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**Official Report
of Debates
(Hansard)**

Wednesday 3 April 2002

**Journal
des débats
(Hansard)**

Mercredi 3 avril 2002

**Standing committee on
government agencies**

Intended appointments

**Comité permanent des
organismes gouvernementaux**

Nominations prévues

Chair: James J. Bradley
Clerk: Tom Prins

Président : James J. Bradley
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON GOVERNMENT AGENCIES

COMITÉ PERMANENT DES ORGANISMES GOUVERNEMENTAUX

Wednesday 3 April 2002

Mercredi 3 avril 2002

The committee met at 1004 in room 151.

SUBCOMMITTEE REPORT

The Chair (Mr James J. Bradley): I'll start the meeting this morning. Good morning, members of the government agencies committee. The first item of business we have is the report of the subcommittee on committee business dated Thursday, March 28, 2002.

Mr Bob Wood (London West): I move its adoption.

The Chair: Mr Wood has moved its adoption. Any discussion? If not, all in favour? Opposed? The motion is carried.

INTENDED APPOINTMENTS

RICHARD WOODFIELD

Review of intended appointment, selected by official opposition party: Richard Woodfield, intended appointee as member, Social Benefits Tribunal.

The Chair: We'll begin our appointments review now with Mr Richard Woodfield, intended appointee as member, Social Benefits Tribunal. Mr Woodfield, you may come forward. As you probably know, you are entitled to make an initial statement should you see fit, and then you'll be questioned by members of the three parties represented on the committee if they deem this appropriate. Welcome, sir.

Mr Richard Woodfield: Thank you very much. Mr Chairman and members, I would like to just take a few moments to make some introductory remarks, and I will read them for you, if you don't mind.

Might I begin by stating just how honoured I am to be considered as a candidate for this appointment. I truly look forward to serving Ontarians to the very best of my ability in a manner that is caring and proper in applying the law as it is written and intended.

I do understand that the Social Benefits Tribunal plays a very important role in the administration of the government and in the lives of the people who are directly involved. I look forward to receiving the proper training directly related to this important appointment, so that I may act in accordance with the law and adjudicate in a prudent manner at all times.

If you've had an opportunity to review my resumé or fact sheet, you'll notice that I'm quite involved with my own community, as I'm sure many of you are, and that

includes Cambridge and Waterloo county and the community as a whole. I would like to highlight some of the activities that may be pertinent to this meeting.

First and foremost, I am very involved with my church and church family. I am immediate past church board chair, and I'm an active elder at Knox's Galt Presbyterian Church. I sit on the pastor's advisory council and the education and discipleship committee.

I spend some time as a charity auctioneer and have applied it to fundraising for Nutrition for Learning, a school breakfast program supported largely by the Royal Bank and Isaiah 58 Ministries, a Christian outreach ministry tending to the needs of the homeless mainly in the Kitchener-Waterloo area.

I have served as a director of Argus house for young people. Argus house looks after the short-term needs of homeless youth in Cambridge, offering a temporary home, counselling and job search skills.

I was honoured to receive an award for exemplary volunteerism from the Aga Khan Foundation, especially in that before I was notified of my nomination for the award I was unaware that the foundation existed. I then learned of some of the great caring work they do.

When I was called by the office of the member of the provincial Parliament for Cambridge to see if I would be interested in applying for this position, I first asked why they thought I might be a good candidate. They were quick to remind me of how I had brought forth cases to local organizations and politicians as a volunteer, where I was advocating on behalf of individuals who where in need of assistance that I thought may be considered justifiable. Based on this behaviour and my track record in the community, they felt I would serve Ontarians well, especially after training.

I could cite the cases, but suffice it to say that they are as varied as are the people. But they were people with real needs who also needed help to work through the red tape, which seems to have been significantly reduced over the last few years.

This brings me to elaborate on some additional experience I have that will help me to perform my duties on the Social Benefits Tribunal. I spent approximately four years on the council of the College of Dietitians of Ontario, ironic as it may be, as a public member appointed by order in council in, I believe, the spring of 1996. During those four years, I sat on most committees, including registration and complaints. I sat as vice-presi-

dent of the college and chaired the discipline committee. We undertook quite a bit of training to handle complaints and discipline, including alternate dispute resolution and writing decisions.

For the past six years I've been quite involved with an organization called the Council of Educational Facility Planners International, in short CEFPI—you have to be an auctioneer to be able to say that title. It is also known as the international School Building Association. I received an award for outstanding achievement, which was presented to me at the annual conference in Orlando in October 2000. I'm the immediate past president of the CEFPI Ontario chapter.

I am co-founder and vice-president of Principal Communication Inc, established in 1995. We specialize in technology for educational institutions and lifelong learning. We're also implementing enterprise-wide e-learning software platforms. My partners at Principal are aware of my intentions to dedicate my time to the Social Benefits Tribunal and support my decision, even with its heavy workload.

Like any concerned citizen who is an active volunteer, I am busy with it and am greatly supported by my family in doing so. I am blessed to be the father of two fine sons, Nathan and Nicholas, and husband to my high school sweetheart, Mary.

I'm looking forward to serving Ontarians in this role, a new one for me. I'm encouraged and inspired by the recent words of the Honourable John Baird when he said, "We're not prepared to turn our backs on anyone. That's why we won't give up on people who need extra support to help get themselves off welfare and into the workforce."

Thank you once again for your consideration. I would most certainly welcome any comments or questions.

1010

The Chair: Thank you very much. We will commence the questioning with the official opposition. Mr Gravelle.

Mr Michael Gravelle (Thunder Bay-Superior North): Good morning, Mr Woodfield.

Mr Woodfield: Good morning.

Mr Gravelle: Mr Woodfield, there are a number of questions I want to ask you, but let me start with the fact that you highlighted at the very beginning your involvement in the church. In terms of some of the changes that have been made to the social welfare system in the province, a number of church groups—the Cambrian Presbytery specifically—have been quite critical of some of the changes that the government has made and the fact that there's been no mechanism put in place to determine whether people who are leaving the system really are leaving it to find jobs.

I'm curious as to your position in terms of some of the massive changes that have taken place, really since this government came in place, and whether there is anything you would feel should be changed.

Mr Woodfield: Mr Gravelle, I think it's important to remember that we're in a constant state of change, and

just as we changed in 1958, implementing the General Welfare Act, and, in 1967, family benefits, there were changes necessary in 1997. I think they reflect the times, and I support things especially like the Ontario Works program and so on that get people back working who really want to be.

Mr Gravelle: I think we all agree that we want people to have as much hope as possible so that they can leave the social assistance system and get into work. In your opening remarks you made reference to cases that you had brought forward yourself. Generally speaking, were these cases of people who had been turned down and they were going before the Social Assistance Review Board, or did you advocate on their behalf as well, and was that based upon some concerns you had with the system?

I appreciate your answer, although it struck me as a bit vague, if I may say so without being impolite. As I say, in terms of your involvement with the church, it seems to me that they have been very concerned about the impact that some of these changes have had on our most disadvantaged people in the province.

Mr Woodfield: I don't think citing the cases would be proper, based on the fact that there are certain privacy concerns. But it's safe to say that a couple of cases were disability issues, and a couple of cases were education-related where there was a special need for special types of education and so on. I feel it's important to advocate on people's behalf, so I've done so, and that's just been something that I've done as a volunteer. I'm not sure if that answers your question, but I will say that I think each individual case has its own merits and has to be acted on accordingly. In all these cases that I've brought forth I've felt that they were justifiable. It was not just because they were friends or friends of a friend; I found in some cases people I didn't even know and felt it was important to bring it forth.

I would just wrap that up by saying I think it's important to make sure that people are taken care of, and that's what government is all about. That's what I was doing, acting on behalf of these individuals, introducing them to organizations and politicians, for instance, who might be able to help them.

Mr Gravelle: Without asking you to be specific, were the people you were helping successful in terms of their appeals? Do you recall that?

Mr Woodfield: Not all of them, but certainly they had a better understanding of the system and generally accepted why they weren't successful.

Mr Gravelle: Do you think, though, that there should be an evaluation done? I've been calling on behalf of our party for a social audit, basically a process by which we would look and see what's happened to people once they left the system and see how they're doing in an overall sense in terms of their health and their well-being. We certainly know that the use of food banks has increased. Everything seems to be coincidental with some of the major changes that have been made by this government and we feel that there should be some evaluation done.

Many other provinces make that mandatory, part of their legislative changes. They say, “We want to be able to look at this.” Certainly the government has said that they think the vast majority of people are finding jobs. I think that’s extremely questionable and the indications are that may not be the case.

The point I made is that if indeed the government is so sure that this is a better way, they would be open to doing something akin to a social audit to look at what’s happened to people after the fact. Have you got any thoughts on that?

Mr Woodfield: Would you repeat the question that you asked me the first time?

Mr Gravelle: A social audit, some way of evaluating and finding out what’s happened to people once they’ve left the system. I think it’s something that the government has resisted doing. In other words, are people better off? Are they finding jobs? Are they just simply on the streets? There are many examples of people who are not better off as a result of the system. There has been a tightening of the eligibility criteria and I submit that a lot of people are much worse off and in more difficult straits. I just think that maybe the best way to resolve this—as a member of the opposition, perhaps you would say, “That’s what he’s going to say anyway.” But I think the way to do it is to do an evaluation, which a social audit would help do. I’m just curious as to whether or not you think there should also be an evaluation or an audit done of those people who have left the system.

Mr Woodfield: I don’t think I’m the proper person to ask that. I don’t think I’ve looked at it closely enough from that aspect. I’m certainly not in a position to know all of the numbers or the insides of it, but what I will say is that, for the position, I’m ready to take on the task and certainly will do my part. If you wish to audit my piece, it’ll be done to the best of my ability.

Mr Gravelle: Part of the process that has been put in place is, if people are unsatisfied with a decision that’s been made, there is an internal review that goes on within the system. That’s a new addition to the process, which I think certainly slows down getting to the Social Benefits Tribunal. Have you done some research in terms of the role the Social Benefits Tribunal and do you think that this internal review process whereby people have to basically appeal internally first in order to get to the Social Benefits Tribunal is fair?

Mr Woodfield: I’ve done some general reading on it, Mr Gravelle, but I wouldn’t say that I’m an expert on that yet. So to give you my opinion at this point on that particular issue I don’t think would be fair. Suffice it to say that I’m looking forward to the training. I plan on taking it with vigour and getting involved with each individual case on its own. The process before it would get to the Social Benefits Tribunal is something that I’m not going to have any hand in anyway. But I would like to know more about that myself and I will investigate that for my own information. But to comment on it right now I don’t think would be proper.

Mr Gravelle: One of the first decisions that was made by the government when they came into power in 1995 was to cut benefit rates by 21.6%, and since that time there has been no increase at all. As I say, we know that the cost of living has increased for absolutely everything; certainly food costs have gone up, we think, by about 25% and obviously housing costs have as well. Would you favour a cost-of-living adjustment being put on people who are on social assistance benefits?

Mr Woodfield: I can’t say that I would at this point. I would have to look into it further. I’ve looked at the scales and the charts and so on and I think at this point in time they seem fair.

Mr Gravelle: I’m sure you’ve read the evidence of people who are struggling to get by, certainly in terms of the major centres, and I know it’s the case also in Thunder Bay, which is where I come from. It’s more difficult: rents have gone up by a massive amount, the available housing has decreased. In the Toronto area it’s a huge problem. But you think the rates are fair, is what you’re saying.

Mr Woodfield: I think at this point in time the rates that are set, if they’re used properly, can be enough to support individuals who, with good resourcing of themselves, can get by. Certainly it’s not something that everybody wants to rely on for life, and I hope to see the evolution of things so that things are better in Ontario. But I’m not in a position to say whether they should go up or down or be reviewed, and I don’t think that would be my position on this tribunal.

1020

The Chair: That concludes your questions.

Mr Gravelle: Not one more quick question?

The Chair: No.

Mr Gravelle: Oh, sorry. I forgot to ask the big question.

The Chair: I’ll give you one more question, because you had about 30 seconds. But that’s it, 30 seconds.

Mr Gravelle: I apologize for banging the table. I just want to know if you’re a member of a political party, Mr Woodfield.

Mr Woodfield: Yes, I am.

Mr Gravelle: Can I ask you which party that is?

Interjection: That’s two questions.

The Chair: I had better go to Mr Martin.

Mr Gravelle: I’m not surprised to hear that, Mr Chair.

The Chair: Mr Martin might well continue the way he sees fit.

Mr Tony Martin (Sault Ste Marie): And if I pound my fist, I get an extra question.

Mr Gravelle: I apologize; I never do that. I was mad at myself, Mr Chair.

The Chair: OK, you should be.

Mr Martin: You might as well help us all out here. What political party do you belong to?

Mr Woodfield: I’m a member of the Ontario PC Party.

Mr Martin: Have you been active in campaigns recently, as late as the last election provincially?

Mr Woodfield: Yes.

Mr Martin: Whose campaign were you involved in?

Mr Woodfield: I was involved in Elizabeth Witmer's campaign.

Mr Martin: Was that the leadership campaign?

Mr Woodfield: Yes, her leadership.

Mr Martin: Her leadership campaign? OK, which gets me to my first question.

Interjection: Third in a row.

Mr Martin: Third question, is it? Non-political question, maybe. Who's counting? Actually, it's the question I was going to ask first, but I wanted to help out my colleague from the Liberal caucus and finish up what he wasn't able to. You've obviously got a very impressive resumé here of community involvement, volunteering, having that activity recognized. I'm assuming from your resumé you're active in the private sector, in business. Why would you want this appointment at this time? Why would you want to do this kind of work?

Mr Woodfield: I did mention in my opening remarks that I'm a co-founder and vice-president of a company called Principal Communication. We've evolved since 1995 into being a leader in the area of technology and education and e-learning. This came forth as something that really interested me. I thought I could do the job well and I knew that the need was there for people like myself who had care and concern and who could adjudicate properly, with the type of experience that I had. When it was brought before me, I thought that that's a challenge I would like to undertake. So that's why.

Mr Martin: Where did you find out about the actual position, and how did you apply?

Mr Woodfield: I did go through that in my opening remarks. I got a call from the office of the MPP for Cambridge.

Mr Martin: Who is that?

Mr Woodfield: Gerry Martiniuk. I got a call from his office, asking if I would be interested in applying for this. As I mentioned in my opening remarks, I asked them why they thought I would be a good candidate for that. They explained why: my involvement with bringing other cases forth and so on. So I said yes, that I would consider it. I applied through the process and waited for a call. I got a call in December for an interview. I went to an interview, and here I am.

Mr Martin: You mentioned also in your opening remarks that you were impressed with comments by the minister, Mr Baird, as to the effort that he would go to in order to make sure that people got off of welfare and into the workforce. That won't be your job on this tribunal. Your job on this tribunal will be to make sure that those who have, for one reason or another, fallen off of the wagon and are not in the workforce any more get what they need to support themselves. Lots of very reputable organizations over the last couple of years have indicated that in Ontario poverty is growing at an alarming rate. The Campaign 2000 group that set themselves up over 10 years ago to monitor child poverty following a resolution of the federal Parliament to eradicate poverty by the year

2001 have indicated that whereas children in poverty were about one in 10 back then, it's now down to one in six, and actually in Toronto it's one in three. The Toronto committee of that campaign indicated about a year ago that they found through their studies that it's one in three. The United Way just recently put out a report that indicated there is a huge gap now between those who have and those who don't.

It concerns me that this government continues to think that its policies are being effective, are being helpful, are doing something about that, when all indications are that it's not. Do you think that's fair, that that's a proper way, given your political affiliation and your appointment to this board?

Mr Woodfield: Just to make a comment about your first remark, I mentioned in my notes here that I was impressed and inspired by those words of the Honourable John Baird. It didn't say that it applied to what I would be doing. I'm cognizant of what my position will be. I would see my job as one where I would interpret and apply the law and do it in a non-partisan way, without prejudice. That's what I would see my job as. It would be on a case-by-case basis. I think it's important to be caring.

I know nothing of the figures you just quoted or Campaign 2000. I'm not familiar with it, so I can't really comment.

Mr Martin: Are you familiar with the issue of the child tax benefit supplement clawback by the provincial government, a program that was put in place by the federal government to deal with child poverty, where low-income families would be given a certain amount of money for each child, and people who aren't in the workplace but who are on assistance are having that money taken away from them, dollar for dollar?

Mr Woodfield: Yes.

Mr Martin: Any comment on the appropriateness or correctness of that initiative?

Mr Woodfield: No, I don't.

Mr Martin: Is there anything in that that you would consider in making a decision, where a person before you at the tribunal is appealing their being turned down for assistance? Can you conjure up any circumstance where you think that might—

Mr Woodfield: I don't think it's appropriate for me to conjure up anything right now. I think it's appropriate for me to say that I'm looking forward to the training. I think it's important that I go into the training and take it with a certain amount of vigour and be ready to do the job. I think by the comments that I've made, you should be able to see in my history and my chronology of what I've been doing that I'm a caring individual who will deal with these individuals in such a way that would hopefully apply the law with that care and concern. I don't think it's appropriate for me to get into the semantics of the individual regulations and that sort of thing right now, because I haven't been fully trained. After I'm trained, I'll be able to give you some comments on that.

The Chair: The last question. I wanted to warn you so that we didn't have a demonstration.

Mr Martin: I guess it's important for us here to understand and to have some sense of the appointments that are being made by this government, because we hear them on many occasions say things that we think, "Yes, that's right, that's what we should be doing," yet on the other hand, the programs that they introduce and that they're responsible for managing are obviously driving more and more people into poverty. I mean, even the folks who are finding work through Ontario Works, or the workfare program, are not finding their way out of poverty. The statistics are showing that, more and more, even working families are finding it very, very difficult to make ends meet, so for me it's just really important to understand.

