voice of business," representing the interests of nearly 1,000 business members and their over 14,000 employees, and it comprises all sectors of the local economy. We certainly appreciate the opportunity to be here today.

I want to first take the opportunity to acknowledge and thank the Ontario government for adopting one of our recommendations made in the 2015 presentation by adopting a 30-day payment process for government departments. This step is a significant support to small businesses when they provide products and services to the Ontario government. As we know, they were having some challenges with cash flow. So we certainly thank the government for listening and making that change.

Businesses are increasingly being asked to absorb new and higher input costs that were unforeseen just a few years ago. We are concerned that these new costs—carbon pricing and the Ontario Retirement Pension Plan, to name just two examples—will put our businesses at a disadvantage relative to other national and international jurisdictions. We encourage the government to tread carefully when developing new programs, legislation or regulations that will further increase costs on the business community.

Here in northern Ontario, we're particularly concerned with the increase to aviation fuel taxes of 1% per year over four years, which started in 2014. So we're halfway into the four-year implementation. Aviation fuel costs in Thunder Bay are already five cents higher than Toronto, and up to 10 cents higher in northern remote communities. Each one-cent increase in the aviation fuel tax adds two cents per pound for cargo deliveries. Think about that. These increasing costs further add to the economic and health challenges of our Far North First Nation communities by making fresh produce and dairy options more and more expensive.

Increased costs result in increased airfares, leading to increased isolation. In our region, we are very aware of the high financial and social costs of isolation accruing to our friends and neighbours in Ontario's most remote communities. Previous public commitments have been made by this government to implement an exemption for some communities, recognizing these challenges, and we

urge the government to immediately implement an exemption for the entire northwest region. It's been two years; it's time.

The province needs to address the skills gap. The hiring challenge is already being felt across many sectors, from low-skilled positions in hospitality and retail to highly skilled positions in professional services and trades. We believe that the Ontario apprenticeship system is in need of some improvements. The current journeyman-to-apprentice ratios are too high in many trades, especially for small communities. Furthermore, tax credits are not enough to encourage employers with limited funds to make the significant financial and time investment involved in training an apprentice. Funding and flexibility are vitally important to address our training and skills needs. It's also imperative for the province to engage aboriginal communities in skills training programs and opportunities to ensure they can take full advantage of economic growth.

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Despite the continuing challenges in the mining sector, we are confident that our region presents an exceptional opportunity for significant fiscal growth for the entire province. Northwestern Ontario is home to hundreds of active mining projects, some of which you've heard mentioned by NOACC, and they represent billions in mineral value and will have a significant impact on the economy of the northwest and the province as a whole.

We believe strategic investments must be made in transportation, energy and technology infrastructure that will be needed to make these projects happen. We know that the development of this infrastructure will require big investments by both the province and the government of Canada at the front end; however, we believe the return on investment in tax revenues and economic growth will more than offset these costs in the decades to come.

We also encourage the province to continue to move forward in the planning and development of the Ring of Fire, which has been valued at nearly \$85 billion. This development is vital to the Ontario economy and we must ensure that the anticipated jobs, taxes and other economic benefits are not lost. We agree with NOACC's comments that we want to be ready to go when the markets rebound. We know that this is a down time, but that's a great time to plan and get things ready.

We also want to raise the need for reliable and affordable energy. That continues to be a top priority for our members. The high cost of energy in Ontario is an impediment to business development across all sectors, but particularly in mining, forestry and manufacturing.

Ontario's forest products sector is a significant contributor to the economy, providing over 170,000 direct and indirect jobs in over 260 communities across the province, including Thunder Bay, and a total sales value of approximately \$11 billion. The Ontario government must ensure that provincial policy supports access to reliable and affordable industrial fibre to maintain existing investments and attract new investments.

We also encourage continued investment in the knowledge sector building on past public investment in Lakehead University, the Northern Ontario School of Medicine, the Thunder Bay Regional Research Institute and the Thunder Bay Regional Health Sciences Centre. The health sciences sector is not subject to the same cyclical booms and busts as our traditional resource economy and is a good leveller and diversification of our economy. According to the Council of Academic Hospitals of Ontario, every dollar invested in Ontario's health research agenda is multiplied by three in economic impact. Investments in health research really do make Ontario healthier, wealthier and smarter.

Thanks for listening and I'm open to any questions.

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

Mrs. Laura Albanese: Thank you very much for your presentation. You touched upon a lot of subjects and issues that are important to you. It's hard for me to see where to start.

I guess I'll start with acknowledging what you said about the aviation fuel taxes and the fact that a public commitment has been made for exemption in some communities. I was aware of that, so I will follow up in that regard.

I wanted to ask you: In regard to skills and training, and addressing the skills gap, you said, "Funding and flexibility are vitally important to address our training and skills needs." Can you elaborate for a second on that, especially on the flexibility? What's needed?

Ms. Charla Robinson: What we find in the skills training piece, particularly when it comes to things like apprenticeships, is there's not a lot of flexibility. The rules are made based on what is required in larger jurisdictions. For example, if you're looking to get an apprentice in northern Ontario, in a small community like Nipigon, an hour away from us, it's really hard to meet the demands, to meet the requirements.

First of all, there are ratios in place. You can have a one-to-one to train, and then if you want to train a second apprentice, you sometimes need to have up to three more journeypersons in order to just train one more apprentice. Well, if you're a small business, which is probably owner-operator, you don't have three more journeypersons, and you certainly can't afford to pay three more journeypersons. You're only able to train that one person whereas, really, we think in a small-community environment there should be an exception made so that you can continue to train, because otherwise, you're just exacerbating the problem. You're not actually training to address the shortage. You're basically only able to train enough to replace the one who's on their way out the door for retirement, that sort of thing.

Flexibility in that ratio piece would be huge, but also flexibility in funding, things like the costs for apprentices to go to training programs. They're not able to get the training they need in their community, so there are a lot of extra costs involved. They're maintaining their home at home. This isn't like going to a normal college course,

when you're gone for eight months and you have one place to take care of. You're maintaining your home and perhaps your family in your home community, but then you also have to go to another community and live there, and pay to live there, and have school issues and costs, and potentially travel back and forth because you need to be home for certain family requirements. It's a huge expense. We need some flexibility that addresses those needs.

Mrs. Laura Albanese: We know the importance of the mining development, about moving forward with the Ring of Fire, and I know there has been some news in the last few days in regard to that. Our government's commitment to that remains stable.

In regard to energy costs, you were not specific, but you said that, in a way, you agreed with the presentation that was made just before yours. That would be for the government to continue to invest the \$120 million per year in the Northern Industrial Electricity Rate Program. Also, I believe that the previous presenter asked for the program to be expanded to include new mining, forestry and manufacturing operations. Is that correct?

Ms. Charla Robinson: Yes, correct. It's our understanding that the NIER Program is full; it's at capacity. So there is no opportunity for new mines, forestry companies, etc. to apply, because the money is already gone. While we appreciate that the program is now permanent, we also need to make sure that it continues to grow as needed to address the issue, or we're going to just continue to have the same challenge. If you've got a new large energy user coming forward, and they're saying, "Well, I can't get any support"—

Mrs. Laura Albanese: Any relief, yes.

Ms. Charla Robinson: —it's going to impact their ability to actually get going.

Mrs. Laura Albanese: Okay. Well, thank you very much. Thank you for the work you're doing.

The Chair (Ms. Soo Wong): Thank you, Ms. Robinson. Also, thank you for your written submission.

Ms. Charla Robinson: Thank you.

RESOLUTE FOREST PRODUCTS

The Chair (Ms. Soo Wong): The next group coming forward is Resolute Forest Products: Mr. Valley and Mr. Watson. Good morning, and welcome. I believe the Clerk is coming around with your written submission, sir.

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

Mr. John Valley: Thanks very much, to the Chair and to the committee members. May I first thank you for the opportunity to appear before the committee, number one, and number two, for you making the effort to be in the area where the truly interested parties have an opportunity to speak.

My name is John Valley. I serve as a special adviser to the president and CEO of Resolute Forest Products. I'm accompanied today by Steve Watson, who is Resolute's manager of forest resources for Ontario.

A little bit about Resolute generally: We're a global leader in forest products. On page 1, you can follow that. We produce a range of products: newsprint, specialty papers, tissue—which, by the way, is the most rapidly growing segment of paper products, hygiene products—market pulp and wood products.

We've got over 40 facilities in Canada, principally Ontario and Quebec, the US and South Korea.

In addition to producing forest products, we also generate power. In essence, here in the great northwest, we are probably a baseload generator, with 60 megawatts of installed capacity here in Thunder Bay.

We're the largest newsprint producer in the world, with 2.6 million tonnes of capacity.

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More specifically about Ontario generally, and the northwest in particular, we employ over 1,100 people in direct employment in our manufacturing facilities, sawmills, pulp and paper, and power generation—wood pellets to help with the switch away from coal.

We also have the last remaining 100% recycled newsprint mill, located in beautiful downtown Thorold.

In addition to the direct manufacturing jobs, we have what I call directly dependent jobs—not exotic multipliers but truly directly dependent jobs—again well over 1,000 of those, primarily in woodlands and forestry operations, harvesting and hauling activities, and other contracted activities such as yard services. I should point out that many of those are First Nation employment opportunities and economic development opportunities.

In the last several years in this province we have spent \$200 million. We basically have \$65 million into a green energy project here in Thunder Bay that I mentioned earlier. We expanded the sawmill here in Thunder Bay, which has a joint venture context with the Fort William First Nation, and two new sawmills, essentially: one that was restarted, refurbished and upgraded in Ignace, and a brand new random-length sawmill in Atikokan.

We manage six million acres of land here in Ontario. Believe me, that is the heart and soul of our business.

When you look at the resource sector, these are big businesses but they are relatively simple constructs. If you look at the smokestack sector, whether it's steel, mining or forest products, you can distill it back to three or four primary key drivers. For forest products, those are the four Fs: fibre, fuel, folks and freight.

Fibre: the delivered costs of the trees needed to run our sawmills and our pulp and paper mills and the pellet plant here in Thunder Bay;

Fuel: purchased energy in all forms;

Folks: labour costs per unit produced; and

Freight: Because we sell our products freight-absorbed, it's the cost of getting our product out to market in finished-goods form, and, frankly, the cost of getting our raw materials in.

Provincial government policies are where the physical and the fiscal meet. The budget process for us is really the crucible of that coming together. Having all four of those Fs is critical to having a healthy and sustainable industry.

Against that background, let me get specific.

Fibre: Let me start by saying that delivered wood costs, when measured against a realistic value of the Canadian dollar—don't measure it against 68 cents, where we've fallen very rapidly, but get something that's a representative value—are high.

The things that influence that: The trees are smaller; the ground conditions are more difficult; the climate, as you can tell coming up here, is far more harsh; and the distances over which we have to haul them are far greater. Much as we would like you to, you guys don't control terrain. You don't control tree size, climate—well, you're trying to control climate a bit. But transportation and roads are really the only areas where you can make a difference.

Being specific on the fibre side, three things:

The ability to get the trees from the woods to the mill is crucial. Road funding for forest roads must be maintained at at least current levels—and, frankly, when fiscal conditions allow, increase it. Premier Wynne's commitment to restore the roads program to \$60 million for fiscal 2015-16 and fiscal 2016-17 to support the building and maintaining of roads must be honoured.

Second, the demographic of the forest is a reality we have to cope with. Softwoods are crucial to our operation, but softwoods also come with a large coincident presence of hardwoods like poplar. These offer less commercial potential but we have to manage them. It's essential that the stumpage rate currently in effect for hardwoods, which partially recognizes this lower level of commercial opportunity, be maintained.

Third, the industry is capital-intensive and the investments that we make are long-term. The minimum economic life of an asset is 20 years; it's often decades longer. To maintain existing operations and to consider further and future investments, we must know that we have long-term, stable access to an adequate supply of fibre that these operations are going to need. Today, frankly, certain broader policy initiatives are raising concerns in that regard.

Second, regarding fuel: We're an energy-intensive industry in any place where pulp and newsprint are produced, and particularly in a harsh climate like northern Ontario. This industry is a leader in terms of energy efficiency, conservation, and reduction in the production of greenhouse-gas-producing fuels like coal, heavy oils and natural gas. Resolute hasn't burned a pound of coal in northern Ontario since 2001. We've reduced water use, thereby reducing the need to heat water, which was a key consumer of industry. We're a leader in the use of renewable futures: biomass, waste liquors from our chemical pulp process, and heat recovery from the refiners used in mechanical pulping. Eighty per cent of our fuel base is renewable.

We are, frankly—I'm using 1990 and 2000 as the reference years that Ontario is using—already at or ahead of the greenhouse gas targets for 2020 and 2030, and we are well on our way to meeting the 2050 targets. It's going to be critical, in the greenhouse gas debate, that we give credit for the performance that has already been achieved to this industry.

A lot of people have talked about electricity today, and there has been a lot of criticism of Ontario's energy program. I will say that one of the areas where you've gotten it right is with the energy policies that apply in northern Ontario. Between the suite of conservation programs in effect and the NIER program, you've got a very good, effective, at-the-plug price for electricity, but you've got to maintain it.

Five quick recommendations: You've heard to keep NIERP in place. Allow it to expand to accommodate growth. Don't put a cap on it.

Second, the conservation programs that are in effect, the demand-response programs, things that encourage load-shifting and peak shaving: Again, keep those in place, and frankly, restore a little bit of the integrity that has eroded. We're major conservers. We can move power around. We can put it on the back shifts, produce on the weekends, and store the pulp. We're every bit as valuable as a generator. Treat those conservation efforts as though we are a generator, particularly when you call us and say, "We need relief right away." We can give you 50 megawatts or 60 megawatts just relieving pressure on the refiners. Pay us for that, and every megawatt that you shed is like 1.15 megawatts that is generated, because you have the avoided inefficiency of generators.

Consider doing another round of the surplus energy programs. Those were very good programs, but expand the criteria to accommodate any significant capital project, as opposed to some major expansion and new use.

Since much of the hauling of raw materials into a mill site passes over private roads in the main, give us credit for the portion of that haul that occurs over those private roads. It doesn't need to be absolute, but you can come up with a good enough system that says that 50% of the haul is over private roads. Give us a fuel tax credit equivalent to what the agricultural communities are getting.

I've got some other comments there, folks. I would just say that we enjoy a very constructive and progressive relationship with the major union in this industry, Unifor. We've learned to work very effectively together.

Freight: We need you to be encouraging the railways and the haulers to continue to give us reasonable, consistently high levels of service and a high level of both availability of railcars and trucks to get our product out. That is a more significant issue than you may realize.

One last comment, and you can read some others that are in the handout: I talked about the \$200 million that we've put into capital expenditures in this province. About half of that is in the sawmilling business. A great deal of the economic benefits have accrued to First Nation interests. That is both socially responsible and,

quite frankly, a reality in terms of the demographic of the north. We've made some real efforts to launch some First Nation interests into new businesses, but to do that it's going to require some training for them. I would say, to allow those economic development opportunities to be fully realized, there may be a need for you to consider some focused job training requirements that may, in turn, require some focused incremental funding.

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You've heard enough from us. You can read the balance of our comments in there. I'd prefer to answer questions.

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

Mr. Victor Fedeli: Thank you, John, for an excellent presentation. You talked about the four Fs. I would add a fifth F in there, and that's "fairness." I think this goes to your section on pages 9 and 10 that gets around to talking about the anti-SLAPP legislation commentary that we've had.

We fought a good fight. For those who aren't familiar with the anti-SLAPP legislation, this is legislation that is harmful—incredibly harmful—to the forestry sector. I know that Toby Barrett, the MPP here, and myself and our leader, Patrick Brown, stood up against the government. The members here in Thunder Bay who supported the anti-SLAPP legislation, the two members here, the Liberal members in Thunder Bay, voted in favour of this anti-SLAPP legislation, which will absolutely hurt the forestry sector. I want you to take a moment to talk about that.

Mr. John Valley: First of all, I didn't refer to SLAPP specifically on 9 and 10, but there are related issues that grow out of it. Let me first acknowledge that I think the Legislature has a difficult job in terms of finding balance. If I understood the driving force behind SLAPP—or the stated driving force—it was to provide rightful protection for small citizens' groups versus major developers. However, I think it would be heinous if, in fact, an outgrowth of that legislation is to result in the enabling and the encouraging of larger, more organized, virtually professional groups, who are basically engaged in organized institutional disinformation campaigns. Protecting the ability to express views and to make legitimate points versus the encouraging and enabling of slander, libel and intentional interference with commercial relations with our major customers can't be allowed to occur. With all due respect, I think that legislation is going to have to be monitored and perhaps revisited if you see abuses or misinterpretation by the courts.

Resolute has been under attack from certain activists—INGO groups—over the last couple of years. Our view is that we have been slandered and defamed, and our customers—the consumers of our products—have been threatened with consumer boycotts: Best Buy, CVS Pharmacies, Rite Aid, 3M, Procter and Gamble and Kimberly-Clark, to name but a few. Those aren't attacks against us; that's a bloody attack against Ontario. Ontario

has one of the strongest forest management regimes, if not the strongest, in the world. We meet or exceed—Mr. Watson can speak to this—every provision of the forest management requirements of Ontario. That’s not an attack just on us; that’s an attack on every industry that operates in the boreal.

You need to understand, Mr. Fedeli, that it may be something that sounds noble and sounds desirable, and a consumer boycott doesn’t make any difference. We lost newsprint tonnage in a very competitive world. Newsprint demand in 2003 was 13 million tonnes. In 2013, it was 4.6 million. It’s a harsh, competitive world out there. They forced the acceleration of the closure of a mill in Iroquois Falls.

Mr. Victor Fedeli: Absolutely. When this committee met last year, the mill in Fort Frances was being closed that very week. Only weeks before was the closure—

Mr. John Valley: It shortened the runway that Iroquois Falls had—not to say that it wasn’t going to go at some point, but it shortened the runway.

Here in Thunder Bay, we’ve had to transfer orders for certain customers from Thunder Bay to Tennessee. I don’t think it’s the intent of that legislation or the tacit condoning of other activities, to have jobs transferred out of Ontario for good, hard-working—

Mr. Victor Fedeli: It may not be the intent, but it is the result. That’s why I am proud that our leader, Patrick Brown, Toby Barrett, myself and others in our caucus stood up for the forestry sector and voted against that anti-SLAPP legislation.

The Chair (Ms. Soo Wong): Mr. Valley and Mr. Watson, thank you for being here and thank you for your written submission.

Mr. John Valley: Thanks very much.

ONTARIO FOREST INDUSTRIES ASSOCIATION

The Chair (Ms. Soo Wong): The next witness is the Ontario Forest Industries Association: Jamie Lim.

Good morning, Ms. Lim. Welcome to the finance committee. As you’ve probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. In this round, the questioning will begin with the third party. You may begin at any time. Please introduce yourself for the purposes of Hansard. Thank you.

Ms. Jamie Lim: Good morning, members of the standing committee. For 73 years, OFIA has represented forestry, ranging from large, multinational corporations to family-owned businesses that operate across the province.

While 2015 was a year that focused on the sharing economy, we hope that 2016 will be the year that focuses on the sectors that are the backbone of Ontario’s foundational economy—sectors that create high-paying jobs in northern and rural Ontario, like Ontario’s forest industry that supports 170,000 in over 260 communities.

We were pleased when Canada’s Liberal Party acknowledged that “Canada’s prosperity starts with its

middle class, and ... trade industries pay on average 50% higher wages than non-exporting industries....” Forestry is a trade industry that supports the middle class and relies heavily on exports to the US.

The good news is that the US is growing again after nearly a decade of stagnation, and it’s expected to grow for the next five years. So the question is: Where will the US be getting its wood? We hope that the government will work with us to ensure the answer is Ontario.

Can you grow an economy and practise sustainability at the same time? You bet you can. The Ontario Chamber of Commerce recognized that foundational sectors like forestry would provide the main support for economic growth in the north and they also cautioned that capitalizing on the increasing demand for forestry products would require us to address competitiveness challenges. While our sector’s recovery is real, the future growth of our sector relies on government supporting pragmatic public policy that philosophically supports and understands that you can grow an economy and practise sustainability at the same time.

For generations, OFIA’s members like Resolute have been growing local economies by harvesting and growing trees. It is our sector’s ability to innovate that has allowed us to survive two world wars, a great depression and, recently, a great recession.

So a lot of people wonder, when will Ontario harvest its last tree? Some things you can’t answer; this one’s easy: never. Trees grow and, in Canada, forests are regenerated after harvest. It is the law. Ontario has approximately 85 billion trees—I didn’t count them lately, but approximately—covering two thirds of the province, and only 0.5% of Ontario’s trees are harvested annually. For every tree harvested, three take root.

All forestry companies in Ontario must operate under the Crown Forest Sustainability Act, and under this rigorous environmental regulation, forests are regenerated after harvest and practices must maintain the long-term health of the forest. Again, it’s the law.

Speaking about Ontario’s sustainability campaign, Minister Mauro said, “We are going directly to” customers “to ensure that they understand and as clearly and unequivocally as we can, state the case that here in Ontario, we are sourcing, harvesting our fibre in a very, very sustainable way.”

The Frontier Centre for Public Policy explained that “the real value of boreal forestry is far more than just sticks and chips; forestry also provides roads and development, infrastructure that facilitates other resource activities,” and that if you limit forestry, you limit the development of communities and other industries.

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As citizens, we own Ontario’s crown forests. As owners, we should be incredibly interested in the return on investment from the responsible use of our crown forests. By sustainably using less than 1% of our crown trees annually, we are able to generate real prosperity: a domestic economic impact of almost \$11 billion, total wages and salaries of almost \$2 billion, and \$3.89 billion

in domestic exports. That's real, and that is an awesome return on our crown forests.

But radical environmental groups—professional panic merchants—want the public and government to think that even using less than 1% of our crown forests is simply too much. These groups want you to think that harvesting destroys forests and causes deforestation. This just isn't true. Forestry does not cause deforestation. Deforestation is the result of harvesting and then not planting or not letting the forest naturally regenerate, because society has decided that the land is needed for an alternative use like farming or the creation of an urban centre. Toronto was once a forest.

Trees are a renewable crop. Like farmers, we harvest our crop, plant it and wait to harvest it again. OFIA's members are in the business of harvesting and planting trees. We are not in the business of destroying forests. That would be short-sighted.

Our members have increased harvesting. In 2010, we were harvesting about 10.5 million cubic metres; today, we're probably up to about 15 million cubic metres. But 10 years ago, we were sustainably harvesting over 20 million cubic metres annually.

Increased harvesting translates into increased direct jobs. In Ontario, the forest sector in recent years has created over 2,000 new Greenest Workforce jobs since 2011. That's huge. Our sector is putting Ontario's wood to work responsibly.

Can Ontario's forest industry be the greatest opportunity for the province? You bet. First, the world wants wood. This is finally our time. Today's architects and engineers are building tall wood buildings. Architectural publications are calling for "the beginning of the timber age," recognizing that "wood is taking over from steel and concrete as the architectural wonder material of the 21st century, with architects praising its sustainability, quality and speed of construction."

Projects such as Toronto's new Scarborough library and the St. Jacobs Farmers' Market are recent examples of this philosophy. Sourcing this 21st-century renewable building material from our own backyard is an opportunity for Ontario's foundational economy.

