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**Assemblée législative  
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**Official Report  
of Debates  
(Hansard)**

**Wednesday 25 September 2002**

**Journal  
des débats  
(Hansard)**

**Mercredi 25 septembre 2002**

**Standing committee on  
government agencies**

Intended appointments

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues

Chair: James J. Bradley  
Clerk: Anne Stokes

Président : James J. Bradley  
Greffière : Anne Stokes

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 25 September 2002

Mercredi 25 septembre 2002

*The committee met at 1006 in room 151.*

## SUBCOMMITTEE REPORT

**The Chair (Mr James J. Bradley):** I will call the meeting to order this morning. We have permission from Mr Martin to proceed, and that will permit us to start as soon as possible, which will be now.

The first item of business is the report of the subcommittee on committee business dated Thursday, September 5, 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? Carried.

## INTENDED APPOINTMENTS

## JOHN RICHARDSON

Review of intended appointment, selected by third party: John Richardson, intended appointee as member, Muskoka, Nipissing, Parry Sound and Timiskaming Grant Review Team.

**The Chair:** Our first intended appointee is John E. Richardson, intended appointee as member, Muskoka, Nipissing, Parry Sound and Timiskaming Grant Review Team. You may come forward, sir. Welcome to our committee. As you will have been informed, you have an opportunity to make an initial statement if you see fit, or you may simply allow the questioning to begin. That is your choice, sir. Subsequent to a statement, if you make one, members of the committee will direct questions to you.

**Mr John Richardson:** Mr Chairman, committee members, I'll just take this opportunity to review part of my resumé and give you a bit of the background of why I'm here.

I started working for Richardsons North Bay Ltd, which was a family hardware business established in 1885. This business went from a tinsmith's shop to a hardware store to a china and gift store, furniture, building supplies, and finally, sporting goods. I was sporting goods division manager from 1960 to 1979, and president and COO from 1979 to 1998.

As for the parts of my resumé that I feel are relatively important to this committee, I was with Sports Distributors of Canada, a founding member and part-time buyer for 200 stores. In the area of sports, I was a

founding member of the junior soccer program, which now has over 2,000 participants, and, I might add, received one of three awards given to date by Soccer Canada. Also, I was a founder of the North Bay Ski Racing Club, which has so far placed 11 skiers on the national team. I was a member of the Canadian Ski Council, a member of the Ontario ski team directorate, and I was chairman of the alpine ski division for northern Ontario.

In the area of environment, I was appointed to the first board and helped with the formation of the North Bay-Mattawa Conservation Authority. In the area of sports recreation environment, I am now on the Jack Pine Hill advisory board. This board oversees multi-use aspects, a combination of Vincent Massey public school, a recreation area that includes a new ski-snowboarding hill, a tube park, mountain bike, interpretive trail, and a snowshoe operation. In the area of environment, my late brother and I provided the money and negotiated the land use from a Canadian forces base of 300 acres overtop of the NORAD stage site, and the initial trail at this point is eight kilometres long.

In the area of social services, I've been a member of the Kiwanis Club of North Bay since 1963. I'm still very active. And I belong to a not-well-known group called the Kennedy Fall Fellowship. It's a quiet organization of 150 business people who donate money to deserving individuals who don't meet existing government criteria. It'll give you, hopefully, a quick rundown of what I've done to date, and I look forward to your questions.

**The Chair:** Thank you very much. We're scheduled to begin with the government caucus today.

**Mr Garfield Dunlop (Simcoe North):** Mr Richardson, first of all I'd like to congratulate you and thank you for wanting to be part of the grant review team. I'm a huge supporter myself of the Trillium Foundation, and at least in my riding—I don't know how many other ridings found this—but I found out that the grant review team has a very diverse area to look at: social programs, educational programs, recreational grants, environmental grants. They've all been very important. Particularly in the rural Ontario aspect of it, we've seen the money distributed to a wide variety of people in all those different programs. I think there's been a lot of very happy people with that.

I was just curious. Obviously, recreation has been a very important part of your background, having to do

with the skiing etc, in North Bay, the national ski team etc. Have you got any interest in social programs, environmental programs, that type of thing, that you might have some expertise in that you'd like to look at programs they might cover in that particular part of the province?

**Mr Richardson:** Right now we're trying to develop an interpretive area for Jack Pine Hill. I mentioned it was an old ski hill that went bankrupt. We recovered it first of all as a ski hill and then built a very unique combination with a public school—the first one done in Ontario. Hopefully more will be done. It works extremely well. In that way you have the public school kids right at the hill, through the outdoor interpretive areas. This is expanding as we speak. We're building a new building now, an interpretive centre, hopefully connected to the forestry and the maintaining of our forests in the north and showing how it could be done. They're trying to decide exactly how they're going to do this at this point. I'm quite active in that.

The environment: I did have the background of the conservation authority and I'm still working closely with them. This eight-kilometre trail which is looking down over our city—it's the escarpment to the south—we're trying to maintain it. It's a greenbelt now. The Canadian Forces Base is retiring this area—the stage site—moving it out from underground. So this hill might be surplus. I'm concerned that it doesn't become a housing development instead of a green area, which is why my brother and I built the trail, hopefully keeping them away from taking it over.

**The Chair:** Thank you very much. I'll go to the official opposition.

**Mrs Leona Dombrowsky (Hastings-Frontenac-Lennox and Addington):** Good morning, Mr Richardson. In the background material that we've been provided—I'm sure you've had an opportunity to review it as well. I believe it is the practice that intended appointees receive the same information that members of the committee do. You would know then that when Trillium was restructured in 1998, I believe, in order to place people on the grant review team it was suggested that charities such as United Way or the March of Dimes or individual MPPs might submit names of individuals who would be appropriate community representatives. I was wondering if you might just explain how it is that you've come to be here today. Were you invited to consider membership on this? Did you actually seek out this particular role on your own?

**Mr Richardson:** It sort of came as one of three. Initially, I was asked by AL McDonald if I would let my name stand for the Ontario Northland Transportation Commission. I would have liked that job. My brother, who passed away in May, was on that board, and the vacancy would have been his. However, I did say yes briefly, for a half an hour, until my son, who is a chartered accountant, a partner in BDO Dunwoody, found out that their company is the accounting firm for the ONTC, which would put me in a rather difficult conflict. So I phoned back and said no.

Subsequently, about two weeks later, the secretary in AL McDonald's office said, "There are two openings." One was on the Cassellholme board of directors. It was a paid position. And there was this one, the Trillium board, unpaid—expenses paid. I did some research, talked to people on both boards, and felt that I've already run my business. Cassellholme was more of the same. I was on the Canadian Automobile Association for 11 years, and that's more or less running a business. This one is more—my volunteerism, as you can tell by my resumé, is my life, so it was right up my alley. I called back and said that I'd let my name stand, and things sort of rushed along from there.

**Mrs Dombrowsky:** Is there compensation offered, were you to be a member of the ONTC? Would that role have—

**Mr Richardson:** I know my brother told me he worked for \$2 a year. I'm not sure if that was his choice, because I come from a family that refuses to take money for public works. My grandfather was mayor in 1902, 1903 and 1932 again. I guess they didn't get it right, so 30 years later in the Depression he came back to be mayor again. My father was a political person as well and was a city councillor for 11 years on the Cassellholme and actually developed Cassellholme in the beginning. So there was a connection there, but no way. I think this committee is exactly where I should be.

**Mrs Dombrowsky:** Good for you. I'm just curious; you've obviously been in contact with people who already serve on Trillium and the kind of work that is considered there. In your area, are you aware of the demand for grants versus the dollars available? Is it a really challenging role? I know there are ridings in the province where, from time to time, there are not a lot of applications to Trillium in particular areas, and then there are other parts of the province where there are significant numbers. Are you aware at all of what the caseload is in—what do we have here?—the Muskoka, Nipissing, Parry Sound and Timiskaming Grant Review Team?

**Mr Richardson:** Yes, roughly. I asked that question of the chair, Mr Kidd. In our particular area, in Nipissing, the one I'm most familiar with, there is no end to applications to choose from. So it is a matter of trying to decide, as he pointed out, which ones would be best. But they do link together between them when they do a larger area or a larger job beyond \$25,000. The \$25,000 is sort of the limit that the local committee decides upon. When it goes beyond that, they get together. Two people from each of the four areas get together and those eight people become the lead people on larger projects.

**Mrs Dombrowsky:** Obviously you have made some contacts with some folks on the team and really do understand what the role will involve. Thanks very much for coming today.

**Mr Michael Gravelle (Thunder Bay-Superior North):** Good morning, Mr Richardson. You mentioned that Mr McDonald was helping you make one of these appointments, the Ontario Northland first, which didn't work out, obviously. I just wanted to ask if you are a

member of Mr McDonald's riding association and a supporter of Mr McDonald.

**Mr Richardson:** Yes to both questions.

**Mr Gravelle:** You were helping him out during his campaign, I take it, then?

**Mr Richardson:** Yes. Actually, it's the very first campaign where I physically went out and did anything. I'm retired, of course, and I was proud to do that. He's a good friend and I respect what he's done in the community, beyond what we're talking of in politics. We have a heritage festival and chamber of commerce that he put on the map. We've worked together on some of these projects that are in front of you. He's been there as well.

1020

**Mr Gravelle:** So you wanted to support him. I appreciate that, Mr Richardson.

I wanted to ask you, if I may, with the time we have remaining, your thoughts on gambling or gaming in Ontario and its expansion. What are your feelings about it? I'm from Thunder Bay. We have one of the casinos, which I must admit I won't call a charity casino because I don't believe they truly are. I don't think they're even registered as charity casinos. But I wanted to get your thoughts on gaming and gambling. How do you feel about the impact that casinos in particular have on a community? I think it's probably useful for us to get your thoughts on it, presuming you have some thoughts on it.

**Mr Richardson:** Actually I'm fortunate, not living in an area where the casinos are. The closest major casino to us is Casino Rama. I understand people are bused down there to gamble and come back.

People will gamble. Back in my day, the Irish Sweepstakes was secret gambling and many Canadians bought these things. It has expanded from there. So people will gamble, and in all sorts of ways, as well.

I'm glad it's not on my doorstep. The fallout from gambling—I know there's money coming out of the government to help these people. I'm just pleased that it's not in my backyard.

**Mr Gravelle:** That's interesting, because it sounds like you wouldn't want it in your backyard.

**Mr Richardson:** No, I wouldn't.

**Mr Gravelle:** That's because you think the impact of casinos can be—

**Mr Richardson:** I don't know the impact, but it's better that it's not there, and then I don't have to worry about it.

**Mr Gravelle:** Well, that is very interesting.

One of the points that has been made is that the communities that do have the casinos do pay a real price for the actual revenues, as you know, because the revenues don't go directly back to the municipalities that are holding the casinos.

Do you think they should be receiving a better break? I think there's pretty overwhelming evidence now that certainly a lot of other organizations have difficulty raising funds with a casino in the community; that a lot of other fundraising efforts can suffer with a casino, which seems to take a great deal of money from other sources.

Have you given any thought as to whether or not municipalities that are the hosts for these casinos should be receiving a greater portion of the funds from the foundation?

**Mr Richardson:** No. I think there is money for the fallout and the people and the addicted, and that's separate. But I think it seems more fair that the money is spread out. I know we appreciate the money in the north.