1030

My last question is, in your appointment, are you simply going to be another Conservative appointment carrying the mantra and the approach and the agenda of the government, or are you going to be an independent thinker who will be free and able and have the intestinal fortitude to look at each individual circumstance and make the right decision, as opposed to the politically correct decision?

Mr Woodfield: Mr Martin, certainly if you check with anybody who knows me, they'll tell you that I've got intestinal fortitude. I see my job, as I've said before, as one where I would interpret and apply the law. You can describe it however you like from a partisan perspective, but I do not see this position as being partisan at all. I think it's very important to do the job at hand, whatever government is in place, to do that job and to do it without prejudice.

The Chair: Thank you. The government party.

Mr Bert Johnson (Perth-Middlesex): I just had a couple of questions about a couple of comments. I guess the comment was in relationship, Mr Woodfield, to the previous comment that in September 1995 there was a reduction made. I keep reminding, because I don't hear it along with that, that we allowed all of those to earn back the amount of the reduction.

Mr Steve Gilchrist (Scarborough East): Tax-free.

Mr Johnson: Yes, tax-free. So I just wanted to put that into the record.

I also wanted to say that I looked through your resumé and I was gratified with part of it. I guess the only thing I would argue about is the fact that you're a Presbyterian, but I think we can overlook that.

I did wonder a little bit about your relationship with baseball. I used to umpire in the intercounty league. I live in Listowel, and our recreation director was Donald Town. You may have run across him, coming from, at that time, Galt.

Mr Woodfield: Yes.

Mr Johnson: I wanted to compliment you on your background and your community involvement, the awards you have won. The time that you've put in on behalf of your community says a lot. I'd like to suggest that I haven't seen anything that will change my support for you today.

Mr Woodfield: Thank you, Mr Johnson. I do remember you doing some umpiring some years ago, and I take back any ill words that I may have said about your calls.

Mr Johnson: I understand.

The Chair: Mr Wood?

Mr Wood: We'll waive the balance of our time.

The Chair: Thank you, sir. You may step down.

Mr Woodfield: Thank you.

HAROLD HANDS

Review of intended appointment, selected by official opposition party: Harold Hands, intended appointee as member, Ontario Securities Commission.

The Chair: Our next intended appointee is Mr Harold Hands, intended appointee as member, Ontario Securities Commission. Welcome to the committee, sir. As you observed, you have an opportunity, should you see fit, to make an initial statement, followed by questions from the members of the committee.

Mr Harold Hands: Thank you, Mr Chairman, and good morning, members of the committee. It's an honour to be here as the final stage in the proposed appointment to the Ontario Securities Commission.

By way of background, I am 58 years of age. I have been married for 33 years and have three adult children. Luckily, two of them have already left the nest. I have lived in Scarborough for the last 47 years.

I am a lawyer by profession. I practised law in the corporate and securities field for a little over 30 years until my retirement on December 31, 2001. During that time, I initially spent 16 years at a mid-sized Toronto law firm, Day, Wilson, Campbell, concentrating in the latter years in mutual fund law. By the end of my term at Day, Wilson, Campbell, I had a very significant mutual fund practice.

In 1987, I joined the largest of my mutual fund clients, Mackenzie Financial Corp, as their first in-house legal counsel and had been with them until my retirement in December 2001. When I joined Mackenzie, it was already one of Canada's largest mutual fund organizations. It managed something in excess of C\$6 billion in 1987. When I retired, Mackenzie was still one of the prominent mutual fund companies in Canada, with almost 200 investment products, mutual funds and related products, and managed in excess of \$32 billion of assets for Canadian investors.

You might recall that in late 2000 and early 2001, Mackenzie was the subject of a very public and hostile takeover bid, which ultimately resulted in Mackenzie being acquired by Investors Group of Winnipeg, Manitoba. Together they represent, by far, the largest mutual fund organization in Canada, with about \$75 billion of assets under management.

Back in September 2001, I received a call from David Brown, chairman of the OSC, indicating that he was aware that I had begun to wind down my legal practice and was intending to retire from Mackenzie. He asked if I

would be willing to have my name put forward by the nominating committee to join the Ontario Securities Commission. I was honoured to get the call. It was quite unexpected. I had not really considered taking on an active and responsible role after retiring, which is not to say I would have been irresponsible after retiring. I was intending to wind down. I did explain to him that the appointment would have to wait until I terminated my relationship with Mackenzie—which did take place in December—and that I had committed to be out of the country for almost three months in the winter and would be returning in late March, so at the earliest it would probably be April. We chatted about the responsibilities of an OSC commissioner. His objective was to obtain someone with direct mutual fund experience for the commission. He felt that since the departure of Glorianne Stromberg some years ago, the commission did not have anyone on its committee who was directly involved in the mutual fund area and had the requisite experience.

The mutual fund area is a very active area in the Canadian capital markets. There are over 2,500 mutual funds in Canada and collectively something in the order of 52 million investor accounts among 80 or more management companies. I think the assets are now over \$400 billion. So it's a significant part of the Canadian investor opportunity.

I undertook to consider his request. Through further discussions with Mr Brown and Theresa McLeod, the chairman of the nominating committee of the OSC, I agreed to let my name go forward. As I mentioned, I was out of the country until near the end of March, so we had not had an opportunity to schedule this meeting before now.

While I was at Mackenzie, I was also involved in an organization called IFIC, the Investment Funds Institute of Canada, which is the trade association for the Canadian mutual fund industry. Over the years, I have served as a member and chairman of their regulatory committee and as a member and ultimately chairman of the manager council board of governors of IFIC. Through 1996, 1997 and 1998, I held the executive positions of vice-chairman, chairman and past chairman of IFIC's board of directors.

For the record, I am not a member of any political party. The closest I have come to political patronage is that I used to shop at Mr Gilchrist's Canadian Tire store on Lawrence Avenue in Scarborough. I've never met him.

1040

I have no constraints on my time at present. I do not sit on any corporate boards, either public or private. If appointed, I am quite prepared to act diligently and to the best of my ability to serve the Ontario Securities Commission and particularly to advance the interests of Canadian investors in mutual fund matters, which is virtually the sole area of my experience and expertise.

Mr Chairman, I'd be glad to answer any questions.

The Chair: Thank you very much, sir. We commence with the New Democratic Party, the third party.

Mr Martin: Thanks for coming this morning. I don't pretend for a second to be an expert in this field. The only real personal interest I have is in protecting my own mutual fund pension investments, which all of us around this table have, some more than others, and to make sure, in doing that, that we're also protecting the small investments of our constituents, who in one way or another are probably relying on the fairness of that system to protect them and their funds as they move into their senior years and pension and that kind of thing, which brings me to my question.

You obviously come from the large corporate side of this whole very important piece of work. What's to give us confidence that you will in fact not carry with you into this job a bias toward the bigger entities, the management side of these funds, as opposed to protecting the investment of some of the smaller players?

Mr Hands: As you probably know, mutual fund managers are under a fiduciary duty in managing the mutual fund assets they have under administration to act honestly, in good faith and in the best interests of the fund investors, and to exercise the care, diligence and skill that a reasonably prudent manager would exercise in the circumstance. So right from the start, from joining Mackenzie, it has been clear that Mackenzie's first obligation is to its fund investors, secondly to its own shareholders. Mackenzie was a public company; it has now been fully acquired. But throughout that piece, I think we acted in the best interests of fund investors and with the fund investors' interests in mind.

I've been very active over the years in areas that I think have offered benefit to individual investors. I'm a great believer in plain-language drafting. In my role as IFIC chairman and on various committees, I worked closely over the last few years with OSC staff as they brought forward a new prospectus model that was designed to be plain language, to offer more useful information in the prospectus to individual investors so that they could make a reasoned investment decision. That process took a number of years, sadly, but while the process was underway, the entire industry adopted the plain-language approach. If you looked at prospectuses from five or six years ago to where they are today, they are easier for investors to understand. The fact that they now have a better understanding of the vehicle they're investing in and their rights as an investor should help protect their interests going forward.

Also, from time to time there are issues that do arise in the mutual fund industry where there is at least the perception of conflicts of interest between the manager side of the business and the fund investor side. One of those areas came up back in 1997-98, when two fund managers were accused of front-running their investments in the fund to benefit personally from activities that should have accrued to the benefit of the fund investors. There was a great deal of press about that at the time. I chaired a committee of IFIC called the code of ethics committee for personal investing, and we put in a very stringent system for ensuring that personal trading

by portfolio managers or other people who had access to investment trading by mutual funds would not adversely impact fund investors. It was a pre-clearance system; nobody could make a personal trade on their own behalf without clearing it through the compliance department. The kinds of checks and balances were that if there was an outstanding trade order in the same security by one of the funds in the organization, that trade order had to go through before the fund manager's order could go through. Those were all designed to improve the optics of the industry, to give fund investors the confidence that the industry was there to serve their best interests.

There have been a number of other issues, such as sales practices, where the industry has moved quickly when prompted by the OSC or other regulatory input to make sure that the credibility of the industry and the welfare of its investors are put first.

Mr Martin: I have to tell you that I'm very anxious and nervous in that whole area of our economy and how it works and sometimes doesn't work, because we are becoming so much more dependent on it as the economy goes global and finance moves around and communities are affected and all that kind of thing. I appreciate your commitment to plain language so that everybody understands what they are doing and how decisions that are made affect their own circumstance. However, we get frightened out of our wits when things like Enron happen, or our own experience with Bre-X, where many, many people lost money that they couldn't afford to lose, some of them very close to retirement and looking at a pension.

What can we do to protect ourselves from that kind of mismanagement and actual criminal activity in some cases at the very top echelons of some of these very well respected corporations?

Mr Hands: There are a number of areas. I think some of the Enron media coverage has focused on separating the role of auditor from the role of adviser or consultant. I don't think that's the answer; I think it's a starting point. It's a good thing to draw that separation. I think what is more important is that, first, you have to have a strong regulatory regime where the rules are clear and are well understood by both the regulators that have to enforce them and the participants in the industry. What I am concerned about in the Enron type of situation is that there are a number of areas of generally accepted accounting principles that are not clear, that are still grey areas where you have industry taking the initiative to push the envelope a little bit, and each time you push the envelope, you worry that you may end up with a calamity on your hands.

I think one of the ways to address these grey areas is for the securities commissions, the regulators, to be much more proactive in seeking out areas that could cause potential problems. Over the years, the US has been very active in asking industry panels to establish best practices, whether it's personal investing, accounting or other areas. These are typically called blue-ribbon panels. Go to the largest organizations in the industry, the ones that

you are comfortable know the rules and have the staff to interpret those rules, and tell them to come up with problem areas and solutions that a regulator can live with. We're seeing a much more proactive approach over the last few years in the mutual fund industry with our regulator, and I think that might have been useful in an Enron situation.

I noticed in the paper just recently that the Canadian Institute of Chartered Accountants has announced that they have formed a committee to investigate areas that could be troublesome under generally accepted accounting principles. It's chaired by Tom Allen, who is a very senior lawyer with lots of business experience. Their role will be to suss out these problem areas and develop proposed solutions and take them back to the regulator. So I think it's equally important to make sure that there's an ongoing communication with industry and the securities markets to make sure the securities markets know what's understood of them. Whether you can ever eliminate criminal activity—that's difficult. But if you set strong rules and are prepared to enforce them, hopefully you will offer a deterrent that makes it less palatable for these companies to push the envelope and seek advantages which may come back to hurt their investors.

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The Chair: Thank you, Mr Martin, for your kind intervention. We now go to the government caucus.

Mr Gilchrist: I just wanted to put on the record that while we have not previously met, Mr Hands, obviously your extraordinarily sound judgment in retail choices gives me great comfort that you'll demonstrate attention to detail and make the right decisions when it comes to serving on the Ontario Securities Commission. I certainly wish you well.

Mr Hands: Thank you.

Mr Wood: We'll waive the balance of our time.

The Chair: It will be Mr Gravelle for the official opposition.

Mr Gravelle: Thank you, Mr Chair, and I promise not to bang my fist in protest again.

Good morning, Mr Hands. Certainly I'm impressed by what you've had to say so far in terms of how you think the OSC needs to manage affairs. In terms of following up some of the discussion you just had with Mr Martin, even in the issue related to best practices, I know there has been discussion about having a national securities regulator, a national securities commission. I'm curious as to how you feel about that, but do you think that also would be helpful in terms of some of the issues you were discussing in terms of developing best practices?

Mr Hands: Absolutely. I am in favour of a national commission. Obviously the issues are very complex, and I don't purport to understand the political or some of the charter arguments in detail. But as a practitioner, I can tell you it is difficult to have had to deal with 13 different provincial and territorial commissions over the years to file prospectuses.

To give you an indication, we tracked the number of pages of paper that we had to file electronically with regulators last year in order to clear for sale on a renewal basis 100 mutual funds at Mackenzie. Over 8,000 pages of paper were required, from start to finish, for that 100-fund project. Now, they were filed electronically, but that means somebody at each of 13 commissions has to download at least a portion of that, read it and have the opportunity to comment on it. As a practitioner, while we do have a protocol that establishes what's called a principal jurisdiction for the review of prospectuses, every securities commission has the opportunity to comment, whether they're a principal jurisdiction or not.

Mr Gilchrist: All 13.

Mr Hands: All 13. It slows the process down; it increases the costs for the industry significantly; it can lead to sometimes amusing interchanges between regulators, where one regulator wants a change and the other doesn't agree to it, and you're caught in the middle. All of that would be facilitated with a central securities commission. You would file the documents in one place, one review team would look at those documents and provide their comments and, when satisfied, you would refile and you would instantly be available for sale in all 13 jurisdictions. It has tremendous appeal to the industry. Again, it's a difficult issue from a political perspective, but I would certainly endorse any efforts that the commission would make to do this.

Mr Gravelle: Do you think the concept of a pan-Canadian commission—because you're right; there are some difficulties in terms of some of the provinces feeling they would lose the influence they have. I see the attraction of a national securities regulator, as well as perhaps some more transparency, which I think is extremely important, especially for the average consumer, who really just doesn't understand it. Certainly I'm one of those. Do you see the pan-Canadian commission, which isn't quite as far as a national securities—could that work much the same way, do you think?

Mr Hands: I think it could. Again, it's a ceding of certain powers to a new committee by various provinces. Over the years some provinces have been more active than others—they tend to be the commercially developed provinces—in wanting to be involved in securities issues. But I do see it as capable of working if it's combined with the initiative to make our securities laws more uniform than they are now. They're not far off in the mutual fund area, but in other areas there are differences. If they develop a protocol that everyone is comfortable with, I think it would be a tremendous advantage.

I'm not as knowledgeable about how that might affect capital inflows and outflows, but from the point of view of the Canadian small investor, it will make it a lot easier to regulate the industry, to monitor the industry's compliance with regulation, and to drive down issues that will help the investor, such as plain language, greater education, greater access to the Internet and other services, and ensuring that the people they buy the products from are knowledgeable about what they're

selling and that the products are appropriate for that particular investor.

Mr Martin mentioned that a number of people lost a good portion of their retirement income when Bre-X went down. Many of those people should not have been in Bre-X in the first place. That, in part, is a failure of the adviser side of the business, the dealer side, to make proper choices, I believe.

Mr Gravelle: Let me ask you one other question related to the potential or the discussed merger of the Ontario Securities Commission with the Financial Services Commission. I think our Premier-designate, Mr Eves, when he was finance minister, brought it forward, and there was legislation brought forward by our present finance minister, Mr Flaherty. What are your thoughts on the merging of those two commissions, the merging of the capital and financial markets? And if I may, as a side question, I'd ask you what your thoughts are on the government's role in terms of the Financial Services Commission. I certainly have concerns in particular about insurance rates. As a provincial member, I get lots of calls from people about a number of issues. I tend to take the position that the province needs to play a greater role in trying to manage the costs. There are some huge issues which are going to cause great problems.

I guess the first question is, what do you think about the merger and the role of the Financial Services Commission itself?

Mr Hands: One qualifier upfront: I haven't really studied the proposal in any detail. But again, as a practitioner, there are a number of areas of overlap between the two disciplines. On the insurance side, they have an investment product called a segregated fund. It looks a lot like a mutual fund; it operates a lot like a mutual fund. It is an insurance contract, but if you take away the formality of it, to the common investor it's just another mutual fund.

Mr Gravelle: It walks like a duck.

Mr Hands: It walks like a duck, it quacks like a duck, it makes a big mess like a duck.

The problem is that they have their set of rules for disclosure documents, for sales practices, for costs, for reporting to investors. We have a totally different set of rules for the mutual fund industry. Why shouldn't those rules be the same? Why can't we put those under the same disclosure and reporting system so that all people who are investing in a similar financial product will have the same benefit of information? Areas like that I think would definitely benefit from putting the two bodies together. Again, I really don't know the technical details of it, but I would be in favour of pursuing it to see what benefits could come to Ontario investors as a result.

Mr Gravelle: In terms of the insurance industry, one of the concerns we have is that in northern Ontario there have been massive increases for people who are independent owner-operators of logging trucks. There are huge increases. The great concerns are that some of the speculation the insurance industry has done has led them to some losses recently, and September 11 has been used

as an example as well. There seems to be at least somewhat of a coincidental extraordinary rise in costs which I think can have a big impact on the economy. Certainly consumers are speaking to me about the insurance costs as well. I know this is always a tricky issue and there has been legislation brought forward, but have you got any thoughts in terms of the role the government should be playing with the insurance industry itself?

