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Tuesday 22 October 2002

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des débats
(Hansard)**

Mardi 22 octobre 2002

**Standing committee on
estimates**

Ministry of the Environment

Office of the Premier

**Comité permanent des
budgets des dépenses**

Ministère de l'Environnement

Cabinet du premier ministre

Chair: Gerard Kennedy
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 22 October 2002

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The committee met at 1531 in room 228.

MINISTRY OF THE ENVIRONMENT

The Chair (Mr Gerard Kennedy): I call the meeting to order. Welcome, everyone. We have approximately 41 minutes remaining for the estimates of the Ministry of the Environment and Energy, although obviously we're in the portion of the Ministry of the Environment. The time will be divided up equally among the three parties, for approximately 14 minutes apiece. We now commence with Mr Curling, on behalf of the official opposition.

Mr Alvin Curling (Scarborough-Rouge River): I just want to say that my colleague Mr Bradley would have loved to ask all of these questions, but by circumstances beyond his control, he's not here today. It's good to see the minister, and it's good to see that he has a very bright deputy with him. I'm confident that the questions I will ask will be responded to in a manner that my colleague Mr Bradley would have liked.

I want to ask just a few questions, Mr Minister, regarding the equipment being used in Drive Clean testing facilities. I think last week, when Mr Bradley asked you if all the equipment currently used in the province of Ontario's Drive Clean program, including the dynamometers, was BAR-certified, I think you answered, yes, or equivalent. Could you provide me with the standards for the equivalent equipment that is now in use in Ontario?

Hon Chris Stockwell (Minister of the Environment, Government House Leader): I could, but it's very technical; it's long. I'll be happy to provide that to you in writing after the meeting. I'm sure you don't want me to take 14 minutes walking through a bunch of technical terms and conditions.

Mr Curling: If you can provide it, fine. If it's going to take 14 minutes do that, I'd rather you table it.

Hon Mr Stockwell: I'll table it. By just making a point, the equivalency is BAR or equivalent. You will see from the tables that we provide you with that they meet the same terms and conditions that are BAR.

Mr Curling: Good. Let me ask a specific question. Are there any dynamometers currently being used in the Ontario Drive Clean program that are not BAR-certified?

Hon Mr Stockwell: Or equivalent?

Mr Curling: Yes.

Hon Mr Stockwell: No.

Mr Curling: There are none?

Ms Jan Rush: No.

Mr Curling: When your ministry was determining the certification requirements for emission-testing equipment for Drive Clean, Ontario companies wishing to compete in the market were told that the only way in which they could sell equipment to testing facilities was if their equipment was BAR-certified, specifically the dynamometers. Because of this, all of the equipment sales, I understand, went to American-based companies. These Ontario-based companies were not offered the equivalency and in turn lost millions of dollars as the result of that. Why was the equipment equivalency not offered to them? As you said, it's the same.

Hon Mr Stockwell: You're going back some time, and as you can remember, there was a bit of a brouhaha at the time with respect to the BAR equipment. I think the compromise was by adding equivalent, and therefore, it broadened the base and opened up the opportunities for Canadian companies.

Mr Curling: The fact is, you had said earlier on that the equivalency was the same as the BAR, and none of them were exempted. But here—

Hon Mr Stockwell: I think the original legislation and regulations specifically itemized one company, one company's—

Interjection.

Hon Mr Stockwell: Oh, I see. We set up the appointments of the BAR for one company and they didn't show up. That was the problem at that point.

Mr Curling: So you're just aware of one company?

Hon Mr Stockwell: And they didn't show up on many occasions, not just the one time.

Mr Curling: There was only one company that actually lost out on that opportunity, you're saying.

Hon Mr Stockwell: As far as I know, one company. Just one that we're aware of.

Mr Curling: Just one company.

Hon Mr Stockwell: One company.

Mr Curling: Well, I got the impression from my colleague that there were many companies that lost out on that.

Hon Mr Stockwell: If you have information to that effect, if you could provide it to me, I'll be happy to look into it. My information is, one company and one company only.

Mr Curling: I'll pass the information on to my colleague because he was concerned that there was more

than one. But if there are more, we'll let you know about that.

Hon Mr Stockwell: Thank you.

Mr Curling: I know my colleague the Chair actually wanted to ask some questions to you too. If he's prepared now, I could then get into the chair and play another role. He could complete the 14 minutes.

Hon Mr Stockwell: Sure.

Mr Gerard Kennedy (Parkdale-High Park): Minister, I think you know that one ongoing dialogue with your office has been about Wendigo Creek in High Park.

Hon Mr Stockwell: Yes.

Mr Kennedy: After representations we made to you and to your office, some testing has been done there. I want to ask you about that and about the general issue.

In essence, we've got a property nearby that was the site of a gas station—two different gas stations, in fact—for approximately 50 years. It has had some testing done but no testing by the proponent, so we've been working with data on the site that's eight and 10 years old, until very recently.

What I want to ask you is, are you in a position today to assure the residents and users of High Park that there is no contamination coming from the suspect property, which I can identify further—1947 Bloor Street—into Wendigo Creek or into the environs—in other words, the housing and the park to which it is adjacent? Are you in a position to give that assurance today?

Hon Mr Stockwell: I don't live very far from the site. I don't know if you know it or not; I'm but a couple of miles away. What I will say to you is that there has been no testing done where we have found any off-site contamination, period.

Mr Kennedy: I appreciate that, Minister, but you may remember the circumstance. In the spring I came to you about this. Your advice then was that the proponent had done testing and that we were prepared to rely on it. The proponent said there was no pollution off-site, and yet mere steps away—which I think you know if you've walked it at all—20 feet away, there is a creek that demonstrably has—and your tests confirm this—petroleum products in it. Those petroleum products come out of seeps on the western bank and they're visible. Many people now have seen them and have become aware of them.

The Ministry of the Environment is the only ministry or authority that can protect Wendigo Creek in this particular circumstance, and yet up to now, as far as I know, you have declared no official interest. This is all what your officials have called "pre-compliance" work that you do with people involved.

So when you say that no tests have shown the problem, why can't you give me the more positive assurance that the people in that area can rest assured that you've done due diligence, and that when that property is dug up—because that's what imminent there, you realize; piles are going to be driven in there for a condominium—it will not release contamination into the nearby area and that the pollution that is definitely in the creek is not

coming from there? Have all the tests that could be done been done and can you give us that positive assurance? I think you understand the difference between that and what you just told me. If not, can you tell me the reasons that would get in the way of that?

Hon Mr Stockwell: I understand what you want from me. You want a yes or no sort of answer. Sometimes it's difficult with questions to give you a yes or no answer.

I can only tell you what the results are from the testing that has been done by the proponent. The city has been involved, and the Ministry of the Environment. All the testing we have done to date shows there is no off-site contamination from the Context site. The results do not indicate there is Context as the source. I'm not arguing with the results of your study that you brought to me.

Mr Kennedy: And your results too, that there is contamination in the creek.

Hon Mr Stockwell: Right. But all of our testing has clearly indicated that the resulting contamination did not come from the Context site. Your question is that they're going to develop the site. You're right. By going about developing the site, we are continuing to find out how this got contaminated; we're trying to investigate where it comes from. If it doesn't come from the Context site, it has to come from somewhere. So the city is involved in trying to find out where the contamination is coming from.

1540

Mr Kennedy: I appreciate that, Minister, and I do want to know that, but I want to make absolutely sure of this one point: have all the tests been done? As I understand it, a few bore holes were made. We had a hydrogeologist who we hired. In fact, people in my riding paid for this hydrogeologist because your ministry couldn't be convinced to take this further step. He said there is very compelling evidence of that possibility.

Have all the things that this hydrogeologist, who your ministry has used on other occasions and who I believe has professional standing—have they been done? Because that's a different thing than searching somewhere else on the basis of a few bore holes. Have all the tests the hydrogeologist recommended been carried out? The follow-up is, are you then in a position to tell us with absolute certainty that there is no possibility the contamination is coming from there?

Hon Mr Stockwell: There has been testing on this site. In your typical development application, this has had more testing than virtually—

Mr Kennedy: With respect because I'm sure I've only got a few minutes, I know you're going to say that you've paid extra attention here. That was the point of my intervention. I thought this was an unusual case. You have a natural habitat there. You have a duck pond. Clearly, you have gasoline products in there.

Hon Mr Stockwell: So we did pay extra-careful attention to this site.

Mr Kennedy: What I'm asking is, you've chosen, as minister, not to take official standing here. You're acting in a compulsion kind of thing, but you haven't taken any

legal standing to protect Wendigo Creek, as far as I'm aware. You haven't used any of your powers. You haven't required things. You've had voluntary compliance, mainly by the city.

Hon Mr Stockwell: Which they've done.

Mr Kennedy: The proponents, to the best of my knowledge, have not paid for additional tests. The city has done most of them.

Hon Mr Stockwell: Oh no, they've been involved as well.

Mr Kennedy: But to the extent we can here, you've chosen to do that obviously because you don't, to the best of your advice, believe there is that possibility of contamination. You've paid attention to this, I agree, but why don't you order a full environmental assessment? Why didn't you declare that extra involvement?

Hon Mr Stockwell: Mr Kennedy, be fair. I'm not a scientist. You're not a scientist. I have to rely on expert advice from scientists. The people who have provided me with this expert advice have said to me very clearly that the Context site is not contaminating off-site. As the Ministry of the Environment, we hire, we rely on, we pay these people to provide us with this expert advice. When they provide you with that expert advice, you take it.

Mr Kennedy: I appreciate that. But the way you've phrased it right now is what I'm going to go back to my constituents with. You say for certain that the Context site is not doing that. Previously, you said there were tests and there is no proof of it, but you're saying that you and your officials are assured at this time that Context is not contaminating Wendigo Creek.

Hon Mr Stockwell: I'm assuring you today that any off-site contamination you speak about is not coming from the Context site, through any of the studies, analyses or tests we've done—nothing, none of it.

Mr Kennedy: Have you taken any additional steps to ensure that during the dig-up, there won't be contamination, and can you tell us what any of those additional steps are?

Hon Mr Stockwell: Yes. The city is constantly monitoring, in fact at this point in time. They will be monitoring during excavation and they will be ensuring that the soil (a) is cleaned up, which I think everybody wants, and (b) there is no off-site contamination during the excavation.

Mr Kennedy: Just for absolute greater certainty, does that mean there'll be testing during any excavation? Will it be concurrent? Because your previous departmental position was to test after the fact.

Hon Mr Stockwell: Yes, they're testing concurrently, during excavation.

Mr Jean-Marc Lalonde (Glengarry-Prescott-Russell): Minister, as you are aware, there is a Sarsfield hog farm that is within the city of Ottawa. I'm told the Minister of Agriculture has given approval to issue the building permit. We know that within the city of Ottawa at the present time, Dr Cushman was doing an environmental study of this site. We know the regulation of the Nutrient

Management Act has not been issued yet; it's in preparation.

What I'm concerned about at the present time is that there will be a class action over this issue, and it is probably going to cost quite a bit of money to the province, which the taxpayers will be paying for.

Hon Mr Stockwell: We only have a minute and a half.

Mr Lalonde: Two weeks ago the city decided not to issue the building permit. Last week, when I came back from outside Canada, I read the paper and the liability licence will be issued. The fact that—

The Chair: Very quickly, Mr Lalonde. You're almost out of time.

Mr Lalonde: There is an environmental issue there. Have you been involved in this issue?

Hon Mr Stockwell: I'm not certain. I don't know if OMAF has produced a building permit. I can't imagine why OMAF would be producing building permits. All I can tell you is I know the issue intimately. I understand the issue, I think. The whole nutrient management bill was designed to deal with these kinds of issues.

