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Tuesday 11 January 2005

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des débats
(Hansard)**

Mardi 11 janvier 2005

**Standing committee on
finance and economic affairs**

Pre-budget consultations

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

Consultations prébudgétaires

Chair: Pat Hoy
Clerk: Trevor Day

Président : Pat Hoy
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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS

Tuesday 11 January 2005

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Mardi 11 janvier 2005

The committee met at 0906 in the Holiday Inn, Sudbury, Ontario.

PRE-BUDGET CONSULTATIONS

The Chair (Mr Pat Hoy): The standing committee on finance and economic affairs will come to order.

Mr Mike Colle (Eglinton-Lawrence): On a point of order, Mr Chair: There was a deputant who assumed that her name had been put on the list. She's from the Sudbury audiologists, Joanne Querney. She wanted to ask that she be allowed to be put on in the 11:45 spot, if that's OK with the rest of the committee.

The Chair: Are you asking for unanimous consent?

Mr Colle: Yes.

The Chair: All in favour? Carried.

Mr John Wilkinson (Perth-Middlesex): On a point of order, Mr Chair: With regard to the business before the committee, I seek unanimous consent for the city of London to be invited to appear in front of us in London; that the National Cancer Leadership Forum, which is the cancer society and Cancer Care Ontario, make a joint presentation, to be made either in London or Kingston; and that a group called VITAL, specifically a Judith Leon, be invited to appear anywhere—Toronto, Kingston, Whitby or London, wherever it would work.

Mr John O'Toole (Durham): Just a comment. I wonder if Grant Hopcroft, a person we've been in touch with in the city of London—

Mr Wilkinson: And Anne Marie DeCicco, the mayor of London.

Interjection.

Mr Wilkinson: That would be that, yes.

The Chair: Are we agreed? Carried.

Any further business? Seeing none and hearing none, we will begin our presentations this morning.

NICKEL DISTRICT
CONSERVATION AUTHORITY

The Chair: The committee is pleased to be in Sudbury. I would ask for the Nickel District Conservation Authority to please come forward. I would ask people to turn down their BlackBerries or any telephones or whatever. We're getting some noise in the recordings.

Good morning, gentlemen. You have 10 minutes for your presentation and there will be five minutes for

questions. I would ask you to identify yourselves for the purposes of our recording Hansard, and you may begin.

Mr Ronald Bradley: Good morning, ladies and gentlemen. Thank you for the opportunity to appear before the committee. I am Ronald Bradley, chairman of the Nickel District Conservation Authority of Sudbury, and this is Paul Sajatovic, resources planner for the NDCA. As well, I am currently a councillor in the city of Greater Sudbury.

I am here today to make some brief comments to you as you proceed with your pre-budget consultations. I intend to provide some local perspectives on the work of our conservation authority and the issue of provincial transfer payments as it affects our conservation authority and our member municipality, the city of Sudbury.

To begin, I want to acknowledge the provincial government's investment of \$12.5 million for conservation authorities to prepare for the source water protection planning effort in Ontario, and \$5 million to match local funding for repair and replacement of aging infrastructure, including flood control dams and erosion control works which were built with provincial assistance. There is no question that these are important investments that will help protect drinking water, ensure public health and protect lives and property from flooding and erosion. It is our understanding that the government remains committed to providing targeted funding in 2005 to continue these specific initiatives.

I also want to acknowledge the government's support of conservation through property tax relief. The approval of the conservation land tax incentive program regulation for community conservation lands is very important and will make it easier for conservation authorities to protect lands of natural and environmental significance. This program will become even more important in the future as conservation authorities, provincial and municipal governments and other partners address issues such as source protection planning.

Our community partners and the Nickel District Conservation Authority are underway with the source protection planning project. In 2003-04, the Nickel District Conservation Authority completed four projects with the special funding provided for water management capital infrastructure renewal. This included work on our primary flood control structure, the Maley dam, and 1,755 metres of concrete box culvert located in the downtown core of this city. In 2004-05, we will complete three

more capital infrastructure projects for the benefit of our watershed residents. This includes additional upgrades to the Maley dam and repairs to the flood control box culvert to ensure its long-term capabilities.

The conservation land tax incentive program recently announced by the province to protect lands of environmental significance will likely provide tax relief for our Lake Laurentian conservation area, which is 2,400 acres of green space located only 10 minutes from the downtown core and is one of the community's natural treasures.

The NDCA and our member municipality certainly appreciate the commitments from the province, as previously mentioned. However, there is another issue I must comment on. In fact, we have already discussed this with the Honourable Rick Bartolucci, Minister of Northern Development and Mines, and the mayor of the city of Greater Sudbury, David Courtemanche, who was a member of the NDCA board for six years. The issue is the significant shortfall in provincial funding to all conservation authorities, the Nickel District Conservation Authority included, for the implementation of mandated programs like flood and erosion control programs etc.

Currently, \$7.6 million in annual funding is provided through the Ministry of Natural Resources for provincially delegated responsibilities and is shared among all 36 authorities. Subsequent to the significant funding cuts in the mid-1990s, there was a commitment that 50% of the costs to deliver some of these provincial-interest programs would be covered by the province.

Last summer, a report entitled Reinvestment in Ontario's Conservation Authorities—Now and in the Future was submitted to the Honourable David Ramsay, Minister of Natural Resources. The report shows, based upon a review of the 2002 audited financial statements of the 36 conservation authorities, that they experienced a \$9.1-million provincial funding shortfall. A \$13.8-million provincial funding shortfall is projected for 2005.

The NDCA general board fully supports this report. As well, we presented this issue to our member municipality, and city council unanimously endorsed the initiative. This is especially important since our member municipality has had to deal with significantly higher funding requests from the NDCA due to the lack of adequate funding from the province. For example, since 2001, the city's levy allocation to the NDCA has increased by \$40,000, or 18%.

The NDCA and our member municipality, the city of Greater Sudbury, have reached our limit in being able to generate additional revenues. As a councillor in this city, I must further emphasize that point. We cannot keep up with the demands for improved roads, adequate leisure services and improvements to our natural environment. We need a reinvestment by the province to the conservation authorities and a return to appropriate transfer payment funding levels in order to strengthen our ability to provide leading-edge watershed management in our area to continue to protect life and property, which remain at risk.

Therefore, the NDCA respectfully requests that the 2005 provincial budget address the shortfalls identified in the previously mentioned report by increasing the Ministry of Natural Resources' provincial transfer payments from \$7.6 million to \$21.4 million.

In summary, thank you for your time and consideration of our submission. Ontario's conservation authorities embody a partnership of the provincial and municipal governments focused on addressing some of our most pressing water and other natural resources management issues. For this arrangement to work, there must be a fair and equitable cost-sharing arrangement in place across all program areas. The health, well-being, lives and property of current and future generations depend on it.

I am pleased to leave you a copy of this presentation. It was given to the clerk. Thank you very much. Are there any questions?

The Chair: Thank you very much for your presentation. The questions this round will go to the official opposition.

Mr O'Toole: Thank you very much for your presentation. I guess I could put you down on the list as a return to the good old days of increasing the transfer payment. I don't want to presume that's wrong. How much more? Would you like to double the budget? How much would you like for the Sudbury conservation authority? Any idea in your budget what your shortfall is?

Mr Bradley: Certainly, if we double it, it would be really appreciated.

Mr O'Toole: That's good. I guess we'll put you down as a yes, then, for more money.

There are functions that the conservation authorities perform that aren't core business. That's really the question. I'm not familiar here but I am familiar with some of the other conservation authorities. I served on the Central Lake Ontario Conservation Authority for several years, and they were running a lot of programming and parks and things that weren't exactly core business.

Mr Bradley: We appreciate that the—

Mr O'Toole: Flood control. I'm not trying to be smart. That was the intention.

Mr Paul Sajatovic: The report that's referenced deals with core functions. Those functions that are considered non-core are not a part of the review that was done in the report that was submitted to the minister. It focused on the core functions: flood, erosion control, those kind of things that are our core functions. We recognize that those outside functions either have to be funded otherwise or dealt with differently. So this is just core programs that this report refers to—the shortfalls.

0920

The Chair: I would ask if you would identify yourself for our recording, please.

Mr Sajatovic: The first name is Paul; the last name is Sajatovic. I'm a staff person with the authority.

The Chair: Thank you very much. Mr Barrett.