Second, trees are the answer. It's worth noting that the forest sector, as John Valley pointed out earlier, is Ontario's climate change champion. On the manufacturing side, investments by Ontario's forest sector have resulted in a 64% reduction in greenhouse gas emissions since 1990, which is significantly greater than the provincial target of 15%.

These two factors ensure that customers purchasing Ontario's forest products can do so knowing they are making a sound environmental choice and supporting local economies.

Are there challenges? There are two main challenges. The first is the threat to the industrial wood supply. We're witnessing provincial policy that precludes or challenges access to industrial fibre, shrinks Ontario's industrial wood basket and is passed without prior socio-economic impact analysis and/or pragmatic scientific due

diligence. The bottom line is that provincial policy that results in less wood equals less jobs, less investment, less innovation and less opportunity.

The second threat is the misinformation campaigns that target and harass customers of Canada's and Ontario's forest products. John Valley mentioned this earlier with Resolute; I'll let you read it on page 11. The bottom line is that we believe that if we continue working together with municipal and provincial governments, the facts will prevail.

In order to maximize the full potential of Ontario's renewable resource, create good manufacturing jobs and strengthen Ontario's foundational economy, OFIA is recommending action items in seven areas that are listed in the presentation.

In conclusion, as a pillar in Ontario's foundational economy, OFIA believes that the forest products sector can play a critical role in helping the province achieve its fiscal objectives through economic development and achieve its objective of a low-carbon economy by capitalizing on the benefits of having one of the best-managed working forests in the world.

Right now, the world wants wood. Smart consumers want renewable forest products. With long-term reliable access to affordable wood and confident customers, our forest products sector will continue to be the cornerstone of Ontario's foundational economy, supporting hard-working families, communities and First Nations. Together, we hope we can grow a stronger, greener Ontario.

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

Ms. Catherine Fife: Thank you very much. Jamie, as always, you're very passionate about this issue. You're a strong advocate for the sector and for the field. I think that we can all agree that Ontario cannot afford to lose any more good jobs. In fact, we need to grow good jobs, and that's very much connected to unlocking the potential of northern Ontario.

I have to say that last year's finance committee went to Fort Frances, and there was a very effective educational campaign there which talked about carbon sequestration and the cycle of carbon sequestration in the forestry industry. I have to say, it did leave a very lasting impression. So I do think, to your point, that education is key, and that's not just education of politicians, although I think that politicians of all stripes have a lot to learn. So I did want to make mention of that.

Ms. Jamie Lim: Thank you.

Ms. Catherine Fife: I did want to touch, though, on the impact of the Hornepayne closure, if you will. The Hornepayne mill employs 40% of the workforce, and the closure was just before Christmas. For us, the mill's cogeneration power plant needs the government to agree to buy more power in order for the mill to be viable, and yet the government has only agreed to weigh in on a fraction of that. Do you want to comment on the impact? Governments can support businesses, right? They can.

Ms. Jamie Lim: Unfortunately, the Hornepayne facility isn't an OFIA member, so I'm not intimately familiar with their situation.

Ms. Catherine Fife: But in general—

Ms. Jamie Lim: But in general, I think you'll acknowledge that any businesses that are going to invest in any jurisdiction are looking for certainty.

Ms. Catherine Fife: That's right.

Ms. Jamie Lim: You give any business certainty and they're going to invest and they're going to keep their doors open and they're going to keep people working. I was born and raised and continue to have a home in Timmins, Ontario, and I have a wonderful cottage in downtown Toronto. I get to live in the two incredible—greater Timmins area, greater Toronto area: I live in both, and I get to see everything that this province has to offer. I guess for me, I'm sad that we all don't get as excited, maybe, as I do, having lived in the north my whole life, about our natural resource sector, and especially a sector like forestry that's renewable. We forget that trees grow.

Ms. Catherine Fife: The certainty piece was the piece that I was trying to get to when I mentioned Hornepayne, because in this upcoming budget, based on last year's 2014-15 budget, the Ministry of Natural Resources and Forestry falls under "Other Programs" under the budget. This year, it's set to see a \$1.4-billion reduction in funding in those other programs. So this is the place to make the case for the economic value of the north and for the forestry industry, because this cut will hurt communities across the north.

Ms. Jamie Lim: Exactly. One of the major programs that the province has put in place—Dalton McGuinty announced it at our annual general meeting in 2006, to a lot of applause—was the road program. This is an infrastructure program that builds public access roads. That funding, and it's not really funding because it's public infrastructure, if it was to cease—I made the comment in my presentation that the roads that we use, build and maintain aren't just for our sector. They're for all natural resource sectors, and they create the development and the economic development that support our communities, not only in northern Ontario but also in rural Ontario, where we have a huge presence.

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We're very concerned that the funding of infrastructure programs like the road program for northern and rural Ontario could be diminished. We have a commitment from Premier Wynne, which we're very grateful for, that she will maintain the program at a \$60-million level. Last year she maintained that. We're hoping once again this year to see that maintained. It's critical because these small gold mines that are hoping to open up and all this other exploration that's going on depends on these primary and secondary off-roads. Honestly, in northern and rural Ontario, those primary and secondary roads—"bush roads" is maybe what you would call them in Toronto—are our 400 highway series. When I live in Toronto, I listen a lot about the Don Valley, the QEW and the 401 ad nauseam. For us, we move goods, and our future depends on those bush roads.

The Vice-Chair (Mr. Peter Z. Milczyn): Thank you, Ms. Lim. Your 15 minutes are up.

Ms. Jamie Lim: Thank you.

THUNDER BAY HOME BUILDERS' ASSOCIATION

The Vice-Chair (Mr. Peter Z. Milczyn): Our next witness is the Thunder Bay Home Builders' Association. Good morning, sir. You have 10 minutes for your presentation, following which there will be questions, in your case from the government side. For the record, could you please state your name.

Mr. John Simperl: Certainly. My name is John Simperl and I'm serving as the president of the Thunder Bay Home Builders' Association. Mr. Chairman and standing committee members, I very much appreciate the time you're giving me and I very much appreciate that you would come up to Thunder Bay, which is quite a ways away. It's a little warmer today, but we certainly appreciate you coming up here.

Thunder Bay Home Builders' Association is part of the Ontario Home Builders' Association, which is part of the Canadian Home Builders' Association. I'm employed by a local developer in town. We do a significant amount of residential development as well as quite a bit of road building. In the last number of years we've lost quite a few jobs in the forestry and mining sectors, and truthfully, a lot of those jobs won't be coming back. Mining and forestry will come back, but probably not to the degree that it was before.

Today I'm looking at bringing up a number of different items. One is the Ring of Fire and the mining sector and certainly the significant number of smaller mines that are looking at opening in the area and what that will do to the housing market in the area and the number of jobs that it could create. Our association includes about 20 member companies in town and supports about 2,000 jobs in the home construction and renovation fields in the area. All those jobs account for about \$111 million in wages, which shows up in purchases across the local economy.

I'm giving some recommendations for the upcoming budget in two areas. One is the underground economy, which is becoming a big problem not only in Thunder Bay but in northern Ontario and southern Ontario as well, I believe. What has happened is that, as the mining and forestry jobs have decreased, a lot of those people have tried to find other areas to create income for themselves so they end up doing odd jobs here and there, because a lot of them are quite talented from being out in the field and fixing their equipment. It's the sort of the do-it-yourself variety, so they don't have a lot of the education and training that normally carpenters, electricians and mechanical people would have. So when they go out in the workforce, they're implying that they can do all this work to the same capabilities as a licensed carpenter or electrician. Now, I'm not saying that they're not capable of it, but when they go out there, what they are doing is they are plying themselves as having the same capabilities, doing the same job, yet they are not providing the same work and they are doing it mostly on a cash basis, under the table. There's no HST being paid on it, there's no income tax being paid, so that generally equates to

everybody in the economy losing out with the money going to those things. Plus, they're not playing by the same rules.

They also ply somewhat on naive people, where as soon as they're finished, they are gone, and there is no warranty on it. If you're a registered builder or a registered contractor, through Tarion, there is a seven-year warranty on housing and that, through other contractors. Most of them carry insurance. So when you leave the house, at least the homeowner or individual contracting you has some recourse that they can take some legal action. When it's paid by cash, as soon as the person leaves, they're gone. So elderly people who would have a problem with their basement get somebody to fix it; it's summertime, and once the next spring comes, they have the same problem, yet they have no recourse, because they paid somebody by cash. We think that's a huge problem and we would appreciate something being done on that.

Similar to the underground renovations, the government loses on revenue from the consumers as well, like I said, on income tax and that.

At this time, I just think that a recommendation for the upcoming budget would be for the province to look at taking some insight into a consumer-focused tax credit, possibly similar to the expired federal government's home renovation tax credit, to deal with the problem of the underground economy in the renovation and building sector. This type of program would incent good behaviour by offering a tax credit to those that collect receipts from legitimate businesses and submit those receipts to the CRA. We also believe that a well-structured renovation tax credit would in fact bring in additional tax revenues that are currently not being collected.

The second point: The home builders' association strongly supports coordinated infrastructure investment towards strategic projects based on a clearly defined priority. We believe the expansion of core infrastructure—roads, bridges, transit, water and waste-water management—in support of a growing economy and growing population should be a key priority for the province.

It's important to ensure the province has in place a long-term asset management plan to ensure the ongoing maintenance and state of good repair.

Investments made by the public sector encourage additional private sector investment and job creation from our members. We truly believe, as per some of the previous presenters, that roads and that, for both mining and forestry, have an important role in developing an increased population base and economy on that. We believe that the investment will turn around, like we had indicated before. We believe that forestry and mining will not come back to where it was before, but there's definitely improvement there. Now that we're in a global economy base, we have to be ready when the global economy is ready for our products.

In closing, then—I don't want to take up too much more of your time—the home builders would certainly support a home renovation tax credit designed specific-

ally to combat the underground economy, which is a big problem in the province of Ontario.

We also would look at continued investment in infrastructure, specifically logging roads and mining roads as well as roads for development into the First Nations community. I think the costs for their services, both utilities and that, are significant, and by bringing in some additional permanent roads we can significantly reduce the cost that's associated with the First Nations, as well as create some employment for them.

At this time, thanks very much for your time.

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The Vice-Chair (Mr. Peter Z. Milczyn): Thank you, Mr. Simperl. Ms. Vernile has some questions for you.

Ms. Daiene Vernile: Thank you very much, Mr. Simperl, for coming in today and for giving us this very informative presentation. You touched on a few things I want to ask you about: the underground economy and also infrastructure.

I don't know if you had a chance to read this news report; it just came out about an hour ago. There is very good news for your industry. The Ontario economic accounts report is out and it's telling us that last year, for 2015, in the first three quarters of the year, the residential construction housing industry grew at a very strong and fast pace at 6%—it's interesting to hear that—and that household spending in Ontario is up by 3.1%. So I guess when people have more money, they look at things like buying new houses, don't they?

Mr. John Simperl: Certainly, and that's part of it. With the people who have lost their employment through logging and mining, certainly they look at things differently. They look at how much money they have, how long they can afford to be in the house—"We would have liked to have a larger house because we're in a large family, but we just don't know where the next dollar is coming from in wage," so they'll stay put.

So as the employment opportunities look more favourable, they're more favourable to investing more money into their house, home or household.

Ms. Daiene Vernile: I think that this also informs us that some of the decisions that are being made by our Premier, Kathleen Wynne, and our finance minister, Charles Sousa, are sound decisions; we're on the right track. They've committed \$130 billion to infrastructure spending. You mentioned roads and bridges and how important they are here. What kind of impact do you think it's going to have on your region when you see that kind of spending in investment in infrastructure?

Mr. John Simperl: We certainly would see it as a benefit. It would be interesting to see, out of the \$130 billion, what the allocation is for northern Ontario. Is it \$5 billion or \$10 billion or is it \$1 billion? I think by looking at that amount, if it's \$5 billion or more, it would certainly be appreciated because I think we can do a lot.

Part of the transportation issues are as well—as you can appreciate with the bridge being closed at Nipigon for a number of days and the lack of, we'll say, two different roads in northern Ontario, especially between

Nipigon and Thunder Bay, which the provincial government has put a significant investment in already. It's a good part of the way, but I think we certainly need four lanes, and we would need four lanes at least to Shabaqua to the west, which at least then gives it the opportunity—if the route between Shabaqua and Dryden or Kenora is closed, at least you could go the Fort Frances way, which is not a significant additional distance, but at least you have the opportunity—you're not going to have the Trans-Canada closed to all traffic where you can't go east or west. I think that's a huge point that is being looked at.

Ms. Daiene Vernile: I appreciate you sharing that with us.

My final question to you is about the underground economy. My colleague, MPP Laura Albanese, who is sitting at the end of the table here, is currently conducting a provincial review of the underground economy in your industry and is collecting feedback.

You mentioned that there are people who are floating into this because they're looking for a way to make an income. Do you see that any of them are making it permanent? Is that a trend?

Mr. John Simperl: In some cases it is—not totally—but what happens is that once they get comfortable in it and they see how much they're making tax-free, we'll say, it certainly becomes more favourable for them to spend more time in it than they normally would and possibly not look for other opportunities. It depends on age groups and that as well.

Ms. Daiene Vernile: Anything else you'd like to share with us?

Mr. John Simperl: No. I just certainly appreciate the time that you've taken to come up here and the time that you've taken to listen to us. I'm sure that all the other presenters are very much appreciative as well. We just thank you very much.

Ms. Daiene Vernile: We appreciate the insights that you've given us into your region. Thank you very much.

Mr. John Simperl: Thank you. Have a nice day.

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

THUNDER BAY REGIONAL HEALTH SCIENCES CENTRE

The Vice-Chair (Mr. Peter Z. Milczyn): Our next presenter is the Thunder Bay Regional Health Sciences Centre. Good morning, sir.

Dr. Bill McCready: Good morning.

The Vice-Chair (Mr. Peter Z. Milczyn): You have 10 minutes for your presentation, following which there will be five minutes for questions. In your case, the questions will be coming from the official opposition. For the record, please state your name.

Dr. Bill McCready: I'm Dr. Bill McCready. I'm the interim CEO and president of the Thunder Bay Regional Health Sciences Centre and the interim CEO of the Thunder Bay Regional Research Institute. I'd like to start by declaring that I am not a professional hospital ad-

ministrators, and I'm certainly not a politician, so I start by apologizing for that.

I've got some key messages for you. One is that we are very grateful for the targeted support that we've had, as both a research institute and a hospital, from various governments over the years. We believe that investment in health care and health care research is exactly that: an investment, and not an expense.

The province obviously sees health care budgets as a huge part of their problem in balancing their budget, but we would encourage you to think about the job spinoffs and the taxes you collect from your investment in health and, in particular, health research, which results in jobs, training and retention.

The academic health sciences centres of Ontario are grossly underfunded, largely as a result of the last four years of fiscal restraint. We'll come to that a little later.

Lastly, as a high point, we would like to encourage you to continue to invest in long-term care, particularly here in the northwest. It provides considerable pressures on our institutions, which, again, we'll come to.

I think we've already heard about the boom-and-bust economy of northern Ontario, and we've had many examples of that. We see ourselves as part of the solution to that in the knowledge-based economy, with our health sciences cluster developing in Thunder Bay as some kind of buffer to that. We have our partnership with the Northern Ontario School of Medicine and Lakehead University. We have our own research institute, and we are in the middle of commissioning our cyclotron. All of these things will go a considerable way to helping the economy of our area and helping employment. I think we actually may well be the largest employer in the city of Thunder Bay, although it may be nip and tuck between us and Bombardier, but we're very close, so we're an important economic driver in this area.

We've renovated our old cancer centre to develop a research site, ICR Discoveries. We have two spinoff companies, and our board of governors just okayed a third spinoff company this past week, all of which will hopefully, in the end, be economic drivers for us.

We believe that the economic spinoff of health sciences research is an important future for our region. Our hospital is the academic health sciences centre serving the whole of northwestern Ontario.

I'm not sure how everybody got here today, but we would encourage you to drive, not fly, to make you realize the scale of our region. We cover, as a health sciences centre, an area that's larger than France. It has 240,000 people living in it, whereas France has 67 million people living in it, so we're one of the lowest population densities in the world, in fact. That in itself has huge challenges.

The people of northern Ontario, particularly northwestern Ontario, are considerably less healthy than the rest of the Ontario population. The male life expectancy is more than two years shorter than the rest of Ontario. We have hypertension rates which are higher, and diabetes mortality rates which are higher. Our obesity

rate is considerably higher, at about 65% compared to 51%. Our infant mortality rate is 20% higher than the rest of Ontario. It's worse than such countries as Greece, Croatia and, I hesitate to say, the United States of America. That's a dreadful thing to say.

We tend to lead unhealthy lifestyles. Smoking and alcohol consumption are higher. Our fruit and vegetable consumptions are lower. All these are factors in driving costs within our health sciences centre. The province recognizes in its funding formula how sick the population that we serve is. It also recognizes population growth in a formula called the HBAM. That formula, I think, definitely needs to be looked at. We've seen a reduction in our budget of half a million dollars last year on that formula. I think it overemphasizes population growth, so populations growing in southern Ontario tend to get more of that money than we do. That's a problem.

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Some 20% of our population are aboriginal. We are in a very unique situation in northwestern Ontario in terms of the number of aboriginal patients that we serve. I think everybody likely doesn't need schooling from me as to how sick this population is in terms of health care needs.

Tobacco use is much higher in the aboriginal population. Some 85% of lung cancers are tobacco-related. We already have a high rate of diabetes in our overall population, but it's at least two to three times higher in our aboriginal population than in the Caucasian population. This has resulted in a higher amputation rate, so we have a lower-limb amputation rate in northwestern Ontario that's 2.7 times the rate of the rest of the province. Our cardiovascular disease rate is 1.5 times that of the rest of the province.

I think that probably, if you've listened to the media this morning, you've already heard Chief Fiddler talking about the tragedies of youth suicide in northern Ontario. The rates are at least five to six times that of the rest of the population.

These are really shocking health care statistics.

The opioid addiction rate in many of our First Nations communities is also a scandal. Deliveries of babies in the Sioux Lookout Meno Ya Win Health Centre: About 18% of those babies are born to mothers who are using narcotics. They have neonatal abstinence syndrome, which causes considerable health care costs. These infants have to stay in intensive-care-type settings for many days to be weaned off narcotics.

How is that relevant to you? We believe that the future for us lies in investing in taking care of these problems on your behalf. We must be responsive to the health care needs of our population, and doing so means moving away from our traditional responsiveness as a community hospital and starting to look for research and innovative methods to try to improve these health care disparities. This will lead investment.

We do want to acknowledge the province's announced investment in cardiovascular surgical services for our hospital. As we said, we have 1.5 times the rate of cardiovascular disease than the rest of the province, so we think this will

have a dramatic effect. It will reduce travel. It will let people make choices that they sometimes don't make now, when they can have this service closer to home. We believe this service will create 65 new jobs for the economy of Thunder Bay, so we really would applaud your investment in that.

We'd like to bring to your attention the fact that we continue to have a large number of alternate-level-of-care patients in our institution. We had over 60 in the hospital this morning, about 20 of whom are waiting for long-term care. We do have a new long-term-care facility opening, which will go some way to answering that problem, but we still believe that the province should look very carefully at keeping the Bethammi Nursing Home open, at least as a temporary measure, for the next 20-plus years, to address the ALC issue in Thunder Bay.

This is not directly for us. We have 395 funded beds, and 20 of those are funded extra to take care of ALC patients. But we had 426 patients in our hospital yesterday, so the difference of those 31 patients—we have no funding for looking after those patients. So we would absolutely encourage the province to look at the ALC situation in particular in the northwest.

Moving aside from local issues, we are a part of Ontario's research hospitals, of which there are 24. I do believe you had a presentation in Hamilton from our CAHO group. We see ourselves as drivers of change: innovation in patient care, innovation in education, research innovation, and contributing to improving the system. I think part of what people tend to forget about what academic hospitals do is that they make the system better by sharing their knowledge with others and trying to improve the efficiency of care. An example is the ARTIC program—

The Vice-Chair (Mr. Peter Z. Milczyn): Dr. McCready, could you wrap up your presentation, please?

Dr. Bill McCready: Okay. There's a delicate balance here between what we are asking for and expenditures in health care. We would ask you to continue to fund the Ontario Research Fund. We'd ask you to mandate the creation of a health research strategy for Ontario. We'd ask you to continue to fund the ARTIC framework and, in particular, we would ask that you fund academic hospitals to fulfill their mandate of care, teaching and research. Four years of no increase has been a considerable strain to us all, and we can't continue to support the changes we need out of our existing budget.

The Vice-Chair (Mr. Peter Z. Milczyn): Thank you, Dr. McCready. I want to make sure there's enough time for questions for you. Mr. Barrett.

Mr. Toby Barrett: Thank you for the presentation. You mentioned, just at the very end, four years, referring to the—I assume—freeze on funding for hospitals. It has been described to me as hospital funding using the term "activity-based funding." I guess that wouldn't include clinical research and some of the things you're talking about.

Dr. Bill McCready: That's correct. Academic hospitals traditionally have received more money than their

community hospital counterparts, and they've used those additional funds to drive research and innovation. Some of the funding formulas that occurred hit the academic hospitals in southern Ontario particularly hard. They hit us less hard because we didn't have that original funding to start with. We think we're underfunded by somewhere between \$5 million and \$7 million for our academic mission, which makes life very difficult for us. We are the third most efficient hospital in Ontario. We've recently had a review where we were found, by the reviewing company who did a benchmarking exercise, to be the most efficient hospital that they have reviewed, and yet we can't balance our budget.

Mr. Toby Barrett: What percentage of your budget is directed towards research?

Dr. Bill McCready: Less than half a per cent.

Mr. Toby Barrett: Less than half; okay.

Dr. Bill McCready: We invest directly about \$2 million into our research institute out of a \$300-million budget.

Mr. Toby Barrett: Yes. You made mention in the report of \$25 million from the province. That was start-up funding?

Dr. Bill McCready: Yes. The province provided a number of grants for the research institute when it started. It really got the research institute going and we're very grateful for that. But we're still left now with: How do we move forward here? How do we become responsive to the health care needs of the population?

Mr. Toby Barrett: With your research scientists, they're also doing teaching—are there cross-appointments with the university?

Dr. Bill McCready: Yes. We have an arrangement with the university where we pay their salary for the first five years, we share their salary for the next five and then Lakehead takes it over, provided those individuals become tenured professors in the university. We've had several who've been successful in getting those tenured appointments at Lakehead University, so we have a very rich relationship with Lakehead University.

Mr. Toby Barrett: And they or you or the combination would also be pursuing ad hoc research grants, for example?

Dr. Bill McCready: Yes, absolutely, but they're very hard to get. There are many structural difficulties in getting grants. You have to have matching funding in particular, which makes it—especially in a small place like Thunder Bay—quite difficult to find matching funding for those research grants.

Mr. Toby Barrett: I worked for the Addiction Research Foundation for 20 years. It's a tough sell to explain to the public that with what we're doing, you may see some results 20 years down the road.

Dr. Bill McCready: Absolutely.

Mr. Toby Barrett: One other section: As with so many hospitals, the concern with patients in the hospitals who could be better served elsewhere—and you make mention of waiting for long-term care. Is there a hospice facility up this way?

Dr. Bill McCready: St. Joseph's Care Group runs a palliative care unit, a hospital-based hospice service.