We did have those what they called Klondike casinos that floated into town and out under licence, and they were awful. In our Kiwanis Club we sponsored one, and I went and worked. Just looking at the people it brought in, it was awful. It's good that we got rid of those.

**Mr Gravelle:** What are your thoughts on the government's rather extraordinary move—this government and the former government, I think, began it in Ontario—in terms of the opening of casinos and gambling to that extent in the province and in terms of it being an extraordinary revenue generator for the province? How do you feel about the fact that we're talking about billions of dollars of revenue that come into the government coffers every year? Do you view that as being an appropriate way, basically, for a government to gain revenue from its citizens? How do you feel about that? I have, perhaps, an indication based on your earlier response. I know it's something that bothers me.

**Mr Richardson:** I think the details of it escape me. I'm not involved with how the gambling is run. I have no idea what the total revenue is. As far as I know, there's \$100 million set aside by the government at this particular point. I think that figure has been there for a number of years. I don't know if the revenue is increasing.

If I were on the Trillium board, I would hope that perhaps percentage-wise there might be more money to go back into the communities through the Trillium board. I think that's a great idea. But if there are billions of dollars, perhaps more than \$100 million a year—the share for my area, the area of Timiskaming, Nipissing, Muskoka and Parry Sound, is \$1.4 million. That's not a lot of money. We're tied for the smallest area, but we have a huge area in acres, and low population. This is a very good incentive, seed money coming into all sorts of small organizations. It was never there before. It was maybe done through service clubs, but this is a much better way of getting small organizations help. If more money were available, as you said, then I think hopefully the Trillium board—in my future years—would have more money.

**The Chair:** Mr Martin, please, of the third party.

**Mr Tony Martin (Sault Ste Marie):** Good morning. It's good to put a face to a name that we heard mentioned in the Legislature not too long ago. I know you're probably aware that your member of Parliament, Mr McDonald, mentioned you in his maiden speech, so you must be somebody of some influence.

**Mr Richardson:** It pleases me.

**Mr Martin:** And it should. I guess in any appointments that are made to public bodies in the province, all of us are concerned that these appointments be as non-

partisan as possible and be of a nature that would see everybody who hopes to access the money perhaps that's available—in this instance that's the case—get a fair hearing. Given your past history in skiing and your obvious connection to it, is there anything in particular that you bring to this job that you would like to see more money spent on in North Bay?

**Mr Richardson:** Actually, not really. The needs vary from year to year and district to district. I had the chance of going to Mattawa park during the campaign, though I'm actually not politically organized. I talked to people there and they are talking about problems that I didn't see. They're not in my community; it's just particularly that community. I feel you have to have an open mind on these things. You take the applications and deal with them at the time you're dealing with them. I've worked in all the fields and I think I have no particular passion for one over the other, if that's what your question was.

**Mr Martin:** Have you looked through the successful applications over the last while in North Bay? You are reasonably happy with what happened there?

**Mr Richardson:** Yes, they're done very briefly. As you know, there's a heading and five lines and, if I am reading that far, I would have no objection to any of them. I don't know the details that caused them to make the decision, but they are certainly diverse in our area. In most of them I can see why. I was the founder of more organizations than are here. I realize how hard it is in the beginning. So some money from the Trillium to help them start and get going, as long as it's sustainable—it brings more volunteers out. You put some money in. If you didn't have that seed money, perhaps the volunteers would not be encouraged and we'd all lose more than just that amount of money.

**Mr Martin:** Going back to the ski hill, there was money given there. It seems to me, from a review of monies that have been given out, that a fair bit of money over the last few years has gone into that development.

**Mr Richardson:** Yes.

**Mr Martin:** Is it your hope that maybe even more money might go there?

**Mr Richardson:** At this point they do need more money. I belonged to a Kiwanis Club, a very small one at the time, only 50 members. We actually raised \$900,000 cash, which was pretty good for a small community. That was the public input that we brought to the table. Certainly, it has been used up at this point. There are other things that should be there, but the fundraising will take place. Right now the focus in North Bay is on a hospital. It is difficult in the community to have more than one major project.

**Mr Martin:** Is the ski hill a publicly owned or privately owned operation?

**Mr Richardson:** It's controlled by the North Bay-Mattawa Conservation Authority, the multi-use aspect, and the other half of the property is a public school. The gymnasium has been enlarged from a public school size so it's better for the community—volleyball etc. There is

this multi-use side with the rental operation for snowshoes, snowtubing, skiing and snowboarding etc.

It's unique. It hasn't happened before in Ontario, so the combination of money from the city, a grant to purchase the place in the first place from the bank. They're going ahead with the second stage at this point. The conservation authority has decided to put their offices on the property.

**1030**

**Mr Martin:** It's a nice facility. I skied on it actually before it went bankrupt in the mid- to late 1970s. I did some night skiing there and really enjoyed it. It was a nice facility. I'm actually kind of happy to see that it's operating again. It's an attraction that North Bay can use for its own people, as well as perhaps bringing in tourists to the area, I'm sure.

In your decision-making around what grants should be approved and not approved, given your close relationship with Mr McDonald, would it be your intention to seek his advice on what grants should be approved and what shouldn't? Would that be your intention?

**Mr Richardson:** That would be about the furthest thing from my mind. I'm a pretty independent person. I'm a card-carrying member because I wanted to be there to support his appointment, but I have been a card-carrying member of the Liberal Party in the past. I've also donated to both the Liberal Party and the Conservative Party. I think I've covered the gamut. I'm the one who makes a difference in elections, I guess maybe, but I'm not in someone's pocket.

**Mr Martin:** But you have, though, been—since 1995, anyway—fairly generous with the Progressive Conservative Party.

**Mr Richardson:** Yes. We had a Premier from North Bay who, in my opinion, I felt strongly to support financially, but I've also supported Jack Ireland for an MP and J-J Blais prior to Bob Wood.

**Mr Martin:** The information I have indicates that since 1995 you've donated about \$1,500 to the Ontario Progressive Conservative Party. Would that be correct?

**Mr Richardson:** I don't know exactly what it would be, but that wouldn't surprise me.

**Mr Martin:** And another \$2,000 to the Nipissing riding association?

**Mr Richardson:** That would be probably during Mike Harris's day. I don't know which year.

**Mr Martin:** OK.

**Mr Richardson:** It would be an election year, I think.

**Mr Martin:** My only concern—

**Mr Richardson:** I also had a business then.

**Mr Martin:** Yes, so you could afford to do that. My only concern in this—and I recognize your very valuable contributions to the community as a volunteer and the work you've done to recover that ski hill. But I guess the possibility of undue influence by both the governing party and the local member in decisions that would be made around grants that would be given out to different organizations, particularly as we move toward a very

important election within the next year—would my concerns be legitimate in any way?

**Mr Richardson:** No. Actually, I did ask Stuart Kidd, who's the team chair, if politics ever gets into these things. I'm not sure.

I was actually preparing an application to Trillium for a new idea I had come up with, which is an Olympic trail. We have 19 Olympians, people who have been in the Olympics. I wanted to develop a trail system and rest areas, have benches, and each bench would be dedicated to anyone from Nipissing district who had competed in the Olympics. This is a skateboarding trail to Callander, Ontario. It's nine miles long at this point. I wanted to do that, so I was making an application to Trillium.

But I don't see anything in there that would be political. These are all small grants to hard-working people: volunteers, Legions that are trying to upgrade washrooms, people starting Boy Scout things or camps in Nobel. I don't see where politics would become a concern.

**Mr Martin:** Have you stickhandled many grant applications through systems over the last five or six years?

**Mr Richardson:** No, I'm actually very poor at asking for grants. I usually hope there's somebody on my committee who will do that.

**Mr Martin:** But you've been part of committees that have applied for grants and been successful?

**Mr Richardson:** Yes, in Jack Pine Hill we asked for a grant, and in history—there was an NODC grant. I was on the committee. I didn't vote asking for the grant but there was a grant given.

**The Chair:** That concludes your time, Mr Martin.

Thank you very much, Mr Richardson, for being with us today. You may step down, sir.

#### PAULINE DEMERS

Review of intended appointment, selected by official opposition party: Pauline Demers, intended appointee as member, council of the Ontario College of Teachers.

**The Chair:** Our next intended appointee is Pauline M.A. Demers. She is the intended appointee as member, council of the Ontario College of Teachers.

Ms Demers, welcome to the committee. You've already heard what we said about initial statements, should you see fit. So you may start and we will begin our questioning next time with the official opposition.

**Ms Pauline Demers:** Good morning. Bonjour. Monsieur le Président, membres du comité, merci de me donner l'occasion de me présenter devant vous aujourd'hui. It is an honour to be considered for a position as a public member on the council of the Ontario College of Teachers. As requested, I will speak briefly about my background and explain why I am excited about having a chance to serve on this board and why I believe I'm qualified to do so.

I was born in Sturgeon Falls, the fourth of 10 children. I am married, the mother of two sons and the grandmother of the two most gorgeous, smartest little grand-

daughters. My mother always relied on me to help the younger ones with their homework and I also took it upon myself to teach my father how to speak French.

In grade 1, the teacher sat me between two boys who had failed the previous year and told me that I was to help them with their work. Thus the love and the need of teaching was born.

I have never even considered that there could be another career for me. I have taught for over 35 years and really enjoyed it. I was very worried about retiring and I had told everybody about that. For the first two years I volunteered at our local French high school, tutoring students who had difficulties. I also taught three ladies how to read and write, and I'm happy to say that two of them are now able to read simple recipes and write simple notes to their children's teachers. I sure felt a lot of accomplishment there.

Je suis présentement impliquée aussi au sein de ma paroisse et sur l'exécutif des volontaires de l'Hôpital régional de Sudbury, Sudbury Regional Hospital, où je donne une journée de bénévolat par semaine depuis septembre 1996. I believe it is important to be engaged in the activity of my community and I feel I am now ready to get more involved in the provincial state of it.

During the school year our children spend more waking moments, more waking time, in the company of a teacher than they do with their own parents. There is no questioning the valuable lifetime influence that a good, devoted teacher can have on a student. But, alas, the opposite is also true.

#### 1040

Our children are our most precious assets. Every effort must be made to meet their needs and to furnish them with the tools and the knowledge needed for life. They are our future.

I believe I can play a positive role as a public appointee to the Ontario College of Teachers for, on top of my teaching career, I am also bilingual. I look forward to the challenge and the learning that will come with this appointment.

Merci de votre attention. Thank you.

**The Chair:** Thank you very much. We'll begin our questioning with the official opposition.

**Mrs Dombrowsky:** Bonjour, Madame Demers. I'm sorry, that's about as much French as you're going to get out of me today, although it was lovely to hear you speak earlier.

Welcome to the committee. I was wondering if you might share with us, because this is the job interview for the appointment, and I think it's a very important appointment—I think that your being here today is also important so that we and the members of the public, because everything we say here is a matter of public record, understand, obviously, why you want to be here and also how you came to be here. So if you could outline how you have come to be an intended appointee for the Ontario College of Teachers.

**Ms Demers:** I'm not really sure how I got here, to tell you the truth. I remember, when I was talking about

retiring, a colleague of mine said, "Pauline, the Ontario College of Teachers is going to start soon. Why don't you give them your name?" I said, "Why? I'm not going to be a teacher any more," and he said, "You should give your name. Give me a resumé and I'll see about it." That was in 1996 and the college started and I never really thought of it. Then somebody else came and said, "Hey, did you ever give your name?" I said, "Yes, way back." I had done that and I said, "But nothing came out of it." And today, here I am.