Mr Toby Barrett (Haldimand-Norfolk-Brant): Just briefly, as you indicated, the conservation authority can't keep up with demands. The source water protection legislation—it was indicated by the government that it was going to come forward last year, and it has not come forward yet. I just wanted to get a feel from the perspective of the mining industry or the forestry industry. Do they have an idea of what's coming, what the costs may be? I'm wondering to what extent there has been consultation within your watershed as far as how it may impact on a lot of the industries that you work with.

Mr Sajatovic: In 2003, when the first white paper was sent out in our area, through our board, our chairman and our vice-chairman, we formed what we called the Sudbury Community Partners Group to begin the whole process, which includes municipal representatives—we have some government agencies, but we also have the involvement of the two major mining companies at fairly high staff levels. So throughout that process and then responding to the next series of reports, they've been involved in that. I guess the next stage to really get them involved would be once we ramp up to form the source protection planning committees. They are identified as key partners to be involved, so they definitely will have a membership. In terms of the details, the exact impacts, probably no, but in terms of the implications and what will be coming, definitely yes.

Mr Barrett: OK. Thank you.

The Chair: Thank you for your presentation this morning. We appreciate it.

CITY OF GREATER SUDBURY

The Chair: I would ask the city of Greater Sudbury to please come forward.

Good morning. You have 10 minutes for your presentation, and there will be five minutes for questions. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Mr David Courtemanche: Thank you, Mr Chair. Good morning, everyone, ladies and gentlemen. It's a pleasure to be here this morning to make this presentation. My name is Dave Courtemanche, and I'm the mayor of the city of Greater Sudbury. With me today is Sandra Jonasson, who is our CFO and city treasurer.

On behalf of city council and all of our residents, I'd like to welcome all of you to our city and thank you for inviting us to participate in these consultations.

Let me begin by telling you that the province of Ontario has demonstrated its commitment to the north by supporting a number of key initiatives, including the northern prosperity plan, a major step toward jobs and opportunities that northerners want and deserve; the new northern Ontario school of medicine, the first of its kind in Canada in 30 years; and the four-laning of Highway 69, a much-anticipated project that will make this route safer and will stimulate economic development. These are important initiatives that will enable us to strengthen our position as the economic hub of northeastern Ontario.

Clearly, the province has shown that it cares about the long-term viability of the north, and this is commendable. But all is not well in Greater Sudbury, and as a city we have some very real problems that we'd like to share with you folks today. These are problems that the province can address in a meaningful way in the 2005 Ontario budget.

In particular, and the handout that you have before you addresses it in detail, are three issues that we'd like to speak to you about today. First of all, it's the uncertainty of the community reinvestment fund, the CRF; sustaining our city's capital roads program; and the immediate need to develop a regional economic growth strategy for northern Ontario.

First of all, the uncertainty of the community reinvestment fund, which we like to call the CRF: We are in firm opposition to any decision that would further erode revenue neutrality and destabilize our local economy. The elimination or capping of the CRF will have a devastating effect on municipalities in northern Ontario. As an example, if you would cap the CRF to the 2002 level, it would be the equivalent of raising our municipal property taxes by almost 3% for the people of this city.

Furthermore, there continues to be a significant revenue imbalance with regard to the local services realignment, the provincial downloading of services of 1998. Every year, the city is forced to meet increasing costs associated with those transferred services. The CRF is not indexed to inflation, so there's no recognition of inflationary cost increases or wage or benefit increases. In addition, there is a need to remove the unreasonable administrative caps on many of the LSR services.

Secondly, sustaining our city's capital roads program: In 2002, city council looked at the municipality's fiscal needs for the next 10 years by developing a long-term financial plan. One of the key findings of the long-term financial planning process was the need for provincial and federal funds to sustain our aging infrastructure.

Budget pressures facing the city, like many other municipalities throughout the province, are significant and threaten the very sustainability of the community. The gap between anticipated expenditures and projected revenue continues to grow. A prime example is the poor conditions of our roads.

In 2005, the city will be spending \$17 million on its capital roads program—that's almost doubling our budget just in the last couple of years—when, in fact, the city should be spending \$28 million a year to meet local needs. While we appreciate revenue alternatives such as a share of the gas tax, which was recently announced, to sustain our public transit services, it is our capital roads programs that need the greatest investment.

We are asking the province to create a flexible program that would allow the city to spend its portion of the gas tax on its capital roads program, and not just transit. We are also asking the province to work with the government of Canada to do the same with the portion of the federal gas tax dedicated for cities.

We seek your support of our COMRIF application, which is the Canada-Ontario municipal rural infra-

structure fund. We've applied for \$45 million; \$15 million of that comes from the city, another \$15 million from the province. This is going toward our road infrastructure.

Thirdly, the need for an economic growth strategy in northern Ontario: The province and northern municipalities need to work in partnership to develop and implement a northern growth strategy. The northern mayors will be submitting our growth plan, entitled *Creating our Future*, in the coming weeks. This, along with the northern prosperity plan and the participation of the federal government, will be essential to stemming the tide of youth out-migration and the stagnant growth that has characterized the north for much of the past decade.

We recommend that the northern prosperity plan, which this government has announced through Minister Bartolucci in 2004, be implemented immediately. We ask that the government of Ontario work with us in 2005 to develop and implement a northern growth strategy using a similar process to the one used to develop the growth strategy for the Golden Horseshoe in 2004. We view this as an important investment in the future of northern Ontario.

In closing, I'd like to thank you for being here today and giving us the opportunity to provide input. We are confident that you will take our recommendations today under serious consideration, and we certainly hope that they will be included in the 2005 budget.

We do have the written submissions that have been distributed to you this morning. Once again, we thank you and welcome any questions that you might have at this time.

The Chair: Thank you. We'll begin the questioning with the NDP.

Mr Michael Prue (Beaches-East York): Thank you very much. The problem of downloading is not unique to Sudbury. Virtually every city, every town, every village in Ontario has been hit by downloading. You're making your case; it's severe. But is it any different from, say, other northern cities or other cities in Ontario?

Mr Courtemanche: I think what we really want to draw to your attention around provincial downloading is its relationship to the CRF, this community reinvestment fund. In fact, at the time that the downloading of services was announced, we were concerned about the issue of revenue neutrality: Would municipalities have the capacity to live with these services?

The intent of the CRF was really to allow municipalities to deliver those downloaded services, but clearly, in the last number of years, what we've experienced is that it hasn't been revenue-neutral for us. In fact, every year there is a cost to us. Some of it is related to inflationary costs. Sandra could speak to some of the details around its impact on our community.

We're very concerned right now that, through the process of reconciliation, the CRF might in fact become frozen if it's not reconciled. We just went through and completed our budget process prior to the Christmas holidays, but it was based on the assumption that the

CRF would come through for us. If it doesn't, we're probably looking at about a \$2-million or \$3-million shortfall, which means we'd have to go back and redo our budget once again. So we're very concerned about that. In fact, the outcome of our local budget process was a tax increase of about 3.3%, on top of which we've introduced a new capital levy in our community this year of 2.3% as part of a long-term financial plan that we believe is important to sustaining our local infrastructure.

0930

As a community, as a city, we're putting our cards on the table and making the investments we think are necessary for a sustainable infrastructure to deliver the level of services that we need to. But clearly, the CRF and other programs of the provincial and federal governments are required for us to be able to do that. So that's the real key for us, that the CRF does continue, and at adequate levels.

Mr Prue: That was a very long answer to what I thought was going to be a very short question. So you're looking at a 3% tax increase if the CRF is increased, and more if it's not, for this year.

Mr Courtemanche: Yes, 3.3%.

Mr Prue: How is that vis-à-vis other cities? I'm from southern Ontario. Mississauga is going in at around 6%; the city of Toronto is going in at around 4%. It doesn't seem to be untoward, but I would grant that the people in Sudbury probably think that's more than enough.

Mr Courtemanche: Well, if you look at the last couple of years, last year it was in the neighbourhood of 7.5%, and the year before I think it was just under 7%.

Mr Prue: OK, so you have in the past increased substantially.

Mr Courtemanche: Yes.

Ms Sandra Jonasson: If I could add: The tax rate increase is 3.3% for operating, but then, as Mayor Dave has indicated, there is an additional 2.3% for the capital levy. So we really are looking at a 5.6% increase this year for the tax payment.