Mr. Toby Barrett: A service like that must help a bit to take some of the pressure off the hospitals.

Dr. Bill McCready: It takes a considerable pressure off, but those numbers are relatively small compared to the numbers we're struggling with every day.

Mr. Toby Barrett: Is there much work being done on further enhancing or bringing along or promoting home care, specifically to take pressure off the hospital?

Dr. Bill McCready: We work very closely with the CCACs and our LHIN to try to keep people at home. In fact, there are almost as many people waiting for long-term care at home who are high needs. The CCAC has made a considerable investment. Some of these folks are sicker than the patients we have in the hospital.

The Vice-Chair (Mr. Peter Z. Milczyn): Thank you for your presentation today, Dr. McCready.

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ONTARIO PUBLIC SERVICE EMPLOYEES UNION, LOCAL 737

The Vice-Chair (Mr. Peter Z. Milczyn): Our next witness is the Thunder Bay Jail. If the folks from there could come up.

Good morning, gentlemen. You have 10 minutes for your presentation, following which there will be five minutes for questions, in your case, from the third party. For the record, could you please state your names.

Mr. Michael Lundy: Sure. My name is Michael Lundy.

Mr. Gregory Arnold: I'm Greg Arnold.

Mr. Michael Lundy: If you see Greg kick me under the table, it's just because I may be speeding up a little too much and he's trying to slow me down, that's all.

Good morning, ladies and gentlemen. Thank you for coming to Thunder Bay. My name is Michael Lundy, as I introduced myself earlier. I'm president of OPSEU Local 737, and I've been a correctional officer in Thunder Bay since 2004. I'm also union vice-chair of the provincial joint occupational health and safety committee.

Ladies and gentlemen, there is a crisis in corrections. One very obvious sign of that is the Thunder Bay Jail. It's 90 years old, it's rife with problems and it's falling apart. Toilets don't flush. Sinks have no running water. There are holes and mould throughout the crumbling structure. The isolation unit's toilets regularly back up and overflow down into our kitchen area. The jail has no working sprinkler system and it has no smoke detectors. I repeat: It has no working sprinkler system and no smoke detectors. Last year, a fire failed to even activate the heat alarms inside our jail.

Thunder Bay Jail is a death trap for staff and inmates, packed in like human sardines. Protective custody counts have skyrocketed, leading to triple bunking—housing three men in a tiny cell made for one. Imagine the tensions and volatility that these living conditions create. Severe overcrowding and chronic understaffing led to a

full-blown riot last month. Seventy inmates took control of the protective custody floor. We watched in horror as one of our colleagues was taken hostage. Inmates destroyed the unit during a 12-hour riot that sent four people to hospital. In corrections, we say that we never walk alone, but that night, one of our own did, and things will never be the same—sorry, I got a little bit emotional at that part. It was a really bad, tough month for us.

At the Thunder Bay Jail, in my time I've witnessed five inmate deaths that I've been forced to deal with; two inmate disturbances; a full-blown riot and hostage-taking; countless attempted suicides; two escapes; innumerable inmate-on-inmate assaults, including stabbings and group beatings; and attacks and death threats on correctional staff.

Ladies and gentlemen, I am not naive. I don't believe every incident was the direct result of an aging structure and an inadequate staffing model. However, a large share of the violence must be attributed to the building, poor staffing models and a general indifference for safety and security on the part of management and the ministry. So many of the pilot projects that are introduced in corrections focus down on southern Ontario: the body scanners, the canine units, the institutional search teams. We've seen none of that up here in the north.

In 2000, Thunder Bay Jail was placed on the closure list. Two years later, there was a ribbon-cutting ceremony to build a new remand centre on the Thunder Bay Correctional Centre property. Six years later, the current superintendent of the Thunder Bay Jail was given a mandate to prepare for a new facility. The following year, in 2009, a coroner's inquest recommended that the jail be replaced.

Thunder Bay council, the city police association, Thunder Bay intergovernmental affairs, OPSEU president Smokey Thomas, Progressive Conservative leader Patrick Brown and NDP corrections critic Jennifer French have recently toured the Thunder Bay Jail, calling the conditions dirty, deplorable and disgusting. I ask you, ladies and gentlemen: It's now 2016. What is the government waiting for: inmate deaths, correctional officers' deaths, a lethal fire, a mass escape? Does it require a casualty in the community?

The issues go beyond health, safety and security. One is accessibility. Inmates' family members with a disability are unable to visit loved ones. The Ontario Realty Corp. refuses to make any changes to the jail, calling it a historical site. I fail to believe that historic integrity trumps compassion and human rights.

Over 80% of our inmates are First Nations. As you know, a key element of First Nations culture and healing is the family. When our inmates receive provincial sentences, they are most often shipped 12 to 16 hours away to complete their sentences. That means no access to family or the healing that they bring. Staff shortages deny First Nation inmates smudging and other traditional opportunities.

In addition, the number of mentally ill offenders has grown exponentially over the last several years and is at

an all-time high. Some 20% to 50% of inmates have mental health and addictions issues.

Ladies and gentlemen, Thunder Bay is one of the most violent, drug-dependent cities in Canada. It is the murder capital of Canada. Many of the murderers are known to correctional staff because they've been in the system before, and during that time, they received no rehabilitation whatsoever.

Minister Naqvi recently toured the jail, and he talked about the crisis in corrections by transforming corrections, notably through a discharge planning program. It's a program that I do believe in. I believe in a lot of what Minister Naqvi has said. However, the Thunder Bay Jail, the model that we currently work in, is a recipe for failure. Our program room holds just six inmates at a time, and that is when we even have enough officers to supervise programs. Currently, this occurs twice monthly at best.

Newer-style facilities have trained correctional officers to deliver these programs, as well as additional programs rooms with easier accessibility. Thunder Bay Jail has one social worker on staff. That social worker is also our classification officer, so there is no time for social work.

The government owes it to the inmates, to correctional staff and to the community of Thunder Bay to provide a facility where we can at least attempt to rehabilitate offenders. No, we won't transform every inmate, but building the type of jail we're asking for is an inescapable step to transforming corrections. A new 350-bed facility would be good for the city. It would create employment opportunities for the community through the construction. It would require additional correctional officers to help the ministry realize the transformation of corrections. Good-paying jobs put more money back into the community, entice young people to stay and attract new people to move here.

At the same time, it would save taxpayer dollars through amalgamation. Presently, we have two correctional properties: the Thunder Bay Jail and the correctional centre. The new facility could be run as a single correctional complex. It would be one of a kind in Ontario: a remand centre, a medium-security correctional centre, a maximum-security correctional facility and a women's facility, all on the same property.

Ladies and gentlemen, we can't afford to wait any longer for a new correctional facility in Thunder Bay. The government must replace Thunder Bay's disintegrating and dangerous jail so that, collectively, we can fulfill our mandate of care, control and custody.

Mr. Arnold has a couple of points that he'd like to make about the transportation of inmates, and then I'll be happy to answer any questions about my presentation.

Mr. Gregory Arnold: Good morning. My name is Gregory Arnold. I've worked as a provincial bailiff and a correctional officer in the province of Ontario for the past 34 years. I'm an elected OPSEU union member in the corrections division for the Ministry Employee Relations Committee. I represent all correctional workers that work in the institutional and the community settings in Ontario.

Thank you for this opportunity to present to the committee today and for giving me an opportunity to assist the province in the transformation process of its correctional services through these pre-budget consultations.

I have provided the committee with a copy of the offender transportation report and an additional document, the Inmate Transportation Jurisdictional Scan, that flowed out of the 2013-14 round of Ontario public service bargaining with correctional services. This Offender transportation subcommittee report and recommendations were submitted to the deputy minister in July 2014. The committee to date has not received a response from the deputy minister's office.

This report speaks to improving and transforming the way offender transportation and court security are currently done in Ontario and provides recommendations to improve efficiency while eliminating redundancy. From this report, three recommendations were presented to the deputy minister for consideration. The recommendations included correctional staff taking on additional responsibilities, which were, by the way, originally viewed as correctional services work; changes to how we do escorts in this province and how we do transfers; and the procurement of appropriate transfer and escort vehicles.

The union feels that the true cost of offender transportation and court security in Ontario is mired in police, ministerial and municipal budgets. The redundancy in bureaucracy is exorbitant.

The union proposed that we define what a police role is versus what a corrections role is. OPSEU's corrections division recommended that the role of correctional services that it provides to the province be redefined. We view the police role as enforcement. We view the corrections role in Ontario as custody, care and control of individuals who are currently in custody in Ontario.

That being said, we would like the police to concentrate on law enforcement. Any custodial roles would become the full responsibility of correctional services. There are too many conflicting legislations that govern the transportation of offenders in Ontario. There are enormous savings to be realized if one agency were responsible for all offender transportation and court security in Ontario.

This is an opportunity to achieve a portion of the transformation in correctional services that the Minister of Community Safety and Correctional Services has spoken about. It also redefines policing and correctional roles, bringing them more in line with other provinces. It will allow the true costing and tracking of offender transportation and court security to be reflected under one agency and one budget. It impacts several ministerial and all municipal budgets.

These recommendations, if given proper consideration, can assist in making Ontario an affordable leader in correctional services in North America.

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Just to give you a couple of quick facts: In 2014, the Ministry of Correctional Services, in the offender transportation operations branch of correctional services,

moved 28,000 offenders in Ontario alone. We have in our fleet of vehicles three MCI buses, 19 large paddy wagons or cube vehicles that are Internationals, four vans and four accessibility vans, which, by the way, are all exceeding their lifecycle and have to be replaced in this province. You understand what an accessible vehicle is.

That's all I have.

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

Ms. Catherine Fife: Thank you to both of you for your presentation.

Michael, earlier today the mayor of Thunder Bay referred to the correctional facility here as a rathole. Would you say that's an accurate description?

Mr. Michael Lundy: Yes, I would.

Ms. Catherine Fife: My colleague Mr. Fedeli, who actually had the chance to tour it, said that he thought the mayor was being generous in that description.

The idea around corrections is that there be some opportunity for rehabilitation. I think that you've made a compelling case that in the correctional facility here, it's almost impossible to rehabilitate.

The mayor also made the case that almost 60% of the inmates are still on remand, so you have the most innocent potentially with the most violent in the same facility. That contributes to very tense and very complicated working conditions as well. Do you want to comment on that at all?

Mr. Michael Lundy: Sure. I like to call it essentially a criminal university because we put some of these—and I don't want to say they're all innocent, but someone who comes in for a lesser charge, without as much violence, ends up coming into these ranges filled with what we in the industry call "heavies," because they're the ones who run the ranges, and they're usually full of gang activity. They take these people and they basically—you've got two choices: Either you give up everything you have in there or you become one of them, right? Essentially we're putting them into an area with no programs, so they're unlocked for 12 hours a day and they have nothing to do other than learn how to be a further criminal, unfortunately.

Ms. Catherine Fife: It's not the way progressive corrections around rehabilitation—or even restorative justice, which is so important to the aboriginal community, as you quite rightly pointed out. I want to thank you for making the point that having to move so far away from family is heart-wrenching for people.

I also toured Maplehurst and Vanier in Milton, Ontario, with our critic, Jennifer French. While it's true that those are much newer facilities, it's the working conditions and the inmate conditions which I think are fairly consistent, in that I did see three men in a cage: one on top, one on the bench and one on the floor.

Mr. Michael Lundy: That's correct.

Ms. Catherine Fife: In the women's facility, the mental health issues, which you also raised, were abso-

lutely—until you see it, you can't really believe that these conditions exist in Ontario or Canada.

You raised the issue of the coroner's inquest: the recommendation to build a new jail in 2009. Give us some sense of what has happened since 2009, aside from nothing. Give us the Reader's Digest of inactivity on this file.

Mr. Michael Lundy: The jails have gotten worse; the violence has gotten worse. As a matter of fact, now that you mention it, I'm going back and forth between here today and testifying at an inquest. Actually, one of the things we were talking about is three people in a cell. When an inmate is in distress, you don't want to move the inmate, but unfortunately the cells are so small that we had an inmate in medical distress who ended up passing. We had to carry him out of the area into an officers' corridor 25 feet away so that we had the ability to perform first aid on him and get the paramedics in there because the cells are so small.

As far as what has happened in the jails, the drug activity is higher, the violent crimes are up, the gang activity—all that stuff has increased so much right across the province, from Ottawa right up to Fort Frances and everything in between.

Ms. Catherine Fife: The minister has said, though, that he's not interested in building new jails or more jails, but I think that your case for a new facility—the recommendation of a new 350-bed facility in Thunder Bay: Has this been officially presented to the minister?

Mr. Michael Lundy: I don't think so, but if I could bring attention to an Ombudsman report from Saskatchewan right now, the Regina Correctional Centre is up to 100 years old, and the Ombudsman also recommends that aging buildings over 100 years aren't conducive to doing a transformation of corrections. That's not what they were originally built for back then, and it's so hard for us.

Again, I put in my report that we have one program room that holds six inmates. Our count is generally 150 to 160, and maybe twice a month at best do we ever get the opportunity to bring those six inmates down to a program room.

Ms. Catherine Fife: So I think the consensus is that this facility cannot be fixed, right?

Mr. Michael Lundy: Yes.

Ms. Catherine Fife: And by many voices, not just by those who are connected to corrections.

Finally, I just want to thank you for the work that you do. I think that there are a lot of people—many, actually; the majority of people in this province—who don't understand how complicated your job is. I hope that the negotiations that are ongoing with the government are productive and meaningful, and I hope that working conditions also then reflect inmate conditions, because obviously the two issues are connected.

Please let your colleague know that we are all paying very close attention to what happened around the hostage-taking and around the need for post-traumatic stress supports for all concerned in that environment.

Mr. Michael Lundy: Thank you very much.

The Chair (Ms. Soo Wong): Mr. Lundy and Mr. Arnold, thank you so much for your presentation, as well as your written submission. I know your colleagues have been visiting us, from Hamilton, yesterday in Windsor and now today, as well as the next two days. We do appreciate your time, but most importantly, thank you to each one of you for serving Ontario.

Mr. Michael Lundy: Thank you very much. We appreciate the opportunity.

The Chair (Ms. Soo Wong): Have a good afternoon. Thank you.

I believe we're going to be recessed until 1, everybody. I just want to let everybody know that we'll be recessing now until 1 p.m.

The committee recessed from 1205 to 1300.

LAKEHEAD UNIVERSITY

The Chair (Ms. Soo Wong): I'm going to resume the Standing Committee on Finance and Economic Affairs. I believe the first witness this afternoon is from Lakehead University: Mr. Brian Stevenson, the president and vice-chancellor. Mr. Stevenson, are you here?

Dr. Brian Stevenson: Yes.

The Chair (Ms. Soo Wong): Welcome. Good afternoon. Mr. Stevenson, you probably heard that you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin any time. When you begin, please identify yourself for the purposes of Hansard.

Dr. Brian Stevenson: Very well. Thank you very much for inviting me to come here today. It's a great privilege and an honour. I really appreciate the fact that you're here in Thunder Bay and that you're touring around talking about the budget.

My name is Brian Stevenson. I'm the proud president and vice-chancellor of Lakehead University. I'm now in my sixth year as president here. As you can imagine, for that period of time I've been very engaged with the community and with the economy. That has been a central theme that I've had.

Just for you to know, Lakehead University is a fully comprehensive university. We have approximately 10,000 students in two campuses, one here in Thunder Bay and one in Orillia or, as we call it, north Simcoe. The university has 10 faculties. We have the western campus of the Northern Ontario School of Medicine; we have Canada's newest faculty of law, the Bora Laskin Faculty of Law; we have engineering; we have business; we have education; we have social sciences and humanities; we have a natural resources faculty; and we have a health and environmental sciences faculty. Our programs are largely professional programs, and they're very connected to the economy.

Since we started in 1946—we started as Lakehead Technical Institute, and we were, at the very beginning, around forestry and mining, and we still are. That, I would say, is at the heart.

What I want to talk to you about today is not really focused on the budgets of the universities and the woes and the troubles that we might be going through—those things that you listen to all the time. I really want to focus on how the university can help the economy, how the university can support northwestern Ontario, and on the kinds of things that I'm hearing in terms of what the government can do to help nurture the future of our economy in northwestern Ontario.

Our pre-budget submission really wants to echo, first of all, the goals of the Ontario 2011 growth plan for northwestern Ontario, especially those sections relating to aboriginal peoples, a culture of innovation and entrepreneurship, and education and infrastructure. I want to talk to you about three broad areas that I think, if you had specific envelopes to support the communities and the economy in northwestern Ontario, the university could facilitate.

These are the three areas where I would suggest that we can be engaged and supportive. First of all, aboriginal education, ways of supporting aboriginal education; secondly, how you can support entrepreneurship in northwestern Ontario; and finally, supporting research and innovation, particularly the linkage between the private sector and our emerging industries. These would be areas where we would be trying to diversify our economy and trying to work on helping and supporting the economy.

In terms of aboriginal education, I really think this should be a fundamental goal at this time and supporting particularly helping young people in northwestern Ontario finish high school. That, I would think, is one of my biggest worries as president of the university, because approximately 50% of aboriginal peoples in Canada do not finish high school. If they don't finish high school, they either have a struggle afterwards to finish and then go to some post-secondary institution or they don't get further education. Lakehead University has taken a number of measures to support the encouragement of young aboriginal kids in northwestern Ontario, through the school boards, to try to finish high school and then from there, hopefully, getting them to come to university.

We have a series of measures that we've taken. We have a four-point plan.

The first one was the expansion of our daycare, which we did.

The second was the development of our achievement program, which is going to the schools with children starting at about age 10—grade 4—and furthering their connection to the university and developing scholarships for them to come if they participate in university activities.

Third, we're developing a telepresence network to be able to take classrooms to communities in northwestern Ontario and to First Nations communities with the highest and the best technology that we have.

Finally, our first priority is for a Gichi Kendaasiwin building, which would be a building that would house all our aboriginal programs. Lakehead has about 1,200 aboriginal students of the 7,500 or 8,000 students in Thunder Bay, so we have a very high rate.

So I think helping the whole educational system from kindergarten to college and university and developing programs that will help that—this is the largest demographic, as you well know, in northwestern Ontario, and the youth that we have to bring into higher education and finding ways of delivering programs in their communities as well as here in Thunder Bay is very important.

Secondly, my perception of the economy of northwestern Ontario is that although it has grown in the past with big companies and big industries, its future is going to be through medium and small enterprises, and therefore at the heart of what I think the university has to do and where we will need support, going forward, is in developing entrepreneurs. That's not just business graduates that are entrepreneurs, but trying to develop an entrepreneurship culture at the university for students—whether they're in education or engineering or whether they are in nursing or in law, to develop entrepreneurial skills and knowledge.

We've done two things for that. One is that we've developed an entrepreneurship certificate that's open to all students. But we need support and money to be able to get those students to do co-op programs and internships with small and medium enterprises. Secondly, we have developed, thanks to the Centres of Excellence in Ontario, an entrepreneurship centre with the college that is there to help entrepreneurs develop businesses.

We are developing a business service industry in northwestern Ontario. Whether we're supporting the forestry industry that's beginning to do a comeback or the Ring of Fire or the diverse new economic areas that we're looking for, we want to be able to support that through entrepreneurs and developing that entrepreneurial spirit. And that's really where the culture is, as far I can tell, in northwestern Ontario.

Finally, we have put together a proposal for an industrial research and innovation park that would be part of the diversification of the economy, focusing initially on environmental and climate change industries in northwestern Ontario. The research park is modelled on other parks in Ontario. What we want to be able to do—these kinds of ideas are designed to try to connect the university to the business community, and the industrial research and innovation park would bring our researchers and industry together to do incubation of industries that would be supportive and helpful in northwestern Ontario.

We're doing, for example, with our Centre for Sustainable Mining and Exploration, an interdisciplinary program to connect to businesses and communities in northwestern Ontario to help the development of the Ring of Fire and other mines. This would be along those lines, where we can have a location where we can bring industry, the researchers and investors to talk about the diversification of the economy.

So if forestry and mining are there as our core, what we want to do is look towards the future, and we have done some of that as well through developing our biotechnology with the hospital and the college.

That's it for my presentation. Thank you, Madam Chair.

The Chair (Ms. Soo Wong): Well, perfect timing. I'm going to turn to Ms. Hoggarth to begin this round of questioning.

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Ms. Ann Hoggarth: Hi, Brian.

Dr. Brian Stevenson: Hi there.

Ms. Ann Hoggarth: It's good to see you. First of all, because I was not able to be there, I'd like to congratulate you on Lakehead's 50th anniversary.

Dr. Brian Stevenson: Thank you.

Ms. Ann Hoggarth: I know that you recently opened a law school, and the northern Ontario medical school has a campus at Lakehead. How do you believe this will affect the jobs and the economy in the north?

Dr. Brian Stevenson: I think that the opening of the Northern Ontario School of Medicine here in Thunder Bay, but also at the same time the opening of the new regional hospital and creating that as a research hospital, has really given us an opportunity in the future to develop the biotechnology industry here. We have the Thunder Bay Regional Research Institute that is doing work on medical imaging, and that could not have happened if we didn't have both the development of the hospital itself—the new hospital structure—as well as the Northern Ontario School of Medicine. That is making us a smart city, if I can put it that way; it's making us a research city that is going to look at expanding and developing our economy beyond the fundamentals of forestry and mining.

Ms. Ann Hoggarth: Great. You do have a campus in Orillia that works very hard in the University Partnership Centre with Georgian and Laurentian, and I'd like to thank you for your work in that. How has your enrolment changed or grown as a university because of some of these programs?

Dr. Brian Stevenson: The challenge that we have in northwestern Ontario is that the general population is declining. The only population that's growing is the aboriginal population, and therefore one of our long-term goals is to attract aboriginal students, as I was mentioning in my presentation.

The biggest challenge that we've had this year is that we've had a major drop in our enrolment due to the policy around teacher education—that we had a reduction in the number of students that we would be allowed to train. I think we all recognize that we had an oversupply of teachers, but at the same time the issue has gone a little bit further than we expected. Right now what we're doing is we are trying to struggle with the recapturing of some of those students who would come up in the past. We're working on a number of measures to do that.

You know, 42% of our students in Thunder Bay come from Toronto and the GTA so we have a great attraction of students. We have to continue doing that, maybe with other professions and careers that we're trying to work with MTCU to develop.

Ms. Ann Hoggarth: I think my colleague—

The Chair (Ms. Soo Wong): MPP Vernile.

Ms. Daiene Vernile: Do we have time?

The Chair (Ms. Soo Wong): You've got three minutes.

Ms. Daiene Vernile: Brian, besides being the MPP for Kitchener Centre—we have a wonderful tech and innovation explosion happening there—I'm also the parliamentary assistant to the Minister of Research and Innovation, the Honourable Reza Moridi. You have active and very interested partners in the province when it comes to entrepreneurship and innovation.

We have invested in the north. Can you tell me how these investments are helping you?

Dr. Brian Stevenson: I think what's very important for us is this: Any investment that the government can do in supporting the private sector creates jobs, and anything that creates jobs helps us with our graduates. Our biggest fear is that we will continue to grow as a university, but then we will be exporting all of our students. People from the northwest want to come and get an education here—they don't want to go elsewhere—but they also don't want to finish their degree and have to go south, east or west. They want to stay in northwestern Ontario. So the investments that the government has made in those areas—and we've coordinated quite carefully with MTCU—have seen a beginning of a culture of entrepreneurship in northwestern Ontario that will become industries for emerging businesses in northwestern Ontario.