Mr Lalonde: They're giving the permit prior to coming out with the regulations, so they go under the previous regulations, and there weren't any.

Hon Mr Stockwell: What I can say to you is I didn't know the permit was issued. Let me check back and find out.

Mr Lalonde: We're talking of over 60,000 pigs a year.

Hon Mr Stockwell: I know the issue quite well.

The Chair: Thank you, Mr Lalonde. Now to the third party.

Ms Marilyn Churley (Toronto-Danforth): Just to follow up on that, that's not an issue I'm going to ask any questions about, Minister, but I am getting a lot of letters on that, and it might be something you would want to look into. I sent you a letter recently—

Hon Mr Stockwell: I was doing a public hearing in Kemptville last week and that issue specifically was part of the whole public hearing process.

Ms Churley: It's becoming a huge issue, the problems with OMAF—

Hon Mr Stockwell: You're singing to the choir here; I know.

Ms Churley: OK. I want to talk about Kyoto.

Hon Mr Stockwell: So do I.

Ms Churley: You're probably going to like this question. I'm trying to understand in the cut and thrust, if we can call it that, of question period in the House and scrums after—we don't really get into it and we don't have a lot of time here. I'm really trying to understand. When you say that Ontario can't sign on to Kyoto because you don't have enough information from the feds, I agree; I have to say I agree that the way the Liberals in Ottawa have handled this, knowing that it's coming and at first not saying they'd sign on and then saying they would, there are a lot of details left out. What I'm trying to understand is this: as I understand it, the

reductions in CO₂ have to be 30% by—is it 15 years?—2008 to 2012. I think it's 30%; is that correct?

Hon Mr Stockwell: Six per cent below 1990 levels.

Ms Churley: I think it comes out to about 30%.

Hon Mr Stockwell: It could be. You'd have to guess.

Ms Churley: Yes, and that's what some are saying, that it's about 30% over that period of time.

First of all, I want to get your understanding of the problems to date with the information the feds have given you, what's there, and why that's an impediment for you to sign on, given that we know we've got to reduce it by a certain amount. They talked about the discussion, the round tables, the 18 months of that, and about discussion papers. I frankly have not looked at those results. What's the problem in your view?

Hon Mr Stockwell: I appreciate the question, I appreciate the non-partisan way it was put, and I will try to be non-partisan as well. The reality with Kyoto is simply this: there were round table discussions, but those round tables were consultations rather than information sharing. So they were consulting and getting information from the public.

The reports that were brought there were interesting, but they weren't government reports and document reports on the cost and impact of Kyoto. I say to all the members at this table that I think it's a very important issue and I think you should all listen to what it is Ottawa is asking the province to do before you go about saying we should sign Kyoto. We have no idea what megaton reduction they're expecting out of Ontario. So first and foremost, how do you sign a deal when you don't know what they're asking you to reduce? I guess that's the first question. Is the megaton reduction 240 or is it 170, or with the whole bunch of crazy credits they're asking for, is it 110?

The problem I'm facing as Minister of the Environment of Ontario is that the federal government won't tell us what they expect us to reduce greenhouse gas emissions by. If they won't tell you what they expect you to reduce gas emissions by, how do you know if you're in favour or not?

The second problem is that they won't tell us what their studies indicate to be the economic cost of implementing Kyoto. That's a side issue and it may not be as important, I think, to the greens and the lefts of the world as it maybe would be to the rights and the business people of the world, but everyone must concede it's an issue. If it's going to cost billions of dollars and hundreds of thousands of jobs, maybe before you sign an agreement, you might want to know that.

So we're in a very precarious position. We have the federal government saying they're going to ratify the Kyoto Protocol at the end of the year, but they won't tell us what it needs. They won't tell us what our reduction levels are and they won't tell us the cost implications financially for it. So as a responsible elected official representing people in the province of Ontario, it would be my fiduciary responsibility to get answers to those

questions before I committed the province to the Kyoto Protocol.

1550

Ms Churley: So what you're essentially describing is that you're between a rock and a hard place, because—

Hon Mr Stockwell: Or the devil and the deep blue sea.

Ms Churley: Yes, which is often the case, because while I agree with you that the Liberals in Ottawa have not—and you'll notice I'm clarifying here, the Liberals in Ottawa, because I'm trying to be non-partisan—done their homework on this, and there are no implementation plans, it seems to be a Chrétien legacy that he wants to leave here. I think we all recognize that, Minister. The difficulty you've got is that they're saying they're going to sign it.

Without the implementation plan, Ontario, the biggest province in Canada, is coming out and saying, "We can't do Kyoto." Why can't you go forward and say, "Look, we've got these issues and these problems, but we should sign on and try to negotiate," when the ministers all meet? "Here's what we think we can do here in Ontario. Here's what we've done. Here's what we think we can do. We would like to sign on to Kyoto"—I'm trying to help you out here.

Hon Mr Stockwell: Yes.

Ms Churley: "We would like to sign on to Kyoto, and here's what we'd like to put forward as a starting point." It's a bit more of a positive response and shows that Ontario is attempting to find a way to sign on, instead of just saying, "We don't have this, so therefore..." Why can't you do that?

Hon Mr Stockwell: Let me just say first that I think we're all in favour of reducing greenhouse gas emissions. That's the game plan. We've had Drive Clean. We put caps on, and I know you're going to say it's not enough—

Ms Churley: Well, of course it isn't.

Hon Mr Stockwell:—caps on power plant emissions, a commitment to examine biodiesel, all those things.

Ms Churley: And you would agree that's not enough, given what we've got to do.

Hon Mr Stockwell: Well, you know what? I'd like to do more as well. I guess the dilemma we're faced with is simply that if we sign the protocol, we sign away all the rights. So what is the total amount of megaton reduction we will get by signing the protocol? We don't know. If we end up getting in the neighbourhood of 70- or 80- or 60- or 50-megaton reductions that we're going to be asked to do, it's going to cost us economically, from all the reports I've seen, billions of dollars and hundreds of thousands of jobs.

The other thing is, the way Kyoto is structured, if you want to buy credits, you don't have to reduce greenhouse gas emissions.

Ms Churley: Well, that's correct, and that's a problem.

Hon Mr Stockwell: That's a huge problem.

Ms Churley: It's a huge problem. I agree with you on that.

Hon Mr Stockwell: What it means then is that we ship Canadian dollars to Russia, India, China—the United States, for that matter, because they didn't sign on—we ship out Canadian dollars so we can continue producing the exact same amount of greenhouse gas emissions, and those countries that receive the money don't have any obligation to reduce their greenhouse gas emissions. So in the world theme, not a single greenhouse gas emission has been reduced, but it has cost Canadians billions and billions and billions of dollars. That to me is nuts.

Ms Churley: You just sounded like Mel Lastman. I guess the problem, though, Minister, is this, and I come back to it again—

Mr Ted Chudleigh (Halton): He's got a different hairdo.

Ms Churley: He does, if you can call that a hairdo.

Hon Mr Stockwell: Look at Rosie; he's on the TV. He's got a hairdo just like mine.

Ms Churley: Let's come back to the fact, though, that if you look at—and people argue this. I hope you're not in that camp who argue any more that global warming is a problem. Down the road, when we think of our kids and our grandkids—

Hon Mr Stockwell: Of course. Yes. Agreed. I've got kids. I agree.

Ms Churley: You start thinking about them at our age—

Hon Mr Stockwell: I don't have grandchildren like you, but I have kids, and I agree.

Ms Churley: You're not as old as me.

Hon Mr Stockwell: But I agree with you. Greenhouse gas emissions, global warming, is an issue.

Ms Churley: It's a problem, and we've got to deal with it. Kyoto is only the beginning, and that's what alarms me here. If we're having this much trouble finding a way to make these reductions, what in the world are we going to do?

Hon Mr Stockwell: Let me ask you a question, and I don't mean this in a rhetorical—I mean it in a true non-partisan way. Would you really think that adopting the Kyoto Protocol and seeing no reduction in greenhouse gas emissions worldwide is any accomplishment at all?

Ms Churley: No, but what I would expect you to do as the minister in Ontario is to come forward with a plan and say, "We want to sign on." We think so far what you've got here is not going to work anyway. Why not take the high road and say, "We want to sign on to Kyoto. Here's our plan to do it. Here's what we think we can do in Ontario?"

Hon Mr Stockwell: What is our megaton reduction?

Ms Churley: Come up with it. That was going to be my next question around freedom of information. I wanted to ask specifically what work—and I know you're a new minister—

Hon Mr Stockwell: What do you want as a megaton reduction? What do you think is reasonable?

Ms Churley: Oh, I don't know, but what I wanted to ask you—

Hon Mr Stockwell: Before you signed the deal, wouldn't you want to know that? Before the Libs sign the deal, wouldn't you want to know what your megaton reduction was?

Ms Churley: It's your job to work that out, though, and negotiate with the government. What I wanted to ask you is, although you're a new minister, what work specifically has been done by any number of ministries, I suppose, including yours, knowing that this was coming, looking at specific reductions Ontario could—

Hon Mr Stockwell: Very little.

Ms Churley: The reality is, there hasn't been a lot of work done.

Hon Mr Stockwell: No, because we always believed the federal government because the federal government told us they negotiated the deal—

Ms Churley: You believed the federal government? Chris.

Hon Mr Stockwell: Maybe that's a big mistake. Maybe we're naive, but we believed the federal government. They negotiated this on a worldwide basis. I think they got fleeced at the negotiating table, but that's beside the point.

They negotiated on a worldwide basis. They brought the deal home. They said they were going to ratify it and then they were going to tell all the provinces what their megaton reduction would be, they would tell all the provinces the cost and they told us none of us would suffer economically because they'd mitigate the losses. That's what they told us. So we didn't do our own work because they told us they'd give us this information. We spent two to three years asking for the information and they've never given it to us. They are now going to ratify the agreement at the end of this sitting and they still won't give us the information.

Ms Churley: In terms of the question Bradley asked today, and he got there before me—

Hon Mr Stockwell: Are there any impact studies? No, there aren't.

Ms Churley: I heard this from the Toronto Environmental Alliance as well, that they had FOI'd some information and couldn't get it. Is the reality then that part of the problem is there isn't really any information there?

Hon Mr Stockwell: Let me say first off that if you FOI'd for information and you couldn't get it, that doesn't make any sense to me. If you FOI information, you're going to get it. Secondly, maybe they didn't like what they got because they thought we had something we didn't have.

Ms Churley: No, apparently they didn't get anything.

Hon Mr Stockwell: I can't believe that. We'll have to look into it.

Interjection.

Hon Mr Stockwell: It's on its way.

Ms Churley: "It's on its way." What's on its way?

Hon Mr Stockwell: Whatever correspondence we have. But I guess the question is, you're looking for impact studies in this FOI. Our problem is this: how do you assess impacts on your province when no one will give you the plan?

Ms Churley: Turn it around, though.

Hon Mr Stockwell: So what, make our own plan and then do the impact studies?

Ms Churley: Absolutely.

Hon Mr Stockwell: But we're not the federal government. They negotiate these deals worldwide. They've committed to what I perceive to be somewhere between a 170- and 240-megaton reduction. The lion's share of that reduction is probably going to fall on Alberta, Ontario and BC. They won't tell us what our level is.

Ms Churley: Alberta has come up with its plan, but—

Hon Mr Stockwell: Did you see their plan? It's all manufacturing-based.

Ms Churley: The other thing about it is that it's been analyzed and in fact greenhouse gases will not be reduced but there will be more of them.

Hon Mr Stockwell: Who analyzed them and did that?

Ms Churley: Some environmentalists and scientists.