Mr Prue: That capital, is that for homeowners or is that for business or—

Ms Jonasson: That's for everybody. Every resident, every business will have to pay this, and it's directed toward our roads.

To put the CRF into perspective, one thing to keep in mind would be that our CRF—we're the largest recipient in Ontario. We receive about \$55 million in CRF. Our levy is \$147 million. So you can see it's an awfully big revenue source to the city. Any change in philosophy with respect to the CRF could have a dramatic effect on us.

Mr Prue: More time?

The Chair: About a minute.

Mr Prue: You were talking about the taxes being \$147 million. That's from all of the residents and all of the businesses. Can you tell me what the ratio is? You've got the largest nickel mine in the world here. How much do the residents pay? How much does business pay?

Ms Jonasson: I think it's about a 70-30 split. Residential is around 70.

Mr Prue: So business taxes are at around 30. How does that compare to other municipalities?

Ms Jonasson: I don't believe we're that different from a lot of other municipalities. I can't recall offhand, but I know there are some municipalities [*inaudible*] say residential-agricultural component, but I think we're relatively equal to the rest.

The Chair: Thank you for your presentation before the committee.

Mr Norm Miller (Parry Sound-Muskoka): Excuse me, Mr Chair. Are you not allowing questions for us? Is there just one question per party?

The Chair: Yes. This was discussed yesterday. We only have five minutes. Some questions are two minutes in length; some answers are two or three. So we've been rotating through each party. There's only five minutes in total, as agreed by the subcommittee.

WOOD WORKS!

The Chair: I call on Wood WORKS! to come forward, please. Good morning. You have 10 minutes for your presentation. There will be five minutes allowed for questioning. I would ask you to identify yourself for the purposes of our recording Hansard, and you may begin.

Ms Marianne Bérubé: Thank you, distinguished visitors to northern Ontario and honourable MPPs, for this opportunity. My name is Marianne Bérubé. I'm the Ontario executive director for Wood WORKS!, which is a project of the Canadian Wood Council. The Wood WORKS! project is represented by the forest industry and wood products industry in Ontario.

First of all, before I start off and talk about what we've done and what we're going to do with the project, I just want to briefly ensure that everyone knows the significance of the industry in Ontario. Everyone is very familiar with the automotive industry, especially if you're from southern Ontario, but the forest industry is the second-biggest economic contributor to the economy in Ontario, contributing \$17.4 billion annually. It injects \$4.5 billion in salaries and wages and \$2.4 billion in taxes.

Given this significance, I think we are certainly facing challenges to our industry. Four years ago, the Wood WORKS! project was started out in North Bay, and it encompasses northern Ontario. The purpose is to promote building with wood in the non-residential sector. It's something that hasn't been tapped into. When you go to Europe and Scandinavian countries, they use wood and you can very much feel that it is part of their culture, but here in Ontario and across Canada, you don't see it in our culture.

The Wood WORKS! project was started because—I'm sure everyone's familiar with the softwood lumber dispute. There has been increasing pressure from competitors. The steel and concrete industry, over the years, has been very aggressive. However, there is a lot of opportunity, and I guess perhaps the biggest opportunity is moving, retwiggging, refurbishing our wood

products industry in Ontario and going more into value-added wood products. That's an opportunity not just for northern Ontario but southern Ontario. We're poised to become a world-class leader in wood products. With the change in technology and building codes and knowledge that we have, we need to promote and use more wood products.

That's pretty well the mandate of our project. I'm just going to talk now a bit about what we've accomplished in the last four years.

First of all, the Ontario Forest Industries Association recently passed a resolution supporting the growth of the Wood WORKS! project, and also Forintek in Ontario to support our industry at this time and, again, create more economic diversification for our communities.

How we've been getting the word out: We've had numerous—over 100—municipalities, associations, AMO; the Ministry of Natural Resources has passed a "build with wood" resolution, so that when any project is for tender, when they hire an architect, they'll at least consider wood.

Another huge opportunity is sustainability. If you look at the Kyoto Protocol, given a life cycle approach, wood is the best choice. It's the only renewable resource. You look at heat efficiency and everything.

So what we try to do is get the word out, and it's a twofold message. We need to educate existing practitioners, architects, engineers and help them provide the tools and education necessary to look at wood in projects. But we're also working with colleges and universities. That's an important mandate. We've published numerous case studies of existing projects and we provide educational seminars. In February, we are going to be doing one in Thunder Bay, one in Sudbury and further south in Toronto again later in the year.

Ultimately, we need to showcase and talk about the great things that are happening and projects of our recognized leaders in this industry that are helping. We have an annual wood awards gala, and we're going into our fifth year. I think a lot of people have heard of the wood awards gala and a few of you have attended, including some of the ministers. We will continue doing that. We've had numerous publications and articles, recognition in the Globe and Mail and the Star. So it's just a good project that continues to grow.

Most importantly, what I wanted to talk to you about today is our five-year growth plan. We think it's very important that this project grow into southern Ontario, so we will be looking for three-part funding—a third from the industry, a third from the federal government and a third from the province—to support this project and ensure it grows in the next five years, because it is really important. We need to continue to support communities and job creation in Ontario in our forest and wood products industry.

0940

I brought along some of the great projects that have recently happened and have been recognized, but it's in different sectors, like the MTO building bridges.

Numerous projects in Ontario have gained recognition and the word is spreading, but we do need to really tap into this.

The other point I forgot to make was that Ontario represents 48% of the market opportunity in Canada. Southern Ontario represents \$8.9 billion, based on building permits, annually in the non-residential sector. In 50% of this market, codes do not allow buildings above four storeys, so there's plenty of work for the steel and concrete industries. We're not trying to target them or map out—most of the steel used in skyscrapers comes from China and Asia and overseas. What they manufacture in Hamilton in southern Ontario is primarily used for cars, appliances and some small component of steel studs. So we aren't harming other sectors; we're just trying to use more wood in Ontario and support our industry.

I'm here before you just to familiarize you with our project. We will be looking for further support from the province. We have had some support over the last year—\$200,000 from the northern Ontario heritage fund in the Ministry of Northern Development—and we will be continuing our campaign.

Any questions?

The Chair: Thank you for your presentation this morning. The questions in this round will go to the government.

Mr Wilkinson: Good morning. I just want to put on to Hansard, Marianne, that this is one of the most beautiful presentations we've ever received. It's just stunningly wonderful.

My riding is a large agricultural riding, and on the whole issue of the ability to add value, if we don't add value, it goes someplace else and those jobs go someplace else, and then we wonder why we struggle.

I was just surprised about your comment about Kyoto. Explain that to me. If you're cutting down trees, why would that be the best thing for Kyoto? I thought we wanted to have the trees and the carbon sinks, and instead you're doing this. So if you could just elaborate for me.

Ms Bérubé: Actually, that's a good point. Again, part of the project is to educate people on the environmental benefits of using wood. Old growth forests consume a smaller percentage of carbon dioxide in the air, probably half the percentage of new growth forests. Ontario has some of the best managed forests in the world. A lot of our companies—Tembec, Domtar, Weyerhaeuser—are moving to FSC certification. They have partnerships with the World Wildlife Fund. Ontario is a true leader. There's actually 15% more forest than there was 20 years ago. So it just shows you what the forest companies are doing.

If you ever drive through northern Ontario, there is—we're not even using the allowable amount yet that the MNR dictates, so there's plenty of forest. It is good to use wood. You have to look at it as farming. But the forest companies are topnotch in sustainability. Again, that's something we really need to promote. New growth forest is actually better for the environment.

When you use steel and concrete—there is information in here. In a life cycle approach to building, wood

comes out way ahead of steel and concrete in leaving an imprint on our environment.

Mr Wilkinson: If there was one thing that we need to take back to the Minister of Finance, one thing that Mr Sorbara could do to help you, what would that be?

Ms Bérubé: Helping sustain the project. We need to do more education and awareness to get people to use more wood, bottom line. Eighty-five per cent of our wood goes south of the border. We're trying to create more value-added, remanufacturing, engineered wood products here in Ontario, but to do so, and before more companies will build more of these plants, we need to use more wood in Ontario.

Mr Wilkinson: The Ontario building code: That's with the Ministry of Municipal Affairs and Housing?

Ms Bérubé: Yes.

Mr Wilkinson: So I think we'd be more than happy to send a copy of your presentation over to Minister Gerretsen, who I'm sure would find it to be very interesting.