Ms. Daiene Vernile: We're very excited by the innovation and the entrepreneurship that we are seeing in Ontario's north that are coming out of institutions like yours, so good on you. Thanks.

Dr. Brian Stevenson: Thank you for, for example, the Centres of Excellence funding and the support for our research and innovation funds that are joined with the federal government. This year Lakehead University was the number one research university in Canada in our category as an undergraduate university. In no small measure it was because of the support we've had from the provincial government in support of federal and private sector investments.

Ms. Daiene Vernile: It's good to get that positive feedback from you. Thank you.

Dr. Brian Stevenson: Thank you.

The Chair (Ms. Soo Wong): Thank you very much, Dr. Stevenson, and thank you for your presentation and your written submission. Have a great afternoon.

Dr. Brian Stevenson: Thank you very much, and I hope you have fun the rest of the week. Take care.

THUNDER BAY SYMPHONY ORCHESTRA ASSOCIATION

The Chair (Ms. Soo Wong): The next group coming forward is the Thunder Bay Symphony Orchestra Association. I believe that it's Mr. Inksetter and Mr. Whidden. Gentlemen, good afternoon. As you probably heard, you have 10 minutes for your presentation, followed by five minutes of questioning. In this round, the questioning will be coming from the official opposition party. You may begin at any time. Please identify

yourself for the purpose of Hansard when you begin. Thank you.

Mr. Paul Inksetter: Thank you, Chair and members of the committee. Thank you for the opportunity to address your committee during these public consultations. My name is Paul Inksetter. I'm the president of the volunteer board of directors of the Thunder Bay Symphony Orchestra, the largest professional arts organization in northern Ontario. I'm also the past chair of the Thunder Bay Community Economic Development Commission.

I'd like to begin by acknowledging with thanks the government of Ontario's long tradition of supporting our cultural community through the Ontario Arts Council. I also acknowledge the financial challenges Ontario faces and the need for fiscal discipline.

We are aware of the government's plans to invest in infrastructure to both stimulate our economy and to make our province more competitive over the longer term and that you will be looking for the most strategic investments that will provide the maximum benefit and return to the people of Ontario. I am urging you to recognize that cultural infrastructure and capacity form an essential element of the province's infrastructure and offer probably the fastest and greatest return on those investments.

I would like to invite the executive director of the Thunder Bay Symphony, Shannon Whidden, to provide more specific information on that topic.

Mr. Shannon Whidden: Thank you, Paul, and thank you to the committee members for having us today. The Thunder Bay Symphony Orchestra is the only fully professional orchestra between Toronto and Winnipeg. We're one of 35 orchestras in Ontario, ranging from small budget to large. In addition, I'm a member of the board of directors of Orchestras Canada, a service organization whose role it is to speak for the orchestral community across Canada.

The TBSO—the Thunder Bay Symphony Orchestra—serves an extremely large and geographically diverse area in Ontario. Like our sister orchestras, each season we deliver artistically outstanding mainstage, education and touring performances to residents of Ontario. We're known for producing concerts featuring world-renowned Ontarian, Canadian and international artists.

I'd like to take a moment to speak to you briefly about the make-up of an orchestra's revenue. We rely on the funding provided by provincial governments in order to continue serving our communities. Generally, an orchestra's revenue is made from three principal areas: earned revenue derived from ticket sales—normally this is about 25% to 30%; government funding from provincial, municipal and federal sources—this usually brings us to about 33%; and the remainder is secured through fundraising revenue, which is usually comprised of donations from individuals, foundations and corporate sponsorships.

As we approach the spring release of the provincial budget, I wanted to highlight the importance of public funding of the performing arts in Ontario. The arts in

Ontario are an incredible economic driving force. Our sector maintains 280,000 jobs across the province, which, in turn, is part of over \$22 billion that cultural products as a whole contribute to the province's economy. The 35 orchestras I mentioned earlier contribute over \$66 million in spending to the economy—that's the actual amount that they contributed in the 2013-14 season. That's more than the annual budget of the Ontario Arts Council, which is \$60 million.

Every dollar that's invested in the arts sees a return of roughly \$4 back into the economy, whether through parking, an uptick in restaurant business as a result of performance attendance, or a myriad of other avenues that those funds see going back into the local and provincial economy. Beyond this immediate impact, by the way, using TBSO as an example, we provide 40 full-time positions and we also provide significant aid in recruiting and retention within the knowledge sector.

Given that return on investment, we believe that Ontario is well positioned to make a transformative increase in public funding to the performing arts. This is a message that Orchestras Canada and others have shared in Culture Talks, the consultation process for the culture strategy.

I mentioned earlier that the Ontario Arts Council's annual budget is \$60 million. The council accomplishes an incredible amount with that budget, which has been frozen for more than six years, funding a huge range of artistic endeavours and projects. There are other granting agencies, such as the Ontario Trillium Foundation, which provide critical project support, but it's the OAC which provides core and sustaining funding for arts organizations.

A study published in 2011 detailed public spending on the arts across the country. Newfoundland and Labrador rank highest, having spent \$30 per capita on the arts—that's performing arts—followed by Alberta at \$25 and Quebec at \$24. Ontario ranked last among the provinces, coming in at \$5 per capita, creating significant financial challenges for cultural institutions and, in some cases, contributing to unsustainability.

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Yet even with the lowest level of funding in Canada, the OAC has been instrumental in working with Ontario arts organizations to help create a culturally vibrant province. But we can do more. We're here today to join our colleagues from the dance and opera sectors in recommending an increase to \$7 per capita for OAC funding, a recommendation that was advanced through the Culture Talks process. We believe that this will lead to transformative change for the Ontario cultural sector.

The Thunder Bay Symphony, like other arts organizations funded by the Ontario Arts Council, plays a key role as a cultural institution in our community. Last season we produced more than 80 public performances, ranging from our subscription concerts to free public concerts for our community. Our musicians are deeply engaged in Thunder Bay. Beyond the artistically outstanding performances they create on stage with the

TBSO, they also contribute to the local economy as private teachers, as instructors with Lakehead University, and engage in non-TBSO performances throughout the entire year.

Orchestra musicians are deeply committed to the well-being of their hometowns. This past December, at the musicians' initiative, the TBSO produced a benefit concert in conjunction with the Thunder Bay Multicultural Association to provide support to incoming Syrian refugees. The concert raised nearly \$3,000 in support of these new Ontarians. Members of the arts community want to see their cities thrive, and as significant cultural institutions, orchestras take that responsibility of contributing to that success seriously.

In addition to our mainstage and engagement concerts, orchestras have stepped in to fill an ever-increasing void with respect to arts education in the schools. As with any orchestra, education is a core part of our mandate, and the TBSO is passionate about ensuring that we provide music and arts education to as wide a youth audience as possible.

We produce an award-winning grade 3 singalong program, which sees grade 3 students throughout the city work with our conductor-in-residence to prepare and rehearse with the orchestra, culminating in a performance. We send quartets and quintets into the schools so that students have the opportunity to get an up-close-and-personal experience with professional musicians and their instruments. The TBSO has also created our Family Connect series, which is designed to provide a welcoming, comfortable concert atmosphere for families and individuals with special needs.

These are just several of the examples of the cultural relevance of orchestras in their communities, drawn from Thunder Bay Symphony Orchestra's activities, but there are so many more opportunities that we could and should explore. Increasing the funding for the OAC would provide a wealth of opportunity for new and engaging projects and initiatives for arts organizations to create. More significant resources would allow orchestras and other arts organizations to engage more fully with one another in creating multidisciplinary performances.

With increased funding, orchestras would be strategically positioned to collaborate with other art forms—dance, theatre—to bring new projects to their communities. An increase in administrative resources will allow us to further the work that we have done in collaborating with school boards to further tailor existing initiatives to the Ontario curriculum and to create new and exciting projects for students. We currently work closely with teachers and boards to ensure that our projects and initiatives are tailored to the curriculum, but more resources would allow us to ensure that our projects have long-term engagement and lasting impact for students.

Increased funding to the OAC would also allow for further development of touring initiatives. The TBSO currently tours three times per season, reaching communities which would otherwise have no access to live orchestral music. Additional funding would allow us to

create a more comprehensive tour program and spend additional time in each community to ensure that our impact is deeper and more lasting. In particular, we would be able to increase the number of education activities on tour. This in turn helps to place Ontario on the national stage as a cultural flagship for Canada and ultimately ensures that Canada has a more prominent position on the global stage.

Before I conclude and give the microphone back to Paul, I want to emphasize that the orchestral community and the TBSO in particular recognize that the province is not without its financial challenges. We also recognize that the government of Ontario contributes to our sector as it develops the first-ever cultural strategy. It's our belief that to recognize the potential of a meaningful culture strategy and the contribution we can make to Ontarians, significant investment in the arts is required and will help bolster the economy and will become a key part of a comprehensive financial plan for Ontario.

Thank you again for taking the time to hear us. I'll ask Paul to close out our presentation.

Mr. Paul Inksetter: Thank you, Shannon. Again, we thank you for this opportunity to participate in these consultations. As you develop your plans to invest in our province's infrastructure, we urge you to take note of the vital role that our cultural infrastructure plays as an essential part of the solutions you are seeking. We wish you well in your consultations and deliberations.

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

Mr. Victor Fedeli: Thank you very much, gentlemen. I quite enjoyed that presentation.

One thing that struck me, when I think about our symphony in North Bay as well—did I hear you right that you have 40 full-time positions?

Mr. Shannon Whidden: We have 40 full-time positions, which includes our administrative staff, as well. There are 30 core musicians within the orchestra.

Mr. Victor Fedeli: Is that typical throughout Ontario?

Mr. Shannon Whidden: There's a very wide range of orchestras, as I said, from large to small. The Toronto Symphony, for example, is a very large organization, with roughly, I believe, 80 to 83 musicians on a full-time contract.

We're actually relatively unusual in Thunder Bay in that we have 30 full-time core musicians. Oftentimes orchestras will split and have smaller contracts for specific orchestras, but we've made a commitment to ensure that we can offer significant employment to all 30 of our musicians over the course of our season.

Mr. Paul Inksetter: I would add that Thunder Bay is by a wide margin the smallest city in Canada to support a full professional symphony orchestra.

Mr. Victor Fedeli: I'm not surprised by that fact. That's fascinating.

You talked about your school programs. Do you also do any kind of kids' programs in the summer? If so, can you chat about that for a moment?

Mr. Shannon Whidden: Sure. There are a couple of different initiatives that we have. We have a family series specifically geared towards younger audience members. We design the programs so that they're immersive and engaging for young audience viewers, but also so that they can become a bonding program for parents with their children as well.

Over the summer, our season is out. We actually don't perform during the summer months, but we do have musicians who reside full-time in town, and we engage them in a number of different activities. We've had them partake in Canada Day celebrations within the city, and a few other opportunities. We partake in culture days, as well, before we're back into session. We try to ensure that the musicians have access to the community, and that the community has access to music year-round.

Mr. Paul Inksetter: We also work very closely with the Thunder Bay youth symphony, although it's a separate organization—it has its own board of directors and its own charitable donation number. Our concertmaster is the conductor of the youth symphony, and they also do a chamber music camp during the summer months.

Mr. Victor Fedeli: Is that your feeding ground for the future symphony?

Mr. Paul Inksetter: In the longer term we hope that it will be. To become an actual orchestral musician is a pretty challenging process. Most of these people have a master's or higher levels of performance degrees, so it's not a simple matter of starting the violin as a kid and graduating into the orchestra, but certainly having a pool of talented musicians locally would be part of that process.

Mr. Victor Fedeli: Is it fair to ask you: What's your overall annual budget? You've just astounded me with so many numbers.

Mr. Paul Inksetter: About \$1.8 million.

Mr. Victor Fedeli: Thank you.

You talked about—I wrote down “travelling road show”; I'm not sure if that was appropriate, but did you say you get to about three different communities?

Mr. Shannon Whidden: No, we take three distinct tours. In the first weeks of the season, we send a chamber ensemble to communities like Manitouwadge, Terrace Bay, Schreiber and a number of other locations—Pic River, White River.

But in addition to that, in the fall, once the orchestra is back in session, the entire orchestra goes out along the northern shore of Lake Superior for a week-long tour, where we reach a lot of different communities. We've gone as far as Wawa in the past.

Then, in the spring months, we also take a second full-orchestra tour where we go west towards the Manitoba border, where we're in communities like Kenora, Sioux Lookout—

Mr. Victor Fedeli: Let me just make a personal plea here. Would you ever consider a symphony of the bays—North Bay and Thunder Bay—to do a swap?

Mr. Paul Inksetter: Absolutely. We have done that once in the past. We went to Timmins and we did a

collaboration with Timmins. We also did a special trip to Sault Ste. Marie for the Algoma Fall Festival they had there.

The big challenge in such an enterprise is funding. It's a huge undertaking. The distances in the north, as you're well aware, are huge, so to transport 30 musicians plus staff to North Bay from Thunder Bay is a massive undertaking.

Mr. Victor Fedeli: We do it with Timmins: The Timmins symphony comes down to North Bay and we go up there. But it would be delightful to consider some kind of a long-term plan to get the two bays together.

Mr. Paul Inksetter: We're very open to that suggestion.

Mr. Victor Fedeli: I'll pass that on to Janet Zimbalatti in North Bay. Thank you very much for a great presentation.

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The Chair (Ms. Soo Wong): Thank you, gentlemen, for your presentation. You have until February 2 at 5 p.m. to do any written submissions to the Clerk. Thank you very much for being here and thank you for your presentation.

HOSPICE PALLIATIVE CARE ONTARIO

The Chair (Ms. Soo Wong): The next group before us is Hospice Palliative Care Ontario: Marg Poling. Good afternoon, ma'am. Welcome. As you probably heard, you have 10 minutes for your presentation—

Ms. Marg Poling: I'm sorry?

The Chair (Ms. Soo Wong): Hello. Welcome to our presentation today. I'm just saying, so you have an idea of what's going to be in store, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the official third party. When you begin, can you please identify yourself for the purpose of the Hansard. Thank you.

Ms. Marg Poling: Thank you. Good afternoon and thank you for allowing me to present at the committee today. My name is Marg Poling. I am a very newly retired—as of January 1—nurse who has worked for a long time in the community and other sectors. I've retired from the position of palliative pain and symptom management consultant for northwestern Ontario and continue my work on the board of Hospice Palliative Care Ontario, or HPCO.

There is an immediate need to increase access to hospice palliative care in Ontario. While people of all ages die, the number of dying is rapidly increasing with the aging population. We've all heard the statistics. Only 3% of Canadians will die suddenly; 97% would benefit from hospice palliative care. A palliative care approach to chronic disease management would facilitate earlier access across the continuum of care for individuals living with a disease that has no cure, including the stable, transitional and end-of-life care stages.

Too many people still die without appropriate care to ease pain and anguish, and without compassionate

supports and settings. Home care has improved, but there often comes a point at which patients require more care than can be provided at home. They don't require the level of care provided in the hospital, but that may be where they end up.

Hospice palliative care is not just about dying; it's about living well to the natural end of life. It's about addressing the physical, psychological, social, spiritual and practical aspects of suffering, relieving pain and symptoms, and assisting patients and their families to maintain quality of life as they define it, even at the very end of life.

Hospice palliative care is cost-effective and desirable. While some people require the higher levels of acute care provided in hospital, it's often the case that more holistic, more desirable and more cost-effective care can be achieved in the home or in residential hospice. Pilots and models in Ontario and elsewhere have clearly demonstrated that coordinated and integrated quality hospice palliative care across the continuum of care helps reduce emergency room visits and hospital stays.

For example, an Ontario study conducted by Dr. Hsien Seow of the department of oncology at McMaster University demonstrated that an interdisciplinary team working in the community resulted in patients being 54% less likely to die in hospital, 32% less likely to be in hospital in the last two weeks of their lives, and 23% less likely to be in the emergency department in the last two weeks of their lives. And it showed that it didn't matter what the team looked like or where it was housed as long as there was an interdisciplinary team dedicated to meeting the needs of the individual.

As you've heard and will hear at other presentations across the province, HPCO is advocating for a change in the operational funding model for residential hospices which would increase operational funding. HPCO's ask is to broaden the envelope of eligible expenditures for government operational funding beyond nursing and PSW costs and provide funding for 80% of eligible costs. Additionally, HPCO is advocating for more capacity and encouraging the government to extend funding to more residential hospices throughout the province, and advocating for an increase in funding for visiting hospice services in order to strengthen capacity through volunteer recruitment, retention and training.

Hospice palliative care, as I've already said, is cost-effective, humane and ethical care that helps people to live well until the natural end of life. It happens in the home, however that is defined by the individual. It could be a group home setting; it could be a shelter for the homeless. It happens in residential hospices, long-term-care facilities and hospitals.

In northwestern Ontario, we do not have a residential hospice. What we have is a vast geography with relatively small population and numbers, so we struggle with resources and capacity. What we need is flexibility in the funding model to be able to provide residential hospice services as close to home as possible. In some remote or rural areas, co-location of residential hospice

beds may be more expedient, but the risk is that the additional supports, the environment and the benefits of residential hospices could be lost. We need to find and fund a model that maintains that focus while building that capacity.

If I am living in Red Lake, for example, and have been given a terminal diagnosis of any kind, it should not be unrealistic for me to choose to be in my community close to my loved ones and my trapline, with access to residential hospice services when receiving care on my trapline is no longer feasible. But Red Lake can't meet the standards of a residential hospice, so I'm often forced to access acute care or the community services are forced to think outside the box in helping me.

If I am a homeless person living in a shelter, even here in Thunder Bay, with care needs that are beyond what the shelter staff can manage, I need access to residential hospice services so that I don't have to be cared for in an acute care setting, where I am not comfortable and I'm surrounded by unfamiliar people. Even if a bed were available on the hospice unit and I met eligibility, it might not be my choice to die there. Then, the staff at the shelter also need to be supported by a team, just as if they were my family.

We do have visiting hospice services that need to be adequately funded so that the programs can be expanded and volunteers can focus on servicing clients, not on fundraising just to maintain services. We need the funding to support services delivered virtually, as well as to take into consideration the distances that care providers have to travel to provide those services. In northwestern Ontario, we do have an integrated, collaborative group dedicated to making it work. As Dr. Seow said when he was here, we have all the pieces and all the right people and organizations at the table. Now, we just need the flexible funding, recognizing the need to tailor the services to the community and the individual's needs.

There is no cookie-cutter solution. Funding models for hospice palliative care services must be flexible in order to offer individuals in small communities viable options for care in the setting of their choice. While we all may say we want to stay home until the end of life, it's not always possible because of medical needs or caregiver stress or simply because we've changed our mind. We may not need the level of care offered in a hospital or want to go to a hospital, but sometimes that's the only place to go when the hospice unit is full and it just doesn't feel safe where you are. That is why we need to fund outside the box. Flexibility is the key.

Thank you for your attention and this opportunity to speak.

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

Ms. Catherine Fife: Thank you very much for your presentation today. We have heard from hospices at every stop. I'm happy that that's happening because it's a consistent theme. We are looking for ways to relieve the pressure on hospitals and residential hospices, and flexible models of hospice care are clearly part of that as well.

Your timing, I think, is really key as well. There is a lot of political discussion around living and dying with dignity across this country. I'm happy that that is also happening in the province of Ontario. We have known for a long time that there is inequitable hospice and palliative care across the province. Your presentation makes it very clear to this committee that the north has been largely left out of the equation.

We also know that from the Auditor General, who did a review in 2014—I don't know if you remember, Marg—and she said that this province has no comprehensive or coordinated or aligned palliative care system. It's actually irresponsible, both from a compassionate perspective and from an economic and financial perspective, not to have that in place. I just wanted to touch base on that, because your call for this government to have some flexibility for the north on palliative and hospice care—I'll take that forward.

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But the operational funding—this is pretty interesting, that you're asking for funding, as you should be, just beyond nursing. Can you tell us what the other costs are around hospice care, other than the clinical nursing care that you are funded for, although not broadly?

Ms. Marg Poling: The other costs that are especially significant in northwestern Ontario are those costs that involve our vast geography. For instance, there are programs that have been funded—and we're very thankful for those programs—such as the integrated palliative care nurse practitioner program. But that program came without the ability to recognize that sometimes those particular care providers have to travel two to four hours to their client, with travel costs. We do utilize OTN and telemedicine to a great extent, but there are times when that face-to-face has to happen, and that funding isn't adequate for those kinds of trips.

We collaborate very carefully and clearly with people around education around hospice and palliative care and what services are necessary and needed in our remote and rural areas. But we have to do that in collaboration, because there isn't funding to support that.

For instance, there is one palliative pain and symptom management consultant in all of northwestern Ontario. I can tell you, after doing it for almost eight years, that it's an impossible task to expect one person to be able to service all of the service providers across all of northwestern Ontario.

Ms. Catherine Fife: So we need a comprehensive review of hospice and palliative care. Right now, it may surprise you to know that the ministry does not even have accurate information on the number of palliative beds that are in our hospitals. We've heard from hospitals consistently across the province too. They're facing their fifth year of budget freezes, and that causes additional pressure, obviously, on that sector.

The Liberal Party platform in 2014 said that as an immediate step, they were going to fund 20 more hospices, which would double the number of people who have access to quality end-of-life care. To date, that hasn't

happened, but going forward in this budget process, I think that you've made a good case, a strong case and a cost-effective case for expanding hospice care, so thank you for being here today.

Ms. Marg Poling: Thank you very much for your attention.

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

ONTARIO MEDICAL ASSOCIATION

The Vice-Chair (Mr. Peter Z. Milczyn): Our next witness is the Ontario Medical Association. Good afternoon, sir.

Dr. Jon Johnsen: Good afternoon.

The Vice-Chair (Mr. Peter Z. Milczyn): You have 10 minutes for your presentation, following which there will be five minutes for questions, in your case from the government side. For the record, could you please state your name.

Dr. Jon Johnsen: Thank you for the opportunity to provide input today. My name is Dr. Jon Johnsen. I'm a family doctor here in Thunder Bay, and I've been practising medicine here for 16 years. I'm also a board member at the Ontario Medical Association, representing this region.

Every day, Ontario's 28,000 doctors go to work and put our patients first. For us, it's simple: There's no job more important than the health of our patients. So I am here to call on the government of Ontario to fully fund the demand for medical care in Ontario, according to the needs of our growing and aging population.

Last year alone, the government unilaterally cut, by nearly 7%, payments to physicians that cover the care doctors provide to patients. Yet the demand for care in the province is growing by 3.5% per year, with 140,000 new patients entering the system annually. That's like the entire population of Prince Edward Island entering Ontario every year.

I want to take a few minutes to explain why fully funding the demand for medical care is so critical to understand. We believe the government's actions have serious implications for our patients and for their families across the province.

One of the building blocks of a healthy economy is a healthy population. The fact is that Ontario's population is not just growing; it's also aging. This is not the time for the government to decide to fund less than half of the additional care that will be needed. They don't even want to pay for new doctors to treat existing patients who are struggling to access the care they need, something that's very evident where you sit here in Thunder Bay at this time.

By the ministry's own estimates, demand for medical care will grow by at least 2.7% per year—that's about \$307 million per year—due to population growth, an aging population that needs more complex care, and the need for new doctors to treat the existing patients who currently can't get timely access to care they need. Yet

the government is only willing to cover a 1.25% increase or approximately \$142 million, so less than half.