Mr Hands: I really haven't, Mr Gravelle. I haven't studied the product. I'm a consumer as well; I'm as worried about insurance rates as anyone. If they can drive down my car costs, it would be much appreciated.

Mr Gravelle: Thanks very much, Mr Hands.

The Chair: Thank you very much. That concludes our questioning, sir. You may step down.

I'm going to depart from the chair right now to leave my neutral Chair's hat—

Mr Johnson: I don't know whether to say that's good or that's bad.

The Chair: —and put on whatever other hat there is to put on.

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ANTHONY ANNUNZIATA

Review of intended appointment, selected by official opposition party: Anthony Annunziata, intended appointee as vice-chair, Ontario Tourism Marketing Partnership Corp board of directors.

The Vice-Chair (Mr Michael Gravelle): We will now move forward. The next selection of the government agencies committee is Anthony Annunziata, intended appointee as the vice-chair of the Ontario Tourism Marketing Partnership. Please come forward, Mr Annunziata. As with all the previous potential appointees, you have an opportunity to say a few words if you wish beforehand, and then we will proceed with questioning by the committee. Welcome.

Mr Anthony Annunziata: Thank you very much. Good morning, ladies and gentlemen of the committee. I am pleased to be here this morning to speak about some of my background and my credentials for sitting as vice-chair of the Ontario Tourism Marketing Partnership.

I was born and raised in Fort Erie, a border town in southern Ontario, in the Niagara region, and have had an opportunity to see tourism and the impacts of tourism first-hand for practically my entire life.

I attended the University of Western Ontario in London, where I graduated with a degree in economics and political science. I moved on to pursue my graduate work in the US at Canisius College. I pursued a career in economic development. I became the economic development officer in Fort Erie, where I was part of community strategic planning and tourism strategic planning for a number of years, and then moved on to the city of Port Colborne as their director of economic development.

While in Fort Erie and between then and Port Colborne, I sat on a number of boards. I was a director of

the Fort Erie Friendship Festival. I am a past vice-president with the Fort Erie Jaycees. I sat as a commissioner on the Ontario Racing Commission.

In 1996, I pursued and accepted a job with Casino Niagara as the manager of business development. In 1999, when Falls Management Co was announced as the permanent operator of Casino Niagara, they named me as director of marketing. In March 2001, I was named executive director of marketing for Casino Niagara.

I manage a budget in excess of \$100 million and have been involved in tourism and driving tourism traffic into the Niagara region, into the province of Ontario, for the past several years. The main objectives with respect to my mandate as executive director of marketing are to drive US traffic and visitation, be a demand generator for the region, create economic development and create revenues for the province of Ontario.

The Vice-Chair: Thank you, Mr Annunziata. We'll begin the questioning with the government.

Mr Wood: We will waive our time.

The Vice-Chair: All right. We'll then move to the official opposition.

Mr James J. Bradley (St Catharines): I note first of all that you were the election fundraising co-chair for Tim Hudak, Conservative member for—it says Niagara South here. It is now Erie-Lincoln.

Mr Annunziata: Yes. At the time it was Niagara South.

Mr Bradley: Do you think that had anything to do with the fact that it was suggested that you take on this position?

Mr Annunziata: I don't think so. I was asked back in, I believe, June 2001. I was contacted by Jean Lam, who was vice-chair of the OTMPC, to sit on the board to fill a spot that had been vacated by my predecessor who was sitting as a member of the OTMPC, Sharon Wheeler. I accepted the position and in September attended my first couple of board meetings, and then was approached by the nominations committee to sit on the executive, which I accepted in January of this year. Then I was asked by the nominations committee in February to sit as vice-chair, and I accepted that.

Mr Bradley: What role did you play in Mr Hudak's campaigns so far? Have you made a donation, for instance?

Mr Annunziata: When Mr Hudak and I worked together back in 1994, we spent some time wanting him to seek the MPP position in Niagara South at the time, and we were simply putting together the party, for lack of a better word, at the provincial level in Niagara South. It didn't exist, and there were a number of people from the federal side who wanted to see the provincial side take on some strength down there. I assisted with that and, prior to helping Tim, was also asked to sit on a committee to find a candidate to even run in Niagara South. That's how I got involved with it.

Mr Bradley: Have you donated to the campaign of Mr Hudak?

Mr Annunziata: Absolutely. Yes.

Mr Bradley: The maximum amount?

Mr Annunziata: I can't even remember. I don't know if it's the maximum amount. I think it was about \$100, \$150, in that range, usually for fundraisers.

Mr Bradley: You see, I get the impression that it's almost an investment in one's future. As I look around, there was the vice-chair of the Environmental Review Tribunal here a couple of weeks ago who had donated \$1,000 to Mr Gilchrist's campaign. He's now the vice-chair of the Environmental Review Tribunal. It may be just one of the factors and not the compelling factor, as my friends on the other side would say, but Mr Hudak's campaign workers, supporters and activists seem to do very well appearing before this committee and being appointed to various government positions.

Mr Annunziata: As a return on investment, as you refer to it, it can't be very good. This is a volunteer position and in fact it's taking up more of my time as I sit as vice-chair. The OTMP is faced with a number of challenges. Ontario tourism is faced with a number of challenges, including problems at the border, problems with air travel and lift from western Canada into Ontario. It's faced with a number of challenges, and I think that I, sitting as vice-chair, can provide some input and some insight to the people on the board who are private sector volunteers sitting to promote Ontario tourism, really out of a passion for Ontario tourism.

Mr Bradley: They always prime you people coming before this committee. I know they say, "Bradley will likely move out of the chair to ask questions about this," because you are involved in one of the activities about which I've had a lot to say—almost a lonely voice in this Legislature, I might say, even within my own party and others. It's the issue of gambling and of governments at all levels and of all political parties in this country wanting to get their money from what I consider the most desperate and addicted people in our society; that is, gamblers.

I see that you are involved as executive director of marketing for Casino Niagara. It's mentioned here that you are getting databases within the gaming industry in Ontario: "Develop marketing programs that enhance customer relationships. Developed ... reward and affinity programs that achieved unprecedented brand awareness and customer utilization.... Able to segment customer files ... customer loyalty program ... consumer profiling and predictive modelling."

Are people in those jobs able to sleep at night after they recognize that many of the people who come into the casino and blow every last dollar they have may be violent when they get home? At least they won't have the money to spend in such places as Canadian Tire. Is there any conscience among people who work in that industry about the people who rob banks, who embezzle from their employers and take money from otherwise useful expenditures in their homes to blow in the casino?

Mr Annunziata: To address your question, certainly there is a conscience. We all have to be responsible with respect to gaming and the gaming industry. Casino

Niagara specifically employs approximately 3,800 people, with a \$140-million payroll, and our objective in terms of driving demand from the US marketplace, and even in the domestic marketplace, to generate demand for this destination, to generate accommodations, to create economic development—our targets are not, as you suggest, the weak or the lowest-yield customers. The packaging that we're doing with Casino Niagara in the accommodation sector is to try to get the highest-yield customers, people who want to do getaways, people who want to extend their visitations, people who have disposable income, who are going to choose destinations, whether it be Niagara, Las Vegas, Atlantic City or Connecticut. These are people who are choosing to travel, choosing to go to gaming destinations, and we're simply marketing to them and making Ontario a product that can compete in that jurisdiction.

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Mr Bradley: You see, I also encounter people who are addicted to gambling. I've seen families that have been broken apart. People have even robbed banks. Embezzlement, in our area at least, the Niagara region, is often as a result of people heading down to spend their money.

I notice that you were also on a committee to get a casino for Fort Erie. Would you say that Fort Erie now has a casino, in effect?

Mr Annunziata: Fort Erie is not a focus. It's a slot operation with the racetrack. I'm pretty passionate about growing up in Fort Erie and having to see what Fort Erie and Fort Erie Race Track were going through, and certainly the number of jobs and the number of people who work there from an employment standpoint and the effect it had on the population. The people in Fort Erie did not want to lose the racetrack under any circumstances. When I sat as commissioner on the Ontario Racing Commission, one of the things I would do on a regular basis was berate the Ontario Jockey Club into providing more support in the Fort Erie area, providing more race dates, providing an environment and shepherding some resources into the Fort Erie area to keep that racetrack open.

What often came back to me is, "Listen, customers do not want to come. This is a question of economics. You can't artificially keep this open. It's going to have to survive or die on its own." Fortunately, the decision by the government to allow slots over there has changed that. The racing operation is doing very well. The slot operation is doing very well and in fact is drawing customers in from the United States. It is doing very well and it really complements the product in the Niagara region, I think, with Casino Niagara.

Mr Bradley: So in essence it's almost a casino. It's a casino through the back door. I remember the Honourable Chris Hodgson made his announcement, or pronouncement, that "We're not going to have these 44 charitable casinos we were going to have operating across Ontario operating seven days a week, 24 hours a day, bleeding the money out of local communities.

Instead, we're going to put a block to it." But now I see coming through the back door piles of slot machines. People, unfortunately, very often seem to be preoccupied with the slot machines more than with the horse racing, which is very traditional in our area and which is, I consider, substantially different from slot machine operations. Fort Erie Race Track's been wonderful for the Niagara region over the years; I would agree with you on that, sir.

I have another question that deals with the \$24 tax that the federal government is applying to airlines. When the September 11 unfortunate terrorist incident happened, there was thunder coming from the other side of the House that the federal government must do this, the federal government must do that. It was the usual law-and-order crowd that wanted to see the federal government spend all kinds of money. Now the federal government says, "We're going to spend all kinds of money on security," and the Honourable Tim Hudak gets up and says, "That's no good. That's going to discourage people from coming here."

Can we have it both ways? If we're going to have security, are we going to need funding to ensure that we have that security?

Mr Annunziata: It's an interesting quandary. Consumer confidence is effectively what's going to drive the consumer spending. If people lose confidence in air travel, if people lose confidence in travel altogether, we're all going to suffer. So security is an issue. I'm sitting there as a business operator in southern Ontario at a border point who is very concerned with people's perceptions of security and also the attempts to make sure it's secure.

So, yes, there's a quandary. Can we have it both ways? Unfortunately, we do need to provide a secure environment and we do need to be aware of the consumer impacts of additional charges in order to provide that. I believe the \$24 tax will have a negative impact on the air industry. I believe the loss of consumer confidence is certainly what led to the demise of Canada 3000. That in itself is going to provide huge economic impacts in Canada and in Ontario.

Just to illustrate that for you, I know, being part of the tourism industry, it is easier for tour operators to partner with Japanese and Asian carriers and booking agents to fly them into New York and then fly into Toronto because it's easier to get air out of New York into Toronto. They're effectively driving traffic into New York and not driving it into Canada because getting lift from Vancouver into Canada is—there are no options. There's one airline that's going to be able to fulfill that and effectively can't provide the necessary services at a cost that is going to be able to sustain that. You can see that impact in Toronto on the FIT business and the accommodation side.

The Vice-Chair: The question, Mr Bradley, if I may.

Mr Bradley: He wants to cut me off because I cut him off—

The Vice-Chair: No, you didn't.

Mr Bradley: This is a very straightforward question. It deals with something you'd be very interested in as a person from Niagara. Someone phoned my office the other day to say that at that point in time there wasn't any information in the tourism information booth at Fort Erie on the wine opportunities in the Niagara region. I was surprised by that. I understand there's a work stoppage now so it's not a matter of doing it now, but can we be assured by you using your influence in this new position you're going to have that you will make sure that we have those pamphlets and brochures extolling the virtues of the wine industry in the Niagara region?

Mr Annunziata: I can assure you the growth opportunities for tourism in Ontario lie in the wine and culinary, the golf product, the accommodations and attractions product and certainly the casino product. Those products in combination with each other are effectively what's going to make Ontario a preferred destination for travellers from the United States in the near markets and mid markets. Wine and culinary play a huge role in that, and I will ensure that's carried out in Fort Erie.

Mr Martin: Thanks for being here this morning. Certainly this is important work and is needed in every sector of our province. I guess my concern is the fact that you've come so obviously from sort of a gaming sector, which Mr Bradley just asked you a lot of questions about. What do you know of the other tourism sectors in the province?

Mr Annunziata: Certainly on the accommodations, the restaurant and attractions portion I have quite a bit of information and knowledge of how we package our product in terms of driving generation. If we're going to get people to spend two or three days in Ontario, it's not simply because it's a gaming message, it's not simply because we have wonderful hotels or we have wonderful dining; it's that combination of everything working in concert, of creating that message that's going to push the buttons and drive the generation.

I have to be honest with you: the northern Ontario product is not something that I know a lot about—and I'm learning more about it sitting on the board—but that's why the board has 15 different members who represent the interests from those areas: so that they can provide input into those constituencies and provide input into the policy side. One of the things I want to bring to the board which I think is sorely missing is some really basic, fundamental marketing. Listen, let's not spend \$1 million to chase \$100,000 worth of business. Let's spend money, because we have limited resources, to yield the most positive results. Last time I looked, the number of jobs and the number of businesses in Ontario—and certainly the tax generation for the province of Ontario—is pretty significant. We have a responsibility to ensure that's long-term and sustainable.

Mr Martin: As the member for St Catharines suggested in his questioning, it seems to me that the only initiative of this government in its term to add value or to attract people to come and perhaps stay a little longer, and the direct investment that they've actually made, has

been in the casino and gaming industry. When you consider that in 1995 there was one casino—temporary—and now we have them all over the place, and racetracks, I guess it begs the question, what else are we going to do? You can market casinos until you're blue in the face. You're competing with an ever-increasing, saturated market across North America for that. We have some wonderfully exciting and attractive natural resources that we need to be marketing and making sure are operating at capacity. Yet we're not doing that.

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Does it concern you that the only investments the government is making, given the job you're going to have to do, are in this gaming casino area, when in fact in the north, for example, we have destination attractions such as Mount Antoine in Mattawa, which no longer exists because the government walked away, and Searchmont, which this government walked away from. We hear via the grapevine that it has now been sold to an American interest, which is good. It would have been nice had it been Canadian, but it's an American interest. There was a local entrepreneur in Sault Ste Marie who invested money, time, energy, effort—you name it, he did it; he was there. For a measly \$100,000 that they were negotiating about across the table, the government walked away, put him under and put that very important \$10-million engine in jeopardy. Does it not concern you that we're investing so completely in the gaming industry, and yet everything else seems to be left on its own?

Mr Annunziata: I think there are some comments you have made that are certainly worth spending some time on. It's interesting that the message Ontario Tourism has been putting out for the last decade has been an all natural resources message that has really appealed to the US market to some extent, but there really hasn't been a message about cuisine, the wine industry or gaming. There has been no message to speak of in any campaign Ontario Tourism has done until the last campaign, after September 11, as we tried to create confidence in some of the border traffic, in some of the border cities like Windsor and Niagara.

What the government is doing, or what the OTMP is designed to do, is provide resources and provide a friendly environment to get public or private sector dollars and get private sector dollars working in the right direction to say, "Hey, look, there is a resource out here. We're willing to leverage with you. We're willing to create opportunities with you." But it's really a private-public sector relationship. If you provide the right environment for it, these companies can exist, can sustain themselves, can thrive in markets they never would have had opportunities to be exposed to.

Certainly the northern Ontario product, which is a wonderful product, would not—I can give you an example. If a company in northern Ontario is doing \$200,000 or \$250,000 a year in sales—which is not a lot, but it's a small industry and it's typical of some of the small industries in Ontario—can you imagine if 10% of

their budget, \$25,000, was spent on marketing? Now think for a minute what it costs to place a half-page ad in any of our newspapers, which is close to \$70,000. That dollar is not going to go very far. Production, in terms of the creative itself, isn't going to go very far.

You have a resource with Ontario Tourism that can do the production, maintain your placement and traffic your message into markets like Ohio, like Michigan, where people and markets will find the preferred message and find those customers who are then going to find that product appealing and respond to it. It's impossible for the people in some of these areas to even identify their market, because they don't know enough of what's out there to know what's going to be responded to. Certainly that opportunity exists through OTMP. Frankly, what's more concerning to me is that there isn't a plan in place now to see what's going to happen beyond three years relative to OTMP.

Mr Martin: That certainly concerns me too. Even though you suggest that over the last few years all we've actually been marketing is our natural resources, in fact we haven't done as much of it as we should, or enough of it. Certainly in northern Ontario, as we try to develop an ecotourism sector, for example, we need help. Yet this government replaced a vehicle that was there to market northern Ontario, the Northern Tourism Marketing Corp, which they just recently put a gun to the head of and shot. It's done; it's winding up. In my own community, the office of that corporation has basically fire-sold all its equipment. It has shows it was supposed to attend that nobody knows who is going to be attending now. What is there to guarantee us that this board you're being appointed to today won't suffer the same fate at the hands of this government, which doesn't seem to understand the importance, as you do, of marketing and having things to market?

Mr Annunziata: I think what's important is the fact that my efforts go into demonstrating to the government, including members like you, that it is worthwhile, and that will come from results. Frankly, if the board can't generate results and the private-public sector partnerships can't generate results, then certainly there is no need to continue spending in that area; move the spending. But I believe that with people on the board and with their efforts, the results will start to show. Frankly, those victories need to be demonstrated to members like you so that they can be supported in government and give you a reason to support them.

Mr Martin: I don't think the member from Thunder Bay-Superior North needs to do this with me, but if you look at the map of Ontario and you look at southern Ontario and northern Ontario—how huge northern Ontario is and how much there is to market up there, how much of an attraction that can be if we develop it properly—and look at the makeup of the board of directors of Ontario Tourism and see there is only one appointee to that group, it doesn't give us much confidence that this organization understands or has any interest in promoting northern Ontario.