Ms Bérubé: OK.

The Chair: Further questions?

Mr Colle: If I could just comment, just looking at the presentation here is a reminder of this amazing product called wood.

How do we, as a government, get more people to realize that we have this great, marvellous building product called wood right here in our own backyard, and we could use it more? What's holding back public awareness of that?

Ms Bérubé: Again, we've had limited resources. We'll admit that the forest industry, because of environmental pressures over the past few years, have been quieter and not advocating and promoting themselves as much. But we are starting now with ministries. We started with the Ministry of Natural Resources to pass resolutions that when they publicly tender projects, they will just ask—it doesn't mean they have to use wood, but they'll at least bring that awareness and they'll ask, because often with a public project, they hire an architect and let them do what they want. No one asks for an option. So that's probably the biggest step.

Mr Colle: What about the cost comparison with the other products?

Ms Bérubé: Well, right now steel has skyrocketed, but we're proving on a lot of projects to have 10% to 15% savings. That's just on construction. Then when you look at the whole life cycle analysis, heating and everything, wood comes out way ahead of steel and concrete in cost savings over the life of a building.

Mr Colle: I know in southern Ontario there are a lot of these precast concrete forms being used in buildings. They just bring them in with the skyhooks and put them in place. What about a cost comparison to that material?

Ms Bérubé: The wood industry is also moving toward prefabricated systems, systems that are engineered and can be just dropped in. They are moving toward that too, so they are competitive.

The Chair: Thank you for your presentation before the committee this morning.

ONTARIO CHIROPRACTIC ASSOCIATION

The Chair: I would call on the Ontario Chiropractic Association to please come forward. Good morning. You have 10 minutes for your presentation, and there will be five minutes for questioning. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Dr Michel Brosseau: Good morning, everyone. My name is Dr Michel Brosseau. I'm a practising chiropractor here in Sudbury and have been here since 1986. I'm also the local society president. Over the years, I don't know how many thousands of people have graced my doors with a variety of ailments and complaints. By and large, they've done well. Sometimes it doesn't work as well as we would like it to, but that's how medicine works.

I am president of the Sudbury and District Chiropractic Society. We have 30 members and we serve roughly 15,000 Sudburians every year.

I'm here today to speak on behalf of the Ontario Chiropractic Association. Last December 1, as you may well remember, the Ontario government decided to delist chiropractic services, and I understand that it was a tough decision to make. I'm here today to speak to the fact that I think that decision should be revisited. I'm going to be presenting a few reports and statistics, and after that I'll be speaking about two patients whom I was caring for, to give you a bit of a human side on the story too.

First of all, in June 2004, a Pollara poll suggested that 79% of the public felt that the decision to delist chiropractic services will prompt people suffering from back pain and other complaints to go to their family physician as opposed to seeking chiropractic care.

Second, the consulting group Deloitte Inc, which is a group that is used by the Ministry of Health, says the following: first, delisting could increase the number of visits to a family physician by 1.3% to 2.6% and the number of visits to emergency departments by 7% to 14%; second, the cost impact is anywhere from \$12 million to \$125 million more to the health care system than what the savings are from having delisted chiropractic services.

0950

Recently a study was done in California, I believe, and was published in October in the Archives of Internal Medicine. It looked at an overall number of 1.7 million people, through an extended health coverage or essentially a private insurance company, where one million people received traditional medical care only and 700,000 people had medical care and chiropractic care together. What they found was that when they included the chiropractic care in the health care plan, they actually saved 1.6% on the overall costs. If you apply that to the Ontario health care budget of \$31 billion, this would actually be a saving of \$500 million annually. I believe

they were covering chiropractic care fully to the tune of about 40 visits a year, or a maximum of 40 visits a year, and this is the result that happened in that study.

Also, I believe this was published in June or July. This is through the Ontario Workplace Safety and Insurance Board, the evaluation they did of their program of care for acute low-back injuries. This program of care was actually put together because of a review of studies done over the last 20 years. The study was completed, I believe, in 2001, and from there the program of care was instituted. This is a new program for the WSIB. What they found was that after a one-year evaluation, there were some interesting findings having to do with the effectiveness of chiropractic care. One of them had to do with being able to get to the chiropractor quicker than anybody else. The average was three days. I believe they compared it to physiotherapy; the average there was 13 days. But the big saving had to do with lost time off work. With chiropractic care, the average lost time was nine days, and with physiotherapy it was 20 days. So again, just from a cost point of view, 11 days off work is quite a significant amount of money.

What I'll do here is, instead of prattling on with more fascinating statistics—and I apologize that my presentation isn't as beautiful as the previous presenter's. As you can see, I accessed our wonderful health care system last Thursday, after having cut my tendon on some broken glass. That was a lot of fun. Actually, it's very interesting, as a physician, to be on the other side and be the patient. I received excellent care. I applaud the local hospital, the staff and everybody who is involved. It's actually fascinating to see how the system works well, when it works—hint.

Last December I had a young lady, a single mom, thirtyish, who had been suffering from headaches for about three or four months on a daily basis—all day long, unremitting. She had seen her physician. I know this physician and he's excellent—very good at what he does, very proficient, great and whatever else—but essentially what he had done was prescribe pain medication, which really wasn't addressing this lady's complaints. She was in for an initial visit and she had another two visits, essentially. I had recommended a series of treatments based on X-ray findings and physical findings, but because of financial restrictions she wasn't able to follow through, and I know for a fact that it was the finances. She's better than she was, but the headaches are starting to come back and I know she's going to be in a bind here with her symptoms.

The point is that here's a typical situation that I see where these people access the medical system that we have, and it's very good and whatever, but the thing is that for this specific condition, the chiropractic approach is more effective, more cost-effective, gives greater relief quicker, faster, sooner, better. Unfortunately, this lady was bouncing around in the system for three or four months before she came into the office and she's going to be bouncing around in the system until somehow or other she can get some finances together.

Another lady I had been treating on an off-and-on basis over some time in late October or early November injured herself: a low-back problem with a leg problem. Again I recommended a series of treatments, but this lady I guess could be best described as one of the working poor, and unfortunately she's in a position where she simply cannot afford the treatments. Her physician, another very good physician who really knows what he's doing—she has accessed his office a number of times. She has also had some neurological evaluations etc. I know that without the chiropractic care, there's a whole expensive route here of various tests, various procedures, that are very costly in order to turn around her condition. In the meantime, she may have to take some time off work. The future is a little cloudy.

Essentially, what I presented here in the document that you received are some of the large-scale studies. I know that the statistics there are riveting and fascinating and will keep you awake at night reading them over and over again because they're of such an interesting nature, but I also wanted to put a bit of a human face on what these statistics actually mean.

As a front-line practitioner, I may not see quite as many as 700,000 people in a year, but I do see the individuals these numbers were derived from.

Essentially, that's my presentation.

The Chair: The questioning will go to the official opposition.

Mr Miller: Thank you very much for coming before the committee today to make your presentation. I have a couple of questions.

First of all, as a representative of the chiropractic association: Last year, the government—of course, I'm in opposition—spent a considerable amount of money, \$3 million I believe it was, on much greater pre-budget consultations. Of course, that resulted in the budget of May 18, where chiropractic services were delisted. Were you part of that consultation last year?

Dr Brosseau: Yes. I believe the committee came here in February or March, and again I represented the chiropractic profession. I actually had a gentleman with me. It's in the Hansard notes. There was myself, the vice-president and a patient. This gentleman was six foot two or six foot six, a really tall guy—well, compared to me, anybody is. Anyway, this gentleman had been hit by chronic fatigue—really, one of these people who fall through the cracks in the system. He'd had a successful business in a small town outside of Sudbury and had nine employees. Because of his illness, he basically had to pull up stakes, sell everything and close everything down. After a year of treatments where there was a combination of chiropractic supplementation, lifestyle counselling, dietary control and whatever else, he was actually back at work. So I made that presentation to the government last winter, explaining to them that here's a case where we can save astronomical sums of money, not only in the direct costs of treating people but also in things like disability pensions and whatever else, when you use a chiropractic or a natural approach.

Mr Miller: So last year you did participate in the process, but they basically didn't listen to your advice that maintaining chiropractic services would save the system money in the bigger picture?

Dr Brosseau: No.

Mr Miller: Was there any other specific consultation with the chiropractors prior to the delisting of this service?