The growth in demand is happening because Ontario's doctors treat the patients that need care. More care and more complex treatment are being delivered across the province, and the government knows that this need is increasing. We want to provide that care. Doctors are aware that Ontario's aging population will require more complex care, including managing chronic conditions, and we're up to that challenge. But today in Ontario, the number of patients struggling with chronic conditions is rising sharply. More than half of our seniors have a chronic condition, and a full 25% of seniors have two or more chronic conditions. Since 2008, the growth rate of patients with chronic disease is triple the rate of patients with non-chronic disease.

The North West LHIN, where you sit right now, is home to 23,000 patients currently without a family doctor. That represents an alarming 12% of the LHIN population. That's amongst the highest levels anywhere in Ontario. Nearly 50% of the LHIN's population is right here in Thunder Bay. The region has a lower proportion of people who rate their health as excellent or very good and a lower proportion of those who have had contact with a medical doctor in the past year. With poor health practices comes the increased risk of chronic disease and disability.

The LHIN's population has a health profile that requires more complex and more frequent care from doctors, and yet the province has responded by cutting physicians' services by 7% in 2015 alone. Access to care here is a big concern. We saw this just last week with the closure of the Nipigon River bridge, which cut off access for basically all the patients who were living east of that bridge who require specialty access here in Thunder Bay. So the government is failing to accept its responsibility to fund the system accordingly, and it's threatening the access to quality, patient-focused care in Ontario that Ontarians need and deserve, including here in our community of Thunder Bay.

I've seen first-hand how the lack of adequate funding in the north impacts the health care needs. It wasn't by design that I'm following somebody who was talking about palliative care and hospice care. I'm not trying to pile it on here, but currently the palliative care physicians in Thunder Bay have been unable to acquire funding for a community palliative on-call program. So that means that today in Ontario, there is no community palliative on-call support for physicians west of Sault Ste. Marie. That's a big area of the province. Doctors are doing that work and providing that service, but they're not getting the payment support like doctors in other parts of the province are. So when we talk about equity in funding in palliative care in different parts of the province, there's another issue—and it's simply because of the mantra of the province: no new money.

Physician recruiting is also a serious concern here in northern Ontario. A friend of mine, a doctor in Kenora, recently put it that the government's unilateral action had

taken their difficult recruiting position and made it impossible in an area where we have 23,000 unattached patients in this LHIN, many of them in that very Kenora region.

Recent negotiated agreements in British Columbia and Saskatchewan demonstrate how those governments have accounted for the needs of their population and have made the changes required by funding system growth. However, in Ontario the government is shirking its responsibility to fund natural growth in the medical needs of its population.

Like others have said here today, we understand the economic challenges facing the government. The physicians in 2012, I'll remind you, took a 5% pay cut and, in doing so, helped save \$850 million in the system. Why did we do this? We did this because we recognized that there were areas in the health system where we could save money and have minimal impact on patients. Now the government is cutting physicians' services unilaterally and without regard for impact on patients, and it's unsustainable. It's unrealistic if we want the best care for our patients and if we want the best doctors in Ontario. This behaviour is going to represent a race to the bottom.

While the government unilaterally imposes their cuts to physicians' services, doctors will continue to do everything we can to limit the impacts that these cuts have on patients. But make no mistake: There will be negative impacts on patients.

So our message is clear. We want the government of Ontario to fully fund the demand for medical care in the province to meet the needs of our growing and aging population. It's time for the government of Ontario to truly put patients first and fund the growth in the health care system. The decisions that Ontario makes today will impact patients' access to quality care for years to come. I thank you and would be open for questions.

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The Vice-Chair (Mr. Peter Z. Milczyn): Thank you very much, Doctor. Ms. Wong has questions for you.

Ms. Soo Wong: Thank you very much, Dr. Johnsen, for being here this afternoon. I just wanted to put it on record that as a former registered nurse I certainly appreciate all the good work physicians across the province are doing to support Ontarians and protect and care for Ontarians. I actually come from a family of physicians so I know exactly what physicians are.

I also want to share with you that this is the third day of our public hearings of the 2016 pre-budget consultations. Your colleagues both in both Hamilton and Windsor have shared similar information with this committee, so I just want to be clear.

I do want to hear from you, Dr. Johnsen, if you're aware that when OMA centrally, along with government-appointed Chief Justice Warren Winkler—in terms of the settling of the negotiations with regard to this piece, I want to hear your opinion. Both parties identified Chief Justice Winkler to be the mediator on that dispute, and yet the OMA chose not to agree to the terms after Mr. Justice Winkler—your organization, the OMA, actually

agreed to this appointed mediator. After he made the decision, the OMA left the table. So I wanted to hear from you: When both parties identify a jointly decided mediator—what do you think about that? At the table, when you begin the negotiations, you appointed somebody that both parties agreed to, and then when the decision came out from Mr. Justice Winkler, the OMA walked out. Can you share with me how we deal with those kinds of concerns?

Dr. Jon Johnsen: You have to be careful about characterizing what happened as the OMA walking out, and you have to be careful about characterizing Justice Winkler as a mediator. Being in government, you'll understand that what we're asking for most recently has been a binding mediation-arbitration process. A big part of the problem in the last negotiation was that there was no binding mediation-arbitration process. Justice Winkler issued recommendations, and he did urge the OMA to accept the offer. He also urged the government not to resile on its offer. I'm sure we can get into a long nit-picking debate on whether or not the government has resiled on its offer, but we do have a bit of difference of opinion on whether or not the government has followed through on the offer that was on the table when Justice Winkler went through the conciliation process.

Basically, the reason that we did not recommend the membership of the OMA to accept the final offer that the government put before us during Justice Winkler's process was that we didn't feel, as I've said, that it funded the natural growth in the system. The government's final offer was to fund 1.25% growth in the physicians' services budget when the government's own estimates are that the physicians' services budget, simply by growth in population, aging of population, complexity of the population, is going to grow by 2.7%.

Ms. Soo Wong: Okay. I'm going to stop you here because I have a couple of more questions for you, Dr. Johnsen.

As you know, the government is now implementing the recommendation by Mr. Justice Winkler—this is what the government has done because when both parties determine who the mediator is, when both parties determine who is the mediator, when he made the recommendation—

Dr. Jon Johnsen: Conciliator—I'll just correct you.

Ms. Soo Wong: Conciliator—call it mediator, conciliator; it doesn't really matter. The fact is that both parties have identified him as the conciliator.

So moving forward, Dr. Johnsen, I wanted to ask you—as you know, we are increasing 5% to the home and community care investment. We're also going to be increasing the funding in community-based care to the tune of over \$750 million. We also know that the government of Ontario has increased the health care budget by 1.2% to just under \$51 billion. So how do you see this kind of investment—because, as a family doctor, you see that patients want care close to home. How do you ensure this kind of investment is sustainable and allowed if we don't look at the whole pocket?

Dr. Jon Johnsen: I'm not sure why you're asking me how I ensure that's funded—

Ms. Soo Wong: I'm just asking you—I'm just saying—

Dr. Jon Johnsen: I'm pretty sure that's why I'm supposed to be presenting to you as to how you're going to fund growth in the system, but—

Ms. Soo Wong: I want to hear from you, as a physician—

Dr. Jon Johnsen: Do you want to hear my answer?

Ms. Soo Wong: I want to hear your opinion: How do we ensure the increasing by 5% of home and community care as an investment to serve those patients that are coming to your office every day—okay? Because right now, we're spending over \$51 billion in health care. So the question has to be asked: How do we work with all the health professionals—because we were in Windsor yesterday. The RNAO told us in a written submission that the nurse practitioner hasn't got a raise—

Ms. Daiene Vernile: Nine years.

Ms. Soo Wong: —in nine years. Okay? They also told us in writing that the information shared by your association was not accurate.

So all I want to hear is, when we are dealing with community-based care—you already alluded to it in your presentation, the aging seniors' population, which I totally agree with, because right now we actually have more seniors than children between the ages of zero and 15 years of age. So how do we, as a provincial government, whether it's our government or the opposition, deal with this aging public? Because I know, as a former nurse, the most expensive care is toward the end of life. Right? So how do we deal with this pressure point with a growing seniors' population? People are living longer with chronic conditions and chronic health care. So I just need to hear your opinion in terms of suggestions.

You talked a lot about salary. You talked about the OMA fees. I just need to find out: How do we improve and continue to improve the system?

Dr. Jon Johnsen: Can I speak now?

The Vice-Chair (Mr. Peter Z. Milczyn): Yes.

Dr. Jon Johnsen: I can? Okay, thank you.

Perhaps I misunderstood the purpose of the standing committee, because I thought it was the standing committee that was actually trying to figure out how to fund things, and what I am suggesting is that it's unconscionable for you to suggest that we're going to fund your desires to increase funding in one part of the system by taking it out of physicians' pockets. While you point to the 1.25% growth that you've talked about, again, I point to the government's own estimates of natural growth being 2.7%.

I didn't talk at all about physicians' salaries. I defy you to find the place where I used the word "salary" at all. But I will tell you that cuts to physician fees have had negative consequences on the system.

Ms. Soo Wong: Okay—

Dr. Jon Johnsen: If you'd like to put me on the committee, I can give you all kinds of ideas about how to fund things, but I don't think that's how it works.

The Vice-Chair (Mr. Peter Z. Milczyn): Thank you, Dr. Johnsen. We've actually run out of time for your submissions.

Dr. Jon Johnsen: Thank you.

The Vice-Chair (Mr. Peter Z. Milczyn): Our next deputant was slated to be the corporation of the town of Marathon. They, unfortunately, could not attend today. In their place we have an individual wishing to provide a submission: Mr. Russell Hull. Mr. Hull?

Interjection.

The Vice-Chair (Mr. Peter Z. Milczyn): All right. He's not here yet.

TOWN OF ATIKOKAN

The Vice-Chair (Mr. Peter Z. Milczyn): The town of Atikokan? Please come forward. Good afternoon. You have 10 minutes for your presentation, following which there will be five minutes of questions, in your case from the official opposition. For the record, could you please state your name?

Mr. Dennis Brown: Okay. Members of the finance committee, distinguished guests, participants, I would like to begin by thanking the members of the standing committee for coming to Thunder Bay today to listen to our concerns and, hopefully, act on suggestions that are made.

There was to be a lady with me, and she may show up. Her name is Nicole Halasz, and she's in charge of recreation and seniors' activities and so on for the town of Atikokan.

Just one quick fact: At one time, there were 7,000 people in the town of Atikokan. Now there are about 3,000. So we still have all the amenities, the roads and so on, but there are less people to pay for it, and that's one of our challenges.

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With the assistance of the provincial and federal governments, the town has been fortunate to have many large critical projects completed during the past 10 years. We've been able to construct a new town hall, rebuild Main Street and Willow Road, resurface the airport, do sewage treatment plant upgrades, install SCADA, plan for a new landfill site to open in 2016, as well as plan for a multi-purpose centre upgrade in 2016.

In October 2015, Bill Mauro, our MPP, announced an investment of \$1 million from the province's Northern Ontario Heritage Fund Corp. to Atikokan's redevelopment of the pool and arena into a multi-purpose recreation and wellness centre. The grant is a key component of the plan to redevelop the facilities, which are almost 50 years old and in dire need of upgrades.

The town has applied to the federal government—FedNor—and the provincial Trillium Fund. The plan is to find \$2.2 million in federal and provincial support, to raise about \$600,000 from donors, and for the town to fund the remaining \$3.4 million of the \$6.2-million project. I should say that this has been going on for seven years. We were fortunate. I think we have pretty well

raised, in the community, about \$600,000. For a small town, we think it's an immense achievement. If you go to page 2, the second paragraph, the plan is for the town to put in \$3.4 million. That's where the challenge is.

The town has more infrastructure projects that need to be completed in the near future, but the current funding formula will no longer work for us to access the much-needed funding, because once we borrow—and that's what it comes down to: to borrow \$3.4 million—we are finished borrowing for the next probably five to 10 years because we owe too much money now and we can't do it anymore.

If you go to the third paragraph: The difficulty that Atikokan and other small communities have is that the cap on provincial funding is \$2 million. Projects such as road rehabilitation, sewage treatment and water work upgrades cost much more, so municipalities need to take out debentures or loans. That's the situation we're in. There's only so much money a municipality can borrow, so that continues on with our infrastructure challenges.

At the bottom of page 3: We would like to have an infrastructure funding program made available to us and to other small communities of less than 10,000 people that provides 90% funding but does not have a \$2-million cap. That's one suggestion we're making.

If you go to the next page, page 4: We're staged to do another project. Included in this appendix you'll see the infrastructure deficit for Atikokan. It's huge; it's about \$70,000 per household. How we're ever going to catch up, I don't know. We have another road. We're kind of in the first phase of getting approval for this, but it's going to be over \$2 million. If we have to pay \$1.3 million, then it's almost impossible for us to do at this time.

Going on now to another topic, on the third-last paragraph: We think it's time for the government of Ontario to look at the way tax arrears are set up in the legislation on property. We're suggesting that in order to speed up the process—if you go to the next page, page 5—we recommend that the government make changes to legislation governing the tax sale process so as to limit the arrears period to two years instead of three. That would speed up the whole process by one year. We think that would be a very good thing to do.

The next portion of my presentation has to do with forestry. Forestry, as we know, is huge up in the north. We know, right across Ontario, that there are 175,000 jobs in 260 municipalities. We think the government really needs to keep helping, assisting, supporting and promoting the forest industry. I just mentioned a couple of things on page 5. If you go to the last paragraph, a major concern that the industry is dealing with of late is the ongoing battle with environmental NGOs and the blatant attacks of spreading misleading information, with the intent of damaging the marketplace for forest products sourced in the boreal forest.

Right now, in this past year, the mayors from NOMA and FONOM—those are the two groups in the north, in northwestern Ontario and northeastern Ontario, and I've been part of it—have joined forces with the mayors from

Quebec, and we're working collectively to try and overcome this issue.

In my handout, you will see some of the things that the environmental groups are doing and suggesting. They make false statements and so on. They're targeting customers of the forest companies. The forest companies, rather than stand up and say something—not too many of them will, so they just back off and the jobs go to Tennessee or somewhere else. Canada is losing jobs, and as you know, we can't do that in Ontario.

On page 6, at the top: It is important to note that forest companies operating in Ontario must do so under the Crown Forest Sustainability Act. Furthermore, all forest products made in the province are sustainable.

The Crown Forest Sustainability Act, as most of you know, is probably the most rigid forest sustainability act in Canada. We think it covers all the things, including endangered species. We are hopeful that the government continues to go by the Crown Forest Sustainability Act in looking after endangered species.

Atikokan remains very dependent on the forest industry. We are appealing to the province to continue to be supportive of the requests made by OFIA. I understand that OFIA was here and made a presentation earlier today. We're especially concerned about points 1 and 2: the Ontario wood basket and the Endangered Species Act. I have that information in the appendix. There's appendix A, B and C, and appendix A has to do with that.

The last page: I just want to mention two other things about the forest sector. It relies on two key drivers: access to a reliable, predictable and affordable supply of wood fibre for manufacturing, and access to markets in which to sell its products.

As I said, they're in danger now. If you look at the first paragraph on page 6, you'll notice that Ontario only harvests 0.5% of the boreal forest each year, and 44% of the boreal forest is already unavailable; it's already set aside.

We think we need to make sure that the forest companies have their wood basket and have their fibre so that they continue to operate and thrive, especially now, with the low dollar and so on. It should be working well for the province of Ontario.

The part about customers: I mentioned that that's an issue. If you go to the handouts, the first part has the Ontario wood basket. I'll just point out the 26 million cubic metres. That's the figure that's supposed to be set aside for the forest industry in Ontario. We'd like that to remain that way so that the fibre basket isn't decreased. Only a little bit of it is harvested each year, so there should be a way to do that.

The Endangered Species Act, part 2 on page 9 of the appendix: As I indicate, it can be covered under the Crown Forest Sustainability Act. Maybe some of you have heard about setting more land aside for caribou. We found out that there's a lot of information that the caribou survive even better in areas that have been harvested, where the forest has been managed. That's another issue that needs to be taken into consideration.

That completes the handout on forestry.

Appendix B has to do with the deficit in Atikokan. This is from our asset management plan. We're given an F rating, and I would assume that a lot of communities in northern Ontario, right across Ontario, have that. It's going to be a real problem to get caught up.

If you go to the next part, I have a handout there on the upgrade to our arena and pool so it becomes a—

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The Vice-Chair (Mr. Peter Z. Milczyn): Your Worship, if you could wrap up.

Mr. Dennis Brown: Okay. That pretty well completes it. The only other thing, the last appendix, appendix C, is an example of an email that was put out by Greenpeace on December 1, 2014—

The Vice-Chair (Mr. Peter Z. Milczyn): Your Worship, your time for presentation is up. Mr. Fedeli has five minutes for questions for you.

Mr. Victor Fedeli: I wanted to pick up where you left off, Your Worship. And thank you very much for travelling to Thunder Bay from Atikokan. It's always a pleasure to see you.

You were just about to talk about the Greenpeace example. I know that you came to Toronto a few months ago and gave this presentation at our committee. Can you just talk about and read for the record the points that you were about to make?

Mr. Dennis Brown: Yes. As I said, there's a lot of misleading information; it's not correct, and this is a good example. Greenpeace sent this email out to many of their forest defenders, they call them. It went out right across the world practically. It says:

“Happy Cyber Monday!...”

“It's been a while since we delivered the Guardian Tree with the names of more than 60,000 Forest Defenders to Resolute Forest Products back in May. A lot has happened since then.”

Anyway, it goes on and on, but if you go to the next page—I should say, the very last page, at the very top, point 4—it says: “Write a false product review on Best Buy's website. Be creative and make sure to weave in the campaign issues!”

That's what they are doing, and Best Buy, I think, has certainly withdrawn some of the products from Resolute. It's making it difficult for the companies.

Another issue out there that's not mentioned in here is the forestry certification program. A lot of environmental groups own that as well, and they're making it difficult for the forest companies.

Mr. Victor Fedeli: I'm very grateful for the fact that you brought this to this committee, as well. I know you have presented this to our committees in Toronto, but it is astounding that in December 2014—and this came up on the anti-SLAPP legislation. This was your example of why our leader Patrick Brown, Toby Barrett and I voted against the anti-SLAPP legislation. This was the example you brought to the anti-SLAPP hearings, if I'm correct.

Mr. Dennis Brown: Yes.

Mr. Victor Fedeli: Back in December, we heard, “Here are five cyber-activist tasks this month,” and it was

to write a false product review. Shortly thereafter, Best Buy threw in the towel and stopped dealing with Resolute. They closed the plant in Iroquois Falls and they closed the plant in Fort Frances, where this very committee was a week after it closed.

This is the direct result of this cyber activity. Can you talk about how that has affected the communities of the north?

Mr. Dennis Brown: For example, I believe that it affects some of the products they were selling even at the Thunder Bay mill, as well. There has been a decline. At one time there were six or seven mills in the northwest. Now, there is basically one. It's having an effect. As I say, we need the forest industry to help us with our economy here. Those are good-paying jobs.

In Atikokan right now, we're fortunate that Resolute is starting up a brand new sawmill. I think it's the most recent sawmill being built in Ontario, maybe even in Canada. They have to have support to keep this moving.

Mr. Victor Fedeli: We're there to continue offering the support.

Would you consider—you and I have talked about this over the years as mayors together and now as an MPP with you—that we're under siege in the north, first with the Far North Act that everybody, including the First Nations, was dead against, yet it passed; then the Endangered Species Act; and now the caribou? The mayor of Hearst told me, just very recently, that with this caribou plan, it's almost coming down to that basically you can't log north of Highway 11. This is the effect. Would you consider that we're under siege and, if so, would you expand on that?

Mr. Dennis Brown: Yes. One of the forest—
Interjections.

Mr. Victor Fedeli: I'm sorry. I can't hear you.

Mr. Dennis Brown: Okay. One of the forest divisions, one of the forest parks—that Black Spruce forest area in northwestern Ontario is being talked about as some possible wood being removed to support the caribou. If that wood is removed, it will have an effect on the sawmills in Thunder Bay, in Ignace and in Atikokan.

Mr. Victor Fedeli: When you say removed, you're not talking about removing the logs; you're talking about removing it from the ability to log?

Mr. Dennis Brown: From being harvested, yes. We think there's all kinds of wood there now, and as I said, there's a lot of evidence to suggest that the caribou do just as well in forest-managed areas as they do with wood that hasn't been touched.

The Chair (Ms. Soo Wong): Mr. Mayor, thank you very much for your presentation and your written submission.

Mr. Dennis Brown: Thank you.

MR. RUSSELL HULL

The Chair (Ms. Soo Wong): The next witness coming before us, I believe, is Russell Hull. I believe he's here. Mr. Hull? Good afternoon. Welcome.

Mr. Russell Hull: Good afternoon.

The Chair (Ms. Soo Wong): Mr. Hull, I'm not sure if you know—I just want to remind you if you do—that you have 10 minutes for your presentation followed by five minutes of questioning. This round of questioning will be from the third party.

You may begin any time. Please identify yourself for the purpose of Hansard.

Mr. Russell Hull: My name is Russell Hull. This has to do with the old Port Arthur—it's called Thunder Bay now. I've always been in the city limits. It's an old mining property on Balsam Street. On Balsam Street hill, it was all subdivided and everything back in probably the 1940s. I would just say that we're kind of left out of the city. We've always been in the city. The city has expanded into McIntyre and a few other places, but the services are not there.

I've lived there all my life. My mother owned that property, and I've moved into it. She has owned it since 1949. I have been there since 1970. What has really happened there—it was all gravel and everything. We used to use oil to keep down the dust and everything. Fortunately, I was talking to Mayor Assef—now, that was going back quite a few years, in the 1970s. When I phoned him up and I asked him to have something done about that road, he said, "It'll be no problem whatsoever." Fortunately, he was a man of his word at that time. Within one week, we had some action up there, but the engineers decided to do whatever they wanted to do. In 1978, they started filling Balsam Street hill—they made it a ramp—with pure sand. That's not gravel; that's not anything.

First of all, they went and made it a ramp on Balsam Street hill, and now it's called gravity hill. At that time, all my water or whatever from my yard went down into the street. Well, they built that street up four feet above my yard with poor material, being all pure sand at that time, and now it's known as gravity hill. This is where it comes in effect: As soon as that hill was made, we had accidents right off the bat—cars coming through my yard at 200-plus klicks. There were four young girls in a car and my wife was cutting the grass outside and I was out at a camp, and what had happened was, they came over it at over 200 klicks through my yard and knocked the gas main out and my two retaining walls, which cost me money and the city doesn't reimburse me on it at all. Not one of them was hurt—one had a little cut above the eye. They went 300 yards from the hill, past my house, through the hedges, through the gas main—they opened up the gas main, which is a main line coming into the town. I had to call the fire department, the police and everything. They had to evacuate everybody in that area.

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Since then, I've had two accidents in my driveway because they come over the hill and they don't stop. They go whatever speed they want. So two vehicles have been hit right in my driveway because they lost control over that hill. I had to go after the city to put stop signs in there, so now they're trying to correct the problem that

they had in the first place. Speed signs, monitoring—nobody follows those. Nobody follows the stop signs. Nine and a half cars don't stop; I'll give a half a car at the best of times.