Mr Annunziata: I'm not entirely sure how accurate that is. I know there was a position, with Mr French sitting from that board.

Mr Martin: That's right. He's the one.

Mr Annunziata: But there are a number of people—I'm trying to think of their names right now, but there are three board members, including our chair, John Williams, who represent interests in smaller areas and in the northern areas. Frankly, I have not attended a board meeting where the meeting has not been dominated by Arts in the Wild and Paddle Ontario and all the different products that have been developed in the north lately. The area that seems to get the least attention—obviously I'm supporting Niagara—seems to be Toronto. Certainly that's an area where we need to spend a little bit more time.

Mr Martin: I'm not sure if my colleague from St Catharines asked you this question, but how did your appointment to this board happen? I note in your resumé that you and Mr Hudak are familiar. You did some election fundraising for him.

Mr Annunziata: Yes. In June 2001, I was asked by Jean Lam to sit on the OTMP because my predecessor, Sharon Wheeler, the executive director of marketing at Casino Niagara, had sat on the board. She had asked me to sit on the board. I accepted that position in June. I was then asked by the nominations committee to sit on the executive in January, which I did. Then in February, I was asked by the nominations committee to sit as vice-chair, which I accepted. It was after that that I was asked to sit before this committee.

The Vice-Chair: Thank you, Mr Annunziata. I think we're voting before noon.

I am now going to leave the chair and have Mr Bradley return to the chair.

JILL TAYLOR

Review of intended appointment, selected by the official opposition party: Jill Taylor, intended appointee as chair, Conservation Review Board.

The Chair: I will now assume my non-partisan Chair's hat and call the next intended appointee, who is Jill Taylor, intended appointee as chair, Conservation Review Board. Welcome to the committee, Ms Taylor. You understand, I know, that you have an opportunity to make an initial statement should you see fit.

Ms Jill Taylor: I would like to say a few words to start out. I'm pleased to appear before you today to present my qualifications as the proposed chair of the Conservation Review Board.

The board is a regulatory agency of not less than three members whose responsibility it is to sit at hearings that are arranged by the ministry. A hearing is convened when there is a dispute related to part IV, pertaining to heritage property designation, or part VI, which relates to archaeological licensing, of the Ontario Heritage Act.

If an architectural property is proposed for municipal designation due to its architectural or historic importance,

and if there is an objection to that designation, the opposing parties may request a hearing of their views within 30 days of the intention to designate appearing in local newspapers.

If a hearing is required under the act, the board administration publishes a notice of that hearing and a committee of the board is convened to attend that hearing. The hearing is convened in the locality in which the subject building is located, and the members of the Conservation Review Board who attend that hearing are chosen based on differing geographic localities, the intention being to be as impartial as possible to whatever case is appearing before the board.

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At the hearings, which usually last one half to one whole day, the municipality presents its case for municipal designation and calls expert witnesses. The opposing parties present their case and sometimes call expert witnesses, and members of the public are encouraged to participate in speaking at the hearing.

The board acts as an adjudicatory body in its hearings. It hears evidence and writes a report after the hearings which is distributed to all parties. The report represents both sides of the arguments that have been made—for designation or against it—and offers an opinion regarding the merits for designation under the Ontario Heritage Act. We are bound to be respectful of both sides of the opinion and to view with impartiality the positions that have been represented to us.

It is the goal of the legislation that calls the CRB into being that significant heritage properties are protected by the tool of designation. Sometimes properties are proposed that do not, in the opinion of the board, merit designation. The opinion of the board is not binding; it's an opinion only.

As chair, my responsibilities are clearly defined in the memorandum of understanding, which is spelled out, between the ministry and the minister and the chair. Mentioned among those aspects are the aspects of being independent and impartial; that I should operate at arm's length from the government; that I should be accountable in all aspects of management, administration and operations; that I should wisely use public funds and that I should behave in an ethical manner. In that light, I see my role as proposed chair as being one where I can provide leadership to my board, ensure that we carry out our responsibilities under the act, and that I provide proper reporting to the minister.

I've been on the Conservation Review Board for three years, one year as vice-chair. I didn't seek my original position but was nominated, I believe by outgoing members in 1999. I didn't seek this position as proposed chair; I was asked to serve by the outgoing chair.

I'm proud to be able to serve in this capacity because I very strongly believe that the built and archaeological heritage of our province is important to cultural education and to continuity.

I am by profession an architect. I'm a partner in a mid-sized firm in Toronto whose speciality is the restoration

and renovation of existing and historic buildings. I've committed my professional life to work and to volunteer advocacy in the heritage community.

My professional training is in the practice of architecture and in the history of architecture. I've actually pursued further growth in this field through involvement in national and international organizations which promote heritage conservation. I've served during the past 20 years in many ways which have deepened my understanding of the issues relating to heritage, including being past vice-president of the Canadian Association of Professional Heritage Consultants and the chair of the International Council on Monuments and Sites stone committee under UNESCO.

My primary task as chair would be to serve as a citizen of this province who is committed to responsible action and public good. I would be proud to be able to accomplish this as chair of the Conservation Review Board.

The Chair: Thank you very much. We start this time with the official opposition.

Mr Gravelle: Ms Taylor, welcome. Certainly your qualifications are very clear in terms of the role that you've played as vice-chair. I am pleased to see, looking at your resumé, that you've done some architectural work up in northern Ontario. I'm from Thunder Bay. I see Cobalt railway station and Kenora railway station restoration, which is lovely.

You have been vice-chair and you've been involved and you are therefore an advocate, obviously, for heritage properties. At least I think it's fair to say that.

The question we should move to quickly is on the Ontario Heritage Act itself. I don't think it has been updated since the mid-1970s. A number of efforts have been made. I think the NDP, when they were in power, came fairly close to bringing an act forward. I was the critic for culture myself, and certainly I did a lot of consultation on that as well. There have been a couple of private members' bills that have come forward.

Do you believe there needs to be an updating of the Ontario Heritage Act, and do you think it needs to deal with some of the specifics of the role you play, at least what I view as the somewhat limited role you play sometimes in terms of the protection of our heritage?

Ms Taylor: We do play a limited role. Designation is the major tool for protection of heritage properties within the province. I believe, as an informed advocate of heritage conservation, that the act does need to be amended. I have, through various volunteer roles, sat on various standing committees during the last 20 years, as I mentioned, including the round table discussion that your party held that was very interesting and then resulted in my short-term appointment to a committee that Isabel Bassett convened following your round table discussions which dealt with issues of relevance of the current act and proposed changes to it.

So, yes, I think everyone agrees that there should be amendments. I am somewhat familiar with the private members' bills that have been proposed, and I think

they're all going in the same direction. I'm also, again, somewhat familiar—as chair, I understand that I would be fully briefed on what's going on in terms of potential changes to the act. I know that the Red Tape Commission is dealing with some procedural issues and some issues of clarification, which I think would likely be very valuable to advancing the act.

Mr Gravelle: One of the specific aspects that comes to mind is the fact that demolition permits can only be delayed and not denied. Do you feel that when the new act comes forward, and I hope it does, that indeed more power should be given to the Conservation Review Board in order to maintain the buildings in a more specific way?

I realize this is not a simple matter in the sense of implications it has for municipalities and other things, but I'm curious. Obviously with the work you've done and the role you've played in the past, your opinion would be very interesting.

Ms Taylor: I think it would be a very substantial change to the role of the CRB if it was given any powers to make decisions. I'm not against that, but I think that would be a very substantive change.

However, I think that even though we don't have power, in effect, to change things, our opinion is sought in a very serious way and that people do listen very carefully to what we say. In that light, I think it might be possible that the CRB's mandate was extended somewhat.

On a positive note, I've sat at hearings where the result has been very good. For instance, with the Regent Theatre in Oshawa recently, the advice the CRB gave to the municipality was that they needed to make serious consideration of what to do with this very important property. In the end, they decided to buy the building. I think that kind of discussion, which is out in the open, which is public discussion and where the public can participate, is very important to the process.

Mr Gravelle: Not every community, of course, has a local architectural conservation advisory committee. Do you think there should be some more encouragement to have every community or municipality have a LACAC in place, as they're called?

Ms Taylor: I think that would be very helpful. The volunteer community in heritage is very, very strong, but they also have a lot of things on their plate. I think any support that legislation could give to the community would be appreciated in that way, and also support just in terms of proactive issues.

Mr Gravelle: Certainly as vice-chair you played a very significant role and as chair you will, but would you view it as part of your role, then, to at least privately advocate to the minister or to the government some of the changes that should go forward, or do you view it as being simply, "This is the mandate that we have right now as the Conservation Review Board"? Certainly I do recall your involvement as well, and I think you have a significant role to play in that sense, but would that be part of your plan, to at least put forward some ideas for

how you think things should be changed in terms of updating the Ontario Heritage Act?

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Ms Taylor: Unlike some other positions as chair, my role as an advocate is somewhat tempered, because what we're supposed to do is be impartial and hear everything independently. So if my opinion was requested, I could certainly talk to people on the board to find out what the general attitude was toward change. I think I could provide information to the minister in that way.

Mr Gravelle: Is it fair to say, then, that if your appointment goes forward—and I suspect that it will. I think it should. If the Conservation Review Board was asked, “What changes do you think would be useful or necessary?” would that make it easier for you to bring forward recommendations? Would that be something that you would encourage or accept, if a minister came forward and said, “We're planning a change, and we want to know what you think”? Or do you feel that would be a difficult spot to be in?

Ms Taylor: It might be a difficult spot to be in. I'd have to think about the particular question and also the particular part of the act that we're administering, because it's quite specific.

The Chair: We now move to Mr Martin.

Mr Martin: I just want to play devil's advocate for a minute and ask you, why do we want to save all these old buildings anyway when we're moving into a world that isn't so much concerning itself with buildings? It's more communications that are international, travel moves, money moves—

Ms Taylor: You mentioned the word “travel,” which is a direct lead-in, why we travel. When I travel, I travel to look at buildings which are of merit, which excite me, which have a history that can tell me something about the community in which they are and reveal something about the people who have lived there and who live there now.

In terms of architectural heritage, buildings are among the largest artifacts that we have which describe the social and cultural history of our people. It's a very diverse history. It represents not only monumental buildings that we are used to preserving, such as this building, but also a very diverse range of indigenous buildings which reflect diversity of culture and native heritage as well. So I think that in terms of preservation, it's not only not anachronistic—which is a double negative—but it's the key to understanding our future and our relationship to our built and natural environment.

Mr Martin: With that in mind—and I agree with you that those are all very important things—do you see the move by the present government to sell off public properties as a threat to what you've just described?

Ms Taylor: I think there are buildings that have very distinct merit for architectural, cultural and social reasons. Some very significant ones are owned by this province. When they are threatened, I think the province should take very seriously what could be lost by not preserving those buildings. By being lost, I mean what's lost to the continuity of cultural history and also as a resource in our province.

Mr Martin: What about new buildings? Of course, the buildings that we're preserving now were new buildings at one time. We're building new buildings now that were built by government—there are a couple in my own community—and they are on the auction block at the moment. Is that a threat as we look forward to what our children or their children may want to do in terms of preserving their history, culture and memories?

Ms Taylor: I think that could potentially pose a threat to continuity. I think the heritage community, on a local, national and international level, now recognizes—it used to be that buildings 40 years of age or older were considered potential for designation. I think that now, as we appreciate the architecture of modernity, we are becoming more aware of the importance of other types of architecture and the potential loss that a loss of those buildings could mean.

Mr Martin: In your experience, is it easier to protect buildings if they're publicly owned as opposed to privately owned?

Ms Taylor: That depends. If a building is privately owned and the owners of the building are committed to the preservation of the aspects of historic merit that make it important to begin with, then I think the private realm does a very, very good job of preserving those buildings.

Similarly, with publicly held buildings, I think that there are various advisory roles between government ministries that provide information about public buildings from one to another and that the opinions of those agencies should be both sought and listened to in order to make sure we can protect our public buildings. But in terms of whether one is better than the other, it's too general a question for me to really advise on.

Mr Martin: Another issue was raised before Christmas as we looked at this new Ontarians With Disabilities Act and our ability to, first of all, make sure that new buildings are accessible: is it an impossible task, an out-of-the-question, expensive proposition, to think that we might make our heritage buildings accessible? There was the issue brought up on many occasions that it's just too expensive. What would your take on that be?

Ms Taylor: Professionally, I deal with this issue quite often. Heritage buildings are each very different, and the reasons for architectural merit have to be assessed in terms of deciding what the appropriate solution is. From a heritage architectural standpoint, that's what we have to do. You have to look creatively and very carefully at the ways that you can incorporate issues of access especially into public buildings. It pertains not only, but primarily, to pedestrian access and wheelchair access, but also has to do with issues of signage, issues of life safety in buildings, and other such issues. Most heritage buildings can be made, if not 100% accessible, somewhat accessible or more accessible than they are currently, and I think that's something that is promoted by the building code and also by the public.

Mr Martin: What's your view or thinking with regard to the recent plans unveiled for the Royal Ontario Museum, to take an old, beautiful building and reshape it,

I suppose, into this more modern one? Any thoughts there?

Ms Taylor: Actually, I have a lot of very personal thoughts on that, but they wouldn't represent what I would represent as a member of the board. I'd actually probably temper my comments if I were speaking as chair of the board. But I can say that in terms of designing additions, renovations and restorations for historic buildings, it is very important to consider the aspects that distinguish those buildings and to protect those aspects. That doesn't mean we have to be slaves to history. It means we have to look creatively and with due diligence at what should be preserved and to bring that building into the future in a way that is respectful, because unless heritage buildings become part of our future, they have a limited interest to the public and to people's use of them.

Mr Martin: Has that issue been brought before the board, the question of the Royal Ontario Museum and what has been proposed?

Ms Taylor: No, it has not.

Mr Martin: Do you think it should?

Ms Taylor: That's not the mandate of the board. The board looks at aspects of proposed designation, and that wouldn't come up under that particular aspect.

Mr Martin: Do I have a bit more time, or am I done?

The Chair: One more question.

Mr Martin: Because you spoke I think rather personally a few minutes ago on your own personal opinion, should it be brought before the board?

1150

Ms Taylor: No, I don't think so. I don't feel that's the purpose of the board for that particular building. I don't think it's within the mandate of the board.

Mr Martin: You have no concerns that we're not going to be respectful?

Ms Taylor: Without being evasive on that, I'm not sure. Do you want my personal opinion on that?

Mr Martin: Sure.

Ms Taylor: I think it is a very bold design. In the final resolution of the design, the designers will have to be very careful about how they approach the details of resolution as the new crystal approaches the old stone of that very fine building. I think the history and culture that's represented by the architecture should have a strong continuity in terms of the realization of the new design.

The Chair: What a fine answer that was. That reminded all of us here who are not artists of when the art teacher came around to look at our work and always said it was interesting. I always thought that was a very safe word. Anyway, we'll now go to the government.

Mr Wood: We'll waive our time.

The Chair: The government has waived its time. Thank you very much for being with us today.

Ms Taylor: Thank you very much.

The Chair: You may step down.

There are a couple of things I want to deal with. I think you probably want to deal with the appointments we've had this morning, as well as another matter.

Mr Wood: I think we have consensus to do that, so perhaps we can proceed with that, and then there's another matter.

The Chair: Let's do that first of all. We'll go through the individual appointments this morning for approval or not. The first is Richard Woodfield, intended appointee as member, Social Benefits Tribunal.

Mr Wood: I move concurrence.

The Chair: Mr Wood has moved concurrence. Any discussion? If not, I'll call for the vote. All in favour? Opposed? The motion is carried.

Mr Johnson: Mr Chair, one member put his hand up for both votes, and I was a little concerned about that. I didn't know which one was intended.

Mr Martin: I was opposed, Chair.

The Chair: He was opposed.

The second one is Harold Hands, intended appointee as member, Ontario Securities Commission.

Mr Wood: I move concurrence.

The Chair: Mr Wood has moved concurrence. Any discussion? All in favour? Opposed? The motion is carried.

The next one is Anthony Annunziata.

Mr Wood: I move concurrence.

The Chair: Any discussion?

Mr Martin: Just to expand on your line of questioning and a concern that I have that the province is focusing more and more on a casino economy, it now seems even in the marketing of our tourism attractions and assets we're turning to that as a quick fix, as a way to get more people in, rid them of their money and then send them on their way again. The potential for that has to hurt even many of our own constituents. This appointment reflects that very clearly, so I'll be voting against.

Mr Gravelle: Just to follow what Mr Martin is saying, I think one can't help but have concern when one sees the trend that we're seeing in terms of even marketing, when you've got the vice-chair—we didn't know he was the vice-chair until he pointed it out to us today, I believe—of the Ontario Tourism Marketing Partnership Corp with the background that Mr Annunziata has. I think it suggests a direction that is of great concern when we see the proliferation of gambling in this province.

I also want to express some concern about the role of the Northern Ontario Tourism Marketing Partnership, which has been dissolved, in fact, and is going to come under the umbrella—and there are some great concerns. Mr Martin had an opportunity to address some of those concerns in his questioning and I have them as well in terms of the role that we're playing up there, and Mr Annunziata didn't have a great familiarity with that at all. That concerned me, so I won't be supporting his appointment.

The Chair: Any other comment? Then we'll have the vote on Mr Annunziata. All in favour? Opposed? The motion is carried.

The last one for this morning is the intended appointee as chair, Conservation Review Board, Jill Taylor.

Mr Wood: I move concurrence.

The Chair: Concurrence is moved. Any discussion?