Dr Brosseau: As far as I understand, there were no consultations with the government whatsoever previous to the budgetary announcement.

Mr Miller: So it was just your initiative to come before the committee—

Dr Brosseau: No. As society president, I got word from our association that there was going to be a presentation here in town, so I applied, and I got to make a presentation.

Mr Miller: How did you get word of this year's consultation?

Dr Brosseau: Again, through my association.

Mr Miller: Did you have much advance warning for it?

Dr Brosseau: About six hours before I did this.

Mr Miller: That was last week, then?

Dr Brosseau: Yes.

Mr Miller: Because the deadline was January 7.

Dr Brosseau: I'm sorry, I misspoke there. I think I found out about this a week ago Tuesday.

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Mr Miller: So a matter of days before the deadline, in other words?

Dr Brosseau: Yes, that's right.

Mr Miller: In terms of the north, with the greater distances involved, especially as related to timelines for treatment, do you think that affects the delisting of chiropractic services in terms of medical treatment?

Dr Brosseau: As a northern practitioner, I really feel it's more imperative to include chiropractic into the mix, especially because up in the north there is such a physician shortage. Personally, and I know that other chiropractors are in the same boat, even though we don't have access to blood work and some of the other testing that would be appropriate, in about 10% of our practices we're the primary caregiver. We do what we can and by and large we do well, but it sure would be nice to be able to do a little more or have a little bit more help on that front. So again, especially in the north, because of the lack of physicians up here, this delisting will bear out—it's only been five weeks—that it's going to hurt up here even more.

Mr Miller: Thank you very much. I know Toby wants to ask a question as well.

The Chair: You have about a minute.

Mr Barrett: Very briefly, as you've indicated, the decision should be revisited. We know there are 600,000 people who have signed their names to a petition who agree with that. We heard considerable evidence in Sudbury on the cost-effectiveness of chiropractic. Back pain accounts for something like \$100 billion across

North America with respect to care, whether it's chiropractic or medical care. All parties have been involved in this petition: 600,000 names.

What steps would your association be taking beyond a petition or letter writing in the future to try, as you've indicated, to have this decision revisited?

Dr Brosseau: All we can do is keep communicating with the government, keep showing ongoing studies. This is the latest. I've been practising since 1986 here in town and there are ongoing studies since and even before I started practising showing that chiropractic is not only effective but cost-effective. So all we can do as an association is keep lobbying the government, keep communicating, trying to get our message across that as part of the health care team we don't cost more; we can actually save money.

The Chair: Thank you for your presentation this morning.

ONTARIO COALITION FOR BETTER CHILD CARE

The Chair: I would call on the daycare supervisors' network to please come forward. Good morning. You have 10 minutes for your presentation; there will be five minutes for questioning. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Ms Tracy Saarikoski: Good morning. My name is Tracy Saarikoski and I'm here today on behalf of the Ontario Coalition for Better Child Care and the Child Care Action Networks. I was introduced to speak on behalf of the supervisors' network for the city of Greater Sudbury. It's a group of centre directors, supervisors and executive directors that meets monthly to provide services for our children and network.

Just over the weekend there was a little bit of a dilemma and I decided not to speak on behalf of the larger group but to speak on behalf of the Ontario Coalition for Better Child Care.

The OCBCC was founded in 1981 to advocate for universally accessible, high-quality, non-profit regulated child care. I wear many hats in our community, and again, today I'm speaking just on behalf of the Ontario Coalition for Better Child Care.

It's time for action. The need for a child care strategy for Ontario has never been greater. There is no coherent child care system in Ontario. Decades of ad hoc, piecemeal government policies, a market-driven approach based on parents' ability to pay, declining provincial child care budgets and downloading on to cash-strapped municipalities have caused a serious child care crisis for families with young children. Parents are having a tough time affording quality, licensed child care, if they can find it. Down south, it's a different dilemma; it's the waiting lists. We don't have those large waiting lists in the north. Our dilemma is that middle-class families can't afford child care and they're not meeting the subsidy qualifications.

Existing child care centres report difficulties attracting and retaining qualified staff, since wages in the sector are low and benefits are only affordable by a small number of centres in our community. Even if we do get qualified staff in to work with our children, the retention issue is greatest. The staff turnover rate is great, and that is not a dimension of quality care.

If you look at expanding an early learning and care system, there need to be increases in child care wages to our early childhood professionals to improve child care staff recruitment and retention. Higher staff wages are also a dimension of quality care, as stated in Gillian Doherty's Quality Matters in Child Care, and in her most recent study, *You Bet I Care!*

Direct funding is also a necessity when it comes to administration. If we are to look at an expanded service for our families, we need to support an administration level in order to implement the programs we offer. Over the years, we've been forced to cut back to meet our obligating commitments, and also to keep down our costs and our per diems for our families. The easiest place to cut was administration. Right now I'm sitting in a centre licensed for 111 children a day, and it's me in the office. Today I was at the office at 5:30. Last night, I left at 6 pm.

Offering programs off-site is a challenge for centre directors, since it's difficult to support staff and families at all locations and still operate efficiently without support in the office. New funding needs to be directly linked to rebuilding a level of administration that truly supports our centres and our families.

Instead of being a leader in developing a system of early learning and care that gives children a good start in life, Ontario has fallen behind. We lag behind most other industrialized nations and behind Quebec, which has taken great steps toward a universal child care program since it introduced a systematic and comprehensive child care plan back in 1997, and we all know what that is.

As child care moves back on to the provincial and national agendas, Ontario needs a funding and policy strategy aimed at putting in place an integrated, responsive child care system that meets the educational and developmental needs of children and the parenting and work/training needs of families.

In the city of Sudbury, we, as a community, have moved forward and responded to the needs of our family by providing flexible care, wraparound care, weekend care and up-to-midnight care. We've done our part. Now we need the funding to back us. We're counting on you here in the city of Sudbury.

A 10-year strategy: This presentation and our submission to the standing committee on finance's pre-budget process is based on our last position paper, "To boldly go ... toward a comprehensive child care system in Ontario," and I have included that today. It outlined a 10-year strategy for developing a child care system in Ontario that will provide long-lasting benefits for children, families, the economy and our society.

The recommendations that deal directly with budget items are summarized at the end of today's submission.

However, as achieving a high-quality system of child care that works is as much about good policy as it is about funding, our recommendations for a comprehensive system of child care in Ontario are presented as well. I encourage committee members to review them in their entirety.

The early learning and care system we recommend is community-based and non-profit, providing services that meet the diverse and distinct needs of different communities and families. Services will be universally accessible, regardless of children's abilities, cultural or linguistic backgrounds, or regional circumstances, and regardless of family income or parents' employment status. These services will be non-compulsory but available to all children and to the extent that their parents wish to use them. Service development will be flexible according to what makes sense for each community, rather than a one-size-fits-all approach. Services will be delivered using a hub model of integrated services.

A commitment to a policy plan: Our strategy calls on the government to make a commitment to develop a policy framework and action plan to fully put in place an early learning and care system by the end of 10 years. As stated in our submission in 2004, we expect the government to have a plan in place for developing such a system by April 1, 2005.

The policy framework should include the following components: principles; new legislation; a direct program funding model; definitions of roles and responsibilities for management and funding of their early learning and care; improved quality standards and strategies for meeting them; plans for accountability; and timetables for establishing them.

Our principles: The rationale for each component is clearly laid out in the submission. Today I'd like to draw attention to the essential principles that future funding and policy decisions must be based on in order to produce a high-quality and accessible system. It needs to be publicly funded, non-profit, universal, inclusive and, of course, high-quality.

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Summary of recommendations for the 2005 Ontario budget: As previously stated, using regulated child care is not an option for the vast majority of children and families in Ontario. There are simply not enough regulated spaces to meet demand, and programs are often unaffordable for families. Availability of regulated care is considerably less for infants and school-age children, those in rural communities and children with special needs. Kindergarten is universally accessible but not until children are four or five, and then for only part of the day for some of our school boards.

The time has come to implement changes that will transform the fragile patchwork of early learning and child care in Ontario into a coherent and comprehensive system. By beginning with this 2005 budget, Ontario can also demonstrate the vision and bold action necessary to lead all partners on the national stage toward a high-quality, pan-Canadian child care system that will benefit

us all. By doing that, we're going to begin a Quebec-style phase-in of direct funding in the May 2005 budget, use available federal dollars and move to 100% provincial funding of child care.