**Mrs Dombrowsky:** Perhaps you could be a little more specific. Did you phone to remind anybody? Did you receive a phone call? From whom might you have received the call?

**Ms Demers:** No, I did not remind anybody. I got involved with the hospital and gave all my time to the hospital, which is not anything I knew about except as a person who receives treatment, and I had a lot of sickness in my family. So no, I never thought that anything would come out of it until last winter when someone said, and I can't even remember who called me, "Are you still interested?" I said, "Yes, teaching is my profession." It would be better. I would be able to give more than with the hospital.

**Mrs Dombrowsky:** Was it a call from the Ontario College of Teachers?

**Ms Demers:** I don't know.

**Mrs Dombrowsky:** That's fine. The reason I'm interested, because I know many wonderful teachers in my community too, is that I think the role to which you're going to be appointed is a very important one. So it's important for me to understand as well how to direct people I know who, like yourself, have demonstrated a real love and ability within the profession. I thank you very much for trying to assist me there.

I have a question as well—you are familiar with the most recent legislation around teacher testing, and that was Bill 80, the Stability and Excellence in Education Act. I was wondering if you have any comment about the fact that part of your role in the Ontario College of Teachers is to establish and enforce professional and ethical standards and if you would see this legislation in any way conflicting with or getting in the way of the role you might have on the Ontario College of Teachers. And are you aware of any other profession that is regulated with its own college, where there is separate legislation that requires separate testing?

There are really two questions there; I apologize. But I know Mr Gravelle has some questions and I may not get on again. So the first one: do you see a conflict or the possibility that there would be some problem in that you have, on the College of Teachers, a responsibility to establish and enforce professionalism within the teaching profession; now you have the act to deal with. Are you aware of any other self-regulated profession in the province that has a similar kind of double standard, as it were?

**Ms Demers:** I really don't know about any other profession. I was always only interested in teaching. But

I really approve of the professional learning program that the college wants to implement because I find nowadays, with technology changing so fast, that teachers have to keep up, because children are so bright now.

I was born and raised in Sturgeon Falls. I lived there all my life. I went to the same school from grades 1 to 8. Whatever happened in the world, we didn't know anything about it. But children nowadays are so young when they get on the Internet and they can talk to people across the world. So we teachers—I say "we"; I still consider myself a teacher, I guess—have to be able to be as forward as they are. We can't stay behind and expect to teach them; then they know more than we do.

**Mrs Dombrowsky:** I agree with you. But do you see that there may be a conflict if in your opinion a teacher did pass the professional standards test but maybe didn't pass the provincial teacher test? Do you see what I'm saying?

**Ms Demers:** I'm not quite sure how they go about that.

**Mrs Dombrowsky:** I don't think anyone's going to. That's my point. I'm not aware of any other profession that's self-regulated that is also subject to provincial tests, apart from their professional college regulations.

Anyway, I thank you very much.

**Mr Gravelle:** Bonjour, Ms Demers. That will be the extent of my French as well, although I am with a French—

**Ms Demers:** A very French name.

**Mr Gravelle:** Gravelle, exactly. I'm taking lessons and trying to improve.

**Interjection:** Good for you.

**Mr Gravelle:** Thank you. Yes, I am.

**Ms Demers:** I'll teach you like I taught my dad.

**Mr Gravelle:** That would be wonderful. I would love that.

Clearly, you are very dedicated to the profession. That comes across so strongly and warmly, may I say, and that's very encouraging.

I do want to pursue, though, a little further the questions that Mrs Dombrowsky was asking about the legislation, and particularly the requirement for recertification every five years and the written qualifying tests. I think you are an ideal person to ask, obviously, as a person who has taught for many years and who is very close to what probably makes a good teacher and perhaps what would be lacking in teachers who aren't doing as well.

It does seem to me as well that it's difficult to define what makes a good teacher by a written test or even by requiring them to recertify. My memories of my favourite teachers—I'm not sure they would have done as well, perhaps, in a written qualifying test. They were people who communicated in a remarkable way, people who seemed to know how to respond to all those in the classroom. So that's been one of my questions about this from the very beginning. I know that a lot of the teachers' unions feel very strongly about this as well. It certainly made sense to me that I don't know how you

can define it by a written qualifying test or even demanding recertification.

I'd like to pursue that a little further with you, because you didn't have to go through that process, and I'm sure you developed as a—I know you did, just based on what you told me. So if I can pursue that with you a bit further, because it strikes me that you might not be as strongly in belief of the need for that or that process working that way.

**Ms Demers:** I really, honestly believe that the best teachers are not the ones who maybe are the most proficient in writing tests. I believe that to be a good teacher you have to love the children, understand them and care about them. I don't know how you can evaluate that. How can you evaluate, except by very close observation?

**Mr Gravelle:** Watching them teach.

**Ms Demers:** Yes. Watching the interaction that they have with the students. You can't test that.

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**Mr Gravelle:** Yet that is what the legislation is demanding. There have been quite a few battles about it. Certainly when Elizabeth Witmer was the Minister of Education there was lots of controversy. I tend to feel the same way, which is not to say there isn't a need to be very clear that teachers are high quality. But that would be my instinct as well. You need to observe, and perhaps professional development days. Anyway, it sounds like to some degree you are changing your position a bit here, if I may say so, because you were saying you were very much in favour of it.

**Ms Demers:** I'm in favour of many things in the college, but there are maybe some things that we need to discuss.

**Mr Gravelle:** I hope you'll express that, because I think that's the one thing that you will be able to express when you are a member of the college.

**Ms Demers:** I think definitely I will be—that is a little bit of a concern of mine. I love the professional learning program. Where you have to take sessions to modernize your thinking, fine. But the written test to see if the teacher is competent, I'm not sure about.

**The Chair:** Thank you, Mr Gravelle.

**Mr Gravelle:** That's it? I can't believe it. Wow. I had so many more—

**The Chair:** I hope you're not questioning the Chair by saying you can't believe it.

**Mr Gravelle:** Never. I would never do that.

**The Chair:** Because Mr Martin is now on.

**Mr Martin:** I must admit right up front to a bit of a bias and a concern. I've got four children at the moment in the system. I've got three kids in high school and one in grade 7. The turmoil that we've experienced for the last few years in the system has affected absolutely everything. They don't seem to be able to settle things down and move forward so that we can get to what I think we should be doing, which is allowing teachers to teach and allowing children to be children and making that move forward.

I have a concern in any appointment to particularly a college that would oversee the activity of teachers and that it not in any way continue to be tainted by this government's approach and ideology where teachers are concerned.

We're perhaps potentially heading, in the winter of next year, into a very difficult strike with teachers. I think, at least at the level of the college and some of what it's leading, we need to make sure that we're appointing people who are balanced, unbiased, and primarily concerned about education.

I wasn't here at the very beginning of the questioning from the Liberal caucus, but do you have a political affiliation?

**Ms Demers:** Yes, I do. I have to say that right now I am a PC member. I have a card. I am more PC by marriage than anything else. My husband is true blue, and to accompany him to different functions, I joined. But when we lived in the Nipissing riding, I supported Jean-Jacques Blais, who was a colleague of mine; we went to school together. I did support Mr Garland—not my husband, but I did, and he was a little bit upset. But that's OK. I have the right to my own votes.

**Mr Martin:** Yes, you do. Absolutely. You also donated \$600 to the Nickel Belt Progressive Conservatives?

**Ms Demers:** In the finance department, I give my husband leeway. He will give in my name and I don't even know, and it doesn't bother me at all. I know some men say, "I wish my wife was like that." He does all the financial; I don't do any financial things at all.

**Mr Martin:** In my house it's the other way.

**Interjection:** You're not the only one.

**Mr Martin:** I just have a concern with a strong political alignment with an agenda that is creating so much havoc, and to be appointing people to overseeing bodies that will perhaps continue that worries me.

To continue on with the line of questioning of my Liberal colleagues in the area of recertification, this is a red flag for many, many teachers because they already recertify. Most of them go back to school in the summer and take courses. They're being tested all the time by their principals and other people in the system. Do you approve of this?

**Ms Demers:** The teachers that I know who are worried are the middle-aged teachers. I find my nephews and nieces and younger students that I've taught before who are teachers now don't seem to worry about that too much. They seem to take it in stride. Maybe it's the unknown; maybe if I wasn't a teacher right now, because I had never lived this I would be worried too. But the younger ones seem to take it in stride and they're not worried at all, those I've talked to about this.

**Mr Martin:** That's not what I'm hearing back in my home jurisdiction.

**Ms Demers:** Did you talk to younger teachers?

**Mr Martin:** Yes. All of them. They're all very concerned about this and what it might mean.

We as a political party believe that the College of Teachers should be restructured and depoliticized to make it a truly a self-governing body, like the College of Physicians and Surgeons, for example. What do you think about that?

**Ms Demers:** I really don't know too much about it yet. I was never part of the College of Teachers because I retired before it was implemented. I have to study a lot more before I know more. I cannot make a very spontaneous judgment right now. I have to study it.

**Mr Martin:** We also believe the College of Teachers should ensure that teachers receive professional development that improves student learning and that actually works, and we believe we should scrap the counter-productive and time-consuming teacher recertification plan. Do you think the actual re-certification of teachers is going to improve student learning?

**Ms Demers:** I really don't know. I don't. Like I said, I'd have to study the whole question more profoundly before I could make a judgment on that.

**Mr Martin:** What about mentoring? Are you a big fan of mentoring?

**Ms Demers:** Definitely. It can make or break a new teacher. If she has a good mentor, like I was lucky enough to have when I started, it really, really helps.

**Mr Martin:** We think something the College of Teachers could get their teeth into and do very, very well is to generate a provincial standard.

**Ms Demers:** Because you feel sometimes that you're completely alone, that you're the only one that has certain problems with students. But when you have a colleague or mentor that you can talk to and you find out that other person has the same kind of problem you have, it really makes you feel a lot better as a young teacher.

**Mr Martin:** Who do you think is in a better position to evaluate teachers: local school boards or the Ministry of Education?

**Ms Demers:** Local school boards. They should be the ones that could go to the classroom more often than the Ministry of Education. Many times they are there just to pass the laws. They're not in the classroom enough, the school boards. I think they have to be in the classroom a little bit more to see what really is going on.

**Mr Martin:** Have you ever raised concerns yourself, previous to this appointment, around our school system and teachers and all of that with any bodies?

**Ms Demers:** Raised questions? There are always questions, but no, I don't think I—

**Mr Martin:** You've never taken the time to perhaps touch base with your local MPP?

**Ms Demers:** No, I haven't.

**Mr Martin:** That's all my questions. Thank you.

**The Chair:** Next we move to the government caucus.

**Mr Wood:** Before I ask this question I might identify for you that I'm not a big fan of the teacher re-certification or the compulsory courses. I am a big fan of testing teachers by evaluating the results of their work. I think I know how to do that in the cognitive skills, and I wonder if you would share with us what non-cognitive

skills you think our schools should be imparting and how you think they might be evaluated; by which I mean, how would you evaluate whether or not the students have actually learned the non-cognitive skills that you are going to describe for us that you think should be imparted?