Mr Martin: For lack of a better word, I think this is a rather refreshing appointment. It doesn't smack of some of the partisanship, cronyism, patronage that we see too often before this committee. In that tone, I will be supporting this appointment.

The Chair: All in favour? Opposed? The motion is carried.

COMMITTEE BUSINESS

The Chair: We have other business. I believe there was going to be a brief discussion of the possibility of the CCACs.

Mr Wood: I think Mr Gravelle was about to ask that we deal with item 3 now, which I'm prepared to agree with.

Mr Gravelle: Mr Chair, I know it's scheduled for later this afternoon, the agency review proposals. Mr Wood and I have had a chance to chat, and I had a brief opportunity to talk to Mr Martin about what's happening. I know Mr Wood wants to make a proposal, and perhaps I should let him do that.

Mr Wood: I move that item 3 be deferred to the first meeting of the committee after April 25. The government members would like to get input from the minister or ministers affected by these, and that input is not going to be available until after April 15. By the 25th we should have an idea of when we're going to have the input, if indeed we don't have it. So I think we could usefully deal with this at our first meeting afterwards, which at least will give some indication of when we're going to have the input, if not in fact—

The Chair: All in favour of Mr Wood's motion? Opposed? The motion is carried.

Is there any other business that we want to deal with at this point in time? If not, we will reconvene at 1 o'clock sharp.

The committee recessed from 1156 to 1304.

The Chair: I'm going to move right along. Mr Gravelle, you have a point about something?

Mr Gravelle: Yes. I wonder whether we could determine at this point when our next meeting might be. I think there's general agreement that meeting next week isn't possible, in terms of providing material, and that perhaps two weeks today, on the 17th—I don't know how that works for everybody on the committee, but I'm wondering if that could be agreed upon at this stage. I haven't had a chance to discuss it with you, Mr Chair.

Interjections.

Mr Wood: There seems to be some favour on this side of the room for April 17 as our next meeting.

Mr Gravelle: Is there any problem?

The Chair: It doesn't fit me very well. Can we decide that at the end of this meeting?

Mr Wood: I think that, Mr Gravelle's schedule being what it is, he was hopeful we might decide now.

Mr Gravelle: If it's difficult to reach a decision right now, we can certainly discuss it. I don't mean to—

Mr Wood: Would April 24—

Mr Martin: If the 17th is a bad day, is the 16th equally bad?

Mr Wood: It is bad, yes. It's bad for us.

The Chair: It is? The 22nd and the 23rd are great, Monday and Tuesday.

Mr Martin: It might not be good for me.

The Chair: Monday the 15th is great. No, it isn't necessarily, is it?

Mr Martin: The 15th would be fine by me. The 15th, 16th or—

The Chair: Let's all give it some thought. Meanwhile, we'll go on to this, if we can.

Mr Wood: Why don't we deal with this now and have it done?

The Chair: I was waiting for Mr Gilchrist.

Mr Johnson: He wants the 17th.

The Chair: He wants the 17th? Is that what everybody wants, the 17th? I'll accommodate it.

Mr Martin: Who doesn't it work for? Doesn't it work for you?

The Chair: Just because it doesn't work for one person—if it works for everybody else, I'll be here.

Mr Wood: April 17 it is.

The Chair: April 17 at 10 am. OK, that's our next meeting. Done. What a decisive group.

INTENDED APPOINTMENTS

GLORIA HINTON

Review of intended appointment, selected by official opposition party: Gloria Hinton, intended appointee as member Council of the College of Respiratory Therapists of Ontario.

The Chair: We will move now to the selections that will be coming before the committee: Gloria Hinton, intended appointee as member, Council of the College of Respiratory Therapists of Ontario.

You may come forward. As you know, you have an opportunity to make an initial statement, and then there will be questions from members of the committee. Welcome to the committee.

Mrs Gloria Hinton: Thank you for inviting me to participate in the interview process concerning my potential appointment as a member of the Council of the College of Respiratory Therapists of Ontario.

I reside in London, Ontario. As you probably know from my resumé, I have no professional experience in the health field. I do, however, have considerable experience in management, organization, training and, more recently, volunteering in our community. I should start by giving you some information on my background.

My primary business career has been with Bell Canada, in the area of customer service. During a period of 29 years, I've managed various groups in a highly measured and monitored industry, as you probably are fully aware. While much of my focus was on developing

working practices, I've also managed teams directly involved with customer service.

In that regard, there was always a need for evaluating performance and, where necessary, taking action and giving ongoing training to ensure that the needs of the business were met. During my career, I also often had to negotiate critical situations with customers and clients alike to ensure total satisfaction and to ensure that the company's standards were met throughout.

As you're aware, the company is required by law to perform according to tariffs. As such, any contravention of those tariffs goes directly to the CRTC, which I'm sure is a body you're all fully aware of. Part of my job, for what seemed like an eternity, was to be the liaison to the CRTC. Whenever any subject matter came to the CRTC as a result of either a customer complaining or the CRTC questioning one of our decisions, I was their primary liaison and, as such, was there to protect the company and our position.

I've also had experience in facilitating training in the Myers-Briggs program, with a focus on leadership and conflict resolution.

My last professional role was as a consultant with Bell Canada International in London, England. My role was to design and implement a brand new customer service division for a new telecom company setting up in London, England. For me, this was a great opportunity, given that I could take my experience from Bell Canada and from my other related opportunities and create a whole new division, given my expertise. Working in England also gives you a whole new set of priorities to look at, in that all employment and new companies are now under the guidelines of the EEC, which in itself is a huge item to manage when setting up a new company.

1310

Since my retirement I've focused on volunteer work in an effort to give back to the community in some small way. I have participated at public libraries in reading programs and at their annual sales. I've worked at the University of Western Ontario looking after gardens. You may smile at that, but they need volunteers to look after gardens at the university grounds and I've enjoyed doing that.

I've been a warden and past chair of the board of management of St John the Evangelist Church. The board consists of 21 people who manage the operations of the church and a budget of \$350,000, so that was quite a challenge.

At the 2001 Canada Games, I was communications and media rep for the Fanshawe Lake venue. I currently work at the pre-admission clinic at the University Hospital in London, and I'm really rather enjoying that. When I lived in Toronto back in the 1980s, I also worked as a volunteer at Mount Sinai, in the ICU program there.

My understanding of the role of the council is to ensure that the college regulates the role of respiratory therapists in a way that guarantees individuals have access to services provided by competent individuals and

that clients are treated with respect and sensitivity in their dealings with these professionals.

I understand that the college is governed by two acts, and those are the regulations that govern how those positions are modelled.

In the past 18 months I've had dealings with respiratory therapists as a result of two very serious illnesses in my family. I know first-hand the very real responsibility these individuals have in caring for sometimes life-threatening situations. For my part, they are obviously a very integral part of the health system, especially in today's environment where health care is foremost in everybody's mind.

I do hope I can bring to the council the benefit of my background and offer an objective approach to the role of the council.

I shall be happy to answer any questions you might have.

The Chair: Thank you very much. We commence with the third party on this occasion.

Mr Martin: Thanks for being here this afternoon. I'm just wondering why and how you came to apply for this particular position. The piece at the end of your presentation certainly gave me some sense of your interest, but maybe you could expand on that for me and explain why this particular appointment and how you came to apply for it and be accepted.

Mrs Hinton: I went to the constituency office of Dianne Cunningham to find out if there was something I might be good at—let's put it that way—something where I could use my expertise. I certainly did not want a full-time role; I wanted a part-time position. In looking at the roles I could do—I think I was given about half a dozen to look at—given the parameters and requirements of each of those and given that I had just a little background there, in that I've dealt with these people, I know what their job is, I know their pressures, I thought this would be a good one for me. And given that it was primarily Toronto-based, which is an easy place for me to travel to, it fit with what I could contribute.

Mr Martin: I note on your resumé that your objective is to get a position on the Ontario Rental Housing Tribunal. Is this a step on the way there?

Mrs Hinton: No. I should clarify this for you. Originally I applied to that tribunal and was accepted for that tribunal. However, being a single sitting member on that tribunal was very, very uncomfortable for me, and I stepped aside. I was only there for a very, very short time last fall.

Mr Martin: Did you know Dianne Cunningham before you went to the office to inquire into this position or other positions?

Mrs Hinton: Do I know her personally, or do I know of her?

Mr Martin: Have you worked on any of her campaigns?

Mrs Hinton: A long, long time ago I answered the phone for a campaign.

Mr Martin: OK. Thank you very much.

The Chair: Government members?

Mr Wood: We'll waive our time.

The Chair: The government has waived its time, so we go to the official opposition.

Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington): Good afternoon, Ms Hinton. You said something just a few moments ago that I would ask you to perhaps clarify for me. You have in fact had a position on the Ontario Rental Housing Tribunal.

Mrs Hinton: For a short time.

Mrs Dombrowsky: But you've indicated as a single sitting member. Would you clarify that? Because my understanding is that the tribunal, when you hear cases—

Mrs Hinton: It's not a tribunal panel per se. It is a single member who hears and adjudicates. I know the title may be a bit misleading, as I found out, but it is a single sitting member who adjudicates those cases, not a panel per se.

Mrs Dombrowsky: So could you perhaps explain a little more fully why in that role you were not comfortable?

Mrs Hinton: I have to be honest. I went in thinking, like you, a tribunal. When it dawned on me, if you will, that this was a single sitting case, I thought, fine, I can do this; no problem. But I found it very uncomfortable. I'm much better in a team situation or in a committee situation, albeit I've chaired many committees. But I work better in that environment, in that I can share my expertise and I can learn from others at the same time. I find it a lot more comfortable to work in that environment. That's why I chose this particular one, because it is a committee per se, structured on a committee basis. That's why I chose this one too.

Mrs Dombrowsky: What is your understanding of the role of the council?

Mrs Hinton: My understanding is that it administers the college's affairs. It regulates the role of the therapist. I understand there are two acts that govern the college, so it's a question of monitoring the regulations and enforcing the regulations where necessary. I also understand that within the council there are committees that are set aside to take care of patient needs, to hear complaints, to look at disciplinary action when necessary. So I think that's their primary role as the council.

Mrs Dombrowsky: Would you be able to perhaps explain your understanding of a self-regulating body?

Mrs Hinton: I understand that there was an act in 1991, I believe, that established this college as self-regulating, along with several others. "Self-regulating," in my mind, says that there is a council there that monitors and regulates. There are regulations in place which the council has to enforce and maintain. For my money, I think that if a college is self-regulating, it's a far better situation than having it go through so many steps in order to resolve or monitor its role in the profession.

Mrs Dombrowsky: That it is self-regulating, I think as well, would suggest that people of the profession—

Mrs Hinton: Oh, yes, it's self-regulated in the fashion that there are people from the profession, plus there are

people outside the profession. So given that those two are of a like mind, they are the ones who actually govern the college.

Mrs Dombrowsky: There are those in the college who have background in the area that is being regulated. As I read your resumé, which is impressive, I am also struck by the fact that you really don't have any related experiences in your own life, other than perhaps a personal one. I've got to think that a number of the issues that would be considered by this council would be of a highly technical nature. So you believe that you would have the experience and understanding to participate in those sorts of issues?

1320

Mrs Hinton: I think, given that a portion of the council already has that professional experience, what I would bring to the table is an objectivity that comes from outside that profession. So I would hope that I could add that to any decisions that might be made and that I wouldn't necessarily need to be technically correct on all of those because I would be counting on my counterparts on that council to do that and to inform us and educate us to make those decisions.

Mrs Dombrowsky: Do you know with certainty that there would not be situations like the Rental Housing Tribunal where you would be asked to participate by yourself on any particular matter?

Mrs Hinton: My understanding is that it's all in-committee work and that when the council sits, it sits as a body.

Mrs Dombrowsky: So you've had the opportunity to clarify that?

Mrs Hinton: Yes. I wanted to make absolutely sure of that before I offered my name.

Mrs Dombrowsky: Are you familiar with any issues that are before the council at the present time?

Mrs Hinton: Not other than what I've read in regard to the rather rocky experiences of last fall in terms of the testing program that was about to be put into place, but I understand that is all in abeyance at the moment. There were some agreements made so that the therapists wouldn't walk out en masse. I gather that's an issue that will still be an ongoing situation that they'll have to examine if testing is indeed an item that is to be brought forth.

Mrs Dombrowsky: Do you have any particular opinions about testing?

Mrs Hinton: I think "testing" is a word that's been bandied around so much in government.

Mrs Dombrowsky: We hear it a lot.

Mrs Hinton: Whenever you hear "testing," there's a certain hairs-on-the-back-go-up type of thing. I think quality assurance in any profession is necessary. How that's done is another whole issue. I think that's what the council's job is, to make sure it's done in a fair and equitable manner. I gather that is probably one of the things that is still on the agenda. I've certainly had experience in quality control, if you will, performance reviews, all of those, applying the standards. Even though

I haven't had it in the health department, I've had experience in doing that, in writing standards. So I would hope I could bring some objective point of view to that.

Mrs Dombrowsky: Have you had any experience in labour relations?

Mrs Hinton: In terms of handling people?

Mrs Dombrowsky: Contract disputes.

Mrs Hinton: Oh, yes. For a very short time frame, oh, gosh, back in the late 1970s, I did hiring for new departments. In Bell Canada we had three unions to deal with. I think there are more now, but when I was working we had three unions and associations that we dealt with on a regular basis. You may know that we've had strike situations in the past. For a short time back in the 1970s, I actually sat on a mediation council having to deal with situations in trying to deal with the settlement and how we would go back to work and the ramifications of accepting people back to work who had been on strike etc. So I'm not new to that situation, unfortunately.

The Chair: That's the last question. Thank you very much for being before the committee. You may step down.

SHERRI BEZAIRE

Review of intended appointment, selected by official opposition party: Sherri Bezaire, intended appointee as member, Grey Bruce Huron Perth District Health Council.

The Chair: Our next intended appointee is Sherri Bezaire, who is the intended appointee as a member of the Grey Bruce Huron Perth District Health Council. Welcome to the committee. As you would know, you have an opportunity to make an initial statement to the committee, and then questions will emanate from members of the committee.

Mrs Sherri Bezaire: Thank you, Mr Chairman and members of the standing committee. I am thrilled and excited to be here. I look forward to the possibility of being selected to sit as a consumer representative for the Grey Bruce Huron Perth District Health Council.

I grew up on a small farm just outside of Clinton and I now reside in Clinton with my husband, John, and our three children: Regan, who is six; Rachel, who will be five on Monday; and Sam, who is 22 months. My husband and I own our own company, which provides retail and institutional food service throughout Huron county. In the past, I was the chairperson for the Clinton Community Policing Committee, which was designed to act as a liaison between the police and the community.

I feel that I am a typical consumer of the health care system. Being the mother of three small children, I often find myself in the doctor's office for checkups or in the emergency room because of accidental falls. Just a few days ago I was reminded of why we need to preserve rural health care. Our son, Sam, had an accident, so I rushed him to the emergency room, which is conveniently around the corner. Everything turned out to be OK, but the care and compassion that I received from the

doctors and nurses was above average, because not only were these people professionals, but they were also friends and acquaintances.

I also have aging parents, whose needs for health care are continuously changing. The fact that we live in the third-highest region of seniors in proportion to population, and with many of our areas being medically underserved, is of great concern to me.

My interest in rural health goes beyond that of a typical consumer. For the past two years, I have been enrolled in the human science program at Athabaska University. I have recently applied for a transfer to the health science program at the University of Western Ontario, with an interest in rural health. After completing my degree, I intend to apply to medical school to further my education.

There are many issues that need to be addressed regarding rural health care, but most important is finding a way to efficiently increase and maintain quality health care in the Grey Bruce Huron Perth district. I feel that my perspective on rural health care, my past educational experience and my intent to continue my studies in rural health, along with the fact that I am a typical consumer of health care, makes me an excellent candidate for the position of Huron representative on the Grey Bruce Huron Perth District Health Council.

The Chair: Thank you very much. We will commence our questions with the government.

Mr Johnson: Sherri, thanks ever so much for being here today and for volunteering on this very important board. I was wondering about the kind of business you're involved in.

Mrs Bezaire: We own two restaurants: one in Clinton, Willy's Burger Bar, and one in Seaforth, Freeze King. We also do the food service for the cafeteria at St Anne's secondary school in Clinton.

Mr Johnson: Tell me a little bit about your ambition, if that's what it is, to be a doctor.

Mrs Bezaire: I never really considered myself to be somebody who would be interested in health care when I was younger. Becoming a doctor was not an aspiration that I had until I had children. Then, having many experiences in the hospital setting and understanding the needs of doctors in rural areas, I have come to the decision that I would like to become a doctor and return back to Clinton to open my own practice.

Mr Johnson: Mr Chairman, that's all I had. I just wanted to welcome Sherri, hopefully, to the district health council.

Mr Wood: We'll waive the balance of our time.

The Chair: We'll move to the official opposition.

Mr Gravelle: Welcome, Mrs Bezaire. Certainly you bring a very interesting perspective: a mother of three children under the age of 6. That will be very interesting. I must say too that the Grey Bruce Huron Perth District Health Council is not quite as big as the Thunder Bay district, which I come from, but it is a big district.

I am curious about what role you see yourself playing in the sense of—you obviously have given it some

thought. I notice in your material that's provided to us that you're taking some courses and you're trying to learn. Have you given some thought to district health councils themselves and the role they play and whether they should have a greater influence in terms of some of the decisions? Has that entered your mind in terms of whether you think health councils themselves are playing the role they should?