I thank you for the opportunity to present today, and I welcome any questions.

The Chair: The questioning will go to the NDP.

Mr Prue: I have a number of questions, and they're all going to be financial. I hope you can answer.

Ms Saarikoski: What I can't, we can definitely get to you.

Mr Prue: What is the average wage of a child care worker in Ontario?

Ms Saarikoski: The city of Sudbury's average wage is \$12 an hour. They range from minimum wage to \$21 an hour for a front-line educator. That's pretty much standard across Ontario, I hear.

Mr Prue: That's what I was going to say—the second part. Those seem to be fairly low wages, as you have indicated. On the way in, we were lucky enough to have a cab driver who is also a jail guard. He makes \$27 an hour, so I guess we pay people more to look after criminals than to look after children. Is that a pretty fair—

Ms Saarikoski: That's true.

Mr Prue: You are seeking a wage across Ontario, and I take it you expect the government to negotiate and to pay.

Ms Saarikoski: We're looking at a subsidy for our wage enhancement grants. We do get wage enhancement grants right now, but every daycare centre is based on a different formula, depending on what government was in. Any new centres as of 1992 have no wage enhancement grant at all, so their wages fluctuate dramatically. In this last set of funds that came, there were some wage enhancement grants, and our city had decided through the municipality that they would at least bring all the centres up to one standard percentage. So we're moving toward at least 80%, but that definitely didn't happen.

This last 80-20 dollar—the 20-cent dollar—has been approved at our local municipality, and they have bought into it. As the mayor said, our budget for 2005 has been approved, but we haven't seen those dollars yet. Apparently, for February we might be seeing an enhancement to our wage enhancement grant, which would help bring our wages up a little bit.

Mr Prue: On page 8 of one of your submissions, you want the government to reinstate the \$160 million cut from the annual provincial budget for regulated child care between 1995 and 2001 by the previous Tory government. That's what was cut. We've had inflation; we've had a lot of things since then. Is \$160 million alone sufficient?

Ms Saarikoski: No. That would at least bring us to what we lost. Let's at least get back what was taken from us, and let's start fresh and start looking at direct funding to centres. Let's start looking at wage enhancement grants to staff and having a universal, pan-Canadian child care system. It's up to us at the provincial level to really

leap on to this federal government's bandwagon for a national program.

Mr Prue: We haven't done that, and as you correctly pointed out, Quebec has taken full advantage; Ontario has not. Or Ontario has taken the money and used it for something else—that's more appropriate.

Ms Saarikoski: That's right.

Mr Prue: I don't have a dilemma with what you're saying, but I think the dilemma that the finance minister is going to have is that he is on record as saying there is only going to be \$500 million in new spending this year and no tax increase.

Mr O'Toole: Oh, no, he can't do that.

Mr Prue: I know he can't do it, but that's what he said.

Do you think your program has a priority over other programs? We have people here on health issues, education issues and higher learning issues. We have people from the environment. The next group is going to be from the film industry. I know you're probably passionate in yours. How do you see fitting into all of these groups, looking for what are going to be very limited dollars, unfortunately?

Ms Saarikoski: The first thing I want to say is that children are our future, so unless we start investing, we're not going to have you people in the future. We won't have the politicians, the people who want to stand and fight for us later on, because those children are not going to have that opportunity and the skills. That's the first thing.

The second thing is, we have a health care plan; we have an education plan. It's time for an early childhood education plan, and those investment dollars need to start now.

Mr Prue: Thank you. You said it very well.

The Chair: Thank you for your presentation this morning.

MUSIC AND FILM IN MOTION

The Chair: I call on Music and Film in Motion to come forward, please. Good morning, gentlemen. You have 10 minutes for your presentation. There will be five minutes for questioning. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr Mark Palumbo: Good morning. Thank you very much. Welcome to northern Ontario. My name is Mark Palumbo. I am chair of the board of Music and Film in Motion, and with me is our executive director, Mr Dennis Landry.

On behalf of Music and Film in Motion, I wish to thank the Chair and members of the standing committee for allowing us to appear before you today.

We'd like to briefly talk to you about what our organization is and what we do here in northern Ontario, and to comment on priorities that we see could be implemented by the Ontario Legislature to help foster a climate of economic development, sustainable growth,

innovation and retention of our youth here in northern Ontario.

Music and Film in Motion, which I will refer to as MFM, is a non-profit organization. Our mandate is to foster the growth and development of the music, film and television industries in northern Ontario. Since 1999 we have worked to develop our own local talent in both film and music through a series of workshops, training and mentoring sessions. We have developed a resource guide which identifies the people and companies involved in the delivery of product and services to the music, film and television industries here in northern Ontario. We have marketed northern Ontario to potential filmmakers using this guide, using our excellent Web site, and through the Ontario Media Development Corp's location library. We have also partnered with Cinefest, which is our international film festival here in Sudbury, to sponsor the Industry Forum which brings together producers, directors and distributors from across Canada and provides us with an excellent networking opportunity. Finally, we also sponsor the annual Northern Ontario Music and Film Awards show in which we showcase and recognize our own northern Ontario talent.

All of these activities have resulted in a number of success stories for northern Ontario, including the shooting of the feature film *Men with Brooms* with Paul Gross, the made-for-television movie of the week, *Shania*, which will be shown on CBC this March, the documentary *First Canadians* and many other international and national short film projects. As well, northern Ontario was successful in attracting the animation series *Chilly Beach* to Sudbury. This production company alone employs between 30 and 40 animators in high-paying, high-tech jobs here in Sudbury.

So we've had considerable success in a short period of time and we are confident about the future development of these industries in northern Ontario. We look forward to adding to the over 20,000 people employed in Ontario productions and the \$874-million industry that this represents.

We would now like to comment on four initiatives recently announced by the Ontario government which will directly have an impact on our industry and the growth of this industry here in northern Ontario.

First, the recently announced increase to the Ontario film and television tax credit for Ontario productions from 20% to 30%, with an additional 10% for regional productions outside of the GTA: Obviously, we are thrilled with this proposed legislation. For us in northern Ontario, this means a 40% tax credit for producers on their labour costs. This puts us on a level playing field with provinces such as Manitoba, New Brunswick, Saskatchewan and Nova Scotia, which have made great strides in recent years because of a higher tax credit advantage. We can now compete with these other provinces and keep some of our Ontario producers here at home.

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A recent example of this is the *Shania* production, which was scheduled to be done in New Brunswick.

Through co-operative efforts of the city of Sudbury, FedNor and northern development and mines through the Northern Ontario Heritage Fund Corp, a package was developed that allowed this production to be done here, resulting in over 500 employment opportunities including extras, cast, crew, training and mentorship positions, and over \$2 million spent directly in Sudbury and Timmins over the 17 days of shooting.

With the increased tax credit system and the regional bonus of 10%, our ability to market our area to producers is certainly enhanced. Together with our unique locations, our ease of access to these locations, the co-operative spirit in the north and our expert workforce, we have a very marketable package to present to potential filmmakers.

In addition to the increased tax credits, we have proposed to the Ministry of Northern Development and Mines a loan equity package for film and television producers. This loan equity program would again put us in a very strong position to attract filmmakers. While the model we have proposed is not yet in place, we must commend the ministry for their willingness to look at individual projects and to use existing models to bring these projects to fruition.

Shania and Chilly Beach, seasons 1 and 2, have been aided by the efforts of the Northern Ontario Heritage Fund Corp. Only projects that increase the profile of northern Ontario, create jobs in northern Ontario and provide mentorship and training opportunities to residents of northern Ontario would be eligible for consideration under our proposal.

We look forward to continuing to work with the Ontario Media Development Corp, the Ministry of Culture, the Ministry of Finance and the Ministry of Northern Development and Mines to further initiatives in this particular area.

We would also like to comment on the northern prosperity plan recently announced by Premier McGuinty and Minister Bartolucci and how it relates specifically to the economic development potential of our industries here in northern Ontario. As just mentioned, we look forward to working with the Northern Ontario Heritage Fund Corp and their renewed focus in working with private sector companies, especially those focused on new enterprises, young entrepreneurs and emerging technologies. The music, film and television industry is all of those things. We at MFM are at the forefront in providing the necessary training and workshop opportunities for our youth to learn the business skills necessary in this industry.