**1100**

**Ms Demers:** That's a very hard question to answer.

**Mr Wood:** Maybe you can start by sharing with us, when you were teaching, what non-cognitive skills did you think were important to impart to the students?

**Ms Demers:** I'm really not sure what you're asking me.

**Mr Wood:** OK, what grades was it you taught?

**Ms Demers:** I have taught from grade 3 to grade 10.

**Mr Wood:** Let's take grade 3. There were certain cognitive skills in grade 3 that you wanted to impart, over the course of the year, to the students. What other skills were there that you wanted to impart? What else did you want them to learn, other than cognitive skills, in the course of the year they were with you?

**Ms Demers:** Well, they had to learn to live together in a community, to help one another. The last few years of my teaching was mostly in grades 7 and 8. I used to have a strong student sitting next to a student who had difficulties so that they could help one another. Even the strong student learned from the slower student because when you are teaching somebody something you learn it too. So I thought I would try to help them this way. I don't know if that answers your question or not.

**Mr Wood:** The second part of my question, of course, is, if you were designing a way of evaluating whether or not the students had learned that over the year—you've identified a couple of non-cognitive skills you thought were important—how would you test the students to see whether or not they had learned those skills at the end of the year?

**Ms Demers:** You have to, I think, observe them. They can answer a question right and still they don't do it. So a written test does not reflect the way they live.

**Mr Wood:** Now, if you were to instruct an observer—you are going to tell me to go in and observe a class—what would you to ask me to look for?

**Ms Demers:** The interaction between the teacher and the students, the interaction between the student and the other students. Is there a lot of noise in the classroom? Is there fear in the children's faces? Are they relaxed? Do they seem to love what they are doing? This is, to me, teaching. Maybe I'm wrong.

**Mr Wood:** Those are my questions.

**Mr Dunlop:** A quick question: first of all, I was wondering, how do you really feel about your grandchildren?

**Ms Demers:** I love them. They are two little girls. I'd never had girls.

**Mr Dunlop:** I wanted to make sure, as a teacher. Ms Demers, as an MPP, every opportunity I get to go into a school I take full advantage of. I, at one time, wanted to be a teacher myself. Other things happened. I didn't become a teacher. In spite of what you hear about chaos

and this sort of thing—I've visited a lot of schools in the last three and a half years, and last year as the parliamentary assistant to Minister Ecker I was in about 120 schools in the province. What I saw over and over again were classrooms that were well disciplined, had a lot of school spirit. I didn't see fear on children's faces. I saw respect for the teachers and respect for myself when I went in the classroom.

We often went to a grade 4 or 5 class and they'd ask you questions. What probably started out as a half-hour meeting could often turn into an hour and a half or two because the kids had a zillion questions for us.

**The Chair:** "How much do you make, Mr Dunlop?" Is that what they asked you?

**Mr Dunlop:** They always ask how much you make.

**Ms Demers:** That would be the first question.

*Interjection.*

**Mr Dunlop:** It's just a little less than a principal. But I wanted to point that out because I kept seeing people who reminded me of you.

My comment to you is—it's not really a question—I congratulate you for considering this position. I think you will make a great member. You're obviously someone who's had a lifetime of learning and you'll learn this job very well. I think you will do an excellent job on the Ontario College of Teachers.

**Ms Demers:** Thank you very much. I hope I learn quickly.

**The Chair:** That unfortunately concludes the time, but I want to let you have one more question. Go ahead.

**Mr Frank Mazzilli (London-Fanshawe):** I just think this is a great appointment, Ms Demers. It's a public appointment and normally it represents consumers on whatever board. I think this is a balance. You have grandchildren who obviously will be through the system, so you will be a consumer, but you also represent the teachers. It's a very new direction in public appointments, and I congratulate you.

**Ms Demers:** Thank you very much. I hope I will have a nice stay on this council and learn a lot.

**The Chair:** Thank you very much for being with us. You may step down.

#### KEVIN ASHE

Review of intended appointment, selected by official opposition party: Kevin Ashe, intended appointee as member, Financial Services Tribunal.

**The Chair:** Our next intended appointee is Mr Kevin Ashe, intended appointee as member, Financial Services Tribunal.

Welcome to the committee, Mr Ashe, or Kevin as I would know him. I would share with you the fact that you have the right to make an initial statement and then your questions after that. Welcome.

**Mr Kevin Ashe:** Thank you, sir. I want to take an opportunity to make that statement and thank you for inviting me to appear before this committee with respect

to my intended appointment as a member of the Financial Services Tribunal.

I'd like to take a few minutes to give the committee a few highlights of my resumé from both a professional and employment point of view as well as from a community and political point of view.

First of all from an employment point of view: For the past five and a half years I've been employed by Mosey and Mosey Benefit Plan Consultants. Mosey and Mosey is an Ontario-owned, Ontario-based consulting firm which offers employee benefit consulting advice to over 300 employers across the province. Our expertise is in the public sector and we currently offer consulting advice to over 200 public sector employers, including numerous hospitals, district school boards, municipalities, community care access centres and hydroelectric commissions. I am personally responsible for our clients in eastern Ontario and our school board clients from the whole of Ontario. Our consulting services include advice on benefit plan design and funding, managing care initiatives, collective bargaining support, benefit trends and benchmarking workplace wellness and pension plan design.

Prior to my employment with Mosey and Mosey, I worked for another notable public sector consulting firm for an 11-year period.

Community: I have been and continue to be very involved in my community. I was elected as a school trustee on the Durham Region Roman Catholic Separate School Board in 1985 at the young age of 23 and re-elected three times, in 1988, 1991 and 1994. I served as chair of the board in 1994.

In 1997 I chaired the local education improvement committee in the transition to district boards.

From 1992 to 1997 I served on the board of directors for the Ontario Catholic School Trustees' Association. Of interest to the committee: one of my colleagues on the board at the time was the member from Hastings-Frontenac-Lennox and Addington, Ms Dombrowsky.

I've been a member of the Rotary Club of Whitby Sunrise since 1988.

I currently serve as the first vice-president of the Ajax-Pickering Big Brothers and Sisters organization.

I currently serve as the president of my golf club at Whitevale.

I was appointed to the city of Pickering's committee of adjustment in 1997, reappointed in 2000 and currently serve as its chair.

I was also appointed by Durham regional council to serve as a member of the Durham Regional Police Services Board in 1998 and reappointed in 2001. I currently serve as vice-chair of the board and chair of the board's bargaining team.

I believe my business background, my understanding of group dynamics and my ability to make sound decisions will make my participation on the tribunal of considerable benefit. I am confident that with appropriate training I will be a strong member of this tribunal. I

would be happy to address any questions that your committee may have, sir.

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**The Chair:** We begin our questioning this time with the third party.

**Mr Martin:** Good morning. That's certainly a very impressive record of public service. A couple of things that you didn't mention in there were that you are the treasurer of the Pickering-Ajax-Uxbridge PC Riding Association—

**Mr Ashe:** Yes, sir.

**Mr Martin:**—and that you've donated rather generously to the riding association.

**Mr Ashe:** I would think that I would be listed as a contributor, yes.

**Mr Martin:** I guess my concern, particularly in the world that we are living in now, where the security or confidence that people feel in our financial institutions and in investment, particularly pensions—the anxiety out there in the people I talk to around the protection of their pensions in the market as it unfolds is a serious, serious concern. There are some pieces of the work you will do on this board that will have some major ramifications there, I would believe. I would hope that your appointment to this would not have any political ties in it at all.

**Mr Ashe:** I think my business background prepares me for serving on the tribunal. I make no apologies or any secret of my involvement in the partisan aspect of party politics. I'm very proud to be a participant in that but I don't really think it impacts my performance with the tribunal.

**Mr Martin:** How did you find out about this appointment?

**Mr Ashe:** I believe the minister's office contacted me about this opportunity.

**Mr Martin:** Shifting to another gear here, in terms of your background and your professional experience in the issue of pensions and advising primarily employers as opposed to employees, conflict often arises there over various things, one of them being—because we have had a number of them in my own jurisdiction—the question of, when a company is wound down or bought out, whom does the excess, surplus, belong to? What is your position on that?

**Mr Ashe:** I think the pension act makes some determination of how the process of windup occurs. I am of the opinion that the ones who take risks could often share in the fruits of that risk. Having said that, often collective agreements and agreements in regard to pension determine that to be part of their compensation. If that is the case, I think, on the determination of a surplus in a pension plan, if it is viewed to be total compensation, there certainly can be a sharing of that surplus.

**Mr Martin:** What if there isn't a collective agreement and you have got a large group of employees who are part of a company that just gets sold and the pension plan then becomes an issue for them and there is nothing? Where do they stand? I mean, they're SOL?

**Mr Ashe:** No, I don't think so. I think the pension is designed to protect a person's income for a period of time after they expire their working career. If in fact there are sufficient monies and assets to do that, I think the employee is then protected. I think the pension process in this province—certainly there is a strong record as compared to other jurisdictions. I think on balance it is an appropriate way to deal with things.

**Mr Martin:** There is a better record, I would guess, since Conrad Black—I think it was one of the grocery chains he bought out and scooped the pension fund. Then I believe it was Premier Davis who brought in a bill that was actually named after Mr Black to stop that kind of behaviour. Since then there have been court cases, workers seeing their pension as deferred wages and employers, as you have mentioned, seeing themselves taking a risk. I don't see the risk in that. Help me understand where this is a risk situation and not simply making sure that a person's pension liability is covered and, at the end of the day if the company winds down, why the workers should not have total and complete call on that, if it was set aside for them.

**Mr Ashe:** There is risk associated with fund performance. A company would be in a defined benefit type of program. The company is compelled to offer a pension despite the fact that the markets are down and the like. So there is risk associated with investment performance. There are also benefits if the market performs to a greater extent. So as I earlier submitted, persons who take risk I think, on balance, have some right to some level of the surplus. I think the pension acts of Ontario take into account those realities.

**Mr Martin:** What's your knowledge of familiarity with the co-op sector of the province that this act will cover too?

**Mr Ashe:** Fairly limited. My involvement has been more to do with insurance, more to do with employee benefits and, to a lesser degree, pension, but certainly I will learn much about it in the early months of my involvement.

**Mr Martin:** Do you see a role for credit unions and co-op movements in the province as we move forward?

**Mr Ashe:** Absolutely. I think they are a valuable piece of the puzzle, one that has in the past been a very important part of financial services and, I would think, something that would continue in the future.

**Mr Martin:** You had indicated initially that you didn't have a whole lot of experience with the co-op sector. Are there any red flags there for you of any sort?

**Mr Ashe:** I'm not aware of any, sir.

**Mr Martin:** To jump again to the bigger question, any thoughts or suggestions as to how we deal with some of the uncertainty that is out there right now in terms of trying to create a more confident environment where investment is concerned, and perhaps how your being part of this organization might be helpful to that end?

**Mr Ashe:** I truly don't believe it's the tribunal's responsibility to undertake that initiative, but you have asked me how and why, and I think it is a valuable com-

ponent for employers as well as employees to educate themselves in regard to fund management, risk, how the plan operates—those type of things. So I hope that answers the question.