Mrs Bezaire: Since I'm not a member of the health council right now, I don't really know everything they have done. As a consumer representative, I would be there to represent the people of the community, their cares and what they would like to see happening within the community as far as health care being provided because of the doctor and nurse shortages. That obviously has been a big concern, and I know the district health council has been addressing that concern, doing different studies, and I think they are certainly trying to represent the people and put forth different recommendations to the government as far as rural health is concerned.

1330

Mr Gravelle: Certainly one of the aspects of health care that has been talked about a lot in the last year or so has been the home care situation in terms of the cutback in the number of acute-care beds and the fact that people are forced to leave the hospitals quicker and sicker. The term has become pretty much familiar, but I think it's probably pretty true.

What is the situation, as you understand it, in terms of the home care difficulties in the Grey Bruce Huron Perth area?

Mrs Bezaire: I'm not very familiar with the home care situation. I'm sure that everybody feels the same way about, like you said, being treated and left and sent home earlier. I don't think I can really answer any more to that question.

Mr Gravelle: Mrs Dombrowsky, I'll pass it on.

Mrs Dombrowsky: Good afternoon, Mrs Bezaire. I'm interested to know how you became aware of district health councils and how it has come to be that you've decided you'd like to participate on one.

Mrs Bezaire: I guess the first time I heard about the district health council was when they were doing the restructuring in our area, talking about hospital closures and this sort of thing. In November, I answered an ad in the paper for the district health council. It had been a year since I had stepped down from the committee for community policing, and I felt that my son was old enough and I could get back into community involvement. Because of my interest in the health care system, I answered the ad. I sent in my resumé, I got called for an interview in November, and actually, to be honest, I thought that I didn't get the nomination, because it's March. I didn't hear anything until I got a call from the office here that I needed to come in for an interview.

Mrs Dombrowsky: Very good. You're coming to know first-hand that the wheels of government can move very slowly.

I'm from a rural part of Ontario too, so I certainly appreciate the many reasons that you've already stated

about why you'd like to participate on a district health council. Are you familiar with the term "primary care reform"?

Mrs Bezaire: No.

Mrs Dombrowsky: OK. I'm sure that when you are appointed to a rural district health council it is going to be a term that you will hear much more about, and I'm sure you will find it interesting, certainly from the perspective of how it will improve services within rural Ontario, should it ever come to pass.

I understand, in the background, that the doctor shortage is an issue in your part of the province as well, as it is in many parts of Ontario. Is that an issue for you? What role do you think the district health council might play? In fairness to you, you've come forward in very good faith and you've been very open, and I think it's very refreshing that we have someone who is truly interested in rural health who wants to come and work to build a better rural health system in Ontario.

District health councils have been criticized, though, by the public because they are bodies that really have no power. They really can't do anything. They can advise, but there's very little that can be demonstrated that they actually do in terms of effecting any kind of service changes or service deliveries within a particular area. Do you have any sense or feeling or bias about the role of district health councils, how they might address—you know, doctor shortage is an issue in your area.

Mrs Bezaire: I know that the district health council just completed a study on the nursing shortage in the Grey Bruce Huron Perth district, and I would like to see them perform a similar study on the doctor shortage.

Mrs Dombrowsky: And then what?

Mrs Bezaire: And hopefully be able to implement something. I am familiar with ROMP, the rural Ontario medical program to get more undergrad people coming into rural areas. Hopefully, they say, when you practise in a rural area, sometimes you will stay. They also offer incentives—tuition being paid if you will sign a contract to stay for at least four years in the community. They also have the other program CROP, which has medical students going into the high schools, and I think that's a big concern: not very many people from rural Ontario aspire to becoming a doctor. It's not something that's talked about a lot; we don't have the resources. I think it's important for students in high school to understand that becoming a doctor is feasible. I would like to see the district health council look into programs like this to help eliminate the doctor shortage.

Mrs Dombrowsky: Are you familiar with community health centres?

Mrs Bezaire: No.

Mrs Dombrowsky: They are a model of health delivery in rural Ontario as well as in urban settings. That's something I'm sure you will be hearing more about when you are appointed. I do wish you very well. It's nice to see someone who's young and full of energy and enthusiasm put their name forward to serve in this way.

The Chair: Speaking of someone young and full of enthusiasm, we go to Mr Martin.

Mr Martin: Thank you very much. Just hearing that makes me feel young and full of enthusiasm.

Thanks for coming this afternoon. Looking at the letter you wrote to Mr Whaley, you suggest in the second-last paragraph that the DHC, “continue[s] to struggle through a difficult and challenging period of time for our health care system.” What did you mean by that?

Mrs Bezaire: Because of cuts to health care and the talk of restructuring, closing hospitals and this sort of thing in the rural area—it’s of great concern, especially to the consumers in the area, what kind of health care is going to be there for them, for their children, for their grandchildren and for the future. I think right now it’s of major concern to make sure that we maintain health care for the future.

Mr Martin: You mentioned as well, I’m not sure whether it was in answer to a question or in your presentation, that doctor shortage was a big issue in your area. What are some of the other issues?

Mrs Bezaire: Doctor shortage, nursing shortage, working environment, especially for nurses. Most nurses are working two jobs. There are not very many full-time positions and that is causing stress. Also, a third of the nurses are going to retire within the next few years and that’s something we need to look at, especially when only about 10% of the nurses who actually reside and work in our district are under the age of 30. That’s going to have a huge impact on the health system.

Mr Martin: Some of the material that was prepared for us today in interviewing you talks to that issue of the nursing shortage and the fact that it’s difficult for younger nurses to find full-time work. Why would it be? It has been indicated that there’s a shortage and you’ve said that that is absolutely a problem in your area. Why aren’t they hiring more nurses full-time then?

Mrs Bezaire: I’m not sure why. I don’t know if it’s cuts to health care, but right now in our area most of the nursing positions are casual part-time.

Mr Martin: And that’s obviously—I’m just looking at my own community of Sault Ste Marie—not very attractive. Nurses are looking for full-time work with all the—

Mrs Bezaire: That’s right. They want job security, they want benefits, they want—

Mr Martin: Yes, and it would make sense that if you want nurses to come to your area and practise, you’d want to do that.

You mention as well the age of the nurses in your area. We talked about offering full-time positions. Is there anything else that could be done to deal with the aging of that population?

Mrs Bezaire: After reading the study that the district health council did on nursing—the older nurses are not encouraging younger people to go through for nursing because they’re frustrated with the system, they’re frustrated with working two jobs, the work environment,

especially in rural Ontario. They have to know everything; they have to specialize in everything; they have to do everything. Therefore, when the nurses aren’t encouraging other people to go into nursing, it’s hard to attract younger people to come to rural Ontario.

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Mr Martin: And you think that as a member of the district health council you might be able to help in that respect?

Mrs Bezaire: Hopefully.

Mr Martin: Anything specific that you think you’d like to do?

Mrs Bezaire: I’d like to see more full-time positions come up and a better work environment for the nurses, so that we can attract—I’d also like to see different recruitment programs like we see with the doctors to encourage nurses to come to rural Ontario, different incentives, different signing bonuses, stuff like this, and sign contracts with them so we can at least get them to stay for some time.

The Chair: Thank you very much. That completes our questioning. You may step down.

ROYAL POULIN

Review of intended appointment, selected by official opposition party: Royal Poulin, intended appointee as member, Deposit Insurance Corp of Ontario board of directors.

The Chair: Our next intended appointee—I’m going to move to the one listed at 2:30, who is available at this time. Our other appointee is not available at this time. I ask Mr Royal Poulin to come before the committee. He’s an intended appointee as member, Deposit Insurance Corp of Ontario board of directors.

Welcome to the committee, Mr Poulin, or should I say welcome once again to the committee. We’ve had the pleasure of having you before us on a previous occasion, and it’s nice to have you back. You have an opportunity, as you know, to make an initial statement if you see fit, and then you will be questioned by the members.

Mr Royal Poulin: Thank you, Mr Chair, and thank you to the panel for inviting me today to answer any questions you may have. You have my biography in front of you, I believe, and I’m not going to bore you with the details. You have them there.

I’d like to state that I’ve been a member of a *caisse populaire* since I was about 10 years old, way back when I was in elementary school. The school trustees in those days were trying to help us realize what saving meant. I joined the *caisse populaire* when I was 10 years old, and I’ve been a member ever since.

I retired last year. During the last four or five months, I believe, members of my *caisse populaire* in Verner asked me if I would serve on DICO. I did some research on what DICO was all about and decided to put my name forward.

I was interviewed by the board of directors of DICO, and then my name was forwarded to the minister for a

decision. I also was nominated by L'Alliance des Caisses Populaires to represent them on DICO. I am fully prepared to serve and represent them if my appointment is confirmed.

That's all I have to say, Mr Chair.

The Chair: Thank you very much. We'll commence with the official opposition.

Mr Gravelle: Mr Poulin, welcome. It's good to see you. Can you tell me, are you still the chair of Ontario Northland?

Mr Poulin: Yes, I am.

Mr Gravelle: A very strong issue, obviously, related to it up in northeastern Ontario, if I may ask you about that. Could you describe for the committee the situation in terms of decisions as they relate to the health of Ontario Northland at this stage.

Mr Poulin: It's been a very public domain, whereby we've been mandated—the board and myself as chair—by the government to seek service improvement. We've been out there trying to improve services. We've also undertaken a process where we're asking the private sector if they could help improve services. No decision has been made. We're going through a process. That's where we are now.

Mr Gravelle: Can you tell me your position related to privatization of the system? There are those of us who feel it needs to remain publicly supported. I know this is a huge issue for the people in northeastern Ontario. I was in North Bay recently, and it's certainly a huge issue there.

Can you tell me what position you are taking on that and what position you feel the government should be taking?

Mr Poulin: My position is to try to find the best vehicle to give the best services to our clients, being our freight customers and our passengers. That's my position, and we have not come to any conclusion yet. As you know, the process is underway. I also understand and realize that it's a very important issue for northeastern Ontario, and all of northern Ontario for that matter. I've done a lot of consultation, and I've met with a lot of people and listened to their positions, but I certainly have not come to any conclusion yet.

Mr Gravelle: Let me ask, if I may, because if I may say, I think there may be a byelection in Nipissing riding very soon, and it's probably going to be an issue that will be coming up very strongly during the campaign. Obviously, we would like to get your thoughts on it, so I appreciate your comments, such as they are.

I guess I should be asking you about the Deposit Insurance Corp, but let me ask you one more question about your past life in terms of the northern Ontario heritage fund. The fund obviously is something that's very important to northerners. There are some of us who think the fund has moved very far from its original mandate as it was put together by René Fontaine, the minister who first brought it together. You are no longer the chair of the heritage fund—or are you still the chair?

Mr Poulin: I was never the chair of the heritage fund.

Mr Gravelle: You ran it. You were far more important.

Mr Poulin: I was the general manager.

Mr Gravelle: You ran it. What are your thoughts in terms of some of the changes that might take place? You are in a position now to perhaps tell us how you feel. I for one must tell you that I still think individual businesses in northern Ontario could probably benefit from selective help from the heritage fund. That was very much changed by the present government. Can you give me your thoughts on that, particularly as you are perhaps in an easier position to comment now than you would have been at the time?

Mr Poulin: The fund was established for economic development. I can't comment on now, but while I was there the fund certainly did fund important projects in the north, and we did provide employment opportunities for people living in the north. So my position is still the same: the fund is very special for northern Ontario and should continue to be a fund for economic opportunity for northern Ontario, and for health opportunity too, if there's a need for that.

Mr Gravelle: If I may just ask you about this particular position, and then I'll pass to Mrs Dombrowsky: in your opinion, is the fund running exactly the way it should? Do you feel it is providing all the benefits it could in terms of enhancing the northern economy?

Mr Poulin: I feel that it is helping the northern economy. I've not been that closely associated with the fund lately, but I've been reading the paper and I've looked at some projects that I think are moving the yardstick for economic benefits and also for health benefits and community improvement.

Mr Gravelle: Let me just take this one step further or at least go back to something. Do you believe, though, that certainly in the north—and obviously you are very experienced in every way in terms of your background. I think I may have been employed with the Ministry of Northern Development and Mines at the same time you were, although you were certainly very senior to me. Do you believe, though, in terms of the development of the economy, that it might potentially be advantageous to help out certain businesses? One of the criticisms of the heritage fund has been that it is restrictive in terms of who can actually access it. Would you think we should be looking again, perhaps, at the possibility of certain businesses being able to receive support from the fund?

Mr Poulin: It's not for me to make that kind of statement. I'm not a provincial politician. I'll leave that up to the masters who make the policies.

Mr Gravelle: You're very careful, really. It would be very interesting to get your opinion.

The Chair: Mrs Dombrowsky.

Mrs Dombrowsky: Thank you very much, Mr Poulin, for coming today. When I was reading the background with some interest—and I don't have a lot of background in this particular area—I could not help but note the decline in the number of credit unions and caisses pops in the province of Ontario. Do you have any understanding

or sense yourself about the health of credit unions in Ontario right now?

Mr Poulin: When I was interviewed by—I'm not sure of his title—the manager or executive director of the board who sits on DICO right now, I was led to believe that the health of the caisses populaires and the credit unions is good, that they have been able to make great strides in improving the financial situation over the last number of years, and that they're doing very well, helping the communities. More and more people, I think, from the area I live in are using the services of the caisses populaires. More and more people realize that bigger is not necessarily better, that services that can be provided by the caisses populaires are equal to or even better than other lending institutions.

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Mrs Dombrowsky: Recently, I had credit union people come to visit me in my office. They were talking to me about liquidity pools. Are you familiar with any issues that credit unions have around liquidity pools in the province?

Mr Poulin: No, I'm not aware of that.

Mrs Dombrowsky: The fact that in their industry, their company is required to participate in a liquidity pool, but not all money managers or lenders are required to provide that same insurance: are you familiar with that issue at all?

Mr Poulin: No, I'm not.

Mrs Dombrowsky: OK. Thank you very much.

The Chair: We now move to the third party.

Mr Martin: Good afternoon, Mr Poulin.

Mr Poulin: Good afternoon, Tony.

Mr Martin: I was thinking, when I saw your name this morning, your retirement has been rumoured for a number of years. I guess you'll never quite get there, will you?

Mr Poulin: I'm there.

Mr Martin: You're there, but you just keep taking on more work.

Mr Poulin: Yes. If I'm not there, my wife will be very upset with me.

Mr Martin: Considering your long and rather illustrious career in the civil service, particularly in the north and in the Ministry of Northern Development and Mines and all things northern, why would you be interested in this particular appointment? Maybe I missed that, because I wasn't here for your earlier remarks.

Mr Poulin: My involvement with caisses populaires—not the credit unions, but it's one and the same: when I was 10 years old at elementary school, way back when—that's many, many years ago—the caisses populaires members wanted the young generation to start to understand what saving was all about, what investment was all about, so they created a caisse populaire for the schoolchildren. I joined and I became a member as I got older. I got my first taste of caisses populaires.

I also live in a rural community, where it's very important to have these types of services in the community. They provide a great benefit to the community. People

know each other. It's a great movement and I have supported it. I've been involved with it ever since I was, as I say, about 10 years old. That's why, when I was asked by members of my caisse populaire if I would serve on this board, I did some research and thought that I would have sufficient time to serve and help the caisses populaires and the credit unions to continue to grow.

Mr Martin: You're absolutely right: it is a very, very important institution in a lot of small northern communities. You know, because you live there, that over the last few years, as the big banks moved out of small communities, the credit unions and caisses populaires have actually moved in and, in some instances, taken over the building that the banks vacated. It's the only vehicle local people have that's accessible to do their financial business and is really, really important in terms of economic development and so many things.

What do you hope you can bring to this particular job, considering how important these are?

Mr Poulin: I hope to be able to listen to the members and to the caisses populaires and the credit unions also. As you know, I was nominated by L'Alliance to represent them. I hope to listen to them and bring their concerns to the DICO people. I want to make sure that we're a very efficient operation, that we're there to protect the interests of the members of the caisses populaires and the credit unions. Hopefully we can continue to grow and provide services that the customers or the clients ask of us. That's what I hope to do.

Mr Martin: I'll just make a couple of comments here that may present as somewhat political, but I am a politician.

The northern Ontario heritage fund, as my colleague from Thunder Bay-Superior North said, has changed in its mandate and format and terms of reference. Some of us have been quite critical of that. We think it's moved very significantly from what it was initially intended to do and to support. You were the general manager for a good portion of that and helped in the transition. There are some who believe that it has actually taken over some of the previous responsibilities of some of the mainline ministries. Some of the money that is being spent on capital projects would have, in years gone by, been spent through the Ministry of Transportation or the Ministry of Municipal Affairs or whatever.

Then there's the Ontario Northland Transportation Commission, which was initially put in place to be, as well as a provider of some services, an economic development engine for probably a big chunk of the north. We had norOntair in Sault Ste Marie, and it was a very important employer and service provider, corporate citizen, in our community of Sault Ste Marie. That vehicle has been changed significantly. Its very existence is being questioned at the moment very seriously by the present government.

If we continue to lose those vehicles, the only things we have left are what we develop ourselves, and one of them is the credit union. When you think of a credit union—and in your position now, at this level, I'm not

sure whether you will have the capacity or potential to do anything about it. I've been racking my brain for a little while now: how could we make credit unions or caisses populaires a more integral part of economic development in small communities? Is there any way to change legislation to allow—when we were government, I believe, and correct me if I'm wrong, we gave caisses populaires and credit unions the ability to lend more money to business and to actually come together and do joint loans. Is there anything else we could or should be doing?