Hon Mr Stockwell: Well—

Ms Churley: You see how he feels about environmentalists?

Hon Mr Stockwell: The Canadian Manufacturers' Association and the environmentalists—I take all their studies with a grain of salt because they're all arguing from a point of view of either oppose Kyoto or be in favour of Kyoto.

Ms Churley: These are scientists, though, within the movement.

Hon Mr Stockwell: David Suzuki coming out and saying there's \$200 billion worth of benefit in signing Kyoto—you've got to be smoking soft coal if you believe that.

Ms Churley: But can I just say, Alberta did come up with its own plan, but you haven't.

Hon Mr Stockwell: They did, but what was Alberta's plan? Let me tell you Alberta's plan.

Ms Churley: Even though I reject their plan, you have not come up with a plan.

Hon Mr Stockwell: We could come up with a plan. Alberta's plan is to take all the megaton reduction off the energy sector, which impacts them, and put it on the manufacturing sector, which impacts us. I've got a plan. We'll take all the impact on the manufacturing side, take it off them and put it on the energy side to Alberta. That's not a plan; that's just rearranging the deck chairs on the Titanic.

Ms Churley: Do I have any time left?

The Chair: Sorry, you only have one minute.

Ms Churley: When you go to the meeting next week, what position are you bringing forward?

Hon Mr Stockwell: The feds have told us that they're going to have some information for us, but then again they said maybe not till mid-November. Now you know what I'm up against. They say, "Maybe we'll have it last

Monday," then they cancelled the meeting. Then they say, "Oh, we might have it this Monday." Now they've said, "Oh, we might have it in mid-November." They're voting on the thing two weeks after that. How are we going to get the information, have a rational review of it and then deal with the impacts on Ontario before they vote in early December?

They've managed this in the most incredibly incompetent way I've ever seen. I don't think it's partisan for all of us to come together and say that because we're representing Ontarians.

Ms Churley: You're right about that. But I'd end with this: you have a responsibility to go forward with a plan that shows how we're going to reduce our emissions in Ontario.

1600

The Chair: We now turn to the government caucus.

Mr Wayne Wettlaufer (Kitchener Centre): Minister, this summer was the second consecutive summer that a great deal of attention was given to air quality in Kitchener. Unfortunately, Kitchener now rates as having the poorest quality air in all Ontario and among the worst in all Canada.

Certainly I know of your commitment to the quality of the air we breathe. My common response over the past couple of years has been that most of the pollution in the air is caused, of course, by the coal-fired plants of the American Midwest.

Hon Mr Stockwell: It represents at least half.

Mr Wettlaufer: Yes, at least half.

There has been a fair amount of attention just recently to the leader of the official opposition's clean air plan. I have to do more than laugh when people ask me about it, so I was wondering if you can give me a bit of a response on what you think of it.

Hon Mr Stockwell: First and foremost, to get back to the Kyoto clean air stuff, I think there has been confusion among politicians in general, and sometimes among the media, that greenhouse gas emissions will reduce smog days in Toronto. It's not true. Smog days are going to happen irrespective of greenhouse gas emissions. So you have to understand, first and foremost, that Kyoto is not going to solve your smog day problems. That's a different issue.

Having said that, the Liberals came out with—what are they calling it?

Mr Wettlaufer: A clean air plan.

Hon Mr Stockwell: The problem is it's seriously, seriously flawed from beginning to end. The difficulty the Liberals find themselves in is this: they are suggesting that they would close the coal-fired plants by 2007, but there's no substantive replacement of power that they would replace the closing of the coal-fired plants with. They talk in nebulous terms about natural gas-fired plants and alternative energy sources. If there was really an ability in the next three or four years to produce enough wind power to replace the coal-fired plants, I might say OK. But nobody I know is saying that's a realistic option except the Liberals.

It really is difficult to take this actual recommendation seriously, because as you work your way down the road, if they did close the coal-fired plants, they'd have to buy their power out-of-province. Well, where would they buy their power? They'd buy it from Ohio, Michigan and New York. And how do these guys produce their power?

Mr Wettlaufer: Coal.

Hon Mr Stockwell: Coal. Worse yet, they produce it with dirty coal and no scrubbers. So they close our coal-fired plants, go outside the province to buy power and buy potentially the dirtiest power produced in the world in the Ohio, New York and Michigan areas—coal-fired power. There's a short-sightedness, and the short-sightedness is that somehow, magically, you can produce power generation. It's not that simple.

The other fly in the ointment is that they say they're going to build gas-fired plants. Well, where are you getting the gas? Right now, the gas we have piped in to this province is virtually used up completely by consumers. You have to build another gas line, which costs billions and billions of dollars, and you have to determine (a) where it's going to come from—we all know it's Alberta, (b) who's paying for it, and (c) how long it's going to take.

It's difficult to get into a rational and serious debate with the Liberals on this energy policy they have. As I said last week, they have the luxury of being in opposition. By being in opposition, they can pretty much say or do anything, knowing it's not being implemented tomorrow. They can make any kind of promise knowing they're not going to have to deliver on that promise, potentially, for many years or never.

Making the argument that you can shut down the coal-fired plants by 2007 is so full of holes. The pièce de résistance, the reason it's so full of holes, is that the alternative energy committee, which had three Liberals sitting on it—Bountrogianni, I believe, Bradley and one other member—

Mr John O'Toole (Durham): John Gerretsen.

Hon Mr Stockwell: —John Gerretsen—actually signed the report that said they would close the coal-fired plants by 2015, after hearing all the expert advice, all the expert information, all the expert deputations. Not a week after signing that report that said they'd close them by 2015, their own leader comes out and says, "I'll close them in 2007." They personally, in a quiet moment at their home, watching TV by themselves, would admit it's a bogus report.

Mr Wettlaufer: So I can continue to laugh?

Hon Mr Stockwell: I think you should challenge them, though. I don't think laughing works.

Mr Steve Peters (Elgin-Middlesex-London): We'll challenge you. Where's your plan?

Hon Mr Stockwell: I don't think that just laughing works. You have to challenge them. Because as long as you allow them to make these incredible statements, eventually they believe them and ultimately the public may end up believing them. It's old-style politics. This is what it was like in the 1980s when I first got into this

game. You just promised people anything—you had no intention of ever delivering on it; you just promised them—like beer in the corner stores under Peterson, auto insurance fixes and balanced budgets.

Mr Peters: And no cuts to agriculture and an Ontarians with Disabilities Act.

Hon Mr Stockwell: I guess I'm being interrupted on the sidelines here.

They talk about a commercial concentration tax in Toronto. Then you walk through the NDP's list of promises from eradicating food banks to nationalizing insurance—all these things. They just said them. My fear is we're going backwards with policy positions from the opposition, like the Liberals, who make these promises they can't commit to, or the NDP last week saying they would not allow any more water-taking test permits. No one would get it—

Interjection.

Hon Mr Stockwell: No, I didn't.

Ms Churley: Yes, you did.

Hon Mr Stockwell: Frankly, that's the kind of place we're going to.

If you want a sustainable environment, if you want sustainable energy, you have to go at it practically and responsibly. Yes, we've got to put alternative energy on the system. This is the government that has provided it. Neither the Liberals nor the NDP would allow wind power or solar power on the grid, and I'm not really certain we need to take any lectures about power in this province from two governments who wouldn't let green energy on to the grid.

Mr Wettlaufer: Thank you. I have a colleague who wants to ask a question.

Mr O'Toole: Mr Chair, I'm going to share what's left of my time with Mr Chudleigh, if you could tell us when we have about five minutes left.

Minister, I appreciate the opportunity to go on the record here. In May 2001 our government introduced a plan: air containment discharge monitoring and reporting, regulation 127. They also released a step-by-step guide. I'm sure you know, as minister, that this requires industry, commerce, institutions and emitters to assess and report assessments on more than 300 substances—a rather rigorous regime. As of June 1, 2002, large emitters reported, and as of 2003, small and medium-sized emitters will have to report—a rather rigorous, red-tape kind of thing. Quality air: I understand that.

Hon Mr Stockwell: I think it's good red tape.

Mr O'Toole: Oh, yes. It's good red tape. There's what we call smart tape now.

Hon Mr Stockwell: Smart tape. The Liberals want to cut red tape lengthwise.

Mr O'Toole: What I'm really advocating strongly, on behalf of one of the largest employers in the country—they want one-window reporting. It's the goal of the industry. You're aware of that. There is a working group. They're rather frustrated. I'm sure you're aware of that.

Hon Mr Stockwell: Yes.

Mr O'Toole: This is the point, and I'd like a response probably from the deputy, not that I discourage your ability to feed back on it, but harmonization with the federal NPRI needs to be implemented, and soon. What is your position with respect to providing a harmonized reporting mechanism without all the rigours the current regime seems to be implementing? There's more to it, but I'll let you respond to that.

Hon Mr Stockwell: Your question is well put. We are in favour of harmonizing.

Mr O'Toole: Starting when?

Hon Mr Stockwell: Well, we're harmonizing right now in a lot of cases with respect to air quality and emissions. Some are going to be as far out as four or five years in the future. SWARU is a good example of harmonizing and monitoring. In 2006 they'll be harmonized across the entire country.

We are working with Environment Canada right now. We want to harmonize as quickly as possible. The difficulty you're faced with is that we have certain priorities in Ontario that are different from the priorities of other provinces in this country. Whereas we're a manufacturing-based jurisdiction, other areas that aren't are looking at different forms of harmonization with the federal government. So it does move slowly.

What you said with respect to finer particulate matter postings I think is a good idea. People should know what is in their air and what emissions are being emitted by the large industry around them. What we've done is allowed individuals to know, on a daily basis, the emission levels of these large operations around them and to monitor it themselves. The best environmental officer we have is the average individual out there living in the province of Ontario. The more we can educate them, the more information we can get to them, the better environment we're going to have because they're the best environmental officer we have. They'll phone us and tell us, "Look, I'm monitoring this stuff, and here they're up," and then we'll have the opportunity to look into it.

1610

So harmonization, yes; reporting, absolutely, and reporting from the large emitters sooner than the small emitters—I'd rather they were all at the same time, but it's good to get the large ones in there and see how it works; and frankly, empowering people to become their own environmental assessment officer.

Mr O'Toole: The response they give me is that the record-keeping requirements outlined in the guide are too prescriptive and beyond reasonable, as they determine it. What I mean by that, and I mean this respectfully—I'm speaking about the auto sector. The auto sector, because of the mix of products and inputs—I know some of the names; they're all chemical names. If there's even the slightest substance on this reporting, it's the mechanisms that have to be put in place to capture, monitor and report these rather rigorous and unsubstantive amounts. Is there not a better method of saying in the guidelines, "These substances beyond these levels," or some other mechanism? It's not that they ignore those potential inputs, but

on products that may come from other provinces, other countries etc they aren't as onerous. They're finding this to be very cost-prohibitive in terms of compliance, and also in the number of substances that needed to be reported. I just hope you're looking forward to the particular report.

Hon Mr Stockwell: You're talking about 1,200 volatile organic substances. Yes, we're trying to simplify that reporting for them. We understand the problem—

Mr O'Toole: I'll be sending this Hansard to the vice-president—not that this is a threat.

Hon Mr Stockwell: No, I'm not saying it is. They've brought this to my attention, John, and you've brought this to my attention before. I understood your arguments and I took it to the Ministry of the Environment. They understood your arguments and they are actively working now to simplify those 1,200 volatile organic—

Mr O'Toole: Mr Chudleigh has a very good question that I wanted to ask, but he thought of it.

Mr Chudleigh: Actually, I've got two really good questions. I'm not sure if I've got room. This will be a multiple choice; you can answer whichever one you want.