**Mr Martin:** You may want to inform yourself, or concern yourself, because in the May 2000 budget the Minister of Finance announced that there was an intention to merge the Ontario Securities Commission with the Financial Services Commission, which would then bring you into that other realm. Does that concern you? Is it something that you would have something to offer in, when that happens? What contribution do you think you will be able to make there?

**Mr Ashe:** I think you reference the comment by the superintendent, who talked about the merger and praised the merger. Certainly the comment assigned to the gentleman in question talks about the appropriateness of that.

Certainly I am a great supporter of efficient government. I also am a great supporter of higher levels of accountability. I think the merger of those two organizations does both.

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**Mr Martin:** And you think it's a good idea?

**Mr Ashe:** Experts in the field suggest it's a positive, and I don't differ from that perspective.

**Mr Martin:** Did you participate in either of the consultations that happened around that?

**Mr Ashe:** No, sir.

**The Chair:** Thank you very much, Mr Martin, and we move to the government caucus.

**Mr Wood:** We'll waive our time.

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

**Mrs Dombrowsky:** Good morning, Mr Ashe. I think if people were to take your curriculum vitae and my curriculum vitae and put them side by side they would see that our paths have had occasion to cross in the past. They have been all very positive encounters. So it's very good to see you here this morning.

With regard to your intended appointment to the Financial Services Tribunal—and I am familiar with the nature of your work; you probably have had the same background that we have had—you would know that it has been presented to us that there are really chiefly—first of all, maybe I should ask you this. Given the nature of the work that you do, the company that you work with, is it possible that some of the businesses, corporations or clients that you deal with would also come to the tribunal?

**Mr Ashe:** I guess it's remotely possible. Having said that, most of the clients that I am personally responsible for, as well as the firm, are public sector employers whose pension is certainly differently regulated than private sector plans. I don't envision any crossover or conflict, but certainly there are ways to deal with that. In looking at the other membership on the tribunal, it lists a number of lawyers and actuaries who have association with law firms and insurance companies and the like, so

I'm sure there has been that issue before and it was dealt with in an appropriate manner. I don't envision that being a problem, though.

**Mrs Dombrowsky:** So you don't see that corporations that your company would provide services for or contract services from might, from time to time, be brought to the tribunal?

**Mr Ashe:** I don't envision that occurring. Not to suggest it can't happen, but I don't envision it happening.

**Mrs Dombrowsky:** I wanted to ask you a question about the first issue, financial hardship cases under the Pension Benefits Act. It describes particular situations around LIRAs and so on. I can say in my constituency office this is an issue that has come to me, where folks have found themselves in some difficulty. They are also unable to access some of their resources because it has been locked in.

I read further about the fact that when there has been an appeal to the tribunal, I think it is 21 out of 24 appeals were turned down, where the folks who felt that they had extenuating circumstances and should have been able to access those monies that had been set away were not able to. So I have some sympathy for individuals. The situations that I am familiar with had to do with medical situations. I guess what I find a little bit disturbing is that there is a section, as you know, in the regulations that defines financial hardship to include "excessive" medical expenses and a disability requiring "expensive" medical treatment. Those are such subjective terms. What one individual might consider expensive or excessive may not be considered that by another.

Do you have any comment on that at all? That is an area that did pique my curiosity. It's an area that I've had folks come to my office and actually talk about. Would you maybe just comment about the LIRAs and kinds of situations that you think actually should qualify for an exemption to access those funds?

**Mr Ashe:** You are referencing the document that Mr Pond put together. It makes no mention of the amount of approvals that the superintendent had given to release funds. I think the fundamental issue is, what are pension monies for? They're for just that—pension monies.

I share with you the concern, and certainly there's disappointment that some people have to access monies from the pension for medical reasons or reasons of disability, but it appears that the tribunal has supported the superintendent's rules and decisions. It appears that in only one case the threshold by the tribunal was different from that established by the superintendent.

On balance, it appears that the guidelines the superintendent has invoked seem to work. If they've withstood the test on 19 of 20 occasions, I think that says something about the guidelines, how they're being dealt with by the superintendent and if they're appropriate or not. I'm not sure that answers your question.

**Mrs Dombrowsky:** I appreciate your perspective. Thanks very much.

Going to the table of tribunal members, I was just curious, how many of these members would you know, either professionally or personally?

**Mr Ashe:** I've spoken on the phone with the chair. I know by name two or three of the people because of their involvement in my type of business, but I don't know any of them personally.

**Mrs Dombrowsky:** My final question—and I think maybe my colleague has a couple—is with regard to the Ontario Securities Commission. You know that we continue to wait and see what action this government might take. We know what it has talked about but it really hasn't followed through on anything. There has been a proposal in the public forum about a national securities commission. I was just wondering if you might comment. What is your opinion on a national securities commission?

**Mr Ashe:** I would think that a national securities commission would be of benefit. Ontario often has much higher regulations and expectations, and if Ontario was the lead for a number of these initiatives, one would hope that other jurisdictions across the country would follow suit in regard to Ontario, which certainly is recognized as being the cream of the crop in terms of—

**Mrs Dombrowsky:** A financial leader.

**Mr Ashe:** Yes. So I believe there would be some benefit in having national guidelines. If that's done through a national commission, I think there might be some benefit in that.

**Mr Gravelle:** Good morning, Mr Ashe. I wanted to ask you about the insurance industry. I know there's a very specific role that the tribunal plays. A great concern that I have, and I think actually all members and the government should have, is the developing crisis, as I call it, and I think it is, in terms of the increase in insurance costs to consumers, to long-haul truck drivers, to operators of a variety of businesses, which I think is going to be a real threat even to our economy because I think it's driving many people into a situation where they can't keep going.

The Financial Services Commission approves the increase requests put through by the companies. I would love to have your thoughts on that, as to what role you think it needs to play. I must admit, I made some effort to get the various senior ministers involved in this process to try and deal with this. There certainly seems to be a link in terms of the role you'll be playing and I'd love your thoughts on it. First of all, how familiar are you with what I'm speaking about, and do you think there's a role that the Financial Services Commission can play? I get the impression that they tend to approve the requests that go through and I've got lots of reasons why I think they perhaps shouldn't be doing it so automatically. I'd love your thoughts on it.

**Mr Ashe:** You're quite correct in suggesting that insurance is going up at percentages far greater than inflation, in all realms of insurance: liability, accident. In my expertise, employee benefits, it's much greater than we normally see. September 11 had something to do with that in terms of liability. The health care system has something to do with it, significantly in regard to employee benefits. But I think on balance the system we

have that has a free market with regulatory oversight is a good system that does bring some protection to consumers. I think it's an area that will have greater and greater importance over the coming years as costs continue to get bigger and bigger for consumers, employers, governments and the like.

1130

**Mr Gravelle:** To some degree that's part of the response I got from the government too, in terms of the marketplace. But my concerns, or at least my thoughts are, that perhaps we need to look more closely at the industry itself. September 11 is commonly used as a reason for things happening. There are others who say it's investment decisions that weren't particularly good ones and why should the consumers be paying? At other times, it seems to be certain sectors of the industries that insurance is covering. They're making the assumption that every—even if a driver has a good record, they're going to be put in a category. I do really see this as being an enormous problem, not just in my riding or in northern Ontario but obviously all across the province, which you're confirming.

Do you think it's a good idea for us to be perhaps examining or bringing in the insurance company executives and looking at things more closely to see indeed whether or not there is some way we can actually manage to help out those people who are getting these increases, and at the same time obviously not put the insurance companies themselves in great peril?

**Mr Ashe:** I think a dialogue between insurance companies and government and regulatory authorities would be of benefit.

**Mr Gravelle:** That's very delicately phrased.

**Mr Ashe:** I think the system, on balance, does work appropriately. The free market is an interesting way to price things. Again, on balance, I think the system that we have in Ontario is certainly looked toward as one of the better-managed systems, compared to other jurisdictions. I think it's a tinkering rather than an overhaul that might be required.

**The Chair:** That's all the time you have, Mr Gravelle. I always seem to be cutting you off.

**Mr Gravelle:** That's quite all right.

**The Chair:** That concludes your time before the committee, Mr Ashe. Thank you very much for being with us today.

#### BEVERLEY HAMMOND

Review of intended appointment, selected by official opposition party: Beverley A.K. Hammond, intended appointee as member, Liquor Control Board of Ontario.

**The Chair:** Our next intended appointee is Beverley A.K. Hammond, who is an intended appointee as member, Liquor Control Board of Ontario.

Welcome to the committee, Ms Hammond. I think you know the procedure. You have an opportunity to make an initial statement, and then there will be questions, which will begin with the government caucus.

**Ms Beverley Hammond:** Thank you very much for having me here. As some of you may know, this is a bit of a stroll down memory lane for me. About eight years ago now, I was the special assistant to the House leader in charge of committees; in fact, that was my responsibility. So I bring with me today a great deal of respect and a little bit of sentimentality as well to the affair, although I have to admit I've never seen it from this particular vantage point. It's a little more nerve-racking from this end.

It's an honour to be considered for a position on the board of the LCBO, and I believe I have a contribution to make to that organization. So I appreciate this unique opportunity to very briefly talk to you about why and what I think that contribution is.

You see, most people in this place, of course, know me in the context of my government staffing work: a few years in Ottawa, a few years here at Queen's Park, and through some related political activity. While that experience has been challenging, interesting and chock full of incredible learning for me, it really is a small slice of my life, especially since leaving Queen's Park some years ago.

Every day, day in and day out, I run a company called Veritas Communications. Veritas is a Toronto-based investor relations, public relations and government relations agency with national reach. We're an entrepreneurial partner of Maxxcom, which is the largest full-service marketing communications group in Canada, and is traded on the Toronto Stock Exchange. We began 10 years ago as the first health care, public relations and government relations company in the country. We remain a leader in that field, but we're growing in other areas.

I originally joined Veritas to launch the company's business communications division. Since that time, we've built the new division from the ground up, restructured and rebranded the agency, expanded our capabilities, diversified our roster of clients into new sectors and implemented business processes around things like employee capacity, planning, budgeting and cost containment to increase efficiencies and improve operations all across the agency.

Today, we provide a long list of clients with counsel and strategic advice on everything from product launches, media relations and media coaching, to government relations, issues management, employee communications, corporate governance, investor and shareholder relations and stakeholder relations.

In my work at Veritas and in previous agencies, including Grey Canada and Communiqué public relations, where I began as managing director before becoming president, I have not only had the opportunity to build our business but also to work with a number of public, private and not-for-profit organizations across the country and across a broad range of sectors to help them build theirs; sectors like the retail sector, the insurance sector, the biotech sector, the health care sector, and I've worked with post-secondary institutions, associations, charities and financial institutions, just to name a few.

In each case, it's been critical to understand the unique business and the competitive and regulatory environment in which that business or organization operates and then to work to drive value for that organization within that context with all and varied audiences.

Likewise, the boards on which I sit also have varied focuses and challenges that are specific to each of them individually. Food Buddies, for example, is a Toronto charity that provides nutrition and nutrition education for underprivileged children in and around this city. The national board of Special Olympics Canada is an organization committed to enriching the lives of Canadians with a mental disability through sport. Then there is the advisory committee for the University of Toronto chair in nursing human resources. And proudly, I also chair the advisory board of Hammond Transportation, the family business my father started 60 years ago.