Mr Poulin: I think the caisses populaires have come a long way over the last number of years. I remember that when I first tried to borrow money to buy a house—that's many years ago—they could only lend up to maybe 50% or whatever it was, and that was not sufficient money for me to be able to get my house started. I think they've come a long way. They are providing the services that people are asking for. They are open during business hours when people need to have that kind of service. They've gone into the computer world. You can do your banking on-line. They have to compete with the bigger lending institutions or banking institutions.

But I feel that in a smaller community there are more and more people moving from the large institution to the smaller one. I agree with you, Tony, that in a smaller community—I look at Field, for example, where I live, and Hearst; they are not small but they are not large. The credit union has played a very important part in the economy, in helping businesses grow and create new employment.

I think the way we can improve services is by listening to the customers and listening to what they need. If we meet their needs, they will be moving over to us and making us grow. They certainly have a very important role to play in rural Ontario.

Mr Martin: I was just reading recently—perhaps on my way here this morning; I'm not sure—that there's a move afoot to have credit unions become national in nature. Have you heard that?

Mr Poulin: No. Sorry.

Mr Martin: Would that concern you at all? For me, the nice thing about a credit union is that it's small, it's personal. You walk in, you know the manager. Maybe he lives down the street from you and goes to church on Sunday, and you can talk to him. You can go to the annual meeting and have your say. I belong to the ASCU credit union in the Soo. Their annual meeting is coming up in a week or so. Anybody who wants to—the place is usually full and we can go and have our say. If they become national, it seems to me we may lose some of that; I'm not sure.

Mr Poulin: It's hard for me to give you a yes or no answer on this because I don't know the ins and outs of what this would mean, but I would certainly continue supporting the local involvement with the local services. I agree with you that members can go to an annual meeting and have their say, and I certainly would not support the loss of that in the future. But I can't answer

yes or no on a national basis, because I don't know what effect it would have on the well-being of the caisse populaire or the credit union.

1400

Mr Martin: There are some people I've come to know since I got this job who you would also know—in particular, one gentleman named Gilles Pouliot, who was quite critical of the banking industry because it had moved so dramatically and radically into investments and that kind of thing and away from the actual management of people's deposits. We note that every day with the increase in fees and the lack of personal service.

I note as well in the credit union movement now a move in that direction. You have the ethical funds that you can now invest in. I think they're good and I take advantage of them myself but there is also something inside of me, though, a fear, and maybe in terms of the deposit insurance corporation you may have some say in that. But if there was a shift in credit unions to be more like the banks in terms of the focus, the energy and the effort going more into managing investments as opposed to actually providing services to members, would you have a concern about that?

Mr Poulin: I would have a concern and I think our members would have a concern. I think our members would express that concern very loudly to the members of the caisse populaire, the credit union. Our role is to make sure that the services they're providing or the money that's invested in the caisse populaire or credit union are secure and to make sure that we provide timely advice to those who are in need of advice. I'm sure that none of us wants to see any caisse populaire move away from that home base type of service that they've been providing.

Mr Martin: Do you think you'll have any possibility or opportunity, in being appointed to this corporation, to effect that in any way?

Mr Poulin: Like I said in the beginning, I will certainly listen to our members and bring their viewpoints, their concerns and their needs to the DICO board.

The Chair: That concludes the questions. We move to the government party.

Mr Wood: We'll waive our time.

The Chair: OK. The time has been waived. Thank you very much, Monsieur Poulin. You may step down.

SUSAN MILLER

Review of intended appointment, selected by official opposition party: Susan Miller, intended appointee as member, council of the College of Midwives of Ontario.

The Chair: The next individual who will appear before the committee is Susan Miller, intended appointee as member, council of the College of Midwives of Ontario. Welcome to the committee, Ms Miller. You have an opportunity, as you would know, to make an initial statement, and subsequent to that there will be questions from members of the committee.

Mrs Susan Miller: I'd like to thank the committee for this opportunity to provide the members with additional information as they undergo their task of reviewing the suitability of candidates proposed to serve on various boards and commissions in the interests of the people of Ontario.

The position for which I've been nominated is member of the council for the College of Midwives. While preparing for this interview, it became apparent that the committee is often interested in how nominations come about. In my case, I was contacted by an individual in the office of public appointments of the Ministry of Health. She said that it had come to her attention that my appointment to the College of Optometrists was coming to an end and, in the interests of recycling trained individuals, would I be interested in serving on another board? If so, what would I be interested in? At the time, I was not expecting her call and did not have any knowledge of positions that would be open. She suggested that the College of Midwives had a position coming available and that my financial background might be valuable to them.

I understand that as a small college they face some specific challenges related to the size of their membership and their need to fulfill all the statutory obligations of a regulated health profession. The College of Optometrists faced somewhat similar challenges; however, their membership is approximately four times as large as the midwives' and their college is long established. I said that I would be pleased to serve on the council.

I am interested in the practice of midwifery from the perspective of being a mother of two. As well, some of my financial planning clients have used the services of midwives and were very pleased with their experiences. I feel midwives offer women an important alternative, but it is important that we ensure that they provide a safe alternative.

Another issue I wish to cover is that it has come to my attention that the copy of my curriculum vitae that the committee received in their briefing materials was one I originally submitted when I was appointed to the College of Optometrists of Ontario in 1996. Unfortunately, it lacks any information on my experience over the last six years. I think the most relevant qualifications I offer are based on my experience and the training I received while a member of the council of the College of Optometrists. As well as participating in council meetings, overseeing the general functions and governance of the college, I served on two statutory committees, including discipline and patient relations. Additionally, I served on several standing committees, including communications, finance and conflict of interest, which later evolved into the ethics committee. I served as treasurer for, I think, two years. During those terms I spearheaded a revision of the process through which the budget of the college would be developed and approved by council each year.

While serving on the discipline committee, I received excellent training in how to conduct hearings and how to write decisions. Training was arranged by the college and

provided by lawyers highly recognized in the administration of the Regulated Health Professions Act. I was able to participate in a number of hearings and write the decisions in several cases. I am also aware of the changes in the procedures that the College of Optometrists is attempting to implement with respect to the administration of its discipline function. I think that I can share these approaches and my skill set with the College of Midwives, potentially to their benefit.

Also not mentioned on my CV is my work as a commissioner on the North Bay Economic Development Commission from 1997 to 1998, my work on the board of Nipissing East Community Opportunities, a community futures organization, from 1996 to 1999 and my current positions on the boards of Lake Nipissing Partners in Conservation and the Friends of the Environment Foundation. All of these have been volunteer positions.

In the category of recreational activities, I'm quite pleased to report that this year I became a certified snowboarding instructor.

The CV you have does outline my university degrees, which include both a bachelor and master of science and a bachelor of education degree. I have found that a biology background has been helpful in understanding the health issues under discussion at council meetings, especially when setting guidelines for standards of practice. It has given me the basis to ask the professional members the additional questions that I need answered to appreciate the technical issues and participate fully in the governance of the college.

Being from northern Ontario is also an important consideration. As a public member, I would bring to the College of Midwives a northern perspective. Access to health professionals is sometimes an issue in the north, and the provision of the services offered by midwives has the potential of alleviating some of the pressure put on the practices of general practitioners and obstetricians. I was pleased to find out that one of the universities that offers a program in midwifery is Laurentian University in Sudbury. If the belief that providing medical education at locations in the north will lead to more medical practitioners in the area holds true, this certainly is a positive development.

In closing, I hope the committee finds my qualifications adequate and, if so, I look forward to serving on the council of the College of Midwives.

The Vice-Chair: Thank you very much, Mrs Miller. We will begin the questioning with the third party.

Mr Martin: Thanks for coming. Did you come down from the north today?

Mrs Miller: Yes; 12 centimetres of snow.

Mr Martin: Did you snowboard over the weekend?

Mrs Miller: No. We had guests.

Mr Martin: My son did out at Searchmont. He had a good time. We were thankful that we had enough snow. We didn't have much at Christmas, so it was good.

You're obviously a very busy and qualified person in many ways. Why this appointment? Why would you

want to do this at this particular point in time in your life?

Mrs Miller: I find it interesting. I think the province has been good to me, it's something that I'm very capable of helping out with and I appreciate the opportunity. In return, I think I do receive excellent training. It's an interesting function. I think I have something to offer.

Mr Martin: You talk about some of the unique challenges of the north—you've said you're an appointment from the north—in terms of health care, and we're all well aware of them, any of us who live up there and have to access the system or have kids or whatever. How do you think midwives can be helpful in resolving some of the issues that we have, or can they be?

1410

Mrs Miller: Certainly in North Bay we are very limited as far as our access to obstetricians, for example, and even getting a family physician at times is a challenge. If midwives are there to offer their services, they can help alleviate that demand that's currently being placed on obstetricians.

Mr Martin: How do you think we might better integrate those? I can think of three things that need to be integrated if we're going to allow midwives to operate at their maximum capacity, and that would be that hospitals need to be more accommodating, obstetricians need to be willing to work with them—and we have instances where that has not happened, and to some very difficult end for the expectant mother and the baby. How do you think we might integrate that more effectively?

Mrs Miller: It's going to take some time to see that obstetricians and other medical professionals are accepting of midwifery as a practice. The current position that's being offered on the council probably will have limited opportunity to effect those changes. The other area that I think is extremely important is to make sure that we have highly qualified members in the profession of midwifery so that they have credibility with the current medical practitioners. That's going to be one of the big keys, that they do have the respect of the other medical people.

Mr Martin: How closely related do you think midwives should be with obstetricians? What is your understanding of that relationship? What should it be?

Mrs Miller: What it should be?

Mr Martin: Yes.

Mrs Miller: I think it should be relatively collegial. The obstetricians should see midwives as offering a very valuable service which preserves the resources we have available for highly trained obstetricians, reserves those for the cases where their services are truly needed.

Mr Martin: What experience have you had yourself with midwives?

Mrs Miller: Midwives? Only second-hand, references from my clients who have used midwives, that they've been very pleased with their experiences.

Mr Martin: Would you use one yourself?

Mrs Miller: Well, I'm a little old. My sons are 23 and 21, so I really don't want to get into that again at this

point in my life. But I would have no problems with using a midwife if one had been available when I was in—

Mr Martin: Or referring a friend.

Mrs Miller: Or referring a friend.

Mr Martin: OK. Thank you very much.

The Vice-Chair: Thank you very much, Mr Martin. We'll now move to the members of the government. Any questions here?

Mr Wood: We will waive our time.

The Vice-Chair: Thank you very much, Mr Wood. We will move to the official opposition.

Mrs Dombrowsky: It's nice to see you, Mrs Miller. I'm just a little bit curious. You've indicated that you've come to be here because you received a call from the appointments commissioner—

Mrs Miller: Yes, with the Ministry of Health.

Mrs Dombrowsky: —with the Ministry of Health to say your time was up with the optometrists and maybe you would like to serve.

Mrs Miller: Yes.

Mrs Dombrowsky: How did you become involved with the College of Optometrists?

Mrs Miller: That was—

Mrs Dombrowsky: In 1996.

Mrs Miller: I really don't remember who contacted me at the time. I was advised that there were positions going to be available on boards and commissions. I had no knowledge of that process prior to that time. It was actually someone in Timmins who asked me if I'd be interested in submitting my CV. Then a few months after that I received a call and was asked if I would be interested in serving on the College of Optometrists.

Mrs Dombrowsky: Are you a member of a political party?

Mrs Miller: Yes. I think it's very important, that democracy only functions effectively if the public is fully engaged in the political process, and I am currently a member of the Progressive Conservative Party of Ontario.

Mrs Dombrowsky: Thank you. I heard you make some reference a little earlier with Mr Martin's comments. He spoke about some of the challenges there are within hospital settings relating to midwives and professionals. In the background material that I'm sure you've read it's referred to as "artificial barriers." Since you've had experience with a professional college, what role could the college have to remove those barriers?

Mrs Miller: My experience with optometry, where we were running into some similar situations, was that the opportunities are relatively minimal. As a public member, I can support initiatives to approach the Ministry of Health and present a case for better public access or better service in the public interest, dealing with specific issues. But primarily the role is in governance of the membership of the college, and really the opportunities for feedback to the ministry are not great. I think those changes have to be initiated and supported by the Ministry of Health.

Mrs Dombrowsky: They have to come from the ministry?

Mrs Miller: Yes.

Mrs Dombrowsky: You made a comment about the fact that you see a role that the college would have to ensure that midwifery has the credibility and respect of other medical practitioners.

Mrs Miller: Yes.

Mrs Dombrowsky: Is it your sense it doesn't?

Mrs Miller: If there are artificial barriers, I think that's evidence that there are some problems with the relationships. Generally speaking, if medical practitioners perceive each other as colleagues, they're far more accepting of utilizing the services and referring to each other and working co-operatively. In order to feel that collegial relationship, I think it's important that there is, fundamentally, respect of the credentials of the individuals.

Mrs Dombrowsky: I couldn't agree with you more. Maybe you could explain to me how you think that in your role as a member of the college you could facilitate that.

Mrs Miller: Basically, as a member of council, it's going to come down to supervising the standards that we enforce as far as registration. I'll be interested to see if there are additional opportunities, but as I say, based on my experience with the college of optometry, there were limited opportunities in that respect.

Mrs Dombrowsky: Do those professional colleges talk to each other?

Mrs Miller: Occasionally.

Mrs Dombrowsky: That would be good.

Mrs Miller: Yes. There tend to be some turf wars. Certainly with optometry, you get concerns of three different professions that are providing eye care: opticians, who provide the spectacles; ophthalmologists, who are primarily physicians dealing with conditions of the eye; and then optometrists. You get some discussions back and forth, but usually one of the people at the table is less ready to discuss issues because they see the impending changes as going to affect their current situation negatively.

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Mrs Dombrowsky: Would you be prepared, though, as a member of the college to push and advocate for a better rapport and relationship among those health care professionals who deal with the delivery of children? Like you, I'm sort of past the point of requiring these services, but I do think it's something that's very worthwhile and needs to be expanded upon. Many years ago, when you consider how children came into the world, very regularly it was with the services of a midwife.

I don't see midwifery as an alternative to be considered because we have a doctor shortage, although I think they probably can assist greatly in dealing with that particular reality. But I think there is some great merit in advancing the status of the profession. It's something that we should be looking toward more in Ontario. Obviously when it became legal to operate as a profession in

Ontario, it was something that governments of all political stripes recognized and advocated and to some degree over the years have supported.

I'm encouraged to understand that you do have that experience on a professional regulating body because I think you might have some experience and understanding of how you might effect some of those changes that need to happen to advance midwifery in Ontario. So I wish you well.

The Vice-Chair: Thank you very much, Mrs Miller. We will be voting on your appointment later in the afternoon.

We are doing so well this afternoon that we're ahead of schedule. Our appointment that was scheduled for 3 o'clock, Mr Miele, is trying to get here. He's apparently in a cab heading here but he's not here yet, so perhaps we might just take a five-minute recess.

Mr Wood: Could I suggest we deal with the concurrences now?

The Vice-Chair: I'm agreeable to that. Mr Martin has left the room, though. Can you see if Mr Martin is out there? That's not a bad idea.

I know Mr Miele is on the way, so we don't need to take much of a break. He was apparently in a cab trying to find his way here quickly, so he'll be here very shortly.

Mr Martin is on the phone? Mr Wood, would you like us to pause, rather than recess, until Mr Martin is off the phone? How do you want to do this?

Mr Wood: I would suggest we wait until Mr Martin is off the phone and proceed. There's no reason not to, once he arrives.

The Vice-Chair: That's fine. I'm certainly agreeable to that. I'm sure everybody else is. Ms Dombrowsky, that's fine with you?

Mrs Dombrowsky: Absolutely.

Mr Johnson: I've no objection to going on without him.

The Vice-Chair: We could, but it would be nice to wait for Mr Martin, wouldn't it? I think we can do that. I guess if we can indicate to him that we're waiting to vote concurrence, that will be helpful. OK, Mr Martin is coming.

Mr Martin, we are just waiting for our 3 o'clock appointment, who is on his way. We're running early today, so what Mr Wood suggested was that we do concurrence on the members who have come forward this afternoon. I trust that's agreeable to you?

Mr Martin: Yes.

Mr Wood: I move concurrence re Mrs Hinton.

The Vice-Chair: Mr Wood has moved the appointment of Mrs Hinton as a member of the Council of the College of Respiratory Therapists of Ontario. Any discussion? All those in favour? Opposed? Carried.

Mr Wood: I move concurrence re Mrs Bezaire.

The Vice-Chair: Mr Wood has moved concurrence of Sherri Bezaire, intended appointee as member of the Grey Bruce Huron Perth District Health Council. Any discussion? All those in favour? It is unanimous.

Mr Wood: I move concurrence re Mrs Miller.

The Vice-Chair: Mr Wood has moved concurrence of Susan Miller, intended appointee as member of the Council of the College of Midwives of Ontario. Any discussion? All those in favour? That is carried.

Mr Wood: I move concurrence re Mr Poulin.

The Vice-Chair: Mr Wood has moved concurrence of Mr Royal Poulin, intended appointee as member of the Deposit Insurance Corporation of Ontario board of directors. Any discussion? All those in favour? Opposed? It is carried.

PERRY MIELE

Review of intended appointment, selected by official opposition party: Perry Miele, intended appointee as member, Liquor Control Board of Ontario.

The Vice-Chair: I believe Mr Miele has arrived. Excellent timing. Thank you for getting here early. We appreciate the effort you made to get here.

Mr Perry Miele: No problem.

The Vice-Chair: We're going to call you forward immediately, if that's quite all right.

Mr Miele: I didn't even get to have a break.