Now, you phone the police—and I've phoned them up numerous times, 9-1-1, within one hour nine times. This is because they're speeding, and they're really speeding. The first thing they say to me: "Did you get the licence plate?" Well, they're going too fast, first of all. "Did you get the make and the mark of the car, the colour of the car or the description?" I said, "They're going too fast and I'm not a policeman. I don't have to sit there and monitor my own yard." So they don't come up. And then if I do get the police up there, they buzz right through that stop sign and they say, "Well, jeez, why don't you call somebody up here?" And I say, "I have." They're too busy; they don't have enough police on hand to do the job.

Now, I've talked to the traffic policeman—his name is Porter—and it's the same thing. Other neighbours have phoned; it's the same thing.

So up until that time—we've had 30 to 35 accidents, after they built that hill. Now they try to correct it and there are dips in that: pure sand, 10 to 12 inches. So there are two dips coming this way and two dips going down that way. The grader goes by; he can't get that ice and sand and salt, everything, out of those dips. So they heavy duty that hill to take those ruts out, to take the ice out, and of course it comes into my yard. Now, with the frost and thawing, all my whole—and I've got a big driveway. From the street to 120 feet back, basically, the driveway—it's 100 feet deep, 35 feet wide—it's all heaving. The water comes up against my house and the salt—I know it doesn't like concrete, and that's my house, right then and there.

So I had to dig a ditch to get most of the salt from that road down through my yard into my—how would you say?—septic field. Now the septic field floods; I've got a problem with my septic. No one seemed to care. I don't know how many hours I've put in there every year, because when the ice freezes I have to open it up with an axe or whatever, two or three hours anytime, at best, 20 year.

So to try to—how would you say?—curtail that salt coming into my yard, they built another hump. That didn't work. They built another hump. So now I'm up about like this trying to get over that hump—like a speed bump, basically, to make the salt go into the ditches. The last one that they put up there, the engineers were supposed to come up. We did wait an hour: no engineers. Now they have about 10 or 12 people working there with the asphalt, with the rollers, with the backhoes, with everything, and the engineers didn't come up. "What do you want us to do, Russ?" "Put another hump," I say.

The cars are scraping to get into my yard, okay? I have to maintain that and try to blow that snow out 30 feet, when it's all slush, with the snow blower, because that ditch doesn't work. Now it's affecting everything. My trees—I've planted, replanted, overplanted again. The

trees are dying. I have a well. The water goes through the well. We all have wells there. That's another issue: The salt goes towards the well. They don't seem to care. I've gone from mayor to mayor to mayor. Commisso is the last one I went to for infrastructure, and I didn't get even a phone call back.

The left hand doesn't know what the right hand is doing, and the right hand doesn't want to do anything else but what they're told. Basically, there are too many accidents on there and they're trying to basically slow them down, whatever, to please me, but everybody on the east side, we've all got wells, and everything is draining into our yards.

When I built that place, I had to have a 150-foot frontage, and I've got five acres in there, so I was okay. The city sold, three years ago, a 50-foot lot. We're all on wells there. They made \$3,000 on just one lot and \$6,000 on another lot. One guy did build. The other guy put a septic tank and a well in, which cost him \$30,000, \$40,000 or \$50,000. The guy beside me even put the footings in; they said, "You can build," and then all of a sudden they just changed: "No, you can't build."

I don't know how a city could do such a thing. That's very poor planning. I could give them ideas—because I've been up there for ever and ever—on how to do it. The gas main is up against the road, within a foot of the asphalt, and when a grader goes by—it's a main line, and it's going to blow. One of these days, it's going to blow.

You can't walk on the sides because there are no places to walk. We have what they call a park up there, a very big park—

The Chair (Ms. Soo Wong): Mr. Hull, I need to stop you here, because I need to turn to Ms. Fife to ask you some questions about your presentation.

Mr. Russell Hull: Okay, no problem. The 10 minutes is up?

The Chair (Ms. Soo Wong): Ms. Fife?

Ms. Catherine Fife: Thank you very much, Russell, for coming in. Very few citizens sign up for this committee and come and share their thoughts with us. Usually it's organizations or particular groups, so I want to commend you for coming in and sharing your concerns.

We, though, are charged with taking recommendations with regard to the 2016 provincial budget. Is there something that you would like to say to us with regard to—

Mr. Russell Hull: To the budget?

Ms. Catherine Fife: —with regard, perhaps, to infrastructure funding for municipalities?

Mr. Russell Hull: Yes, but the city has told me they haven't got enough money to take that hill out, to correct the slope of the road.

Ms. Catherine Fife: Okay.

Mr. Russell Hull: That was \$1 million they quoted in 1979, but it was just a figure they threw out.

Ms. Catherine Fife: I see that the city did do a report back in 2009. They really just made recommendations around paint markings and around speed, and they said that that was the most appropriate device for this hill. That was in the 2010 capital budget, so that's going back a fair number of years.

Mr. Russell Hull: They usually do it in the winter-time, towards the fall—a waste of money.

Ms. Catherine Fife: If you wanted an audience to express your frustration, you have been heard. For me, from my perspective, I'll take it away around municipal funding for infrastructure. Thanks very much for coming in today, Russell.

Mr. Russell Hull: Thank you very much.

The Chair (Ms. Soo Wong): Thank you, Mr. Hull, for being here. If you would like to put anything in writing, you can submit it to the Clerk by Tuesday, February 5 at 5 p.m. Have a great afternoon.

Mr. Russell Hull: Thank you.

THUNDER BAY COUNSELLING CENTRE

The Chair (Ms. Soo Wong): The next group coming before us is the Thunder Bay Counselling Centre. I believe it's Nancy Chamberlain. I think the Clerk has your written submission. Good afternoon and welcome.

Ms. Nancy Chamberlain: Good afternoon.

The Chair (Ms. Soo Wong): Ms. Chamberlain, I believe you know that you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. You may begin any time. When you begin, please identify yourself for the purposes of Hansard.

Ms. Nancy Chamberlain: Thank you. I am Nancy Chamberlain. I am the executive director of Thunder Bay Counselling Centre. It's a non-profit, community-based organization that has been serving the citizens of Thunder Bay and district for 48 years.

I would like to, first of all, thank you very much for the opportunity to present solutions for people with mental health and addictions, one of our most vulnerable populations in Ontario, distinguished by their enormous potential and pressing desire to serve as thriving, contributing members of our society.

Mental health and substance use, if unaddressed, steal from society. We know that 20% of Ontario's citizens will experience a crisis in their lifetime that threatens family stability, creates a cycle of job loss and causes lost productivity for employers.

The financial hit to the province is staggering. The Ontario Ministry of Health spends more than \$2 billion each year on acute care, drugs and community services related to mental health and addiction problems.

The challenge and opportunity is that many mental health issues do not require months or years of counselling and medications to be resolved. Easy, fast and inexpensive access to counselling services, available when the individual is most in need and most open to change, transforms lives.

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The Drummond report identified that quick-access walk-in counselling can decrease costs in the health care system by streaming people seeking urgent help for mental health and addiction problems away from emergency departments and other high-cost medical services,

such as psychiatry, and toward non-medical services that have been proven to work.

Thunder Bay Counselling Centre is a member of Family Service Ontario. As communication and service hubs in their communities, the 48 Family Service Ontario agencies collaborate with family physicians, hospitals, workplaces, schools, police, child protection and other health and social services to provide counselling services to more than 250,000 individuals, couples and families who are struggling to overcome mental health and addiction problems so that they can become, and continue to be, productive members of society.

There are three local health integration networks currently that fund family service agencies to provide quick-access walk-in counselling to meet the mental health and addictions needs of their communities. These are Champlain, North West and North Simcoe Muskoka. The walk-in model demonstrates positive outcomes at all levels—value to clients, certainly, but also the long-term value to Ontario taxpayers as clients recover more quickly and fulfill productive roles within the world of work, their families and the community.

All family service agencies in the province have the desire, capacity and capability to provide this cost-effective service but would need additional funding to launch or to expand.

Just to highlight a little bit about the Champlain LHIN in the Ottawa area: It funded the Walk-In Counselling Clinic. It launched in 2014. In a mid-funding evaluation in 2015 it was confirmed that the quick-access counselling program is delivering as intended.

Cost-effectiveness: Clients report that they avoided hospital visits as a result of a quick-access walk-in intervention. The increasing number of younger people accessing walk-in counselling prevents escalation of costly problems in the future.

Demand: At the end of 2014-15, 1,778 client contacts were made, with 1,500 open files, and that exceeded their targets by more than 50%.

Demographics: Young adults—a clientele with huge potential to prevent escalation of needs but one that is generally much more difficult to engage—made robust use of the walk-in clinic, with more than 30% of all clients between the ages of 20 and 29.

Gender: Typically, the gender breakdown of clients seeking long-term counselling is 30% men and 70% women. However, in this clinic, it was a higher-than-usual proportion of men through its doors—almost 50%—indicating that men are finding it easier to access counselling services in a walk-in structure, perhaps because of the immediacy of the service, the confidential nature, or the short-term structure.

In 2015, the Canadian Institutes of Health Research funded research to compare the clinical effectiveness and cost-effectiveness of the two models for delivering counselling services: single-session walk-in counselling and traditional service delivery. Participants from both groups improved over the 10 weeks of quantitative data collection; however, walk-in-model participants reached

a normal range on General Health Questionnaire-12 after five weeks, with traditional model participants in 10 weeks.

What's my ask? My ask is that, right now, Thunder Bay Counselling Centre and Children's Centre Thunder Bay—two organizations in our community—currently provide quick-access mental health walk-in counselling for individuals experiencing mental health concerns, concerns such as anxiety, depression, addiction and relationship conflict. Since 2007, when we opened our clinic, we have served more than 6,000 individuals.

In September 2015, with encouragement from our community partners, there was a partnership that expanded to include St. Joseph's Care Group, Sister Margaret Smith centre—for those of you who don't know, that is a substance treatment centre—and NorWest Community Health Centres. We submitted a proposal for an integrated, comprehensive walk-in counselling centre to the North West LHIN. The North West LHIN advised the partnership that while the proposal had value, funding was not available in the 2015-16 year, although they said they would keep this on their records for a couple of years.

I urge you that without funding from the North West LHIN we will not be able to meet the demand for quick-access mental health counselling in Thunder Bay. Quick access to mental health counselling is a solution for the 70% of low-income families who are currently accessing these services and who currently do not have other ways that they could afford them or be able to access those services.

I am asking the Ministry of Health to provide funding directly to the North West LHIN specifically to divert people with mental health and addictions problems from expensive emergency department services toward quick-access mental health walk-in counselling that would be offered through Thunder Bay Counselling Centre, Children's Centre Thunder Bay, St. Joseph's Care Group and NorWest Community Health Centre. Thank you.

The Chair (Ms. Soo Wong): Thank you very much for your presentation. I'm going to turn to Ms. Hoggarth to ask you some questions about your presentation.

Ms. Ann Hoggarth: Ms. Chamberlain, thank you so much for your presentation. I'm from Barrie, so I know how well this program works. It's an amazing, creative solution for a very large problem. There are people who just need to talk exactly when they're in crisis and may never have need of it again. If left with no services, that problem may escalate to the point where they need ongoing counselling.

I think that you made a wonderful presentation. We have heard in other cities about these proposals, and I very clearly will speak positively in regard to this proposal. I can't promise, of course, but I do believe that one of the things that our government is trying to do is to make better use of funds to divert people from emergency department services that are very expensive and to do the best for the people of Ontario. I believe that this is one area of mental health that would be better served by the walk-in clinic.

Could you tell me: Do you have any exact amount that you would need?

Ms. Nancy Chamberlain: It's called an IHSP that we put into our North West LHIN. That was just under \$400,000. What it was doing was expanding an eight-hour clinic to four days a week, and it would be offered at four different sites: the children's centre, Thunder Bay Counselling Centre, St. Joseph's Care Group/Sister Margaret Smith centre, and NorWest.

In addition to that, we put in that proposal what we would call an engagement and entry person together with system navigation, so that as part of the walk-in clinic for individuals who needed some additional support—up to three to six sessions—or needed some navigation within the health care system, that was built into that proposal as well.

Ms. Ann Hoggarth: The other question that I wanted to ask was: You put in here that these people are some of the most vulnerable populations in Ontario. You also talked about youth. Does your walk-in clinic service youth as well?

Ms. Nancy Chamberlain: Absolutely. A couple of things in Thunder Bay: One of them is part of the youth suicide task force. We're also on a first response related to the walk-in if there's a pending or—I hate to use “successful”—a suicide in our community. What we've been used for is not only for the immediate youth, but the youth who have been impacted by the suicide of a peer. We also know that, through the walk-in model, you can bring your child in, bring your youth in; they can come in on their own; they can come in with a peer; they can come in with a school counsellor. There are many ways to engage younger people in the process.

Ms. Ann Hoggarth: Thank you. My final question to you would be this: Have Champlain, your North West and North Simcoe done a joint ask to the budget committee at all?

Ms. Nancy Chamberlain: I'm not aware that we've done a joint ask, but I do know, through Family Service Ontario, in the cities where there is a consultation happening, I believe that in each of those communities there's going to be an ask.

Ms. Ann Hoggarth: Great. Thank you very much, and congratulations on the work you're doing. I thank you very much on behalf of those people who desperately need this help.

Ms. Nancy Chamberlain: Thank you so much to all of you.

The Chair (Ms. Soo Wong): Thank you very much, Ms. Chamberlain, and also for your written submission as well. Have a great afternoon.

ONTARIO PUBLIC SERVICE EMPLOYEES UNION

The Chair (Ms. Soo Wong): The next group coming before us, I believe, is OPSEU: Gord—is it Longhi?

Mr. Gord Longhi: Yes.

The Chair (Ms. Soo Wong): Thank you. Welcome, sir. As you heard earlier, you have 10 minutes for your

presentation, followed by five minutes of questioning. This round of questioning will be coming from the official opposition party. You may begin any time. When you begin, can you please identify yourself for the purpose of Hansard. Thank you.

1440

Mr. Gord Longhi: Thanks. Good afternoon. My name is Gord Longhi. I'm a probation and parole officer, and I'm also the OPSEU union representative for all probation and parole staff in Ontario. I want to thank you for providing me with this opportunity to present today.

The Ministry of Community Safety and Correctional Services has a mandate to protect the public by establishing, maintaining and operating adult correctional facilities, institutions, and probation and parole offices in Ontario.

In our communities, probation and parole officers strive to meet that mandate by supervising convicted offenders who receive a sentence that allows them to stay in the community on probation, conditional sentence or early release on parole. These offenders commit crimes that range from predatory sex offences, serial domestic violence, armed robberies, arson, drug offences, illegal weapons offences and fraud all the way down to shoplifting. A recent example of the type of offenders that land in our office is the domestic violence offender who committed a triple homicide in Wilno, Ontario.

Corrections in Ontario has recently received a lot of press, partly because of the threat of a strike, but more so because of ongoing major incidents that unfortunately have become far too commonplace in corrections. Those incidents are not simply isolated events, but are symptoms of a system that has broken down from neglect and poor management.

Our correctional services are like any other systems in the government, or in nature, for that matter. They require resources to operate effectively. When those resources are denied, the system suffers, and in this case it financially starves. In corrections, this has come to a critical point where the safety of our community, the offenders and our staff is being significantly compromised.

Our probation and parole services monitor over 51,000 offenders in the communities in Ontario on a given day. The Auditor General, Bonnie Lysyk, identified some alarming trends in the 2014 report on adult community correctional services. I will share the following highlights:

—Ontario has the highest offender population of all the provinces and territories in Canada.

—Ontario probation and parole officers have the highest caseload averages in Canada.

—The Ontario government spends the second-least in all of Canada on probation and parole services, at \$5.81 a day per offender.

—Two thirds of our offenders are medium- to very-high-risk.

—Some 44% of our offenders are classified in the high- to very-high-risk category. That category has a

60% rate of recidivism, which is reoffending. Ontario's recidivism rates are increasing for all categories.

—Ontario probation and parole officers are not monitoring compliance with house arrests and curfews.

—Offender risk assessments/management plans are not being completed consistently.

—Probation and parole officers are supervising high-risk cases before they're adequately trained.

—By the ministry's own estimates, the number of offenders with mental health issues has grown by almost 90% since 2003-04, yet the ministry has not provided any resources or training to help officers deal with this workload pressure.

Some of that report seems to be damning towards the probation and parole officers, but I'll state that it's a systemic problem. As a probation and parole officer for the last 25 years, I can say that I have considerable knowledge of the subject matter, and I can confidently say that our probation and parole officers are a dedicated and skilled group of professionals who have given their all to deliver on the ministry's mandate. But sadly, we cannot meet all the requirements of the job with the staffing levels that are in place, and that means that public safety suffers.

Almost all of the disconcerting facts uncovered in the auditor's report can, in some direct or indirect fashion, be attributed to a serious lack of human resources. We recently settled a contract agreement, and part of that is to hire 25 new officers. That's welcome, but that action doesn't even decrease the caseload average in Ontario by a single percentage point. It's perhaps shameful that a union has to bargain with their own employer to get much-needed resources, particularly when it's a public safety issue.

What the Auditor General's report doesn't highlight is that our ministry does have a very robust program model, and the standards of supervision in Ontario are as high as, if not the highest in, all of Canada. We're proud of that as probation and parole officers. So the good news here is that we have the best and brightest ship in the navy, but the bad news is we don't have enough sailors to even get it out of port.

PPOs—probation and parole officers—in Ontario have carried the highest national workload average for more than two decades. Despite this fact, our ministry continues to increase the duties and responsibilities required of officers to administer their case supervision.

In the last three years, for example, we've been tasked with completing complex psychometric assessment tools on sex offenders and domestic violence offenders. While these are tools that help us do our job better, they require significant upfront time to complete, and ongoing assessments are also very time-consuming. There have been no resources to accommodate the extra duties for front-line officers; hence, there is less time for us to spend on other clients and other offenders in the system. This has been an ongoing theme within our ministry for more than a decade. At some point, with enough pressure, any dam will break. I'll put it to you that in this case, that's already happened.

We have ample examples of public services in this province that understand the value of staff-to-client ratios. Our education system uses class size limits to ensure quality education for students. Our children's aid societies have caseload limits so that our children are safe. Police, fire and ambulance all have population ratios that ensure enough first responders are available to protect their communities. Federal parole officers have a caseload cap of 25 offenders to ensure that their officers are not too overwhelmed to make sure their parolees are being supervised in the community.

Our own government has an even closer example right here in Ontario: The Ministry of Children and Youth Services' probation officers supervise an average of just 11 cases per officer. That recognizes the value of lower officer-to-offender ratios in reducing youth crime and protecting public safety.

The American Probation and Parole Association recommends a caseload average of 50 for a supervision model that is similar to what we utilize in Ontario. However, we have locations here in Ontario where the caseloads are in the 80s and the 90s. It's simply unreasonable and it's unsafe.

I'll provide a quote from one of these studies, and I'll submit that with this presentation later. It states, "The importance of caseload size to the effectiveness of probation and parole supervision cannot be overstated. Offender supervision is a human capital intensive activity. There is no technological or automated solution to this problem.... People, in the form of PPOs are the core correctional resource." That comes from the American Probation and Parole Association.

Public safety is the most important aspect of the mandate of our ministry; however, there is also a business case to consider in support of this proposal to increase probation and parole resources. Crime has an incredible cost not just on the provincial government, but on many other groups. Municipal governments, police services, health care, private businesses, the insurance industry and private citizens all bear the financial burdens of crime.

Aside from the obvious costs to police, courts and correctional services, there's a deeper cost: Victimization of individuals has a heavy and long-lasting economic effect. Many victims require hospitalization and ongoing medical costs. Some of these victims are emotionally and mentally scarred for life. Some require life-long financial assistance because they can never return to work or they are away from work for extended periods of time. Private companies suffer from losses and damages, higher insurance, and security needs as a result of crime. So it's not just a ministry budgeting issue; it's an issue that affects everybody at all levels.

A reduction in recidivism will decrease costs on other budget lines. A recent study taking into account only police, court and correctional services estimated that crime cost the country about \$30 billion annually. With almost 40% of the offender population of Canada residing in Ontario, there's an obvious benefit here.

Minister Naqvi recently posted a message about the transformation of correctional services in Ontario, but unfortunately that statement did not include any mention of probation and parole services, so I'm asking this panel to support the proposal for increasing resources in probation and parole offices across Ontario. It's more of an investment than it is a cost. Also missing within that statement was any commitment to address the long-standing neglect of adequate resources for services for aboriginal communities.

Am I running out of time?

1450

The Chair (Ms. Soo Wong): Can you just wrap up, please?

Mr. Gord Longhi: Okay. We're going to anticipate more and more pressures on community corrections with the transformation, looking at trying to move offenders out of institutions back into the community. We probably need another 200 officers in Ontario to be able to monitor them safely and provide the public safety that Ontario deserves. At that rate, for 200 officers, we're looking at about \$14 million of an investment for Ontario, and we're looking at trying to reduce the caseloads to 50 as an acceptable level. I'd appreciate your support for that. Thank you.

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

Mr. Toby Barrett: We've had a number of presentations by OPSEU with respect to probation and parole. So often it's out of sight, out of mind. It maybe hasn't been in the papers lately. One thing that certainly opened my eyes—and this came up at a previous presentation from your OPSEU colleagues with respect to Thunder Bay Jail. I've spent 10 years going in and out of Burtch every other month. Now, that's minimum security. This is Burtch outside of Brantford; it has since been closed. Down my way, we have the Sprucedale young offenders facility, and I've been in and out of there a few times, courtesy of the union actually, during other strikes and what have you. But I have to admit, quite honestly, I thought our approach to corrections, whether it be probation and parole—the Thunder Bay Jail, by way of example. I thought in the province of Ontario we were a little more advanced than we are now.

MPP Vic Fedeli and I had a tour of the Thunder Bay Jail just before Christmas, right after the riot. Then I went back for my Christmas holidays and told my friends and family about the hellhole that is up here. I had no idea that was the situation there. There are probably other facilities like that, and the impact that it has not only on the inmates but on people like yourself who work there—it raises in my mind the impact it would have on and that you would see in people who come before you on your caseload file in the probation or parole system. Are we doing more damage than we're doing good, by starting out with less than a good situation in the first place?

I just wanted to let you know that we have got an awful lot of documentation from OPSEU that will be

going to our opposition critic for corrections, Rick Nicholls, who may pass this on to Patrick Brown, who also toured the jail. It's a bit of a wake-up call for us, and I ask you—these kinds of reports are valuable. We now have, I will admit, more of an interest in this, given what we saw and how that rot in one part of the system has to influence the whole system, not only in Thunder Bay, but elsewhere in the province. I just wanted to make that comment.

MPP Fedeli was exposed to some of what we saw, as well. Do you have any comments, Vic?

The Chair (Ms. Soo Wong): Mr. Fedeli, you have one minute.

Mr. Victor Fedeli: Thank you. I, too, want to comment on the deplorable conditions. I've never seen anything like that in my life. I was really, truly moved, shocked and deeply upset by it. I cannot imagine working in conditions like that or being imprisoned in conditions like that. It was quite a shock.

You talked about increasing resources and you talked about the number of 200. Is it only people that you're talking about in resources or is there equipment, as well, that you feel is required?