The organizations that I deal with every day have different needs and different opportunities, but they are all held accountable to either their customers, their shareholders, their members and often to the public. Arguably, this has never been more apparent and perhaps more important than today, whether in a private company, a public company or, of course, a crown corporation.

So as an investor relations adviser, as strategic counsel to many senior executives across the country and as a board member, a role I play is to understand and promote the principles of good corporate governance, to help increase shareholder value and advise those I work with on the importance of being ever-cognizant of their obligations to that end.

The LCBO, as a government agency, obviously has the same responsibility, and to a variety of masters—to government, to regulators, to its shareholders and, of course, to its captive customer base. That means the organization must strive to achieve and maintain an important balance. I believe that my understanding of the marketplace, the markets and the consumer through the work I do with my clients, my diverse board activity, my role as a proponent of increased shareholder value and strong corporate governance principles, my federal and provincial government experience, my extensive marketing communications work and my experience in building, changing and running businesses combine to afford me a unique breadth and depth of skills that will be beneficial to the LCBO as it seeks to continue that balance in today's environment and beyond. But that balance extends outside the area of the fiduciary duties that stem from how the company is run to the important social duties that stem from what the company sells.

I have to say that given what I've experienced and what I've seen, I believe the LCBO is a benchmark for social responsibility. The investment it makes in programs that encourage the responsible use of alcohol and the ongoing fundraising activity it undertakes is impressive, to say the least, and absolutely necessary in today's society. As an aunt and a sister, I appreciate that. As a board member of the LCBO, I would be committed

to actively promoting continued and increased social responsibility programs, to setting an example and continually raising the bar for good corporate governance, to applying the business practices that I apply every day to the issues that the board faces, and to ensuring that the interests of the shareholders, the people of Ontario, are paramount in every decision the board makes.

I look forward to the opportunity to keep those commitments, and I look forward to your questions. Thank you.

1140

**The Chair:** Thank you very much. We commence our questioning with the government caucus.

**Mr Dunlop:** Thanks, Ms Hammond, for attending here today.

I had a couple of questions, and you touched on them at the end, on the social responsibility end, and that's to do with drinking and driving. I know the LCBO has had a number of advertising campaigns with MADD Canada. That's really good to see that happen. I congratulate Mr Brandt and his leadership with this organization.

The two questions I had are based around recycling and around the agency stores. I have to tell you right off the bat, I'm a strong believer in the agency store program for the province. I've seen the last announcement of, I believe, around 80 stores that Minister Sterling announced last year. I've had about three of them open in my riding. They've been huge successes because they've helped keep little communities strong. I think, as a member of the government, we want to do whatever we can to help keep rural Ontario as strong as possible, and these have helped these particular communities a lot. So I'd like to hear your comments on that.

Second of all, if you could comment on the Waste Diversion Organization. I'm a believer also that we have to get LCBO at some point to do what the Beer Store has done, and that's getting as much reuse as possible in the system. Now, you may not have been prepared to answer a question on that, but at least I would like to see the LCBO go in that direction, as close as possible to 100% reuse at some time in the future for the sake of our landfill sites. As a member of that board, I hope that you would promote that on the board. I know you will probably come into some opposition, but I'd like to hear your comments on those two issues, if you could talk about them.

**Ms Hammond:** Sure. First on the agency stores: I actually spend a lot of time in northern Ontario. I'm from rural Ontario, places like Mindemoya on Manitoulin Island, where my uncle actually ran the general store and his brother-in-law ran the grocery store that had the agency store. So I'm very, very aware and very supportive of what that allows small communities, that don't otherwise have access, to do. It's also obviously a great customer service initiative on the part of the LCBO.

I think it does a couple of other things too. It also quiets, in a sense, all the noise around beer and wine in corner stores, because it actually allows accessibility. That's not the only thing that quiets that argument,

obviously, but it allows accessibility, and in a controlled environment, which I think is really, really important. In addition to that, it also gives people who run those stores—I think it actually helps their business a bit. You know, somebody pops into the agency store and decides they need a flat of eggs or something else. So I'm all for things that actually contribute to helping people build their business.

I am a big supporter of agency stores. I was pleased to see that the last minister did introduce the franchise stores—or whatever; I believe that's what they're called—in other parts of Ontario. Again, while I've spent a lot of time in northern Ontario, I also know there's lots of Ontario that's rural that isn't in the north, as you know, obviously, given your riding, and many of us here. So I believe it's important that it be expanded into other areas.

As for the blue box program, I think it's incumbent upon all organizations right now to look at ways to increase our responsible actions toward the environment.

I was with a gentleman by the name of Robert Schad yesterday. I did a little tour of his business. He was telling me that they recycle 95% of everything they do in that place, and that, to me, is just incredible.

I think there are lots of elements to the argument, certainly, but I am a believer in recognizing our responsibility to the environment. I know the LCBO, although I don't know the details of it, does do some environmental and recycling activity. I think it's important that we look at all opportunities to improve the environment, for today and tomorrow.

**The Chair:** I think I can sneak one question in for Mr Mazzilli.

**Mr Mazzilli:** Thank you very much, and thank you for coming today.

I certainly have a comment. I think the LCBO has come a long way from a number of years ago, but when we look at some of the capital costs that have gone into the LCBO recently, some do concern me because of the time it will take to get some of that capital cost back.

When I look at the LCBO in large urban centres, obviously they own some locations and they have been there for a long time. Is there a move to move those locations to newer areas of the city?

**Ms Hammond:** Actually, I can't speak to that, not having seen the business plan or a lot of the details of capital investments projected or even in the last little while. I would say, though, that I think I agree with you that the LCBO has come a long way. As I indicated, there's quite a balance that organization actually has to achieve, and that's ensuring customer service, ensuring that they're giving customers what they want in the environment within which they want to shop, and at the same time ensuring that they're providing government with the dividend and increasing that dividend as much as possible and making the right investments. That's just good business, period. So, in short, I don't have the information to answer your question.

**Mr Mazzilli:** Would you be in favour of the corporation owning its property or its assets, or leasing, com-

pared to, say, other chains like Shoppers Drug Mart and Big V, who choose not to own the real estate because it ties up a lot of capital in the operation?

**Ms Hammond:** I think I'd have to have a look at that. It really does depend on the sector, when you look at a real estate investment like that, and whether it's worthwhile. So, again, I don't think I could comment in great detail.

**Mr Mazzilli:** But these would all be things you would look at as a board member.

**Ms Hammond:** Absolutely. I actually look forward to it. I love that stuff.

**The Chair:** Thank you very much. We will now proceed to the official opposition.

**Mr Gravelle:** Good morning, Ms Hammond. I wanted just to get some more details in terms of your resumé and your background. I want to get it clear in terms of when you started at Veritas. A little bit of a rundown of which ministers you worked for would be interesting to everybody, I think, and I've got a pretty good sense of who they were, but when you actually left because you said you were involved, as it turns out, in the 2002 budget writing as well. Was that as a staffer or was it as somebody who was hired to do that? If you can give us a bit of a rundown in terms of your background, particularly since 1995.

**Ms Hammond:** I wasn't actually involved in the 2002 budget.

**Mr Gravelle:** It says that here.

**Ms Hammond:** It does? Wow, I'm honoured.

**Mr Gravelle:** It didn't sound like you would have been, based on what you've said, so if you could go over your work background and history, that would be great.

**Ms Hammond:** Federally I worked for the Minister for Small Business and Tourism, with responsibility for northern Ontario.

**Mr Gravelle:** Which minister was that?

**Ms Hammond:** The Honourable Tom Hockin. He was also the Minister for Science and International Trade in my time with him. So I had a lot of experience on the bilateral trade file, which was mine for a short period of time at the end of my tenure there. Then, in Ontario I worked for the Deputy Premier, the House leader and Minister of Finance. I left Queen's Park at the end of 1997. January 1998 I believe I started—

**Mr Gravelle:** Are there any other federal ministries or parties that you've worked for?

**Ms Hammond:** No.

**Mr Gravelle:** In terms of the background, there are a number of interesting questions that I think relate to this. It seems to me that one of the reasons the LCBO might want to have your expertise is precisely that with your marketing experience you've certainly focused on the social responsibility aspect. It seems to me that would be one of the real attractions you would have for them, your marketing experience in terms of that. It also seems to me that you would have some interesting insight into even what the government's moves were. We all know that one of the potential options for the government was to

sell, to privatize, LCBO. I'm wondering what your position is on that because you were around at a time when that was one of the expectations, at least, that Mr Harris was going to go with. So I'd love to have your thoughts on that.

**Ms Hammond:** Of late, I actually haven't heard a lot of stuff about that out there, so I'm not aware that it's actually on the government's agenda currently. But I will say the important thing, again, in all of my experience with public companies and private companies and even organizations, the critical thing is to do its best for the shareholder. If there's not the business case to do it, it shouldn't be done. So without having seen anything or looked at anything, I'm not really in a position to comment on it except to say that I believe in the principle of increasing shareholder value. Whatever is the best way to do that, I will support.

**1150**

**Mr Gravelle:** But you were around at a time when there was at least a potential push to sell it off, which means you would have been familiar with the case for doing that. Do you have your own opinion on whether that's a good or bad idea? Certainly the revenues coming into the province are pretty substantial.

**Ms Hammond:** As I indicated, without seeing a business case for it, without looking at a prospectus or looking at some of the really critical details of that—I'm in the investor relations business. I don't just comment on things without actually knowing the details.

**Mr Gravelle:** Tell me, if you would, how this appointment came about. The LCBO is not a large board, in many ways. I think there are only seven members on it, so I'm curious. Were you approached? Were you asked to do it? How did the appointment happen?

**Ms Hammond:** A couple of years ago I worked at Communiqué and we in fact did a bunch of campaigns with MADD and with the LCBO. We did the billboard campaign, you may recall, with the actual crumpled vehicles that were on billboards around the Toronto area and some really interesting and impactful social responsibility marketing with the organization. I was always really impressed with the LCBO. I've also watched as it has evolved. Of course, it has always interested me as a communications person. So it was probably a couple of years ago that I made a comment, I can't remember to whom now, "Gee, that would be a really interesting place to be. That would be a really fascinating organization to be involved with." It was probably about a month ago or so that I had a call from the secretariat suggesting to me that my name had been put forward and asking me if I would accept it, so I gladly did.

**Mr Gravelle:** I guess this means, though, that you won't be able to do work for the LCBO.

**Ms Hammond:** No, I will not. That's right. My current agency does not.

**Mr Gravelle:** I'm curious also about your thoughts on some of the decisions the LCBO makes, particularly in terms of the delisting policy in terms of stocking their shelves. I know there have been some concerns expressed

by the Ontario winery industry about the decisions. I think there have been a substantial number of items that have been delisted because they haven't met the sales quota. I think the Ontario wineries are thinking that perhaps it's too stringent and there isn't enough encouragement in terms of time given. Are you familiar with the delisting policy? If so, what do you think? Do you think it's the responsibility of the LCBO to promote Ontario products? I know there have been other ways that has been done, but I'm curious as to what your thoughts are in terms of the LCBO's role in that.