The nutritional management act: we all want clean water, we all want a pure environment, no one more so than the agricultural industry. The agriculturalists need pure water, clean land and clean air to grow profitable and large crops. The Nutrient Management Act is going to control some farm practices. Can you see how the Nutrient Management Act can be enforced and also ensure that the competitiveness of agriculture remains in the forefront? That's my first question.

My second one, which you have a choice on, is the Adams mine. I go back and forth to London quite often. All along that highway I pass garbage trucks, coming and going. I can't believe that's environmentally good for our air, and it's hard on our roads. It doesn't make good sense. Does the Ministry of the Environment in Ontario have a plan to begin using the Adams mine in a responsible way, as opposed to sending garbage shipments down the road?

You can answer either one of those, Minister.

Ms Churley: We're waiting with bated breath.

Hon Mr Stockwell: I'd rather answer the second one. The situation with the Adams mine is that it's the city of Toronto's decision not to ship garbage to Kirkland Lake, the Adams mine. I'm not going to argue with the city of Toronto's decision-making, but I do argue with their environmental approach. I don't know if I'm going to get heat from the other side; I'm not sure. But from an environmental point of view, I can't believe that thousands of trucks travelling every day along the 401 to Michigan is a good way to deal with your waste. I just can't believe it.

How do we, then, go about dealing with it? Right now, we've got to look at incineration and we've got to look at advancements in technology. We should be dealing with all of these.

Ms Churley: Compost.

Hon Mr Stockwell: Composting is great. I'm not arguing with anyone. I think Etobicoke is the first community that's into this composting—

Interjection.

Hon Mr Stockwell: I'm not suggesting it may. I live in Etobicoke and we've got the green containers.

Interjection.

Hon Mr Stockwell: No, it's just Etobicoke.

Anyway, let me just get to the point. The point is—

Interjection.

Hon Mr Stockwell: I know, but Etobicoke is part of Toronto. When I ran for leader, I told everybody I was from Etobicoke, not Toronto.

Let me just say this: the Adams mine site passed all the environmental standards. It passed the environmental assessment. It was measured, taken as it should be. It was rigorously reviewed and approved—rigorously reviewed and approved. There can't be any debate about that. It went through the process and was approved, with all the scientific knowledge, all the stuff that should go into a landfill site.

I think shipping our garbage to Michigan is a recipe for disaster, for two reasons. One, I can't believe the Steve Peterses of the world want to see garbage running down the 401 every day to Michigan. That can't possibly be a good way to deal with your garbage from Toronto.

Secondly, one of these days Michigan is going to cut us off, and when Michigan cuts us off, and I say Toronto, we are not going to give them a lift to Keele Valley. They're going to have to find some place to put that garbage, and if they've been cut off, I don't know what they're going to do with it.

It doesn't seem like frontier thinking to me with respect to the Adams landfill site. I know the people up at the Adams mine are going to be mad—

Ms Churley: It's a lake.

Hon Mr Stockwell: It's not a lake.

Ms Churley: It is so.

Hon Mr Stockwell: It's not a lake. It rained in the open pit mining; that's what happened.

Anyway, you don't need to know any more. I appreciate your time. Thanks so much for having me.

The Chair: Minister, we appreciate your time. I want to thank you and the attentive staff you've brought with you today. The ministry is better off. They may wish to stick around to see how the vote turns out, whether we actually approve the estimates for the ministry. I will now turn the committee's attention to that matter.

I'll put them all together. Shall votes 1101 through 1105 carry?

Ms Churley: A recorded vote.

The Chair: OK. All those in—

Interjections.

The Chair: We're in the middle of a vote, gentlemen.

Mr O'Toole: Mr Chair, I would ask—

The Chair: Is this a point of order?

Mr O'Toole: Yes, a point of order. Mr Chair, I would ask that we have a five-minute recess.

The Chair: You are allowed. I will consent to a five-minute recess. This is in advance of the vote, is that correct?

Mr O'Toole: Yes.

The committee recessed from 1617 to 1621.

The Chair: We're resuming the votes for the Ministry of the Environment. Is there any objection to the votes being put together, 1101 through 1105?

Ms Churley: That's fine.

The Chair: OK. Shall votes 1101 through 1105 carry?

Ms Churley: A recorded vote, please.

Ayes

Chudleigh, O'Toole, Spina, Wettlaufer.

Nays

Churley, Peters.

The Chair: I declare the motion carried.

Shall the estimates of the Ministry of Environment and Energy carry?

Ayes

Chudleigh, O'Toole, Spina, Wettlaufer.

Nays

Churley, Peters.

The Chair: I declare the motion carried.

Shall I report the estimates of the Ministry of Environment and Energy to the House? Agreed. The motion is carried.

Thank you for your attention. We are now recessed until 4:30 of the clock. I expect members back for the Office of the Premier.

The committee recessed from 1623 to 1639.

OFFICE OF THE PREMIER

The Chair: I'll call the standing committee on estimates to order. We are here to consider now the estimates of the Office of the Premier. We have a request from Garfield Dunlop, who is here as parliamentary assistant on behalf of the Premier, that tomorrow we are in half an hour early. I'll just say it's the tradition of the committee to permit attendees, on behalf of ministries, that kind of grace. So unless there's any objection, we will sit tomorrow until 5:30. Is that OK with all the members? Thank you.

Without any delay, then, I'll let you know that we're here for consideration of the estimates of the Office of the Premier. We commence by calling vote 2401. As members of the committee are familiar—I know Mr Dunlop has appeared here in other capacities—we begin with a 30-minute statement by the parliamentary assist-

ant, followed by 30 minutes for the official opposition, 30 minutes for the third party and then 30 minutes for right of response for the parliamentary assistant. The remaining 5.5 hours is then apportioned equally among the three parties for questioning.

Mr Dunlop, would you like to commence?

Mr Garfield Dunlop (Simcoe North): Thank you very much, Mr Chairman, members of the committee and ladies and gentlemen present here today. I am pleased to come before you today as the Premier's parliamentary assistant to present the 2002-03 estimates for the Office of the Premier.

As the material that has been provided to the committee notes—that's your blue folder—the estimated budget for the Premier's office has been reduced by 5% since last year. This voluntary reduction of expenses reflects the government's commitment to providing Ontario taxpayers with a more efficient and effective government. I'm proud of the strong leadership our Premier and our government have shown in this regard.

Before I outline the details of the 2002-03 office budget, I want to offer some context for these estimates. Specifically, I want to begin by highlighting how the government, including the Premier's office, is addressing the issues of importance to our citizens here in our province. In 1995, Ontario was headed in the wrong direction, and we were elected by the people of Ontario, the citizens of our province, to point the province down a new path, down a new road to prosperity. The people asked us to put an end to government waste and government inefficiency. We believe very strongly that as a government, we have succeeded in that.

Some of the proof is before the committee right now. For example, in today's dollars, the \$3.1-million estimated expense of running the Premier's office is less than it cost to run each year from 1986 to 1995. That's just one example of our fiscal record, which includes four successive balanced budgets. I can tell you, Mr Chairman and members of the committee, as a new member of this Legislature elected in 1999 with 25 years of experience in business and 20 years as a municipal councillor, I believe very, very strongly in balanced budgets. In fact, in business you can't survive without it being that way, as you can't being a municipal politician. I believe that is one of our great accomplishments as a government.

Interjection.

Mr Dunlop: Well, we'll get to that in a minute, to the member for Timmins-James Bay.

But we also recognize that fiscal responsibility is only a means to an end and not the ultimate goal. We didn't cut taxes for the sake of cutting taxes, but to stimulate the economy and create jobs, particularly jobs that our young people require here in this great province. We didn't streamline government for the sake of efficiency, but to better serve our citizens. Seven years ago, those were the right decisions to make. They were necessary, though not always popular. But we stood by our decisions, knowing they would improve the lives of everyday Ontarians.

For their part, the people of Ontario supported our decisions and trusted our judgment. They knew that a growing economy provides more and better jobs, more disposable income and more revenue to invest in our future, in turn renewing economic growth and creating even more prosperity for our citizens.

The numbers that chart our progress are very, very impressive. We have cut taxes 200 times, and we've removed barriers to business and eliminated unnecessary regulations. This has meant the creation of 987,400 jobs since 1995. This is approximately 70% of the national job gain in our great country. I think those numbers were again reflected last month, in September, when the job creation numbers for the whole country numbered 40,000 and 32,000 of them were created right here in our great province. I think it says a lot about the confidence of Canadians and foreign investors, that that many jobs would be created right here in Ontario. We look forward to the numbers for next month when they come out. I think that'll be a great day for Ontario, when we can say that over a million jobs have been created here since 1995. I think that says something for all members of this House.

A stronger economy has also given us more resources to invest in priorities that matter most to Ontarians: quality health care, a strong education system and a clean environment. In each of these key areas, our government has responded to the needs of its citizens. Ontarians want a dependable health care system, one that is there when they need it. Our government knows that universal health care is central to Ontario's great quality of life. As Canadians, we all value the great health care system we have in this country. I think you have to get away and visit other countries around the world to really realize what we have here in Ontario and in Canada. That's why we're working hard to modernize the system and to find new ways to deliver excellent, accessible health care, and it is why our government has increased operating spending on health care by just under \$8 billion over the last seven years. This represents a 45% increase in spending. Just to bring us up to date and make sure everyone in the House knows, that is \$25.5 billion, as was announced in the 2002-03 budget.

But we haven't simply just increased spending. I believe strongly that we have improved the system. We're helping to improve access to care through family health networks, which will ensure that patients in Ontario will have medical care 24 hours a day. Networks are just one of the ways we're helping to keep and attract physicians, particularly in underserved areas.

To help meet communities' needs, we're also boosting medical school enrolment and helping to pay the tuition of doctors who locate in places that require them. Our new northern medical school will help train more doctors, and we're encouraging more foreign-trained doctors to practise right here in our province.

We've invested over \$800 million since 1997 to create over 12,000 new full-time and part-time nursing positions in Ontario. We provide over \$10 million annually

to support nursing education and recruitment. We are also investing \$11 million this year to support more than 100 nursing practitioners in rural, small-town and under-serviced communities. Our government has made a commitment to more than double the number of nurse practitioners here in Ontario. I have to say I was so pleased when the last announcement came out on nurse practitioners and the county of Simcoe was allocated seven nurse practitioners. We thought that was a giant step forward.

We are also working hard to improve cancer research and treatment right here in our province. There are few families in Ontario today whose lives have not been touched in some way by cancer. I know that in my family, in most of my friends' families, in my wife's family, we've all lost very close relatives to this deadly disease. In the 2002 budget, we increased funding for the Ontario research and development challenge fund by 50%. So far, this fund has committed more than \$435 million to 103 major research projects. Our goal is to create the best and largest cancer research and treatment network in the world. I know that my friend Jim Wilson and my colleague Joe Tascona—I guess they're both my friends. I shouldn't say one's a colleague and one's a friend. In Simcoe county, we're working hard to try to get the Cancer Care Ontario unit right at the regional centre in Barrie. That's something we've been working on for some time. As part of our overall strategy to combat breast, prostate and other cancers, we have also committed \$100 million over five years to the new Ontario Cancer Research Network.

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Also, our government launched Telehealth Ontario, a free, confidential telephone service that offers health advice and information 24 hours a day, seven days a week, 365 days a year. I believe now it is across the entire province, including all of the 705 area, but I could be corrected on that. Registered nurses provide general health information, assess symptoms and help callers decide what to do next: care for themselves, make a doctor's appointment or go to a clinic or emergency room. I'm just going to give you that phone number in case any of you people don't have it handy. It's 1-866-797-0000. It's something everyone should have in their pocket, because it will come in handy at some point, probably.