Unlike the greater Toronto area, northern Ontario does not have numerous established enterprises in film and television. Ours is an emerging industry with great potential in our talented youth. However, these young people will need financial support to get established and we see this renewed focus of the northern Ontario heritage fund as the perfect complement to our efforts.

The northern Ontario grow bonds program, we feel, is an excellent idea that would generate \$20 million of

investment loans for small and medium-sized business. As well as our own young entrepreneurs, it is our hope that we can encourage established Ontario producers to set up satellite production companies here in northern Ontario. Some have expressed interest in this and we feel that the creation of business investment loans, equity loans for production and increased tax credits will certainly create a great deal of interest from these professionals.

The Chair: I remind you, you have about a minute left.

Mr Palumbo: OK. I'm almost finished.

We also fully support the Go North program designed to attract investors from outside northern Ontario. We would like to become actively involved in this program because we think our northern Ontario culture can and should be used to attract others to our area. It is a well-known fact that quality of life is one of the major factors in relocation of businesses. We have a very distinct and unique culture that adds to our quality of life and must be showcased. Ours is a unique blend of aboriginal, franco-phone and multicultural influences that have shaped and defined our northern Ontario writers and artists.

The Go North program must be an aggressive, exciting and unique marketing effort that utilizes all the best efforts we have to offer. Our young and talented creative class must be utilized in the efforts to attract business to our area. Being knowledgeable and fully engrossed in the careers of these young people, MFM is in a unique position to help develop a cultural component to the Go North program. We would be happy to discuss this role further at the appropriate time.

In summary, I'm very excited about the potential for growth in our industries here in northern Ontario. We are encouraged by the recent support and initiatives introduced by the various ministries. We encourage this committee and the Legislature to speedily pass the recommended increase in the tax credit into law, to maintain the 10% regional tax bonus and to pass and support the elements of the northern prosperity plan. We feel these efforts will have a positive effect in fostering the growth of the film, television and music industries in northern Ontario.

We thank you and look forward to your questions.

The Chair: The questioning will go to the government.

Mr Colle: It would have been just a shame to see the Shania life story being done in New Brunswick. God help us. But we got it back.

Mr Prue: Really authentic.

Mr Colle: Yes. Maybe another idea for a film would be something called Sudbury Saturday Night or something. It would be excellent.

In terms of the film industry and the talent pool that you have here, is there a connection with Laurentian University? Are courses offered in film studies, or do they have to leave the area to get the academic or technical background?

Mr Dennis Landry: There are a number of pieces in place that exist throughout northern Ontario. Laurentian

has recently introduced a film studies program as part of its English department, and we're hoping to see that grow. There is discussion of creating a northern Ontario documentary centre, which would be specifically aimed at putting out documentary makers. There is a practical television broadcasting program in North Bay at Canadore College. We have a production design program that exists at Cambrian College. There are also film programs that exist in Thunder Bay. So the opportunities do exist throughout northern Ontario. Certainly, through our professional development activities, we work very closely with all of those partners. We now have members of our staff on Cambrian's advisory committee. As opportunities come up to tweak and adjust those programs to meet the growing needs, we have people placed to help influence those changes.

Mr Colle: We hear about the competition we're getting from Saskatchewan, Manitoba and certainly BC. As far as the north goes, are we going to be competitive in terms of maybe attracting—if they can attract film production in Saskatchewan, obviously Sudbury has some of the same attributes you said that could possibly be competitive. What do you see as the potential there?

Mr Landry: We certainly see a lot of potential. Obviously, Shania is very important in a lot of ways. It's the biggest production that has shot here, over the longest period of time, and people have gone back very satisfied with that experience. The producers are already discussing other potential projects with us that they would like to see happen here. As that production was gearing up, other producers from Toronto were interested in what was happening up here as well.

I think that for a lot of the producers, over the last number of years they've had to leave Ontario to get the best possible scenario to finance their productions. The legislation that's currently at hand for the increase of the tax credit is definitely going to have a huge impact. We were already 10% ahead of Toronto because of the regional bonus; at 30%—

Mr Colle: The 10% bonus?

Mr Landry: It's a 10% regional bonus outside of the GTA. So we were already at 30%, but we weren't quite at par with most other provinces at that level. At 40%, we are at par with the other smaller provinces like Saskatchewan and New Brunswick. That certainly would have had an impact of roughly \$100,000 on the Shania production if that tax credit had been in place when they shot here, which is significant to a producer. Again, we've already had the interest of about four or five producers for a number of projects. If that's passed, it is only going to help lock some of those in for us.

Our goal is to get five to six Shania-sized-budget projects happening here throughout the year. We're certainly not looking to unseat Toronto as the capital of Hollywood North. That's obviously not realistic. But having five to six productions in the \$5-million to \$6-million budget range represents an economic investment in the community of \$10 million to \$15 million every year, which is fairly significant for our community.

1030

Mr Colle: Especially for your young people.

The Chair: Thank you.

Mr Wilkinson: Given the nature of your presentation today and the significance of this Shania film, I think we should have all-party support to ask Shania to come and appear before this committee. I'm sure we'd have all-party support for that invitation to be extended.

The Chair: Thank you for the comment. Thank you, gentlemen. I would mention that I'm from the village that Michelle Wright, the country and western singer, is from, in the south.

Thank you for your presentation this morning.

CENTRE DE SANTÉ COMMUNAUTAIRE DE SUDBURY

The Chair: I would call on the Sudbury community health centre to please come forward. Good morning. You have 10 minutes for your presentation, and there would be five minutes for questioning. I would ask you to identify yourselves for the purposes of our recording Hansard, and you may begin.

M^{me} Joyce Choquet: Bonjour, messieurs et mesdames du comité du budget. Je m'appelle Joyce Choquet. Je suis la présidente du Centre de santé communautaire de Sudbury.

M^{me} France Gélinas: Bonjour. Je m'appelle France Gélinas. Je suis la directrice générale, Centre de santé communautaire de Sudbury.

M^{me} Choquet: Je crois que le programme dit « Sudbury community health centre ». C'est la traduction de notre nom. Nous sommes un centre de santé communautaire francophone. Il y a 55 centres de santé en Ontario, dont cinq sont francophones, incluant le nôtre.

Comme tous les autres centres de santé, notre raison d'être est d'améliorer la santé de notre population cible, soit les francophones. Les centres de santé sont des instruments du ministère de la Santé. C'est-à-dire que nous ne sommes pas là pour remplacer le système existant, mais bien pour améliorer le niveau de santé de notre population cible, ainsi que l'accès de la population francophone au système de santé.

Tous les centres de santé offrent des soins primaires, c'est-à-dire des services de médecins, d'infirmières praticiennes, d'infirmières, de nutritionnistes, de travailleurs sociaux, etc. Les gens ont leur médecin de famille avec nous. Par contre, les médecins ne travaillent pas seuls. Ils font partie d'une équipe multidisciplinaire. C'est certain que d'avoir accès à un médecin et à toute l'équipe multidisciplinaire est très important lorsque les gens sont malades.

Par contre, le centre de santé offre plus que des soins primaires. Tous les centres de santé offrent des programmes de promotion de la santé et de développement communautaire, et travaillent à améliorer la santé de la population et de la communauté. Ce travail est basé sur les déterminants de la santé.

En promotion de la santé, on retrouve les programmes tels que cesser de fumer or choisir de maigrir.

En développement communautaire, les intervenants du centre de santé communautaire travaillent avec différents groupes pour aider à améliorer la santé des différentes communautés. Par exemple, un agent de développement communautaire peut travailler avec une association de terrain de jeu pour l'aider à développer un parc de skateboard afin de régler les tensions entre les propriétaires de terrains de stationnement pavés, la police et les jeunes qui veulent faire du skateboard.

Nous existons depuis 13 ans. Nous avons notre site principal au centre-ville de Sudbury, et nous opérons plusieurs programmes sur plusieurs sites, entre autres deux satellites dans des régions sous-desservies de la ville du Grand Sudbury. Pour ceux qui connaissent la région, un satellite est à Hanmer et l'autre à Chelmsford. Ces deux satellites reçoivent du financement opérationnel depuis 1997 de la part de la branche de la santé communautaire du ministère de la Santé.