**Ms Hammond:** I'm not intimately familiar with the delisting policy, so I'll qualify my comments with that. I am familiar with the concept of shelf space and of product sale and moving product and all the stuff that goes along with it. To the Ontario wine industry, though, I will say that one of the things I've been really impressed with lately is the promotion of Ontario wines in LCBO stores. I was in Bracebridge for my nephew's wedding this weekend and I was at the LCBO store—surprise, surprise. There was a really impressive "Taste the Quality," I think it was, Ontario wine promotion all through the store and at every cash register. You couldn't get away from it if you wanted to. I was very impressed with that. There are certainly members here who have a really important interest in promoting wines. I would offer that the current minister does as well for lots of reasons, not the least of which is where he hails from. So I think there's a lot happening to promote Ontario wines.

I would also say that I think it's about more than just promoting them in LCBO stores here. Some of our wines are really competitive internationally. I believe we should be doing more to promote them elsewhere. I think it's up to people in this room and up to the federal government and up to the Wine Council of Ontario and others to ensure that our wines are being promoted outside of Ontario and outside of Canada as well.

**Mr Gravelle:** Do you think it's useful to look at the delisting policy to some degree as well, whether there should be a greater effort made to hold some of the products and give an opportunity for those products to sell? I appreciate that the marketing is in fact a major element in that, but there are obviously these quotas that must be met and perhaps they are adjusted according to the price of the wine and everything else. It does just seem to me that the LCBO should probably—I'm not suggesting that they're not—be supporting it. But the delisting policy itself is one that I think you might want to look at when you are put in your position. But it's obviously all about promoting Ontario wines in that sense.

**Ms Hammond:** Certainly I'll have to look at it because, as a member of the board, that's the kind of thing I'll be asked to involve myself in as far as discussion and strategic direction go for the organization, so I will be looking at that.

**Mr Gravelle:** I'm from northern Ontario myself and I'm certainly very aware of agency stores, which I think are important set-ups. I'm interested of course in the franchise set-up in southern Ontario, which is, in essence,

an agency store extension or concept. Are you aware of how the decisions are made related to those who are going to be getting that particular franchise store? What is the process that they go through in order to get approved?

**Ms Hammond:** No, I don't know the actual process. What I do know is that there are some terms: distance to another LCBO store or outlet is one thing, certainly. I think there's a rural element. There have to be certain things like employees of a certain age, and staff have to be trained, and things like that. So I know that those things are in place.

I don't know how those sites are selected and, to be honest, I don't know where all of them are, except for the ones that I have the pleasure of utilizing from time to time.

**Mr Gravelle:** Thank you very much.

**The Chair:** Thank you very much, Mr Gravelle. Your time has expired. You're right on time.

**Mr Gravelle:** Excellent. I was feeling it.

**The Chair:** We will now move to Mr Martin of the third party.

**Mr Martin:** I'm going to focus on the concern that's out there regarding the possible privatization of the LCBO, and the anxiety and fear in some places that that may in fact be just in the offing and the possible role you might play in that, given your affiliation with the now Premier, having worked for him at one point and then been active in his campaign for leadership. What's your political thinking on this? Is it the direction we should be taking? Should we be going there?

**Ms Hammond:** My thinking on it is business thinking. As I indicated, if there is a business case for it, and if it's in the best interests of the shareholders, which we all know in this situation are the people of this province, then it may be the way to go. But without having any information or details on that, I'm afraid I can't—

**Mr Martin:** But given the spoken great interest of the political party that you belong to and work for, and the fact that it's easy to make a business case for almost anything, actually—

**Ms Hammond:** Is it? That's good to know.

**Mr Wayne Wettlaufer (Kitchener Centre):** You don't know enough about business.

**Mr Martin:** I have people in my office every other day making business cases about all kinds of things—statistics and things like that. If you want to make a business case, if you want to build a business case and you have the political aspiration to do that, isn't that something that could be done?

**Ms Hammond:** I guess we should maybe just clarify that sometimes there are business cases, and then there are good business cases, business cases that actually support the interests of the shareholder. That, in my view, is the best business case there is. In a situation like this, I think you do, again, need to look at the circumstances.

As far as I know, though, I haven't heard anything lately in this government's comments or in the agenda that that's actually on the books, so I don't think it has been talked about as much lately at all.

**Mr Martin:** There's the fear out there that it's privatization through the back door, with the agency stores and the franchising of different parts of the operation, that perhaps that's where we're heading, not unlike what's happening in the health care sector, where we're beginning to see privatization through stealth and setting up different operations that may not present as privatization very publicly and obviously but in fact are. So there's that fear out there that that's where we're going and that we're beginning to open the back door to this. Perhaps bringing somebody like you in, with your obvious expertise and background, is just another indication that this is becoming an option again.

1200

**Ms Hammond:** A couple of things. Just to the agency stores comment, the agency store, in my view—as you would know; I'm sure you have a few in your riding as well—are just a way to actually increase access and service rural and northern communities in Ontario, which I think is incumbent upon an organization like the LCBO to do. Having said that, I would hope that my experience and my expertise, as you put it, would actually bring some comfort to people who want to ensure that the best decision is made for the LCBO and that the decision is made in the best interests of shareholders because, again, that's what I do for a living and for all of my clients right now.

**Mr Martin:** We've heard and we hear a lot about that kind of thinking, that what is done at the corporate level is always in the interests of the shareholders, but those of us who perhaps placed more confidence than maybe we should have in that whole sector of society have been very bitterly disappointed in the last couple of years as big corporations, which trotted out the business case for certain things happening, and then a year or two later the whole thing collapsed—Nortel, Enron and those kinds of things. I guess I wouldn't want to see a business case made for the LCBO to go private only to find out a year or two later, as we've seen with other big corporations where business cases have been made, that the rock turns to sand and the whole thing then becomes a liability and not the very positive and exciting and lucrative operation that the LCBO is now. That's my fear. I guess with that in mind, does that cause you any concern?

**Ms Hammond:** Overall, the issue of corporate governance in this country certainly is a concern of mine, and I spend a lot of time working with people to try and improve the levels of corporate governance. There are some folks who are very good and very responsible senior executives in companies all across this country. There are others we have seen who are alleged to be a little less responsible, perhaps. That's always a concern. It should be a concern for everybody—investors, shareholders, everybody.

So that's a concern. I don't have that concern as far as the LCBO goes at this time. From what I see, it's a well-governed, well-run organization.

**Mr Martin:** But what you're saying here this morning is that if a business case can be built to support privatizing, then you'd be OK with that.

**Ms Hammond:** Sorry, can you repeat that?

**Mr Martin:** What you said a few minutes ago was that if a strong business case could be made for the privatization of the LCBO, you'd be OK with looking at that.

**Ms Hammond:** What I said was any decision I made on the board of the LCBO will ensure that the interests of the shareholders and the people of this province are paramount.

**Mr Martin:** And you didn't say that if a business case could be made for the privatizing of the LCBO, you'd be OK with that?

**Ms Hammond:** I think what I said was that a good business case needs to be made in any decision that a board makes for an organization like the LCBO. Again, the most important thing is the interests of the shareholders, who are the people that live in this province.

**Mr Martin:** So you're not going into this job with the intent of trying to make a good business case for the privatization of the LCBO?

**Ms Hammond:** No, I'm not. I'm going into this job to ensure that whatever the LCBO does this year and next year and 10 years from now, hopefully, is the right thing for the people and for the government and in the regulatory environment.

**Mr Martin:** OK. Thank you.

**The Chair:** Does that complete your questioning?

**Mr Martin:** Yes.

**The Chair:** Thank you, Ms Hammond. You may step down.

**Ms Hammond:** Thank you.

**The Chair:** We will now move to the appointments review voting, and I'll accept any motions that might come forward.

**Mr Wood:** I move concurrence re Mr Richardson.

**The Chair:** Mr Wood has moved concurrence in the intended appointment of Mr John E. Richardson as member, Muskoka, Nipissing, Parry Sound and Timiskaming Grant Review Team. Any comment or discussion?

**Mr Martin:** I just have some concern that these bodies that hand out money on behalf of the government, particularly as we move toward an election, stay as non-partisan as possible. In this instance, we obviously don't have a person who is non-partisan, so I'll be voting against this appointment.

**The Chair:** Any other comment from anyone on the committee? If not, I will call the vote.

All in favour? Opposed? The motion is carried.

**Mr Wood:** I move concurrence re Mrs Demers.

**The Chair:** Mr Wood has moved concurrence in the intended appointment of Pauline M.A. Demers as a member of the Council of the Ontario College of Teachers. Any discussion?

**Mr Martin:** Again, in the interest of the whole of the education system, and some of the havoc that's been created over the last few years and the anxiety that's out there, I think it's important that we find ways to turn down the heat and bring people into these organizations who have a balanced approach and an interest in better education, as opposed to continuing to take money out,

hammer teachers and drive the agenda of the present government. In this instance, again we have somebody who is obviously active—and was not afraid to share it with us—in the riding association and has contributed to the party. So in this instance, I won't be voting for her.

**The Chair:** Any further discussion?

**Mr Gravelle:** I must admit I appreciate what Mr Martin is saying, but I don't share his concern related to Ms Demers. I was impressed by the fact that she has obviously an extraordinary background in the teaching profession and is one who is very caring. She was concerned about some of the same things related to the recertification of teachers. I thought she understood that process well, and I think she will actually be a very good addition to the board.

**The Chair:** Any further discussion?

**Mr Wettlaufer:** I don't understand the qualifications of the member opposite, Mr Martin. Just because an individual has some political alliance doesn't mean that individual should be disqualified if that individual obviously has merits. I think we know from the experience in their government, where there were all kinds of appointments made that had absolutely no merit, that his objections are frivolous.

**Interjection:** They can't remember that.

**The Chair:** Any further discussion? If not, I'll call the vote.

All in favour? Opposed? The motion is carried.

**Mr Wood:** I move concurrence re Mr Ashe.

**The Chair:** Mr Wood has moved concurrence in the intended appointment of Kevin Ashe as a member, Financial Services Tribunal. Any discussion? If not, I'll call the vote. All in favour? Opposed? Motion carried.

**Mr Wood:** I move concurrence re Ms Hammond.

**The Chair:** Mr Wood has moved concurrence in the intended appointment of Beverley A.K. Hammond as a member, Liquor Control Board of Ontario. Discussion?

**Mr Martin:** I have concerns—and it's not just me—with regard to the possible privatization of this organization. Given the very good background of this intended appointee in the private sector, I think probably her ability to make a business case to privatize the Liquor Control Board and her connection with the now-Premier and previous Treasurer of the province—I have a concern that that may be where we're heading and that this appointment may take us more quickly down that road. So I'll be voting against this appointment.

**The Chair:** Any further comment?

**Mr Dunlop:** I think I'd like to make a comment on the privatization issue. It certainly hasn't been anything that this government has discussed in at least four years. There have been no plans whatsoever for any privatization of the LCBO. I think we can say that very safely here. I think Mr Brandt has done a phenomenal job in reorganizing and putting the LCBO on the right track. I think the \$850-million profit that went to the government coffers in 2000-01 shows that.

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I strongly support Ms Hammond because, first of all, as someone from Muskoka, her family has a phenomenal

history in small business, in the transportation industry in Muskoka. It's one of the companies we're very proud of.

I was going to say to you, Mr Martin, she can probably put you in touch with someone who can provide you with a bus that will pass the Drive Clean emissions test in the province. So pass that on to Howard.