All of these improvements in health care have been made possible by our government's focus on fiscal prudence and responsibility. And those benefits extend beyond the health care sector into other important areas.

For example, this year alone we have also been able to invest in new funding for schools and post-secondary education. Every child in Ontario deserves an excellent education. That's why we're working with students, parents and teachers to improve our schools and ensure that students have equal access to a quality education no matter where they live.

As a government member and in listening to opposition members, I don't think there is anyone elected or

any parent in our province who doesn't think that education is one of the high priorities in any government's mandate. As a father and as someone with a couple of little granddaughters, I believe it is something we have to provide. We have to have excellent education.

Since Premier Ernie Eves was sworn in, we have invested \$560 million in new spending in Ontario's schools to help Ontario's children get a great education. This includes \$65 million for textbooks and technology-based learning resources and \$25 million to expand the successful early reading program and introduce a new early math program. In addition, we've increased funding to school boards by almost \$400 million for the 2002-03 school year. In the 2002 budget, we added a further \$45 million for 2002-03 to support a variety of new investments in our publicly funded boards.

In the two major boards in my riding, the Simcoe County District School Board and the Simcoe-Muskoka school board, our school spending has now passed the half-billion-dollar mark for the first time ever. I'm pleased also to say that as a school board that is growing in most areas, we've been fortunate enough to remove a lot of portables with the investment of over \$20 million in total since 1999 by those two school boards.

With partners' contributions, we've also invested more than \$2 billion to create 61 new facilities and more than 79,000 new student spaces in our colleges and universities. By 2003-04, we will have invested almost \$368 million more in operating grants to ensure that every willing and qualified student finds a place in an Ontario college or university.

Again I'd like to just concentrate a little bit on my riding, and what I know best is Georgian College. It's our only post-secondary facility in Simcoe county, and we've been fortunate that we're putting on a \$25-million expansion under the SuperBuild program, adding about 2,200 new pupil places. What's really exciting is that the Orillia campus of Georgian College will almost double in size, and we're trying to create a Canadian centre of excellence for policing. Georgian College has partnered with the OPP headquarters and the Ontario Provincial Police Association to work with the resources of the OPP to move all the justice and law and security programs to the city of Orillia. So it is good news for my riding. And as I drive around, and every morning I go for a walk around the community here, I see the number of SuperBuild projects that are right here at the University of Toronto and some of the local colleges here in Toronto.

A highly skilled workforce is key to Ontario's future prosperity. We're investing more in our colleges and universities and expanding apprenticeship and training programs to support lifelong learning.

It was our government's attention to fiscal responsibility that has made such investments possible. I am proud to say that Ontario's children will have a brighter, more prosperous future because of the hard work that we have accomplished.

Our children's future success also depends upon a clean environment. We are working hard to ensure that

Ontario has the toughest standards in the world for safe, clean drinking water and that those standards are enforced. That's why we have committed to and fully intend to carry out all of Justice O'Connor's recommendations. We have already taken action. Our government's commitment to ensuring that every Ontarian has safe drinking water was demonstrated through regulations 459, 505 and the proposed Safe Drinking Water Act.

In the 2002 budget, we committed more than half a billion dollars over the next two years to clean, safe drinking water. This includes over \$30 million invested in initiatives such as doubling the number of water inspectors in the province. In fact, Ontario now has one of the most comprehensive stream water quality networks in our country.

Our government will deliver on our throne speech and budget commitments to establish the \$50-million Clean Water Legacy Trust and the Clean Water Centre of Excellence in the town of Walkerton. The centre of excellence will provide access to the best scientific knowledge, research, technology and training in drinking water management and drinking water monitoring.

During the spring session, we reaffirmed our commitment to clean water by ensuring the passage of the Nutrient Management Act, fulfilling Justice O'Connor's recommendations to ensure that farming activities as they relate to nutrient management are conducted in a responsible manner and that groundwater is protected. This year alone, we will provide \$245 million to purchase new water monitoring equipment to conduct groundwater studies and help municipalities upgrade their water systems. We'll also continue to develop a comprehensive source water protection strategy as part of our action plan for safe water.

I know that many of the people in this room and many of the members on all sides of the House have already taken advantage of some of our programs through OMAF. The healthy futures program actually was something in my riding that I took full advantage of, with groundwater studies through the Severn Sound Environmental Association, the Nottawasaga Valley Conservation Authority and the Lake Simcoe Region Conservation Authority. They all took advantage of the healthy futures program and are putting the money to very good use as they monitor and do best management plans for a number of agricultural operations in and around Simcoe county.

We will undertake this plan in the spirit of co-operation and consultation that has typified our approach to governance. It is our belief that a renewed spirit of co-operation among all levels of government will lead to a new era of prosperity for Ontario's cities, towns and countryside.

Today we are realizing the benefits of the tough decisions we have made since 1995. Our province is stronger than ever. Our economy is stronger than ever. But the real improvements are in people's everyday lives: the young family buying their first home, the recent graduate getting a great job, businesses expanding and

creating new jobs at home and finding success in foreign markets, a stronger health care system, an education system that better prepares young people for the future, a cleaner environment. The opportunities that people have today didn't exist when we first took office in 1995.

Prudence and frugality in our own operations are important contributions that we as a government can make to prosperity. That's why we've pursued a consistent course with government budgets—tight fiscal discipline, balanced budgets and debt reduction—in order to provide more resources to priority areas. The people of Ontario expect their government to live within its means. That's why we have focused on the most efficient and effective delivery of government programs and services. We've presented four consecutive balanced budgets, the first time in nearly 100 years. I already mentioned my comments on that. We will continue these efforts because we cannot afford to put our hard-won fiscal discipline at risk.

Effective this year, our business planning process incorporates zero-based budgeting principles. Every ministry is now required to review its entire program spending over a four-year cycle to determine program effectiveness, efficiency and value for money.

How does this affect the Premier's office? Before I get into the details about the estimates, I think it's important that I comment on the purpose and organization of the Premier's office.

The Premier's office supports the Premier in his role as the head of the executive council and as the leader of the government of Ontario. The office co-ordinates the government's policy development and legislative agenda, as well as the government's communications activities. It also supports and advises the Premier on issues facing cabinet and the government. It is responsible for the Executive Council Act, the Lieutenant Governor Act and the Representation Act.

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The Premier's Office assists the Premier in carrying out his daily business. The office is comprised of the following six departments: policy, issues management, the office of the chief of staff, communications, tour and public events, and special projects, which includes responsibility for the partnership with Ontarians and caucus relations.

With respect to the Premier's office estimates, Mr Chairman, and as I have already pointed out, you and the members of this committee will find that the Premier's office has voluntarily reduced its estimated budget by 5% since last year. That said, since 1995 the Management Board Secretariat has applied more rigorous accountability policies, which have added to the true cost of the Premier's Office.

For example, running the Premier's office efficiently required an additional \$800,000 to cover staffing costs previously paid for by ministries. Prior to 1998 the cost of office space was paid for by Management Board Secretariat. In 1999 these annual costs of about \$200,000

were transferred directly to the Premier's office books, again to present a truer accounting of costs.

The Premier's office was also restructured to ensure appropriate resources are in place to support the Premier and various cabinet policy committees. This has resulted in an additional expense of approximately \$350,000. This year's estimates also reflect a pension savings adjustment, a transfer in insurance liability and statutory salary amendments.

However, the office has also implemented permanent efficiency measures resulting in a budget reduction of \$240,000 since 1998-99. We have made significant changes to make these costs transparent to taxpayers. On the whole, the cost of running the Premier's office is estimated to be \$3,102,560, which is a 5% reduction from 2001-02.

Mr Chair, could I ask how much time I have left.

The Chair: You have approximately eight minutes.

Mr Dunlop: In conclusion, I would like to restate that the Premier's office works to support the Premier. It assists him in nurturing a dialogue with taxpayers and in responding to the priorities of the people. Above all, the Premier's Office meets its obligations to the Premier and the taxpaying public prudently, efficiently and openly through a budget and set of estimates that reflect this government's ongoing commitment to strong leadership through efficient and effective government.

It was our government that reduced the overall cost of the public service for taxpayers and we've made the system more integrated and accountable. We remain committed to smaller government and greater accountability.

I want to take a moment to bring up an example of something. I ran into an individual last weekend when I was out in my constituency. I went into a small business. They have about eight employees. We got talking about the cost of operating the business, the efficiencies you find in a business, how difficult it is to do business today no matter where you are because of the expertise required, and in a lot of cases, with the strong economy, there's a shortage of skilled employees.

But I have to tell you that, in dealing with the cost of payroll deductions, I talked to this young lady and she said, "Come over and look at the payroll deductions and I'll show you how the Ontario government has changed in the last six or seven years." She pointed out a young fellow who just got married and is earning about \$705 a week. So he earns about \$36,500 a year. In 1995, if in fact he had had a job then, because a lot of jobs in 1995 were not that secure, he would have paid \$87 in federal income tax and \$55,000 in provincial income tax.

Mr Gilles Bisson (Timmins-James Bay): So \$55,000 on a \$36,000 salary?

Mr Dunlop: What did I say, \$55,000? I'm sorry, \$55. I want to make sure that's corrected for the record. So it's \$55 provincial and about \$26 in Canada pension. Today that gentleman would be paying \$87 dollars in federal income tax, \$34 in provincial income tax and \$30 in Canada pension. So his provincial income tax is almost

equivalent now to his payroll deductions for the Canada pension plan. Basically that young person—he's about 29 years old—has about \$21 a week back in his pocket. That's about \$1,100 a year he has to spend on things he would require. That \$1,100 is being reinvested right back into the economy.

What I'm saying is that these are the types of improvements we've made. We're all used to making \$80,000 or \$90,000 a year here, maybe more. Certainly for the people who earn \$25,000, \$30,000 or \$35,000 a year, the income tax saving has been a tremendous advantage, because he is investing \$1,100 a year back into the economy. As far as what the small business person said is concerned, she was very pleased that the government had taken those steps and wanted the government to take further steps in the direction of tax reductions in future years, because she believes, as we do, that by having tax cuts you reinvest those savings right back into the economy. I was pleased to hear her make those comments.

That sums up my presentation to this point. I look forward to comments from the other members of the committee over the next few hours. I guess we've got quite a few hours ahead of us to do this, so I look forward to your comments. We'll do our best to answer questions as they come up.

The Chair: We now turn to the official opposition. Mr Peters, you have half an hour. You may, by tradition, use it as you see fit to dialogue with the parliamentary assistant, if he so wishes, or to make your own statement.

Mr Peters: I will go right into questions. In reviewing the estimates, Mr Dunlop, on page 6 of the estimates, vote item 2401/1, Office of the Premier operating expenditures, the salaries and wages in 2000-01 were approximately \$1.7 million. Last year a little over \$2 million was spent. This year \$2.3 million is the estimate. Could you please explain to me why salaries have increased by approximately \$600,000 in two years?

Mr Dunlop: Perhaps you can give me a little time to get my tabs here. What was the question again?

Mr Peters: My question is, why have salaries and wages increased by over \$600,000 from fiscal year 2000-01 to 2002-03? It's on page 6.

Mr Dunlop: Mr Peters, the top line in the column to the left is salaries, \$2,370,600, and there's no change in the next two lines—

Mr Peters: No, but I'm asking what the change is. When you look at column (g), fiscal year 2000-01 actual salaries were \$1,734,965 and projected for 2002-03 it's \$2,370,600. Why the \$600,000 increase?

1710

Mr Dunlop: The estimates for 2001-02 were \$2,370,000. The actual spent was the \$1,734,000. Is that what you were saying?

Mr Peters: No, that's the previous year. If you can't provide me with an answer, could you please table an answer for all committee members?