The Vice-Chair: We're calling forward Mr Perry Miele as an intended appointee as member of the Liquor Control Board of Ontario. Mr Miele, welcome to the committee. You have an opportunity to say a few words, if you wish, before we proceed with questioning. I believe the questioning will begin with the members of the government. Welcome, and feel free to address the committee.

Mr Miele: Thank you very much. I will take a minute to make a few comments. First of all, good afternoon and thank you, Mr Chairman and members of the standing committee, for the opportunity to appear before you.

As you know, my name is Perry Miele and I am the chairman of the Financial Task Force, which is a Canadian merchant bank based in Toronto. Prior to joining Financial Task Force I was president, international group, of Draft Worldwide, based out of Chicago. I held this post for approximately three years. While at Draft Worldwide, I spearheaded the company's international expansion plan, with a combination of both acquisitions and organic growth.

My responsibilities there included the 36 offices that operated in 24 countries outside of the US with approximately 1,200 employees. Over the years, I've also worked closely with some of the largest and most recognized brand names in the world, such as American Express, Kodak, Burger King, Kellogg's and the Royal Bank. Much of this work has taken place in Canada, Europe, South America and Asia, for the most part.

Prior to my job as president of Draft's international group, I was a partner in a Canadian advertising agency that my partner and I sold to Draft in 1998. The reason I bring that up is that during my 10 years of building our agency, one of our major focuses was social marketing. Two of our most celebrated programs were the Stay in School campaign for the federal government, which ran

for five years, and the responsible use campaign that we developed for the Brewers' Association of Canada, which was called Speak Out, Stand Up, Be Heard. I truly believe that responsible use or social responsibility needs to be a critical and important foundation of the LCBO and any other agency or organization selling or distributing alcohol.

I was born in Thunder Bay and presently live in Burlington. I'm married and the father of two young children. I have spent a good part of my career trying to help major corporations understand consumers—their customers—and what they're looking for and then helping them develop the brand strategy to meet those expectations. During that time I've had the opportunity to watch the transformation of the LCBO from one of the least consumer-friendly sales organizations—it turned itself into a modern, consumer-savvy retail network. It truly has done a superb job in listening to its customers and responding appropriately. While it has come a long way and can be clearly identified as a leader in this category, I still believe it has more room to grow to reach its full potential and I would very much like to participate in the LCBO's continued growth in reaching that potential. Thank you very much.

The Vice-Chair: Thank you very much, Mr Miele. Of course, it's always great to greet a native of Thunder Bay, being one myself. We will begin the questioning with the members of the government party. Any questions?

Mr Wood: We will waive our time.

The Vice-Chair: We move to the official opposition.

Mr Bradley: This one almost goes without saying. I presume that you belong to the Progressive Conservative Party; is that correct?

Mr Miele: Belong to, or am I a member?

Mr Bradley: Are you a member of the Progressive Conservative Party?

Mr Miele: Yes, I am.

Mr Bradley: Have you donated to the Progressive Conservative Party?

Mr Miele: Yes, I have.

Mr Bradley: Have you worked in campaigns for the Progressive Conservative Party?

Mr Miele: Yes, I have.

Mr Bradley: In fact, you've played a very central role, as I recall, in the Conservative Party, and there's a pattern of people who have played a significant role in the Conservative Party appearing here. That's always—

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Mr Wood: It shows why we win all these elections.

Mr Bradley: That must be what it is, my friend Mr Wood says.

Mrs Dombrowsky: You're taking notes.

Mr Bradley: Were you not the director of advertising for the Conservative Party in the 1999 campaign? You were involved in the advertising for the Conservative Party?

Mr Miele: In the 1999 campaign, yes, I was.

Mr Bradley: And were you involved in any of the leadership races this time around?

Mr Miele: Yes, I was.

Mr Bradley: Which one would that be?

Mr Miele: Minister Tony Clement.

Mr Bradley: I see. Mr Clement is a great proponent of privatization of a number of agencies of government; almost, if it moves, you should privatize it. We've already seen some privatization in the health care system under the auspices of Mr Clement: a cancer care service, which is a radiation service, at Sunnybrook hospital.

Let's go to the position, the plum, that you are going to receive. Most people think it's a plum. It's almost like Valhalla for, I'm told, ex-members of the Legislature, for instance, to go to this job at the Liquor Control Board of Ontario.

Mr Gilchrist: You appointed Andy Brandt.

Mr Bradley: Andy Brandt was appointed to it, and reappointed to it. I guess I'll ask you this question. May I presume that you are, since you're going on the board, opposed to the privatization of the LCBO?

Mr Miele: I wouldn't say that I'm either for it or opposed to it. It's interesting: I'm 43 years old, and I remember going to the liquor control boards with my father when we were younger. There was a teller and there was no liquor on the shelves. You had to fill out this little form. You had to go and hand it to the man behind, and he looked at you kind of suspiciously, no matter how old you were. It was an organization where back then I think as a consumer you'd say, "This thing needs to either be restructured or privatized." But today there's been such an improvement that, as a business person who acquired and sold companies on behalf of a large corporation, we would do a very clear analysis, and if you had an asset that still had an opportunity to grow and mature, you would carefully weigh the pros and cons before making a divestiture of that asset. I think any good business person would have to sit down and look at all the facts.

I must admit, Mr Vice-Chair, that there's a lot of information that I'm not aware of before I could ever comment on that, and hopefully that will be part of the process of getting up to speed and up to date on its present situation.

Mr Bradley: One would hope that in the desperation to balance the budget and in looking for cash somewhere, the government wouldn't rashly privatize the LCBO, and indeed that there would be a continued effort to, as you would describe it, modernize it. Never having been in the LCBO in those days, I wouldn't have remembered that, but I've heard people tell me about having to fill those forms out and hand it to the Tory—to the employee who was there at that time.

Mr Wood: Mitch Hepburn.

Mr Bradley: I have a question. I have a vested interest, only parochially speaking, in the wine industry in the Niagara region. The wine industry has a tough time with the LCBO. I can't imagine, for instance, the LCB—whatever it would be; let's say the same body, the liquor

control board—of Alsace and Lorraine or Burgundy or any of those featuring as many foreign wines at the expense of local wines.

Mr Wood: They don't have an LCBO.

Mr Bradley: Well, if they had one—

Mr Wood: They don't.

Mr Bradley: If they had one, I couldn't imagine that to be the case.

Are you going to attempt to have more listings from Ontario wines—Canadian wines; let's not be that parochial—at the LCBO than there are listed today?

Mr Miele: I think that's a great point. Last year I was living in France for a while, part of my job. There's no question you are right. They don't go out of their way promoting any Ontario wines, and they list very few wines other than French. One of the things I did—as you know, there were barriers to entry for icewine into France until just recently. Just to make the point to all my senior executives there, as a gift at the end of one of these big programs, I shipped in two cases of Ontario icewine and gave it to them as a gift. They openly admitted that the reason the tariff was there was because it was going to be a threat to their dessert wine and they had nothing to match our icewine yet. They were buying themselves as much time as possible, and they now have officially allowed it to be imported into France.

With Ontario wine there's a big issue, and it's called balance. We've got to balance the right of the consumer to ensure they can purchase and have whatever they like with what works for the Ontario industry; that is, to protect and try to help grow what is a critical job growth area for us, which is the agricultural side, the making and selling of the wine. I think we need to find some balance between the two.

Mr Bradley: There is an issue as well that they almost get a broom at the LCBO and sweep so many Ontario wines off the shelves each year. They say, "There's not enough sale of them." I guess if you tuck them down in the corner, there isn't. And if you have only one month a year featuring Ontario wines, or at most two months when the big feature in the LCBO is Ontario wines, maybe the sales might not be quite as high.

Would you like to see that rectified, all these smaller wineries having theirs swept off the shelves and not allowed on the shelves in their own province in a quasi-government store operation?

Mr Miele: That is a challenge, because you want to see these young wineries given a chance to incubate, and the LCBO would be the perfect place. But at the same time we have to make sure those wines have a market, that someone is going to buy them and they don't sit on the shelf. For many years one of the challenges I had with any client was how to move their product.

One of the things that are occurring right now—I was reading some of the briefing—is a program called WOW! The wineries are bringing in the staff and teaching them more about the wines, so that when any one of us do walk in and say, "I'm looking for a wine that has this. Is there any Ontario wine that would fit?"

they can promote and say, “Listen, I was just in,” and explain about that wine. Part of it is education. I think that’s a great program that should continue, and I hope to see that happen. Once the staff knows more about the wine, the consumers will know more. And once we know more as consumers, we’ll purchase more Ontario wines.

Mr Bradley: We might bring in the staff of Air Canada as well, who years ago when you asked them for a Canadian wine looked at you as though you’d asked for turpentine.

Mr Miele: You’re right.

Mr Bradley: They could certainly be educated in that direction.

There’s another issue they have—this is vengeance here—that I think is significant. Sometimes the government does the right thing, believe it or not. They took my advice and allowed the wineries to sell directly to restaurants, for instance. But there’s a problem with warehousing. For some restaurants it just is not economical to take it from one warehouse all the way across Ontario to another. Would you advocate on behalf of warehouses that are closer so that we can have those direct sales? This is what was happening. It’s a good idea. I want to say that when they accepted my suggestion that there be direct sales, it really helped our wineries. But logistically it’s different. Would you be willing to help find an answer to that logistical problem for our wineries?

Mr Miele: I didn’t know about that issue, and it’s one that I will bring up if I get the opportunity, because it makes logical sense. The question is to find out why they’re not. Is there something that’s keeping them from putting it in those warehouses in terms of distance?

Mr Bradley: There is a problem, but just raising it will perhaps—too bad we’re out of time, because I had so many questions.

Mr Johnson: Pound the desk and you’ll get more time.

Mr Bradley: Too bad I’m out of time, because I have so many questions about government advertising, its relation to advertising for the political party, whether you get a break—

The Vice-Chair: It’s unfortunate that there’s not more time. You’re right. It’s unfortunate.

Mr Bradley: There it is. I was just getting good too.

The Vice-Chair: Just warming up. Thank you, Mr Bradley. Mr Martin.

Mr Martin: I appreciate your coming here this afternoon, because it provides us with an opportunity to talk about what I think is a very important subject of public policy before the province at the moment; that is, how we deal with our liquor control board and the contribution it makes to the province, not only financially, which is significant, substantial on a year-to-year basis, and not only through taxes, but through the profits generated by that corporation. As you indicated in your opening comments, they’ve improved significantly over the last couple of years under the able leadership, I would say, of Mr Brandt as the chair.

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The side of this I want to explore with you a little bit is the public safety side, the social responsibility side of this issue, which I think is really important.

I have four kids, all of them under the drinking age—very healthy, normal kids out there looking for fun on a weekend and that kind of thing. It’s my view that the Liquor Control Board does an excellent job of making sure that they check identification. As a matter of fact, I’ve been in the store on a number of occasions when young people have been challenged. Some didn’t have the ID; some had the wrong ID, and it was taken away from them, and that kind of thing.

I just want to go back to say that, unlike Mr Bradley, I did go into one of those stores where there was a little window and you filled out your form. As a matter of fact, when I became old enough to go in there—that was 21 in those days—it was quite a privilege. But I understood why that window was there. We had just come out of a period, at that time in our history, of Prohibition and some very real concern about alcohol and drinking and the effect it had on communities and lives. Because in those days, if I remember correctly, you didn’t so much drink socially as you drank to get drunk. So it was a different environment within which alcohol was being sold. It had just become legal to sell it. The government was very concerned that it be handled properly, not unlike if the government today decided that it was going to legalize marijuana. We wouldn’t just throw it out there and say, “Everybody grab a piece of the action and sell what you can.” If you were going to go that route, it would have to be regulated very closely and probably be government-controlled at least in some way, a bit like—again, I’m rambling on here a bit, but I do have a question—when we were government and we were considering the introduction of casinos to the province. Mr Bradley, again, wouldn’t be really happy about the fact that we as New Democrats actually even thought about doing that, never mind went ahead and did it, but we got some very important advice from some well-placed Conservatives that, “If you’re going to do it, make sure it’s government-controlled, government-owned.”

I’d like some comment from you in terms of the social responsibility that we have here, and the fact that liquor is still a problem, that drinking and driving and kids under the influence getting killed in cars is still an issue. Certainly, for me as a parent, it’s a huge issue. Factoring all that in—again, the same question, I suppose—your comments, and how that plays into the discussion and ultimately decision-making around whether we privatize or not.

Mr Miele: Sure. To give you a little bit of background before I give my answer, I probably spent about eight years behind the other side of a one-way mirror in focus groups, listening to kids between the ages of 12 and 18 talk about social responsibility issues. What we found out on the brewers’ responsible use campaign was it wasn’t enough just to police it. It’s not enough to just have all the rules, try to police it, catch them and really buckle

down on them. The other part of it was the education. There's a social marketing model. It doesn't matter if it's to get kids to stay in school, stop smoking or the responsible use of alcohol, there are three stages to it. There is the awareness stage, the education stage and then the action. The first thing we had to do was make sure everyone was aware that it is a problem or an issue. The second stage was education, to make sure everyone was educated. The last one was action. So by the time they got to the point where we had to police them, there was a higher awareness and education and understanding.

The most interesting part about the brewers' work was we found that teens today are actually much more responsible—and I mean much more—than any of us were when we were 20 years younger. It's amazing. When we were younger, if anyone said, "I'll be the designated driver," everyone would say, "You're not cool." They'd laugh at that individual. Today, it's a badge of honour. It really made me quite proud to listen to all kinds of kids talk about that. Everyone took turns, and if you missed your turn, you didn't keep your end of the deal. There's a more complicated world out there for young people. They're actually dealing with it pretty well. That's why the brewers' campaign was "Stand up, speak out, be heard." We let young people talk to other young people. The commercials were designed and sent in; we had a contest.

I think one of the challenges for any organization, even the LCBO, will be to communicate the whole awareness and the education of why responsible use is important, as well as the policing we have in the stores. I think it's a two-part program.

Mr Martin: Do you see any difficulty if we move to a totally privatized system in terms of conflict of interest? You're talking about some of the breweries and the brewers' associations coming forward with programs of education and awareness, and that's really important. I think it's great that they do that. Certainly the Liquor Control Board does a lot of that kind of thing as well. They have programs where their staff go out and speak to schools and do all kinds of things.

As has been pointed to in terms of smoking, for example, the campaigns the tobacco industry puts on to reduce the level of smoking in kids while at the same time they are making it more attractive for them—can you conceive that there might be a conflict of interest there, perceived perhaps by those of us who still have some real concern about some of the abuses? It's not just young people; it's adults who drink and then go home and there's domestic violence and all kinds of things that we have to concern ourselves about where alcohol is concerned.

Mr Miele: Absolutely.

Mr Martin: Do you see the potential for a conflict of interest?

Mr Miele: I can't comment on the cigarette companies because it's one category I don't have much experience with or knowledge of, but in terms of alcohol, look at the beer companies as an example. They have

done a very good job of coming up with some very creative, very intuitive campaigns to convince young people, and actually all ages, to drink and handle alcohol in a responsible way. There is always that balance and that challenge for them because, on the other hand, their other divisions have to communicate what a positive lifestyle it is to use this brand versus another brand and make it as sexy and appealing as they can. I think overall they've done a pretty good job. Some of the campaigns around the world that have won top awards for marketing and advertising have been responsible use campaigns. They've had great awareness, they've hit home runs with the people who watch those campaigns and they are very memorable.

There are some people in the private sector I'm aware of who have demonstrated a successful approach to a balance between marketing their product and responsible use.

Mr Martin: Just one last question. Your own instinct, your own inkling or leaning: privatize or keep it in public hands?

Mr Miele: I've always found that a tough one because as consumers we have so much choice going into an LCBO. When you privatize, your question is, will you have as much choice? Will you have the size and the quality of the stores? What I need to try to find out more about before I make a decision is, if you ever did go that route, down the road, if that's what the major shareholder, being the government, wants to do, can you still deliver the kind of service that we deliver to consumers today? Can we deliver the kind of choice? Can we deliver the kind of management of responsible use? I think you want to go through all of those questions as you investigate that choice.

The Vice-Chair: Thank you very much, Mr Miele. We appreciate your coming forward, and thank you for getting down here earlier when our schedule changed. That's just great.

The Chair: Now I'm back in the chair. Gosh, I wish we had more time to ask questions.

We have a couple of matters. We have this to dispose of, and we also have a couple of extensions.

Mr Wood: I move concurrence re Mr Miele.

The Chair: Concurrence has been moved re Mr Miele. Any discussion?

Mr Martin: Just briefly, he is obviously a very capable and very knowledgeable person, but I just can't help, given his very obvious political connections—there's a very real concern right now out there in the public about where we're going with the Liquor Control Board and particularly this issue of social responsibility. I just can't help but think that we're putting the fox in among the chickens here. So I'll be voting against that appointment.

The Chair: Any other comments? If not, I'll call the vote. All in favour? Opposed? The motion is carried.

I need from the committee permission for an extension for John Melady, custody review board, Child and

Family Services Review Board; and Michael O'Neill, Southeastern Ontario District Health Council.

Mr Wood: Fifteen days is sufficient. I would ask unanimous consent that the time for consideration of those two intended appointments be extended by 15 days.

The Chair: Do we have unanimous consent?

Mrs Dombrowsky: Yes.

The Chair: Thank you very much. Any other business for the committee? If not, I'll entertain a motion of adjournment.

Mr Wood: So moved.

Interjection.

The Chair: I'm going to let Mr Martin, because Mr Wood is so good at moving all these motions. Mr Martin has moved adjournment. All in favour? Opposed? Motion carried.

Thank you. We'll see you on the 17th.

The committee adjourned at 1451.

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