**The Chair:** I missed the import of the last comment.

**Mr Mazzilli:** I just want to make a small comment for both this committee and for Mr Martin. If you want that discussion opened again, you just run the LCBO improperly and that's exactly what you have. In order to run this crown corporation properly and profitably, the issue and the argument about privatization will never come up. That's why it's gone away. It's an organization that is running properly with good corporate governance, and I think we need good people for that to continue.

**Mr Wettlaufer:** One thing that I learned in my business experience is that you don't go running around looking for bogeymen in every corner. Mr Martin, just because you're looking for bogeymen should not disqualify a candidate with the qualifications of Ms Hammond.

**Mr Gravelle:** With all due respect to our colleagues on the other side, the fact that is in 1995 the privatization of the LCBO was very much out there as being one of the goals. It was brought up again, it seems to me, not that long ago. Ms Hammond was very careful in what she said, but I guess I do share Mr Martin's concern too. She was a very significant player during a time when it was very seriously being considered, and I happen to think that would be a wrong decision. Perhaps you're right that if it's properly run it's not going to come up again. But the fact is that is a concern we have, and I think it would be a wrong move by the government. She wasn't particularly forthcoming, if I may say so, about how the case was being made at the time when it was there. I'd like to think that probably Ms Hammond would have some insight. So I'm also not going to support the appointment because I have those concerns as well.

**The Chair:** Any other comments? If not, I'll call the vote. All in favour? Opposed? The motion is carried. The four intended appointees have been confirmed by the committee.

## COMMITTEE BUSINESS

**The Chair:** We now move to agency review proposals.

**Mr Wood:** I move that the committee review the Sudbury CCAC and that one half-hour be provided for briefing of the committee, three hours for the hearing of witnesses and one hour for the adoption of the report.

If I may speak to the motion for a moment, that's been drafted after taking into account input from all members of the committee. We've tried to incorporate as many suggestions as we can in that motion. I think it would be a good start to agency review, and if more agency review is needed later, certainly I think that's open to the committee to consider.

**Mr Martin:** I just wanted to clarify on the issue of witnesses. How do we go about that? Do we each get to put forward a list of people we want to be brought forward?

**Mr Wood:** Could I take a crack at what I think this means, and if I need to redraft it, I will. My idea is that each of the three parties will have one hour for their witnesses. So each of the three decides who is going to be heard from in a one-hour period. Of course, that will be divided three ways in terms of questioning. So you would have one hour to have whoever you want before the committee. You have 20 minutes to question them, the Liberals have 20 minutes to question them and we have 20 minutes to question them, the same as the other two parties. That's my intention.

**Mr Martin:** In other words, we've only got three witnesses before—

**Mr Wood:** It's up to you. You have to decide that. I'm taking the time that you suggested and that would seem to me to be the way to divide it.

**Mr Mazzilli:** They could bring two witnesses for 10 minutes each.

**Mr Wood:** Yes. The number of witnesses is entirely up to the parties, as far as I'm concerned.

**Mr Gravelle:** That does seem rather restrictive. I appreciate that what you're saying is that in the hour that each of our caucuses have, we could call four witnesses, but ultimately it would still be divided by 20, 20 and 20 in terms of three parties. In other words, if the Liberal caucus called a witness that used the 20 minutes, we wouldn't get to ask them questions. Is that what you're—

**Mr Wood:** My intention is this: we have one hour in which you decide who is before the committee, right? That is your decision. Mr Martin has no input. We have no input. For that person—let's take it as being one person—you then have 20 minutes to ask questions, Mr Martin or whoever is representing his party has 20 minutes to ask questions and we have 20 minutes to ask questions. If you decide to have two witnesses, you divide by two; if you have three etc. So you can have four witnesses but you've only got 15 minutes per witness, or you may say—I don't really care how you divide it—"We have one witness we want to spend half an hour with and another two witnesses we want to spend 15 minutes with."

**Mr Gravelle:** Which would be 10, 10, 10 then if you had two witnesses, for example.

**Mr Wood:** Yes. You decide how many people are going to be heard from in your hour.

**Mr Gravelle:** But if the witnesses, for example, wanted to use the time themselves to make a presentation, they would be using up the time of the caucus that called them.

**Mr Wood:** Yes.

**Mr Gravelle:** That seems rather restrictive. Also, while I have the floor, Mr Chair—

**The Chair:** Yes, please continue.

**Mr Gravelle:** When we were first discussing this I think Mr Martin first requested the Sudbury and district CCAC, which I think is a very good idea, but I had also

mentioned that I would like to call the Thunder Bay district community care access centre and I'm still interested and keen on doing that. So I'm wondering whether I can get support from you, Mr Wood, for us to call a second agency as well. I think Thunder Bay and district, which is a huge area covering a great number of people and also a great area, would be a very useful one to call as well. So I want to make that request to you.

**Mr Wood:** My intention is to reserve comment on that request until we see the results of our first review. We have to start somewhere. I recognize we've chosen a suggestion other than your own but, on the other hand, we have acceded to the suggested CCAC.

**Mr Gravelle:** But certainly I made reference to my interest in doing that from the very beginning, and I appreciate I wasn't here at the last meeting, so I don't know whether that had an impact on Thunder Bay being dropped off the list, but I think we were talking about two of them. Mr Martin I'm sure will remember it that way. We had discussed Thunder Bay and Sudbury.

**Mr Wood:** We had to make a choice and it wasn't your suggestion we took up. It was not because we weren't aware of your suggestion; we were.

**The Chair:** Any further comment?

**Mr Martin:** Yes. I have some difficulty with the limited amount of time we're going to have here: a half-hour for briefing. I think there should be some time there as well for each of the opposition parties to put some information on the table for everybody to consider as part of this exercise. So I would suggest that another hour be added there: a half-hour for each of the opposition parties. I don't think three hours is going to be long enough for the hearing of witnesses.

**Mr Wood:** Sorry to interrupt you, but before you get off the half-hour, do you mind if I just comment on that? I'm not trying to interrupt what you're saying. My idea is that that time would be available for whoever wants to ask questions of the researcher. We don't want the researcher to read to us the briefing material. We'll read that on our own. The question is, how much time do we need to get answers to these questions on the record? In other words, if all of it is taken up by yourself and nobody else has any questions, my idea is not that that's divided three ways. If you think that's not enough—would you agree with me that we don't want the researcher reading the written material to us?

**Mr Martin:** No, but we do want to put on the record some of the rationale behind why the government has moved in this direction. I'd like to bring some of the research forward that our caucus has done on this and why we think it's being brought forward and what the impact has been so we can all consider that information, and I'm sure the Liberals would probably like to do the same thing too. We've been doing a lot of work on this and this is an opportunity for us to table it in front of a bipartisan committee and hopefully at the end of the day have a report come out that reflects that.

The other thing that I don't think—

**Mr Wood:** Sorry, can I just—

**Mr Martin:** Can I just finish?

**The Chair:** Yes. Go ahead.

**Mr Wood:** We could deal with them one at a time. I'm not trying to interrupt you, and I apologize that I am interrupting you. But if you're going to move off the half-hour, I wonder if we could deal with that first.

**Mr Martin:** I think we've got to look at the whole package, Bob, in that I don't think we can do it in one time slot. I think we need to look at other agencies and boards we've brought before this committee and see what kind of time we've allocated. I remember when we brought the ONTC and NorOntair we went for two or three days on that because we wanted to make sure that when we actually did this, it wasn't just an exercise to be able to say, "OK, we did that." We wanted to get some good information and make sure it was an effective process and that at the end of the day we had something that all of us could be satisfied was sufficient. I appreciate the motion and I appreciate your picking Sudbury, but I just don't think the time allotment here is going to be enough to satisfy what we want to do or need to do.

**Mr Wood:** I apologize for interrupting you earlier. It was not my intention to be rude. If you'd like to defer this a week and get the information from our last reviews, I'm quite happy to do that.

**Mr Martin:** I would prefer to do that than move with this here today—

**Mr Wood:** I don't have a problem with that.

**Mr Martin:** —if you're not willing to consider at least adding another day to this so we can do what I'm suggesting we need to do. If you need further information as to how much time was spent on other agencies, boards and commissions, then in order to do that, I'm willing to take that time.

**Mr Wood:** What I might suggest is that we've got to give quite specific instructions to the researcher so that he understands exactly the information we need. I'm quite happy to put this over a week, but I think we've got to make it clear to him what we want to know. I can take a crack at what I think we want to know, and if that's not what we want to know, others can add to it. I think what we'd like to know is, for the agencies reviewed in the last Legislature, how much time was allocated to the review? Is that the question we're asking the researcher?

**Interjection:** Yes.

**Mr Wood:** OK. So if we're going to put this over a week, and someone else may have something to say about this, what I think we are moving toward is a consensus that we put this over one week in order to get the information I just outlined.

**Mr Martin:** With the idea in mind that we expand the time that you indicated initially you're willing to agree to so that we can in fact do a fuller review.

**Mr Wood:** I might say that my mind is open as to whether or not we should change the time. I agree that the information you have suggested we need would be helpful. So I'm making no commitment to expansion or lack of expansion, although obviously my mind is open. Otherwise I would not make the suggestion I just made.

**Mr Gravelle:** This has gone on for such a long time, and I agree with Mr Martin that we need to have more time. I think that's pretty clear and I'm quite sure what we'll learn is that indeed more time was spent. But I guess what we're looking for is, and you have addressed this, so I won't go on too long—I think it's important that we have more time and hopefully you're going to be open to that possibility, because there's probably no point in carrying this on if you're not. I appreciate that you can just sort of say, "This is the resolution. Vote on it one way or the other." Anyway, I hope you really will be open to expanding the time availability.

Obviously, the whole community care access centre and what has happened in the last two or three years is very complex. Lots has happened, and I think we do need more time. I'm sure what we're going to discover is that in most agency reviews we have had significantly more time involved in doing that.

**Mr Martin:** That's fine. I'm agreeing with that. I just want to thank the researcher for some information that was provided for today's meeting in preparation for this discussion. I also thank Mr Wood for coming forward with the proposal. It precludes my having to get into the information that was prepared for us. I'm willing to wait and see what the researcher has to offer next week and then have a further discussion about the time we need and hopefully decide then on what we need to do to get a process and a result that will be satisfactory to everybody.

**Mr Gravelle:** Are we meeting next week?

**The Chair:** There are certificates out with a deadline for tomorrow, and I would guess there would be some people chosen from that list, so it's likely we will meet next week.

**Mr Wood:** What I will do is move that consideration of item 3 be deferred to our next meeting.

**The Chair:** We've had some considerable discussion. All in favour of that motion? The motion is carried unanimously.

One point of information I should bring to the attention of the members of the committee—I believe you would know this—is that Ms McLeod, when she was here at the committee, asked that certain questions be directed to the secretariat, and I sent a letter to the secretariat asking for a response to those. Mr Prins, would all people on the committee have had a copy of that letter?

**Mr Tom Prins:** No, but we can make it available.

**The Chair:** I would like that made available to each one of you. It's simply the questions she asked, and members of the committee were interested in seeing them responded to. We'll ensure that you have a copy of the letter. When we get a response, it'll be to the committee, so all of us will have access to that at that time.

Any other business before the committee? If not, I'll entertain a motion of adjournment.

**Mr Wood:** So moved.

**The Chair:** All in favour? Opposed? Carried. Thank you very much, members of the committee.

*The committee adjourned at 1226.*



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