Mr. Gord Longhi: Well, certainly our ability to supervise clients in the community would be enhanced. Specifically, what I'm thinking of is the GPS technology for monitoring sex offenders in the community or people under house arrest. We currently cannot keep an eye on these people, and probation and parole is a Monday-to-Friday business. On the weekends we're not out there supervising people. If we had the resources to run that sort of electronic surveillance—we have electronic surveillance; it's just being really poorly managed. If we would invest more money into that, that's a technology that would help us, but certainly the institutions are—I mean, we have it bad in the community, but the institutions are really stressed and they need resources big time.

Mr. Victor Fedeli: Do the prisoners know about that weekend pass?

Mr. Gord Longhi: Oh yes, they do—absolutely.

The Chair (Ms. Soo Wong): This is a public meeting too.

Mr. Victor Fedeli: May I call you Gord?

Mr. Gord Longhi: Yes.

Mr. Victor Fedeli: Are you employed at that jail?

Mr. Gord Longhi: No, I'm a probation and parole officer. I have worked in institutions before, so I'm fully aware of that, and I've been heavily involved as a union representative for a lot of years, so I'm fully aware of the situations that go on there. No, I would never want to go back to working in one of the institutions in our province at this point in time.

The Chair (Ms. Soo Wong): Thank you very much for your presentation. You have until February 2 to submit your written submission by 5 p.m. to the Clerk. Thank you for your presentation, and thank you to all of your members for all of the good work that they do to keep Ontario safe.

Mr. Gord Longhi: Thank you very much.

ASSOCIATION OF MUNICIPAL MANAGERS, CLERKS AND TREASURERS OF ONTARIO

The Chair (Ms. Soo Wong): The next group coming before us is the Association of Municipal Managers, Clerks and Treasurers of Ontario. I believe there are two witnesses coming forward: Mr. Rick Johal and Mr. Chris Wray.

Welcome, gentlemen. I think the Clerk is going to come around with your written submission. You may begin any time. When you begin, can you please identify yourself for the purpose of Hansard. You have 10 minutes for your presentation, followed by five minutes of questioning from the third party. Thank you.

Mr. Chris Wray: Very good. Thank you very much.

Good afternoon, committee. My name is Chris Wray and I am the president of Association of Municipal Managers, Clerks and Treasurers of Ontario. I want to thank you today for allowing us to speak in front of the committee. With me today is Rick Johal, our director of member and sector relations. I would like to start this afternoon by taking a minute to thank the committee for allowing us to appear today.

In addition to being the president of AMCTO, I am also the chief administrative officer and clerk-treasurer of the municipality of Wawa, so I am especially pleased to be able to make this presentation here in the north.

AMCTO is Ontario's largest voluntary association of local government professionals, with over 2,000 members working in almost every municipality in Ontario. As one of the province's largest municipal associations, we view it as our mission to work with the Association of Municipalities of Ontario and other municipal associations to promote leadership, professionalism and good governance in local communities. Although our name may say clerks and treasurers, we have a diverse membership made up of senior municipal professionals working across a range of service areas. Approximately half of our members are chief administrative officers and senior managers.

I'd like to talk to you today about some of the challenges facing Ontario's municipal sector. As you can see in our submission, we are proposing a number of recommendations that we believe will improve the operating environment for municipalities in Ontario. However, before I get into the specifics, I'd like to start with three principles that we believe are key to an effective provincial-municipal relationship.

The first is the importance of respecting the diversity that exists within the municipal sector. We live in a big province, and the opportunities and challenges that face each community are unique, whether they are rural versus urban, small versus large, or north versus south. I know this from my own experience of working in the north. What makes sense for Toronto, Ottawa or London doesn't always make sense for Wawa, Chapleau or Dubreuilville. Yet far too often the province designs policies and programs without considering these differences.

The second key to a healthy relationship is treating municipalities as responsible orders of government. Local governments in Ontario operate within a restrictive legislative and regulatory environment. Yet the province has repeatedly told municipalities that they are responsible orders of government that should be given autonomy to handle local issues. We believe that if the province views municipalities as responsible governments, it should treat them as such. To do so is the best opportunity for promoting effective local governance.

Third, provincial policy should focus more on outcomes and less on behaviours. The province has a role to play in guiding policy and practice within the sector, but not in imposing overly prescriptive legislation or regulatory requirements. While municipalities benefit from broad guidance and direction, they do not require specific instructions about how to word council resolutions, or detailed requirements for sending documents via official mail, for example. Local governments are in the best position to access local information, understand the local factors that might impact a policy's implementation, and respond to those local needs.

1500

Moving on to our formal recommendations, I'd like to start with the sharing economy. As you are all aware, over the past five years new services like Uber and Airbnb have grown to become dominant forces in our economy. As you can see from the presentation that we've circulated, research conducted by a number of organizations, including Forum, PwC and the Ontario Chamber of Commerce, all indicate that a substantial number of Ontarians are using these services.

However, the growth of the sharing economy has posed unique problems for many municipalities in this province. While the regulatory reach of municipalities is geographically limited, many sharing economy companies operate across the globe. Uber, for instance, now exists in 67 countries and over 371 cities. Similarly, Airbnb has more than two million listings in over 34,000 cities in 190 countries. The growth of these companies makes it next to impossible for individual municipalities to control them. That's why we are encouraging the government of Ontario to take the lead on a regulatory approach to the sharing economy. The province has the ability to take a more holistic approach instead of leaving it to the province's 444 municipalities to develop 444 separate bylaws on what is a provincial problem. Regulators across the world have been slow to respond to the sharing economy, but now is the time for action.

Moving on to our second recommendation, we would also encourage the province to continue its investments in infrastructure. The infrastructure deficit is perhaps the most significant fiscal pressure facing municipalities in Ontario. Local governments in this province own more infrastructure than any other level of government, including more than 140,000 kilometres of roads and 15,000 bridges and large culverts. As you all know, much of this infrastructure is nearing the end of its life cycle. Just this week, the 2016 Canadian Infrastructure Report Card

found that one third of municipally owned infrastructure in Canada is at risk of rapid deterioration.

In 2008 the infrastructure deficit was estimated to be approximately \$60 billion, not including parks and recreational facilities or social housing units, valued at an additional \$40 billion. I think it's safe to say that this gap has grown significantly since then. AMO predicts that municipalities would have to substantially raise property tax rates over the next 10 years to meet their infrastructure commitments.

However, this is not an option for many communities, like my own municipality of Wawa, which has been hard hit by industrial decline. I might digress just for a second: Wawa, like many communities in northern Ontario, is now considered an overbuilt municipality, where infrastructure was constructed for populations that were much greater than the current population, increasing the infrastructure deficit exponentially on a per capita basis. Not all municipalities have a large and growing tax base, and in fact many like my own are declining. This is not a problem that can be solved by municipalities on their own.

Our third recommendation is for the province to modernize and streamline its regulations and reporting requirements for the municipal sector. Local governments in Ontario are drowning in regulation and unnecessary reporting. Currently, this reporting has a role in almost every area of municipal business, and there are more than 70 pieces of provincial legislation that affect the municipal sector, not to mention an unknown number of related regulations.

Municipalities are also responsible for a variety of cumbersome reporting requirements, like financial reporting, performance measurement, compliance reporting for fiscal transfers and conditional grants, and audits and evaluations of provincially mandated programs. All of these reporting and regulatory requirements are a substantial drain on resources and result in unnecessary duplication and inefficiency.

Returning to one of my earlier points about the provincial-municipal relationship, this is not the best way to treat a responsible order of government. We do not question that reporting and monitoring are important, but between the expansion of digital technology and open data, there is without a doubt a better way for it to be done. Our time is better spent looking for new ways to provide better services to our citizens. Over the next year, AMCTO is going to be working with its members and the government to identify ways that we can leverage technology while moving towards smart regulation and lessening this burden for municipalities.

For our next recommendation, I'd like to talk about an issue that's very important to me: the challenges faced by Ontario's rural, remote and northern communities. Many of the challenges faced by the municipal sector are even more challenging in the north. However, northern municipalities also face the additional challenge of attracting and maintaining talented, knowledgeable and experienced municipal staff. All sectors of the Canadian

economy are preparing for substantial turnover as the baby boom generation prepares to retire, but the public sector generally has an older workforce and is more vulnerable to the effects of demographic change. For instance, a recent survey of AMCTO's members showed that within the next five years, one third plan to retire. That number jumps to almost half within 10 years. In northern communities, the level of expected retirements is even higher than the provincial average.

As these experienced municipal professionals leave, they will take significant accumulated knowledge, expertise and experience with them. While this provides exciting opportunities for new professionals and new ideas to enter the sector, it also presents those same individuals with a steep learning curve. The challenge of succession planning and capacity building in rural, remote, and northern communities is a systemic concern. It's an issue that AMCTO and other associations have prioritized through the municipal management internship program and the Onward initiative. However, we believe there is a seat at the table reserved for the province and would encourage the government to invest in capacity building in these communities.

Finally, our last recommendation is for the province to give municipalities access to new revenue tools. It will come as no surprise to anyone on the committee that local governments in Ontario are facing a fiscal squeeze. Many municipalities are concerned about their ability to continue providing high-level services to their citizens, especially as most projections expect operational costs to grow significantly over the next decade. Yet despite these pressures, municipalities have relatively limited sources of revenue and are left to rely heavily on property taxes.

The fiscal challenges facing the municipal sector are complex, and there is no single solution. Every community faces its own unique challenges and has its own unique needs. Rather than having the province look for a one-size-fits-all solution, we would encourage the government to consider giving municipalities access to new revenue tools and allowing them to decide what's right for them.

Over the past year, AMCTO has been working closely with the government on a number of issues, from Ontario's disaster assistance program to fixing the systemic issues with Ontario's voters list, and we look forward to continuing this open and constructive relationship.

Thank you very much for your time.

The Chair (Ms. Soo Wong): Okay. You are over your time, but I was mindful of your presentation. I'm going to turn to Ms. Fife to ask you this round of questions. Ms. Fife?

Ms. Catherine Fife: Thanks very much, Chris and Rick, for being here. I just want to say at the outset that what we do—the value of this committee is that you come up to the north and you realize that not all one-size options fit. That's the value for us.

Is this the first year you've ever presented on the sharing economy? Because I have heard some of the other stuff before, so I just want to focus on this. Your

previous slide says that you don't want the government to be overly prescriptive, but it is rare for municipalities—and the Ontario chamber also recently did ask for regulation. It's rare. I can't even tell you how rare it is for the chamber to ask for regulations. But it's obviously needed, because the sharing economy means different things to different people, and, I think, particularly for the north.

Do you want to expand a little bit on what you would like to see from regulation? You did some polling here.

Mr. Rick Johal: Certainly. I'll take a stab at that.

I think you're right. I think it is unique that we would ask for a regulatory framework around the sharing economy. We're probably not as extreme as the chamber, as you mentioned. In terms of the details, we haven't gone far. I think what we've heard from our members, and what municipalities are struggling with—and some of this is in the media, certainly, in the GTA—is that there are a lot of efforts attempted to rein in the sharing economy so that they can take a look at this, but there aren't mechanisms in place for local governments to actually do much enforcement. So they're really struggling in terms of reconciling the taxi industry and the new sharing economy, and Uber in particular.

The idea that municipalities would piggyback off one solution like Toronto is a worrisome thought for a lot of others. I think right now, the real concern is that maybe what we need is a more broad approach.

The sharing economy, as mentioned in our report, represents something that is without borders. It really does transcend local communities. We've taken similar stances with issues around towing and storage.

Where things cross administrative borders for municipalities, there is oftentimes a role for the province to be more active. That's really what we're looking at here: more of a provincial direction with respect to how we go there. I am mindful of the fact that there are times when we say, as a sector, we don't need the province to tell us everything, but in this instance, this is one of the areas where we think there's an open and necessary dialogue there.

Ms. Catherine Fife: To be fair, there has to be some balance, because there are a lot of regulations out there. You've made very strong points about the administrative requirements that are really quite onerous, I think, so those are valid points.

1510

I did want to give you a chance just to perhaps weigh in on MPAC: the need or the discussion around MPAC reform. Did you want to? Because I think that MPAC has failed in some instances to defend their industrial assessments, for instance. This has a disproportionate effect, I think, on the north, and I think it's important for us to hear the northern perspective on it.

Mr. Chris Wray: That's a good point on MPAC. There's an awful lot of cynicism out there among municipal staff members with respect to MPAC and how it approaches things.

I would give them credit: In the last little while, they've made some efforts to try to put some focus on

that, most recently hiring a number of customer service representatives, and I've had an opportunity to meet with several of those. However, they do lack in a lot of areas.

Most recently—one of my most favourite subjects, of course, as you'll know, Ms. Fife, and Ms. Albanese knows as well, is power dams.

Ms. Catherine Fife: Yes.

Mr. Chris Wray: I've recently been talking to them about those types of properties, and frankly, they're still not there yet, with respect. They're looking at ways to escape having to look at those facilities again. Sometimes, with their broad brushstrokes, they include these like-minded properties—paper mills and wood mills is another one—and it has different effects on different communities. From my perspective, they haven't done a good job in educating communities on how that works, and quite often they don't recognize the negative effects that it can have, particularly on small communities in rural areas and in the north, as well.

The Chair (Ms. Soo Wong): Okay, I'm going to stop you here, sir.

Mr. Chris Wray: Sorry, yes. Thank you.

Ms. Catherine Fife: That was good. Thank you.

The Chair (Ms. Soo Wong): I believe this was the first time, in five years of being on the committee, that we've seen your association come forward, so thank you for your presentation as well as your written submission.

Mr. Chris Wray: Thank you very much.

Mr. Rick Johal: Thank you.

The Chair (Ms. Soo Wong): Have a great afternoon.

THUNDER BAY REGIONAL RESEARCH INSTITUTE

The Chair (Ms. Soo Wong): The next presenter is the Thunder Bay Regional Research Institute. Are they here? Barbara Bishop and—it looks like more than two; I have two names, but that's okay. Come on down. There are three people. The Clerk gave me two names, so I'm going to give you ladies a chance to introduce yourselves. You have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from the government side. Before you begin, please identify yourselves for the purposes of Hansard.

Ms. Brittany Sanche: My name is Brittany Sanche, and I'm a social worker with Thunder Bay Regional for their women's and children's program.

Dr. Naana Jumah: I'm Naana Jumah. I am an obstetrician and gynecologist at Thunder Bay Regional Health Sciences Centre and a clinician researcher at the hospital.

Ms. Debra Bishop: I'm Debra Bishop. I'm a nurse practitioner who primarily works in maternal health at Thunder Bay Regional.

Dr. Naana Jumah: We are here today to present before you our support for Bill 141, the Pregnancy and Infant Loss Awareness, Research and Care Act, which was just recently passed in December 2015. We're here because we see the immense impact and benefit that this act may have for women and their families who have

experienced loss, either of a baby in utero or shortly after birth.

As an obstetrician, I'm going to start where my focus always is, and that's with a patient's story. I'm going to talk about a young mom, a patient of mine from a remote First Nations community, who came to Thunder Bay alone to deliver her baby because our health care system does not think that it's important for women to have loved ones present at the time of birth.

She is alone, staying at an impersonal hotel, worrying about the children she left behind several weeks ago. She doesn't feel her baby move. She comes to the hospital alone. She is told the unthinkable: Her baby doesn't have a heartbeat. She labours alone. She delivers alone. She will return home alone, no baby in her arms. She endures this unbearable suffering alone. "Why did this happen? What do I tell my family? What do I tell my children? It must be my fault." I put my arms around her shoulders and tell her she did nothing wrong. It's not her fault. But I can't answer her questions. I don't know why this happened. I don't know the words to comfort her, to soothe her children, to help her family grieve.

I'm an obstetrician. In residency I learned about bringing life into the world, but very little about loss. There is one clinical practice guideline that goes through the mechanics of which lab tests and X-rays to order when there has been a stillbirth, but it provides little guidance about caring for a woman who has experienced loss.

We can do better. We should be able to answer the question: Why did this happen? We should know how to counsel women about future pregnancies. We should be able to provide support services to women in their own communities. We should be able to educate health professionals about caring for women with perinatal and infant loss.

I practise in northwestern Ontario. Our hospitals are small, our resources are limited and the distance between communities are vast. We hear about research at large teaching hospitals such as Sunnybrook in southern Ontario that address the root causes of stillbirth and infant loss. We do not expect to be leaders in this type of research in northwestern Ontario, but we can be part of a larger research network. We can contribute to the understanding of perinatal loss in rural and remote communities and among aboriginal women. We hear about support services such as the PAIL Network, the Pregnancy and Infant Loss Network, that provides counseling and peer support for women and their families. Our patients can't access these services because funding for PAIL programs does not extend to northwestern Ontario.

When Bill 141 was passed into law, it gave voice to all those women who have experienced perinatal and infant loss. We sit here today because we can do more. Through Bill 141, we have the opportunity to improve the lives of women and their families by supporting research, education, and clinical and supportive care around perinatal and infant loss. We can do better.

Ms. Brittany Sanche: Bill 141 symbolizes a remarkable turn to making pregnancy and infant loss a societal

and health care issue that we must bring our attention to. Bill 141 will promote awareness and access to support services for women who have suffered the tragedy of pregnancy loss or infant death. We must all act as advocates to ensure that discussion around perinatal loss is no long a societal taboo, as women should not have to suffer alone in silence.

We believe that Bill 141 will be the foundation required to ensure that women who experience pregnancy and infant loss are receiving the compassionate, appropriate and sensitive care that they deserve. One in four pregnancies end in loss. Research indicates that women who experience a perinatal loss are more likely to endure depressive symptoms that may include helplessness, isolation and anger. However, there are limited supports and services in place to meet the psychosocial needs of bereaved families. It is essential that bereaved families have access to community supports and services immediately following a loss.

We hope that Bill 141 will alleviate some of the barriers to services so that bereaved families are not put on wait-lists for counselling services and have access to peer-led support groups throughout all of Ontario.

Some of the women that I have worked with who have experienced perinatal loss have articulated heart-wrenching anxieties. Women and their families may need support instantly with the devastating thoughts on how to tell their children why their baby sister isn't coming home or how they will manage their emotions when walking past the empty nursery throughout the day.

Two of Thunder Bay's largest counselling service centres require an intake assessment followed by a lengthy wait-list. The lack of services in our city is also evident in the fact that women do not have access to peer-led support groups. We require funding from Bill 141 to further develop support programs in our city for pregnancy loss and infant death.

As health care professionals, we require education and training in how to support families following a loss. All front-line staff providing direct care, such as social workers, nurses, midwives, medical doctors and ultrasound technicians, should be provided with mandatory training modules regarding empathetic, evidence-based practice and standardized care. Bill 141 will aid to ensure that health care professionals are educated about how to help navigate families through this difficult time. It would also be beneficial for at least one to two individuals from community agencies providing supports to also receive the training and education.

Throughout my university studies there was no time in our curriculum dedicated to how to support families with pregnancy or infant loss. Even though every fourth woman we meet may suffer perinatal loss, our university programs do not provide any curriculum on the effects of pregnancy and infant loss on women or their families' mental health.

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Unfortunately, numerous women who endure a loss are not receiving proper care. Some women experiencing a miscarriage deliver alone at their home, not knowing

what to expect. Women who are under 20 weeks' gestational age experiencing a miscarriage typically miscarry in the emergency department in a critical care environment in an uncomfortable setting.

Women who have suffered a perinatal loss in the hospital get minimal time with their baby after the delivery and are typically in a period of shock and denial. If women do require to be admitted to hospital, they often can't bear the fact of being in maternal newborn and leave in disbelief and resentment.

Bill 141 will aid by establishing evidence-based practices and standards of care in Ontario. We need to ensure that all health care providers are listening with empathy, providing all relevant education, and making referrals to supportive care services in the community that will follow up in a timely manner.

Thank you again for introducing Bill 141. We look forward to being a part of the forthcoming change within our health care system for women and their families. Thank you for your time today.

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

Mr. Peter Z. Milczyn: Thank you very much for your presentation this afternoon. We actually had one of your colleagues, Dr. McCready, here earlier today, and he spoke to us about some of the challenges in your community about hospital funding and the delivery of care, and also about your research facility.

Looking through it, it was not exactly on the issue of infant loss, but it leads me to a question I want to pose to you. I was reading about a really innovative program that you developed around reducing cervical cancer for indigenous women. That kind of innovation that you're leading makes me want to think that with the appropriate resources, with the appropriate focus on infant loss, certainly you could develop some innovative programs tailored for the north and maybe especially for indigenous communities. Is that what you're looking for?

Dr. Naana Jumah: I think it is. There's a lot of support amongst health care providers for improving the care of women who experience perinatal and infant loss. One of our social workers has developed a program, but we don't have the funds to implement it. There's a lot of support in communities for us to better care for women both in on-reserve communities and off. But again, we have a very difficult time in being able to take those programs that we develop and actually put them into action. So I think that's the missing piece. That takes additional resources—not just money but also human resources and additional space that we're often lacking because there are so many competing demands on the health care system. I think the benefit of this bill is providing dedicated funds and a focus on this particular issue and on women's health in general, and that will go a long way to supporting all sorts of initiatives in women's health, such as the one that you described, and also more within maternity care as well.

Mr. Peter Z. Milczyn: MPP Mike Colle, who sponsored Bill 141, really did an amazing job of bringing

this issue to all members of the Legislature and securing unanimous support for an issue which did not receive enough attention before. So you certainly can go away with the knowledge that there is all-party support for pursuing more education and more support in this area, and certainly supporting you in some very innovative work that you're doing in your community, and I want to thank you for that.

The Chair (Ms. Soo Wong): Ladies, thank you so much for your presentation. You still have until February 2 at 5 p.m. to submit your written submission to the Clerk. Thank you so much for being here. We really appreciate you taking the time to be here, and thank you, Doctor, and all your colleagues, for doing great work to protect women across northwestern Ontario.

UNIFOR LOCAL 229

The Chair (Ms. Soo Wong): The next presenter is Unifor Local 299. The Clerk has some written submissions here. Good afternoon, ladies. Welcome. The Clerk is coming around with your presentations. You probably heard that you have 10 minutes for your presentation, followed by five minutes of questioning. In this round, questioning will be coming from the official opposition party. Ms. Jefford and Ms.—is it Pulice?—welcome. You may begin at any time. Please identify yourselves for the purpose of Hansard when you begin. Thank you.

Ms. Kari Jefford: Thank you. My name is Kari Jefford. I'm the president of Unifor Local 229 here in Thunder Bay, serving members right across northern Ontario.

Ms. Suzanne Pulice: Suzanne Pulice, vice-president of Unifor Local 229.

Ms. Kari Jefford: If you folks want to follow along, that's great. I appreciate it. It's probably very long at the end of the day, but you're going to be just so excited for our presentation; I just know it.

Good afternoon, chairpersons and guests. My name is Kari Jefford, president of Unifor Local 229, and with me, again, is Suzanne. She's going to begin.

Ms. Suzanne Pulice: "I am a 47-year-old woman with MS. I also suffer from COPD and diabetes. I require assistance with feeding, toileting, bathing, dressing and I am bound to a wheelchair. My diabetes is often not controlled, causing further damage to my legs. I am often angry, frustrated and depressed.

"I don't have family support and I have no income other than ODSP. I live in a municipal long-term-care facility. I share a room with an 86-year-old woman who suffers from dementia and she is often confused, angry and physically aggressive to me and other residents.