Mr Dunlop: I'll table that, yes.

Mr Peters: I'll continue. Very much related to that, I'm hoping you can provide me with the number of

employees that made up that \$1.7 million in 2000-01. How many employees were in the Premier's office in 2001-02, and could you please provide me with the number of employees in the Premier's office today? How many employees does \$2.3 million equate to?

Mr Dunlop: The Premier's office today has 44 employees, and I will provide you with the other two numbers tomorrow.

Mr Peters: Just on the number of employees, reading from the government phone book, it lists—when I added it up, it came up to 45, so maybe I missed somebody. Under the Premier's office we have 45 employees, but if you look under the Cabinet Office, it contains the Premier's communications support and the Premier's correspondence unit. Could you please explain to me why the Premier's communications support and the Premier's correspondence unit are listed under the Cabinet Office? To me, if you're going to appropriate costs of doing business, why would these employees be listed in the Cabinet Office and not be taken into account as part of the Premier's budget?

Mr Tony Dean: I'm Tony Dean. I'm the Deputy Minister and associate secretary of cabinet in Cabinet Office, and my responsibility is for policy coordination.

I would suggest that you need to think about the operation of Cabinet Office and the Premier's office just as any other ministry and to think of Cabinet Office as, if you like, the way that the deputy minister's organization and a civil service support organization would work. Just as in any other ministry, the correspondence function and associated support services would be provided by the public service side. In parallel with that, just as in any other ministry, Cabinet Office would provide policy support to the Premier and his office, communications support and advice, and that correspondence function, very much the same as any other ministry, and I think you'd find that to be common across government.

Mr Peters: But my question is that you already have a communications office in the Office of the Premier—and I hear where you are coming from—but we also have people in the Cabinet Office doing the same, communications support as well in the Cabinet Office.

I am trying to look at the actual cost of what it costs to do business of government and ensuring that budgets are properly allocated where they should be. My question is that you have a communications office, with a budget, in the Premier's office, yet you also have a communications office, with a budget, in the Cabinet Office. To me, the spending of the Premier's office is not accurately reflected in these estimates in front of us, because you're hiding Premier's office dollars in Cabinet Office when they should be truly allocated to the Premier's office.

Mr Dean: If we start with the Premier's office, there are communications support and staff associated with supporting the Premier directly in a media relations capacity and providing support directly to the media. If I can describe the Cabinet Office function this way, much as the policy function, it involves coordination of the work of other ministries, looking at cross-cutting issues

and opportunities, and very much is engaged with the effective management of government communications across the piece.

The Premier's office communications support, as I understand it, is much more internally focused and supports the Premier, although there would normally be some communications with ministers' offices and ministries.

Again, the best parallel I can draw is to a ministry, where there would be communications support in the minister's office and communications support on the public service side, and those functions would be quite different in nature. You'll appreciate, I know, that from the perspective of public servants and the public service, that support would be non-partisan in nature and administrative in nature and would involve ensuring that people adhere to the appropriate Management Board guidelines and to other requirements of doing business appropriately, whereas the support on the political side generally would be, if I can put it this way, of a more directly political nature.

Mr Dunlop: I don't think it's any different than what we'd see in any other ministry. The Ministry of the Environment, for example, would have their communications department, and the minister's political staff would have his as well.

Mr Peters: But I'm asking why we have two Premier's communications offices. You've got a Premier's communications office that's directly attached to the Premier, and you've got another one that's in Cabinet Office. I understand individual ministries having their own communications office. My question is, and I'm still not satisfied with the answer, why we have two Premier's communications support departments.

Mr Dunlop: Well, I thought he'd just clearly answered that.

Mr Peters: This committee is about accountability of public funding, and we're supposed to be looking and comparing apples to apples. I don't believe the way this estimates book is laid out accurately and truly reflects the expenditures of the Premier's office.

Mr Dunlop: Again, we'll try to get more clarification for that.

Mr Peters: I'll come back to that, then.

Could you please explain to me what this department is in the Premier's office? What is the department of people and team development?

Mr Dunlop: In the Office of the Premier?

Mr Peters: That's what it says in the 2002 phone book. It has a department known as "people and team development" located at 6340 Whitney Block. Could you please tell me what the people and team development office does?

Mr Dunlop: That does not exist any more.

Mr Peters: It does not exist any more?

Mr Dunlop: No, it does not.

Mr Peters: Could you please tell me when that office ceased to exist?

Mr Dunlop: In the last couple of weeks.

Mr Peters: And could you tell me what it did? If it just ceased to exist in the last couple of weeks, then that is part of the fiscal budget we're dealing with right here. We've got expenditures that were spent on people and team development in 2002, so people and team development was within these estimates. Could you please tell me what this department did, then?

1720

Mr Dunlop: Mr Peters, there were two people in the office.

Mr Peters: There were three people in the office, out of respect. There are three people listed in the government phone book for 2002.

Mr Dunlop: OK. I'm not sure what their actual—

Mr Peters: The 2002 official government phone book that we all receive.

Interjection.

Mr Peters: It's old? Excuse me. Somebody behind you just said, "It's old." Could you explain to me what "old" means?

Interjection: It's not the latest version.

Mr Peters: If there's a new version of this book, I would—

Mr Dunlop: That's the latest version. What I'm saying to you is that the people I've worked with in team development—it no longer exists.

Mr Peters: If not today, at some point could you table with this committee what people and team development did, how long the department was in operation, and how much money was expended on the people and team development department prior to its ceasing to exist a couple of weeks ago?

Mr Dunlop: The team development people would have existed since approximately mid-May of this year, 2002, and they were responsible for staff training and development in the Premier's office.

Mr Peters: Boy, they made the government phone book pretty fast. I'd like to know the history of the people in the team development department, please.

Mr O'Toole: Is all of Dalton's staff listed in that book?

Mr Peters: I believe so, yes.

OK. To move on a bit, the department of caucus and public relations—I can understand the caucus aspect of it, but could you please give me an idea of some of the public relations activities that this caucus and public relations department does?

Mr Dunlop: Basically, the caucus relations and public relations aspect relates to a lot of the work that I actually do as a parliamentary assistant. We work as a liaison between our individual caucus members. These gentlemen right here often come to me with an issue they might have with the Premier's office, because he may not always have the time to deal with them at that particular time. I try to work with the staff in the Premier's office to correct problems and to deal with issues that come before individual Progressive Conservative MPPs or government members and to deal with issues they would have

with the Office of the Premier. That could be a wide variety of concerns.

Mr Peters: So is this caucus and public relations similar to where we have to go to an MPP liaison? Is what you're saying that we have a special MPP liaison for government members and a different MPP liaison for the opposition and the third party?

Mr Dunlop: No. As the parliamentary assistant I deal consistently, at all times, with the MPP liaisons, the same as you would, if I have a problem with a minister's office and with one of our caucus members. I would assume there are people right in the Leader of the Opposition's office doing the same thing. I would expect that's probably true.

We used to have hired staff doing caucus relations. Specifically, you might have met Mr Weir and Mr Dysktra in the past, for example. We no longer have that position. As an MPP, I carry out those responsibilities.

Mr Peters: So this department no longer exists in the government phone book either. That's what you're saying?

Mr Dunlop: No. I'm caucus relations right now.

Mr Bisson: Is he in the book right now?

Mr Peters: No. Rick Dysktra is in it, though.

Mr Dunlop: Is Rick Dykstra's name in there?

Mr Peters: He's listed as the department head.

Mr Dunlop: He's no longer with us.

Mr Peters: OK. Could you please tell me how much money is spent, and where one would find this, on polling out of the Premier's office?

Mr Dunlop: I'll have the answer to that soon.

Mr Bisson: How much time is left, Mr Chair?

The Chair: There is approximately 12 minutes.

Mr Dunlop: I'm sorry, Mr Peters. No money has been spent in the Premier's office on polling.

Mr Peters: As you travel around the province, you see these signs. They're really starting to pop up all over right now, with "Ernie Eves, Premier" on the bottom of them. Could you tell me the budget for these signs?

Mr Dunlop: The signs you see, I believe, are specifically for Ministry of Transportation projects. They're consistent with what we've seen since 1995. We've spent a capital investment of about \$6.8 billion on highway road construction projects. Former Premier Harris had the same type of sign. It's been consistent over the years with different Premiers and different Ministers of Transportation.

I do not have the number available for the actual cost of the signs. Those costs would be absorbed by the contract number of that specific ministry. I believe it's the responsibility of the particular contractor to include it under a specific tender. It's certainly not covered by the Premier's office. It's consistent with what's occurred for years. I know when I was the reeve of a municipality at one point, and I think you also are from a municipal background, at times we even had our names on some of those provincial project signs.

I'm sorry, I've given you some wrong information. It's under the SuperBuild projects. SuperBuild covers the costs.

Mr Peters: I'd like to know how many Ernie Eves signs there are around the province right now, and how much it has cost to have those signs erected.

Mr Dunlop: We will do our best to provide you that information.

Mr Peters: Thank you very much. The Premier's office presents a number of scrolls and certificates for anniversaries etc. I'm certainly not being critical of it in any way. I think it's very important for the Premier to recognize significant events, so we can do the same thing as well, as individual members. Could you tell me what the annual budget is or where that would be within your budget—I guess on page 4—where scrolls and certificates etc would be found.

Mr Dunlop: The scrolls etc come from the Cabinet Office. Those would not be included in this budget.

Mr Peters: So you're saying they're signed by the Premier, they're delivered from the Premier's office, but the funding allocation is from cabinet.

Mr Dunlop: From the Cabinet Office, yes.

Mr Peters: Tours and public events: you have a department within the Premier's office that looks after tours and public events. Could you tell me how much, or where I would find it in this budget? I find it difficult to believe that touring and public events would be covered off in a \$112,000 budget that has been allocated for transportation and communications. Where are the costs of the Premier as he tours the province and appears at various areas? How much do we spend on an annual basis? Is that in this budget or is it to be found in another budget as well?

Mr Dunlop: The cost of his transportation would be included in the \$112,000. His employees would not be included in that. For example, there are people responsible for the Premier's tour and they would be included in the line at the top, the salaries and wages.

1730

Mr Peters: The Premier has an entourage who travel with him as he goes around. All those costs associated with those employees on tour are made up in salaries and wages—transportation and communications?

Mr Dunlop: Yes, they are. I'm sorry, not their salaries but their expenses would be.

Mr Peters: Their expenses come out of transportation and communications?

Mr Dunlop: Their transportation expenses.

Mr Peters: I would be curious to know how many kilometres on an annual basis the Premier would travel and how many municipalities the Premier would visit in the course of a standard year.

Mr Dunlop: I couldn't provide you with that information.

Mr Peters: I would be curious to know because I'm finding it difficult to accept the fact that it only costs \$112,000 to have the Premier tour the province and, as

well, cover the costs of his staff to do it. I'm wondering if those dollars are possibly in the cabinet budget again.

Mr Dunlop: I don't think any of them are in cabinet, but I can tell you that the security staff with him comes from the Ontario Provincial Police budget.

Mr Peters: I'm not questioning any of the security. I recognize the importance of the security travelling with the Premier. It's the support staff with the Premier. There's a driver and there are probably other individuals who go too. There are costs that are going to go with that.

Mr Dunlop: I would suggest there are usually at least a couple of people with the Premier, other than the security. The security, of course, would make up the bulk of the people with him at any given time. Again, security is covered by the Ontario Provincial Police; that's out of their budget.

As far as I know, the Premier has not left the country yet. This particular Premier has not left Canada. I think he has been down east one time.