"I often feel lonely, angry and sad. I don't have access to outings. The other residents in my long-term care are nothing like me. I don't feel supported and most days I feel like a burden to the nursing staff.

"The nursing staff in my home each have more than eight residents to care for. They help get me out of bed,

wash, feed and dress me. I know I have a choice in how and when I get dressed and out of bed. But I also know that my choices affect the nursing staff and the other residents.

"I have to be honest, I can be very demanding and verbally abusive to the staff. I don't want to be here. I want the level of care I deserve and I feel I don't belong in a home with 120 aging residents who I have nothing in common with.

"Where am I to go? I can't afford for-profit assisted living homes. I will live for many years only to die in a home that is understaffed, underfunded and which was meant to care for residents not able to care for themselves at the end stages of their life. I need help. I need more appropriate care. I need proper funding appropriate for people like me."

"My husband is 88 years old. He worked in the forestry sector for more than 47 years. He suffers from Alzheimer's. I cared for him in our home for the past nine years as his disease progressed. I have no pension as I was a stay-at-home mom supporting our three children.

"He lives in a private for-profit long-term-care home. I visit him each day at lunch time. I do this because I try my best to help the nursing staff and to ensure he eats at least his meal once a day.

"My husband has been physically aggressive to residents, but also to nursing staff. His aggression is not predictable. Last summer he was being washed up at his bedside by a PSW. He was not acting out physically or verbally. The PSW was drying his face with a hand towel. He grabbed the hand towel and wrapped it around her throat and began choking her. After a few moments the PSW was able to break free. She was bruised and I really love the PSW and how she cared for him. It has been months and I have not seen her at work. I am devastated for her.

"He needs more specialized help. I know this is not the only incident of abuse he has committed but this is the only incident that was reported and acted upon.

"I spend a lot of time at the home. I witness daily physical and verbal abuse by residents to residents and to staff. I really feel that the staff accept the behaviour as part of the job. This makes me feel so sad. We need more staff, more specialized treatments and support for our residents and we need it now."

Ms. Kari Jefford: "I am a 31-year-old aboriginal woman and mother of four. I suffer from drug and alcohol addiction, depression and I am from a reserve outside of Thunder Bay. My children live on reserve in the care of Dilico's children's services.

"I am homeless. I can't get housing because I am homeless. Because I am homeless I can't get financial support to try and get housing. I have tried treatment three times in the last two years. Often I have not been able to enter treatment because of the waiting lists. I have no address or phone to communicate with these agencies.

"More than two times per week I am picked up by ambulance because the police say I am too 'high' to be wandering on the street. I spend the day or night in the

hospital emergency department until they say I can leave. Where can I go? The SOS team picks me up and takes me to the shelter and then I am back on the street to start the cycle again.

“I wonder, if I could get treatment, housing and after-care support as well as mental health treatment, where could I be and what would that mean to the people waiting in the emergency room and the staff who work there? More importantly what would that mean to me, my family and our community? I need help, I need more services, I need proper services and financing to prevent this ongoing cycle.”

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“I am a PSW working part time in a not-for-profit home. I see what we can do to make people’s lives better. When we are not working short I have 14 residents a day to dress, feed, toilet and get in and out of bed. On the morning of my day shift, between 7:30 and 9, I need to get 14 residents up, toileted, out of bed, cleaned, dressed and downstairs for breakfast. If all goes as planned and all residents choose to get up, dressed, cleaned and moved downstairs for breakfast, I will have 90 minutes to get this done. This means each resident gets six minutes and 42 seconds of hands-on care.

“Sometimes I hate coming to work. We often work short. Even working with a full staff complement how on earth can I properly care for my residents? Most of them have no family or friends. Most of my residents are aging, living longer, but have many complex needs that they did not have 10 years ago. They require more care, more interventions and more recreation and most importantly more dignity and respect. They are lonely, they have nothing to look forward to. It is like working on an assembly line: Get up, get toileted, get dressed, get fed, get put back in a room, get fed, get put back to bed, get up, have a snack, then a bath twice a week, get fed, get undressed, get put back to bed, have a snack, lights out, start again.

“I have no time to really care for my residents. It hurts me and it hurts them. Most of the time, I don’t take my lunches or breaks. Often, I am assaulted physically by my residents. I am spit on, punched, kicked, scratched, they pull my hair—this happens daily. I understand why they do this; I don’t ever want to be a resident in a long-term-care home.”

“I am an RPN working at a complex-care rehab hospital. I have been an RPN for 28 years. This is what the first 90 minutes of my day looked like yesterday.

“I have six patients in a rehab unit. It is a day shift and five of my patients have appointments outside of the hospital today. I need to feed, dress, toilet and get my patients ready for their transportation. I need to update their charts, arrange for transportation, do a med pass and also care for my sixth patient as he is presenting symptoms of an infection. I need to call the doctor, follow his orders and update all of the above. I have six patients and in 90 minutes I have 15 minutes to accomplish all of this. The increase in complex medical conditions of my patients has increased over the past 10 years. I see the

level of bedside nursing care has plummeted down to dangerous and heartbreaking levels. There is so much that can be done, there is so much that must be done, but I am tired, I can’t do this any longer. I am leaving nursing and, sadly, I am leaving my patients behind.”

I am a local union president. These examples are actual accounts experienced and reported by members of Unifor Local 229. My local is primarily made up of health care workers in hospitals, long-term care, retirement homes, paramedics, home care workers, education, mental health and addictions, and child care centres. I work full time in the local union office alongside four other full-time service reps. We have 51 workplaces representing more than 3,500 members.

In 2015 our reps attended 732 investigations of abuse, opened 217 files supporting workers injured on the job, seven reported cases of domestic violence, assisted more than 47 members who have reported to the union that they suffer from mental health and addictions and lost at least one member to suicide. These are our stories. These are important stories and indicators that our health care system is in crisis. Please help my members to properly take care of all of Ontario with the dignity and respect that we all deserve.

Health care in Canada, especially in Ontario, is not representing real-life situations. Employers must navigate extreme funding contracts. There is a lack of for-profit accountability to the LHIN and ministry. There is no minimum standard of care in Ontario for long-term care. It seems as though there is a real disconnect between funders, employers, workers and patients/residents.

The lack of health care funding lies with evidence-based facts. Evidence-based facts need to include real-life situations. We demand and deserve fair funding policies in health care that reflect the realities of those accessing it. We need to look at the full picture when assessing levels of care, including what happens prior to or after care. We need to speak to the floor staff, the residents and their families about what they need. We also need to have open, honest conversations with service providers who know there are gaps in the system and real solutions.

Looking at the cost as a whole to health care needs to include other services, or lack of support and services, and how that impacts funding from other ministries.

Most importantly, we are recommending the following:

- amend the Long-Term Care Homes Act to include four hours per resident per day of hands-on nursing care;

- provide immediate funding for patients or residents in hospitals, long-term care for specialized assessment and treatment for potentially or aggressive behaviours, and also increase funding to staff and specialized training for staff—

The Chair (Ms. Soo Wong): Sorry, Ms. Jefford. Can you wrap up, please?

Ms. Kari Jefford: I’ve only got three more little lines.

The Chair (Ms. Soo Wong): Okay, quickly. Thank you.

Ms. Kari Jefford: Ensure publicly funded service providers publicly report staffing levels;

—increase funding of complex care beds, ALC and rehab beds in hospitals and, further to this, ensure hospital referrals and transfers between providers are being facilitated in a timely manner, freeing up acute beds for which they are designed;

—stop downloading inappropriate referrals as hospital patients to long-term care. We need the right treatment for the right patient by the right provider at the right time;

—accountability from funded agencies to the ministry and public by those providing these services, to ensure funding is utilized appropriately for patients accessing these services—

The Chair (Ms. Soo Wong): Okay, Ms. Jefford, I'm going to be very clear: You have finished. I'm going to turn it to Mr. Barrett to start this round of questioning. Thank you.

Mr. Toby Barrett: Yes, we've run out of time. Do you want to just read number 6 into the record? Is that the one you haven't read yet?

Ms. Kari Jefford: Well, I read it. Accountability from funded agencies to the ministry and public by those providing these services, to ensure funding is utilized appropriately for patients accessing or requiring these services.

Thank you.

Mr. Toby Barrett: Okay. I'd like to focus on the recommendations, going back to number 1, if you just want to flesh it out a bit: Amend the long-term care act—which may not be necessary; it may require just regulation—to include a minimum of four hours per resident; Do we know what it is now?

Ms. Kari Jefford: Back in the 1990s, the Tory government at the time had taken out the legislative part where we used to have a minimum standard of care for people living in long-term care, so there is no legislated minimum standard of care as we stand now.

Depending on the type of home people are in—for-profit, not-for-profit and private, municipally funded—you'll see devastating differences in the types of care being provided.

Mr. Toby Barrett: Oh, no question. Further to what you just said, we built 20,000 long-term-care beds. We were going to go on and go at—what were they?—the B beds or the C beds, and the privately funded ones. We lost that election. Not much has happened since, and it has been, what, 13 years.

Ms. Kari Jefford: Well, a lot has happened. There has been a huge increase in the needs of the care, and the funding is not matching the needs.

Mr. Toby Barrett: No, I'm saying the beds haven't been built. That's what I'm saying.

Ms. Kari Jefford: That's right. Yes.

Mr. Toby Barrett: Maybe they have in Thunder Bay.

Ms. Kari Jefford: No.

Mr. Toby Barrett: Any brand new long-term-care facilities?

Ms. Kari Jefford: Well, we do, but we closed two other facilities. Two municipal homes closed—we're

right in the middle of it, actually—and a new facility was built. There was an increase of 20 beds.

Ms. Suzanne Pulice: Yes, something like that.

Ms. Kari Jefford: Twenty beds, and you're looking at a 532-bed unit, so there was an increase of 20 beds.

Mr. Toby Barrett: Yes. Jeez, Thunder Bay should have gotten more than 20 beds, because 20,000 beds were built.

Ms. Kari Jefford: Well, all of Ontario should have the opportunity for more beds and a better funding model to provide for care for those people.

Mr. Toby Barrett: Recommendation 2, specialized assessment and treatment, which isn't bricks and mortar—yes, aggressive behaviour: Has there been an inquiry recently on this? I'm trying to remember.

Ms. Kari Jefford: There have been. There was one not too long ago where there was a death, a homicide, in a long-term-care facility of a resident to a resident. But we would definitely argue that close to 90% of the physical assaults, especially from resident to staff, go unreported—daily, daily, unreported. It really starts to take a toll.

When I speak to those examples, those are real-life examples. We're still working with that member who was choked, physically choked, and was choked the week before, but not to that degree, and reported it, and all of that.

But at the end of the day, the residents in these homes don't match what the staffing levels and what the regulations are to prevent these kinds of things from happening.

Mr. Toby Barrett: Yes. Number 3: more openness and transparency, I'm assuming we're saying here.

Report staffing levels: I guess you could find them, if you phoned the institution, but—

Ms. Kari Jefford: Yes. Well, they won't give them to you, and the staff are told they're not allowed to. When family members ask, "Are you short-staffed today?" our members are told that you're not allowed to report that.

We know the staffing levels, because we service those units. I know the difference between a municipal home—the staffing levels are drastically different than in a private, for-profit home. But if that mechanism was in place, and people, family members, the public and the ministry could see those numbers—the staffing levels here are 14 to 1 or 28 to 1. Those are scheduled staff; that's not even including when someone is working short.

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Mr. Toby Barrett: Like you say, it's public dollars. I know. I used to teach high school. Back in the day, the staffing levels, the name and the salary were always listed every year because it's public money. I don't see that anymore. Anyway, that's a different issue.

So number 4, inappropriate use of hospital spaces and rehab: I know we've had presentations here on hospice care, home care and other alternatives, as well, to free up acute beds—

Ms. Kari Jefford: The way that the system is set up right now, we know that there are 32 patients at the regional who are ALC, so they are waiting for long-term

care. Those beds are being tied up by people who aren't appropriate for the care that they're providing, which costs the province a huge amount of money. But a lot of those folks are resistant to going in. This isn't personal, but we hear, "I don't want my family member to go to this facility," "I won't go to this facility," or "There is no way I'm going to this facility." In turn, they're waiting in hospital because they refuse to go to some of those care providers, and rightfully so, I think, arguably so. This is costing the province three times what it should.

The Chair (Ms. Soo Wong): Okay, I need to stop you here. Thank you, ladies, for your presentation. Your written submission is very well done. That's why I wasn't worried if you were not going to read it into the record, because we all have a copy. Thank you.

Ms. Kari Jefford: All right, thank you.

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

Now, I believe Mr. Fedeli has a motion.

Mr. Victor Fedeli: Chair, I am seeking unanimous consent for the committee to hear Mr. Jules Tupker.

The Chair (Ms. Soo Wong): Okay. There's no debate on this question. I'm just going to call the question. It has to be unanimous before it can go forward.

Do we have unanimous consent on this particular motion? All right.

THUNDER BAY HEALTH COALITION

The Chair (Ms. Soo Wong): Mr. Jules Tupker, from the Thunder Bay Health Coalition: Welcome, sir. If you have a written submission, the Clerk will pick it up and he can circulate it. You can sit down and do the presentation. Okay?

As you heard earlier, gentlemen, you have 10 minutes for your presentation, followed by five minutes of questioning. This round of questioning will be coming from Ms. Fife, from the third party. You may begin at any time. Please identify yourself. Thank you.

Mr. Jules Tupker: Thank you very much for allowing us this opportunity. I apologize for putting you in this position. I had applied, and I found out that I had applied to the wrong group. I made a presentation the other day. Thank you very much for allowing us to do this.

My name is Jules Tupker, and I am co-chair of the Thunder Bay Health Coalition. With me today is Ed Arvelin, who is also a member of our coalition. The Thunder Bay Health Coalition is a public advocacy non-partisan organization made up of community groups, individuals and unions who are committed to maintaining and enhancing our publicly funded and publicly administered health care system. We work to honour and strengthen the principles of the Canada Health Act and medicare.

The Thunder Bay Health Coalition is here today to provide some information on health care issues here in Thunder Bay and in Ontario and to offer some suggestions to the Liberal government so that it can prepare a

budget that provides the proper measures to implement effective health care in Thunder Bay and Ontario.

Hospital and long-term care: The Thunder Bay Regional Health Sciences Centre, the hospital here in Thunder Bay, was built to serve as a hub for all of northwestern Ontario. Since its opening, the hospital has been experiencing overcrowding of its emergency department, resulting in an almost continuous gridlock situation. The reason for this situation is that there is a constant backlog of patients waiting in the hospital for alternative levels of care. You just heard that from the previous speakers. Patients are in beds in corridors, alcoves and examining rooms.

The hospital was built to hold 375 beds, but because of the gridlock situation, the hospital renovated lounges, that were designed to provide a peaceful retreat for patients, into patient rooms so that the hospital now has 395 beds available for acute care patients. The provincial government funds the hospital for those 395 beds. In reality, however, the hospital on a regular basis has well over 400 patients in beds every day. This means the hospital is spending thousands of dollars per day that it is not receiving in funding from the government.

This overcrowding in the emergency department and the rest of the hospital has resulted in an unsafe condition in regard to fire safety and caused stress on the staff. The overcrowding has also resulted in very long waits and turnaround times for ambulances, as they have to wait to off-load patients because there are no beds available in the emergency department. The backlog of ALC patients in acute care beds is a drain on nursing staff, who trained to care for acute care patients, and it is unfair to the patients who require special care and treatment that can be provided in a long-term-care home but cannot be met in an acute care situation. ALC patients should be in their homes, or in a facility that serves as their home, and not in a temporary bed in a hospital.

The Ontario Health Coalition, in its 2015 Code Red: Ontario's Hospital Cuts Crisis document, revealed that an Ontario Hospital Association survey from November 2014 provided the following statistics on alternate-level-of-care patients. On November 30, 2014, there were 4,165 patients designated acute or post-acute ALC; 45% of these patients, or 1,874, were awaiting long-term-care placement. Almost 1,000 of these ALC patients were waiting for another type of hospital bed—complex continuing care, rehabilitation, palliative care, convalescent care, mental health care or other care—and approximately 600 were waiting for home care. About one quarter of the ALC patients were actually waiting for a hospital bed; almost half were waiting for long-term-care placement, but there are either no spaces or their care needs are too great for any of the spaces available. Even if all patients waiting for long-term-care placements for ALC were discharged, Ontario would still have too few hospital beds to be safe.

As you can see, our hospital is not unique in the province. Hospitals all across the province are facing similar situations and are being forced to cut services.

They're looking to off-load services to private clinics in order to make ends meet. The Ontario Health Coalition, in its Code Red document, lists numerous hospitals throughout the province that have had cuts to their budgets, resulting in the closure of many services throughout the province, and northern Ontario is no exception. The hospitals in New Liskeard, Timmins, North Bay, Sault Ste. Marie and Geraldton have seen the cancellation of numerous services, the closures of beds and the layoff of staff. Luckily, through the good management of our hospital, our hospital has been able to continue to operate without having to take any actions like those in the above-mentioned hospitals, although, with no funding increase over the past four years and an annual cost-of-living increase of about 2% a year, the hospital has suffered the loss of probably over \$9 million in funding.

Why is there overcrowding and a backlog in our provincial hospitals and why are there these closures and layoffs across the province? The answer is quite simple: The government has been and still is underfunding the health care system. Hospital funding in Ontario is the second-lowest of any province in Canada. Last year, Ontario was funding hospitals to the tune of \$1,419 per person. The average for all of Canada was \$1,920. Funding in our public health care in general as a percentage of provincial GDP in Ontario in 2012, which is the last number that we actually have data on, was the third-lowest in all of Canada. We are unaware of any change in the situation at this time.

I'll turn it over to Ed.

Mr. Ed Arvelin: Good afternoon. I promise I won't keep you long. I won't read from this because you already have it. I'm just going to touch on it quickly. If there are questions, then Jules can wrap up.

My name is Ed Arvelin. I'm a registered practical nurse. I've worked for 20 years at Lakehead Psychiatric Hospital. I also chair the mental health division for OPSEU, which represents about 9,000 members across the province in institutions and in community mental health associations.

In the 1990s, there was a restructuring commission that went around and looked at servicing our regions and regions across Ontario. They chose the pathway to deinstitutionalize mental health services. With that, the Lakehead Psychiatric Hospital was slated to close. By doing that in our community, we fragmented a whole lot of the services. What happened was that our community programs were not ready. There were some. There were ACT teams created and there were different services provided, but the sheer amount that was involved with deinstitutionalizing a central hub like the LPH created a big bottleneck, not only in our crisis responses, our emergency services and our emergency departments and our acute beds at the hospital that we had left—it created a strain and severe burnout. A lot of bad things happened, unfortunately. We created criminalization within the mental health—members not getting services.

We work closely with our corrections and with OPSEU. I think, in the last reports that I've seen, there

were roughly about 40% of males in institutions suffering from mental illness and it skyrockets to 80% of females within the institutions with a mental health illness. Could these be diverted through central hubs or having these institutions remain open? I don't know. I like to think so, because the numbers have skyrocketed since the closure.

1550

With that, that's in a nutshell the mental health system in Thunder Bay. We need more community resources if we're going to continue with this process of deinstitutionalizing and only creating a small pocket of acute care beds. Currently, at our regional hospital, those are our only acute care beds that are going to be left open.

There's a 38-bed build for St. Joe's to deal with psychosocial rehabilitation that is going to be designated as form 1 security. So we'll have the ability to lock a portion of the floors, but it's not designed to take acute patients into those 38 beds. It's going to create a bottleneck and it's going to create the flow to our regionals. It's going to put the pressure on our emergency departments and it's going to bottleneck, unfortunately.

That's where we're at, so we're looking at a re-plan, a re-jig, and to come back and renew a 30-year plan that was set forth back in the 1990s. Maybe we need to take a look—we look further north than us, and the suicide rates in some of our northern communities are epidemic. If those rates were in southern Ontario, I'm sure they'd be calling a moratorium on something. It's horrible.

Currently, there have been plans put in place, some Band-Aids put on with some supports, that when people go in and there's a situation, they go in and do counseling. But it's a Band-Aid. We need to put the supports in place, create the pathways and stop the duplication of services and get people talking, which would be the central hub for mental health services in the north.

That's mine.

Mr. Jules Tupker: Thanks, Ed.

We are well aware of the financial situation that the province finds itself in, and although this situation was partially self-inflicted by the past Liberal government and by the policies of the previous Conservative government, we also know that since 1995, the province of Ontario has led the country in corporate and personal income tax cuts that have benefited primarily the wealthiest individuals and corporations. Ontario ranks among the lowest corporate tax jurisdictions in North America and continues to propose corporate tax cuts—

The Chair (Ms. Soo Wong): Mr. Tupker, can you wrap up, please?

Mr. Jules Tupker: Yes, okay. All right. I'll skip that.

The Chair (Ms. Soo Wong): Because you have a written submission. I do want Ms. Fife to ask you the questions.

Mr. Jules Tupker: All right. I have to conclude. Do you want me to go through the conclusions?

The Chair (Ms. Soo Wong): No. I'm not going to let you do the conclusion.

Mr. Jules Tupker: Good enough.

The Chair (Ms. Soo Wong): I'm going to turn to Ms. Fife. Ms. Fife, you have five minutes to ask questions.

Ms. Catherine Fife: Thank you to both of you. I'm glad we actually heard from you. The coalitions across the province have been very mobilized. Thank you for being onside and for pulling people together. We want people to be engaged in where health care is going. It's something that affects everybody in the province of Ontario. There are solutions out there.

Jules, I want to give you an opportunity to go through where you think the funding changes to the following areas are necessary so that—because this is the finance committee, right?

Mr. Jules Tupker: Right. Thank you very much. I'll just go straight to the points that we've got here.

The Thunder Bay Health Coalition suggests that funding changes to the following areas are essential:

—Hospital funding must increase to at least the average of the other provinces, which, according to the latest figures, would require an increase of approximately \$500 per person.

—Increase funding to long-term care to provide for more beds and enable homes to provide an average minimum of four hours of personal care per resident, which reflects back to the previous group that was talking to you about the problems in long-term care.

—Increase funding for all mental health programs to ensure that proper treatment and care is provided for all of our citizens, and you heard Ed talking about some of the problems that we're having here.

—Tax loopholes for corporations should be closed and taxes to corporations should be increased to provide revenues for public services like health care.

Again, we know that corporations are taxed very low. A number of years ago, back 20, 30 years ago, their tax rates were very much higher and yet they were very successful; they were making lots of money and they didn't seem to be complaining then. So we feel that even a small tax increase to corporations would provide the funding that we're looking for to help improve health care in the province.

Ms. Catherine Fife: Thank you very much for those recommendations. I just want to thank you for raising the issue of mental health; you're absolutely right. And Jules, you introduced me to the woman who shared her personal story with me. You are absolutely right around the criminalization of those who are suffering from mental illness. I have toured a number of jails now, and that is not where they should be. It's exactly the wrong place. There's no compassion or even any integrity there.

Thank you very much for your presentation.

Mr. Jules Tupker: Thank you.

The Chair (Ms. Soo Wong): Thank you very much, gentlemen, for your presentation and your written submission.

Mr. Jules Tupker: And again, thank you all very much for allowing us to speak. We really appreciate it.

The Chair (Ms. Soo Wong): Ladies and gentlemen, we're going to adjourn. We're heading to Sault Ste. Marie at 9 a.m. tomorrow morning.

The committee adjourned at 1555.

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