Mr Dean: Just for clarification, I think when the question started it related to the tour component of—

Mr Peters: It started as a result of what I read in the phone book. You have a tour and public events department with six employees associated with that. My question began with, what is this tour and public events and is that all covered off in this \$112,000 we see in this budget?

Mr Dean: Just to clarify, the answer is that for the staff who support the Premier on tour and events, yes, that is the case. That is not to say that all the Premier's travel expenses would be covered within the \$112,000; some of them would be. When the Premier goes out on an event that's related to a ministry initiative or the launch of a ministry initiative, some of those costs may well be borne by the ministry. That perhaps is where some of your confusion may come from.

Mr Peters: Listed in the departments as well—I'll come back to that in a moment.

Could you please provide me with the cost of the most recent royal visit when Her Majesty visited? Where would the cost of her visit come from? Does it come out of the Premier's budget? What budget would pay for the cost of her visit?

Mr Dunlop: The cost of the Queen's visit came out of Mr Flaherty's Ministry of Enterprise, Opportunity and Innovation. I don't know if they would have those numbers finalized yet, but certainly that's the ministry.

Mr Peters: I was curious whether it was something that came out of this budget or exactly where it came from.

How much time do I have, Mr Chair?

The Chair: You have about three minutes remaining.

Mr Peters: There's been a lot of talk recently, and we've certainly heard questions in question period, about decisions that cabinet makes and this walkaround and signing a walkaround. Could you please explain to me in layman's terms, in terms the public would probably appreciate and understand, how a walkaround would be initiated out of the Premier's office, and how often we

see walkaround decisions made in the manner we've just witnessed over the \$10 million that was allocated to the sports teams?

Mr Dunlop: The Premier recently stated publicly that he will in fact tighten up the rules governing walkarounds so they will be done on a much more restrictive basis. In fact, in different governments in the past the walkaround process has been a little vague. I think some of the recent events—Premier Eves has stated that he would like to see that tightened up much more. I believe that in the future, cabinet ministers would only be allowed to have a walk-around type of signing of a particular cabinet document in the case of an emergency.

Mr Peters: This process being under review by the Premier's office right now, can you provide us with any information as to when the new rules regarding walkarounds will be in place?

Mr Dunlop: I can't say that specifically, but I will try to provide you with that information in a timely fashion, probably in the next couple of days if I can.

Mr Peters: I would appreciate that.

As parliamentary assistant, do you have any idea how often—I recognize the rules are changing, but prior to that, were walkarounds a common occurrence or are they a rare occurrence?

Mr Dunlop: My understanding is that it's a fairly rare occurrence, and I think the current Premier would like to see them done only on an emergency basis.

The Chair: You're time has expired, Mr Peters. Now to Mr Bisson, from the third party.

Mr Bisson: Thank you very much, Mr Chair. I really appreciate having the opportunity to do this on behalf of our caucus.

First of all, to the Chair and the clerk, I just want to put you on notice that I would appreciate your bringing translating equipment when we do these committees, especially when I'm around. I've got a number of questions that I want to ask in French; we don't have any translation for my colleagues or staff. Today I will do English, but just be advised: tomorrow, have all the French translation stuff here.

The Chair: For information, the point is made that it takes about 20 minutes to do that, so I guess that would effectively—

Mr Bisson: Well, I'm just thinking that to get staff to run around now—I don't know if Mr Rogers is prepared to do it. To run around for 20 minutes when we're going to be called in for a vote at about quarter to—

The Chair: I appreciate that. The committee is now on notice.

Mr Wettlaufer: Mr Bisson, I support you.

Mr Bisson: Thank you very much. So just make sure—

Mr Dunlop: I hope you don't want the questions answered in French.

Mr Bisson: Well, it would be hard for you to answer if you didn't understand what I'm asking. Tomorrow I'm going to have more policy-type questions, and that's why I need to have that.

A couple of direct questions here: something that's bugged me for a while is, how many people work for the Ontario government, at the end of the day? How many people work directly for the province of Ontario today? Ballpark. You don't have to give me an exact number.

Mr Dunlop: About 61,000 people.

Mr Bisson: So we have 61,000 people who work directly for the province of Ontario, for whom Ernie Eves is responsible.

Mr Dunlop: That's correct.

Mr Bisson: How many people would work through the other, as we call them, MUSH agencies: colleges, universities and others that are transfer partners of the province? Just give me a ballpark figure.

Mr Dunlop: That's a very difficult guess.

Mr Bisson: I'm looking at your staff back there. It's got to be double that, I would think.

Mr Dunlop: Oh, it's a lot more than double.

Mr Bisson: I would say it's double that, so roughly about 120,000.

Mr Dunlop: Don't quote us as saying 120,000.

Mr Bisson: It's got to be quite a bit. I just raise this to my colleagues across the way, because I think it's a bloody shame—the other day I had the opportunity to talk to a number of chief operating officers of various forestry companies that work and have plants in my riding. One guy has 400 people working in his plant is paid 300,000 bucks a year. Another is getting half a million dollars a year. How much is our Premier paid?

1740

Mr Dunlop: It's actually part of our standing orders booklet.

Mr Bisson: I realize that, but for the record, about \$140,000?

Mr Dunlop: I believe it's around \$140,000 or \$142,000.

Mr Bisson: In all seriousness, we should collectively give our heads a shake. I think it's unbelievable that somebody is in charge of a corporation that has 60,000 people working for them, has a budget of—what?—\$60 billion, and we're paying our chief CEO, our Premier, a hell of a lot less than some guy who is in charge of 400 employees. I wanted to raise that. I know you don't expect that from the opposition. I sometimes think it's amazing how much we beat each other up over what we pay different people. I think it's a bloody crime that we're not able to pay what that bloody job is worth.

For whoever aspires to be Premier, no matter what their politics are, it's a tough job. I look at the Premier I was there with, Bob Rae. He greyed in five years. I look at Mike Harris. He certainly greyed in the time he was there, for good cause, I would say. I would predict that Eves, with all the Brylcream and everything else, will leave a greyer man at the end of all this. I just want to say up front that the rate of pay we pay these people is really a sad thing.

Mr Dunlop: The Premier's salary is actually in the last part of the blue book. As the Premier of the province,

he gets \$65,626 on top of his MPP's and his global budget.

Mr Bisson: So it's about \$140,000, something like that. Anyway, I just put it there for the record. You guys can use that some time as justification for giving him a raise.

Now let's get to the questions.

Mr Chudleigh: What about us?

Mr Bisson: It's just something that has always bugged me.

Mr O'Toole: We should get shares or options.

Mr Bisson: I've got a couple of questions I want to ask. I realize you can't answer them all today. If at all possible, can you come back with the answers tomorrow? It's fairly straightforward.

Mr Dunlop: We will do our very best. Mr Chair, do we actually have a response time tomorrow that we can use ourselves?

The Chair: Yes.

Mr Dunlop: So we will have as many of those answers in that response time—

Mr Bisson: There are just a couple of questions I want to go over and then I'm going to get on to some policy stuff.

There is some discrepancy about how many people actually work in the Premier's office. Can you give us the actual number? When I looked at the government directory and when I looked at the directory we have at caucus, the numbers are 47 or 43. What I want to know specifically is, how many people currently work directly for the Premier and are paid from his budget? The other thing I need to know is, how many people do you have on contract at this point? I'm sure from time to time you hire people on contract. Every Premier's office has done that. How many people do you currently have on contract?

Mr Dunlop: As we speak today—and as you know, people come and go and are hired at all times—there are 44 people and there is no one on contract.

Mr Bisson: Has there been anybody on contract since the time Eves has taken office?

Mr Dunlop: My understanding is there has not been.

Mr Bisson: None whatsoever? Are there any secondments now from various ministries, the Cabinet Office, whatever?

Mr Dunlop: Not right now, no.

Mr Bisson: And you haven't had anybody on secondment since Eves has taken office?

Mr Dunlop: Yes, that's my understanding.

Mr Bisson: There has not been?

Mr Dunlop: There has not been.

Mr Bisson: The other thing is, any consultants? That's the same thing as contracts, but no consultants?

Mr Dunlop: Right.

Mr Bisson: I just wanted to get that on the record.

I noticed something when I looked through your communications department. This is just a bugaboo of mine. I looked at your communications department—you have to make your decisions and live with them—and I see a

department of five people: director, deputy director, executive officer—so you've got three supervisors for two workers. It always bugs me when I see that. I wonder to myself why you need to have a director and a deputy director to direct what are essentially two staff people. What the hell is that all about?

Mr Dunlop: Which department would that be?

Mr Bisson: Communications: director, Rob Mitchell; deputy director, Jason Lietaer; executive officer, Denise Herbert. So I've got three management positions for what is essentially a writer and a special assistant. I look at all your staffing components and you have very top-heavy staffing. You have people at director and assistant deputy director levels, and then you have very few people who actually do the work. What the hell is that all about?

Mr Peters: It's all the cabinet office.

Mr Dunlop: No, this particular group are all part of the 44 who were included.

Mr Bisson: I realize they're part of the 44. My question is, why do you have people at those salary levels—the director, deputy director and executive officer? They are the people in charge, they are supposedly the management team, and then you have a department with two workers—three people to manage two people. It seems a little bit odd to me.

Mr Dunlop: I believe the people you've mentioned in fact cross over. That's their specific area, but I believe they work with other department heads and other ministers' offices as well.

Mr Bisson: But essentially you've got a communication department with two workers and you have three management people in there. I'm just saying, why do you do that? Are you trying to pay them more money? There's nothing else on a salary agreement?

Mr Dunlop: The intent is to look for the reductions in the Premier's office, as in any ministry or department we have here in the government.

Mr Bisson: You know where I'm going to come from. It's always the same. We talk about efficiencies, we talk about how well we can do things, and it seems to me that every time I look at these things in government—we went through it as well, so I'm not chastizing you guys; it's just a function of government and of any big bureaucracy, including the private sector. Whenever we talk about being a leaner, meaner machine, we tend to have fewer workers and more management people. I'm not too sure why you're doing that here, as the guys who are saying that you're the big fiscally responsible Conservatives. Why do you do that?

Mr Dunlop: I hope I've got this correct, Mr Bisson, but I think there is actually a total of seven people in that department. Those seven people are all part of the 44 I mentioned earlier.

Mr Bisson: So you're saying you have three management people for what is essentially four people? That's what I'm hearing you say. If I look at the other media stuff, if I add them up, it comes to the seven you talk about. If I go to media, you have a senior media adviser, a media relations coordinator—that's a fourth

management position for three more workers. It's kind of weird.

Mr Dunlop: My understanding is they help to coordinate communications in other ministries as well. They are paid by the Premier, but they would certainly work with ministers' offices in coordinating; not only the people in the Premier's office but helping in communications with ministers' offices as well.

Mr Bisson: I'm just making the point that either you're trying to pay these people more money than maybe they deserve, and you're trying to figure out how to do it, or you need a whole bunch of people to manage just a few employees, at which point—

Mr Dunlop: My understanding is they're not trying to create a highly paid job; I think they're needed.

Mr Bisson: Here comes the briefing. OK.

Let me go on to a policy thing. Recently the announcement was made in northeastern Ontario that the Ontario Northland Transportation Commission is being directed to start negotiations with Canadian National for what will be the divestiture of the entire ONR line, from North Bay all the way up to Moosonee, both rail passenger and rail freight services. I understand from conversations I've had with people in the ONTC—I'll just leave it at that—that there was a directive from the Premier's office that absolutely no staff are to lose their jobs as a result of this. I want to confirm if that is the case.

Mr Dunlop: I'm going to have to get back to you on the exact communications that were made on that. I don't have that.

Mr Bisson: There are a couple of questions I have around that.

Mr Dunlop: We'll try to get these straightened out as we go through.

Mr Bisson: I have a couple of questions around this policy decision. The Premier is directly related to it, because it's at the direction of the Premier that these negotiations have taken place, both the former Premier and this current Premier. I hear through the grapevine that Ernie has intervened and said, and good for him, that there should be absolutely no job losses as a result of the move from the public to the private sector. I want it confirmed if that in fact is the case.

The other thing I understand is that the Premier's office has given a directive that there is to be no loss of rail passenger service as a result of this transfer, if it should occur, if they're successful in the negotiations, that the government has put, by way of the Premier's office, a stipulation that there is to be no loss of rail passenger service by CN if they take over. Can you confirm that this actually is the case?

Mr Dunlop: We will try to deal with it.

Mr Bisson: I see we're being called for a vote, Chair. The bells are ringing.

Interjections.

Mr Bisson: OK, I'll just continue on the CN stuff. Specifically, what I want to know from you is layoffs and passenger rail service reductions. I understand the

Premier has intervened directly and has given direction to the ONTC that passenger rail service has to get better, not worse. They're not accepting—

Interjections.

1750

Mr Bisson: It's very difficult to speak here, with the Chair going that way, and—holy jeez.

Interjections.

Mr Bisson: How about, Chair, we recess so you guys can have a conversation?

Interjections.

The Chair: Your point is well taken, Mr Bisson. May I ask for order, please? We are still sitting in committee. We've ascertained that. I'll ask us to continue and it won't come out of Mr Bisson's time.

Mr Bisson: That's fine. So we're now going to the House?

The Chair: No, the House has adjourned and we are still sitting in session here.

Mr Bisson: Oh, since when did this thing adjourn at a quarter to?

The Chair: No, no, continue. The House is—

Mr Bisson: My only little problem here is I'm the whip, and I want to know what just happened.

The Chair: We are permitted to continue until 6 o'clock and I'm going to ask you to proceed.

Mr Bisson: Yes, just one second. What happened?

Mr Peters: I think it was just a quorum call. I'm not sure. The bells aren't ringing.

Mr Dunlop: They must have had a voice vote.

The Chair: Just to inform the committee, Mr Peters, they are adjourned but we are able to sit until 6 o'clock. I'll ask you to continue, Mr Bisson.

Mr Bisson: So that's from the Clerk's office, they've adjourned?

The Chair: It is, yes.

Mr Bisson: I was just wondering, as whip, what was going on.

OK. So on the CN stuff, as I said, there were those two points: job losses and passenger rail service.

The other thing I want to know specifically is that there were also some discussions I've had with people around the plan for the rail service from Cochrane up to Hearst. We have rail freight coming through there as it is now. Is it the intention—because that's one of the rumours I've been hearing—of CN in these negotiations to get the government to provide rail passenger services from Hearst down to Cochrane?

Mr Dunlop: Again, we will try. Just give us all—

Mr Bisson: OK, I'm just giving you the questions and I'm hoping you'll come back with the answers.

Mr Dunlop: That's great. We're going to do our very best.

Mr Bisson: A similar question with regard to the city of Timmins. In the current discussions that they're having—again, this is all speculation that I'm just trying to figure out—are there any plans in these negotiations to try to get CN to provide rail passenger service back into the city of Timmins? Just as an aside, it never made any

sense to me why Ontario Northland, which had the largest city other than North Bay, which is Timmins at 50,000 people, pulled the rail out. It seems to me that was a pretty good customer base to go and get passengers from.

The reason that's important, as you know, is that the government has embarked on a privatization initiative with CN, which I have great difficulty with. But I want to make sure that in this round of discussions, those issues that I hear the Premier saying he wants on the table are actually there, because we can't afford to lose those particular services.

Mr Dunlop: I'm curious. Have you heard contrary to these comments? I don't know. I haven't got the background. I will try to provide you with that tomorrow.

Mr Bisson: It's because I've heard from discussions I've had at the ONTC and other places, mainly First Nations communities, some discussions on both sides of this, that there will be no passenger rail service from Cochrane down to North Bay, and I want to make sure that's not the case. That's why I want those questions answered.

Mr Dunlop: OK.

Mr Bisson: Moving on to SuperBuild, another issue, the government announced with great fanfare a number of years ago the creation of SuperBuild. That particular program, as you know, has just finished this latest phase of project funding. Initially, when the government announced SuperBuild, First Nations communities were allowed to apply for infrastructure development. If a First Nation community wanted to build an arena or whatever it was they wanted to do, they were encouraged to apply. Somewhere along the line, the policy was changed for First Nations communities. At one point, it became very restricted as to what it was they could apply for to get funded.

It's not necessarily the provincial government's fault. I want this clarified. My understanding is that the federal government, the federal Liberal government—I just wanted to say that for my friend over there. You guys can check this out for me. Apparently, there was a directive from INAC, the federal department of Indian affairs, that they would not fund any new construction of arenas or multi-use facilities like a gym or whatever it might be for the purpose of recreation in those communities, and that the federal government basically kiboshed all the applications that came forward from First Nations communities in Ontario because they refused to put their share of money in.

If that's the case, and I understand that is the case, could you tell me and come back to me with some response as to what actions the government took to try to get the federal government to change that policy? We now have a number of communities that have spent literally thousands of dollars to build up applications in good faith. They were told that they can make the application, and they've been denied. Specifically, I've got Ogoki, and most people wouldn't know where that is: Marten Falls, north of Nakina by a couple hundred miles

in the bush. These guys basically have spent \$1 million of their Rama money in order bring up material, cement, steel, the whole bit, to build this arena, and they were looking at SuperBuild as the final part to be able to get the arena built. We're now in a position where they've been denied and we're being told the reason was that the federal government basically didn't do its part.

So do you want to come back with a rationalization of what happened when it comes to the application process of First Nations communities, unless you've got something now?

Mr Dunlop: Very briefly, my understanding of it as of right now is that certainly SuperBuild money has flowed in the past to First Nations communities. In fact, I have an application myself. My understanding is that all of the sports, culture and recreation portions of the Canada-Ontario infrastructure program were under the OSTAR SCTP. I didn't think it mattered whether a community was an aboriginal community or—

Mr Bisson: From the provincial perspective, you mean.

Mr Dunlop: From the provincial perspective. My understanding, though, as we speak right now, is that for all the applications in that that have not been announced, there is no more federal money for them. That is how I believe it is right now. But I will try to clarify that even more for you tomorrow.

Mr Bisson: I just want some sort of response on paper as to what actually happened. To be blunt, the First Nations communities are really upset. They're saying, "We spent a lot of money to develop our applications. What's happened here? Why weren't we told this initially?" So I'd like to have something from the province that explains it, something I can give to the communities and they can understand where they need to do the lobbying at this point. It seems to me we've got to get the feds on side.

Mr Dunlop: I believe what you're saying, because I have one in my own riding—and it's not Rama, because Rama's been a very fortunate First Nations community, the Mnjikaning First Nation. However—

Mr Bisson: Thank God for that NDP government.

Mr Dunlop: But the Beausoleil First Nation, which is the Christian Island and Hope Island portion of my particular riding, has an application in for a new community centre out on Christian Island.

Mr Bisson: Were they denied as well?

Mr Dunlop: We have approved it provincially, but it's not approved under the COIP, the Canada-Ontario infrastructure program.

Mr Bisson: So just your share has been approved.

Mr Dunlop: Our share, the one third share, has been approved.

Mr Bisson: I understand that if, in some cases, the community was able to come up with what would be their share and the federal share, the province would go ahead and do some funding. That's what happened to yours, I take it.

Mr Dunlop: I can't say for sure. Our share would have been for 33% on that particular project, and I'm not sure whether the federal government—

Mr Bisson: Just a question to the parliamentary assistant and anybody here: in the development of the SuperBuild criteria, you're now going to go to another phase. I would imagine that since there's an election coming, the government wants to be in a position to make some more announcements. You know, that's fair. Is the Premier's office playing a role in the development of that policy, the new policy under SuperBuild?

Mr Dunlop: My understanding is that there are no plans right now to expand SuperBuild as we know it under the sports, tourism and culture program. If it is, I think it would be planned by the Ministry of Tourism and Recreation, which has handled that file in the past. It's my understanding that the Premier's office is not involved in that right now.

Mr Bisson: So the Premier's office doesn't do any policy development on SuperBuild?

Mr Dunlop: Not on this particular file, no.

Mr Bisson: All right, let me back up, then. Am I correct in my assumption that basically all of the SuperBuild money is pretty well accounted for, right? It's allocated already?

Mr Dunlop: My understanding is yes, under the sports, culture and recreation.

Mr Bisson: And there are no plans for the government to have another phase to do capital infrastructure prior to next spring?

Mr Dunlop: I haven't seen that personally, myself. But I will try to answer that more accurately tomorrow.

Mr Bisson: Can you give me an answer, if you're planning to come back with something? Because you've got all these communities—aboriginal and non-aboriginal—that are looking at doing projects and they're sort of waiting for the other shoe to drop with whatever the next program is. So can you get back to me and let me know if in fact there is a plan for capital dollars available next spring?

Mr Dunlop: I guess what I'm getting at is that they have 33% of the money because they have, you said, their Rama money. That's part of the money that was allocated out of the gaming, their 35% of Casino Rama, the funding that was provided there.

Mr Bisson: OK, but you follow where I'm going. I'm looking at money for—

Mr Dunlop: Yes, whether there's a next phase.

Mr Bisson: Is there another phase? That's what I mean.

Mr Dunlop: You know what? My understanding right now is that the feds are not in.

Mr Bisson: I know the feds aren't in, but I thought we were doing another program. That's sort of the message I'm getting from people.

Mr Dunlop: We will make sure there's a clarification on that.

Mr Bisson: Yes, let me know, just so we know what to do with those particular organizations.

I'm going to come back to something Mr Peters raised, again a bugaboo of mine, and that's the scrolls from the Premier's office. At one time when the Premier, and rightfully so, would provide scrolls to constituency offices to present at various occasions, they provided a frame. One of the dumb things you guys did when you were government was get rid of the frame as a cost saving to whoever pays for it at the end. I know it's not the Premier's office; it's somebody else.

Can you guys look at that again and get the frames with the scrolls? It's so chintzy, quite seriously. Somebody is 100 years old, or it's a 50th anniversary or some community member is getting an award that's of some consequence, and here you are as a province showing up with a piece of paper. It's a very nice scroll, signed by the Premier, and there's no frame. What do we do? We all pay out of our pockets; I end up paying for your frame out of my pocket, and I'm getting tired of doing this. So tell Ernie to cough up.

Interjections.

Mr Bisson: Hell, no. If I had to pay it out of my global budget, I'm already in the hole, and I'd be even further—

Mr Dunlop: What you're saying is very consistent with what's happening in the Prime Minister's office, the Lieutenant Governor's office and the office of the Governor General.

Mr Bisson: I'm just saying it's a chintzy thing. You can blow your brains out to try to save a buck and be seen as being frugal. I just think we owe people the courtesy of providing them with something neat on those occasions. It's only me. This is not an official position of the party or anybody else. It just seems to me there are ways of saving money and there are other ways; to me, it's a little bit silly.

Mr Dunlop: I buy folders myself and put them in a nice folder. I wouldn't take in just a blank piece of paper either.

Mr Bisson: I'm just asking if you guys can look at it. I don't know how much that cost in the past. I'm sure you can go back and figure it out.

Mr Dunlop: I think the Board of Internal Economy would want to look at that.

The Chair: On that point, we'll adjourn for today and there'll be another six minutes of time for Mr Bisson to raise other vital issues. Thank you both for your cooperation today.

We will convene in room 151 tomorrow to enable the French translation service.

The committee adjourned at 1802.

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