Par contre, nous attendons toujours notre financement capital pour ces satellites. Nous sommes donc dans une situation où nous avons des ressources, médecins, infirmières praticiennes et secrétaires médicales, mais pas de locaux. Nous sommes depuis 1997 dans des petits locaux. Par exemple, à Hanmer nous avons 950 pieds carrés, en comparaison à 10 000 pieds carrés à Sudbury. Ces locaux sont inadéquats et ne nous permettent pas de fonctionner de façon efficace. Nous demandons donc au Comité des finances de considérer les besoins en fonds capitaux des agences de santé autres que les hôpitaux.

Sudbury a reçu beaucoup de fonds capitaux dans les dernières années mais tout est allé à l'hôpital régional, un peu au détriment des autres agences qui se font répondre que les fonds capitaux vont vers la restructuration des hôpitaux. On reconnaît que la restructuration hospitalière est dispendieuse, mais un bon système de soins primaires diminue l'utilisation des hôpitaux.

Ceci est notre première demande à votre comité, les besoins de financement capital des centres de santé communautaire. Un budget d'environ 5 \$ millions par année pour quelques années devrait régler le retard encouru.

Notre deuxième demande est le financement de plus de centres de santé communautaire. Nous sommes d'accord avec le plan du gouvernement de mettre sur pied 150 « family health teams », équipes familiales de soins. Par contre, les régions insuffisamment desservies qui ont des problèmes de recrutement ne se qualifieront pas pour une équipe familiale de soins puisqu'elles n'ont pas de médecins. Nous vous encourageons donc à investir dans de nouveaux centres de santé, surtout dans les régions du nord et rurales et là où les communautés ont des problèmes de recrutement d'intervenants en soins primaires tels que médecins et infirmières praticiennes.

Dans les régions insuffisamment desservies, lorsque le médecin part, le bureau ferme, la secrétaire est laissée aller et les patients se retrouvent avec rien du tout. En contraste, avec un centre de santé communautaire, les clients sont des clients du centre et non du médecin.

Lorsqu'un médecin part, les dossiers et le reste de l'équipe restent en place. Ceci facilite grandement la transition pour les patients en cause. De plus, un centre de santé a un directeur général qui est responsable du recrutement. Ceci aussi facilite la transition. Les centres de santé communautaire sont un bon moyen de donner accès à des soins primaires à plus d'un million d'Ontariens qui n'ont pas de médecin de famille.

Notre deuxième demande est donc d'augmenter le financement des centres de santé communautaire afin de financer les projets des 140 communautés qui veulent un centre de santé ainsi que de financer les projets de nouveaux satellites pour les centres existants afin de desservir de nouvelles communautés. À un coût d'un million de dollars en fonds opérationnels par année, un investissement de 10 \$ millions annuellement permettrait d'éliminer les Ontariens sans médecin dans une période d'environ 10 ans, une bonne utilisation de la nouvelle prime santé sur le revenu.

Notre dernière demande est la révision des modèles de paiement et salaire des médecins et des infirmières praticiennes. En ce moment, différents programmes du ministère de la Santé offrent différents salaires pour des emplois très similaires. Par exemple, les centres de santé viennent tout juste de recevoir des augmentations afin de payer leurs infirmières praticiennes 80 000 \$ par année. Ceci semblait être une bonne nouvelle jusqu'à ce que je voie une annonce de poste d'infirmière à l'hôpital qui offre plus de 90 000 \$ par année. Cette situation crée de la compétition entre les partenaires pour des ressources limitées.

La même situation existe pour les médecins qui reçoivent un salaire différent dépendant du modèle de paiement qu'ils choisissent pour offrir les mêmes types de service. Nous pouvons vous donner des exemples précis si vous voulez.

Donc, notre dernière demande est pour la révision des salaires et traitement financier des médecins et infirmières praticiennes pour leur payer un salaire juste, raisonnable et équitable à travers tout le système.

Je suis disponible pour des questions, ainsi que M^{me} France Gélinas, notre directrice. We can take questions in English.

The Chair: Thank you very much. The questioning will go to the official opposition.

1040

Mr Miller: Thank you. Bonjour. I'm afraid that's the extent of my French. I don't know whether you have a translation device, but I had a question to do with your budget. I just want to understand it correctly. You said that you have capital budget needs. What is your operating budget like? Are you in a balanced position for your operating budget?

Ms Gélinas: Yes we are, but in order to balance our budget, we have to stay in a teeny-weeny little office so that we don't pay much rent. The idea—

Mr Miller: That was going to be my next question, because I noted the 950 square feet versus 10,000, and I didn't quite follow that.

Ms Gélinas: Basically, with the savings we make here, there and everywhere in our operating lines, we always have a balanced budget. We've never run a deficit. We've always stayed balanced. But that means making choices. One of the choices we made was to open in this teeny-weeny little office. It doesn't allow us to function as a community health centre. We end up paying rent for the examination rooms and what you would consider a doctor's office, but all of the other activities of the centre are spread out through the community. Our early childhood is in a little office across the street. We have an adult day centre with adult daycare that runs out of the old-age community centre. So we're spread out and we use basically what we can beg, steal and borrow from the community to offer our services. The problem is the distance in between and that the staff are never together.

The strength of a community health centre is that, through the primary care team, you get to know what are the needs of the people you serve. So if you see an elderly person who comes to see her family physician every week, it won't take long for the physician to say, "Come with me. I'll introduce you to our adult day centre." The adult day centre staff take it from there and, after a couple of weeks, the person only comes once a month and then only because she has run out of meds. Other parts of the team are able to better look after the care of that person rather than relying on the physician only.

Because the different members of the team are not together, it's really hard to do this. To put your boots on to cross halfway across town to show them where the adult day centre is—they're not going to go. It's just not conducive to what a community health centre tries to do.

Mr Miller: You were saying that in the north, the community health centre and family health network serve an important role because of the lack of doctors and because of the distances, I assume, involved with northern Ontario.

Ms Gélinas: Exactly.

Mr Miller: One of the plans the government has is the local health integration networks. Have you thought at all about how that will affect your community health centre?

Ms Gélinas: Right now it's hard to say if community health centres will be part of the local health integration network or not. In general, the spirit of what they're trying to do with the network is something that is already happening in the north, just because we have so many recruitment problems and so many distance problems that we've had to help one another. We are partners with the other agencies. How it will pan out, I'm not in a position to say.

Mr Miller: So if you're already doing that, is there a danger that the local health integration network just becomes another layer of bureaucracy?

Ms Gélinas: I've heard that, but I don't know enough.

The Chair: The time has expired, and I thank you for your presentation before the committee this morning.

CAMBRIAN COLLEGE STUDENTS' ADMINISTRATIVE COUNCIL

The Chair: I call on the Cambrian College Students' Administrative Council to please come forward. Good morning. You have 10 minutes for your presentation. There will be five minutes for questioning, and I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Mr Tyler Charlebois: My name is Tyler Charlebois, and today I stand before you not only as the president of the Students' Administrative Council of Cambrian College and a graduate of an Ontario post-secondary institution, but also as a taxpayer and a concerned citizen. I am pleased to have this opportunity to speak with you today about some of the issues facing Ontario's post-secondary system and, specifically, challenges facing northern institutions.

My presentation is divided into three main themes: student access, success and progress.

A student's learning journey is enhanced or diminished by their ability to easily and successfully access adequate economic support. Ontario's financial aid system does not accomplish this, as it has not evolved with the changing realities of the post-secondary environment. The system is unable to address student needs and is unfair in how it assesses, awards and resolves applicant disputes.

In an attempt to ensure access to post-secondary education, the federal government established the Canada Millennium Scholarship Foundation. The vision, as stated in the 1998 federal throne speech, was to "reduce the gap between the rich and poor ... no more meaningful way to reduce the numbers of those left behind, and no better way to provide a higher quality of life for Canadians than to facilitate the path to higher education. Quite simply, every Canadian who wants to learn should have the opportunity to do so."

As the need for post-secondary credentials increases in the workforce, equitable access to post-secondary education must also increase. The founding goals of the Canada Millennium Scholarship Foundation need to be considered by all levels of government, scholarship foundations and academic institutions when developing financial aid policies. To eliminate the financial barriers that prevent students from pursuing a post-secondary education, policymakers must devise creative financial plans in order to level the academic playing field.

Some would argue that compared to other jurisdictions in the world, Ontario students are fortunate that they pay so little for their post-secondary education. Conversely, others argue that students shouldn't pay anything at all, as the benefits to society of an educated population far outweigh the costs. In 2003, post-secondary graduates paid over 57% of the entire income tax burden in Canada, but only used 28% of government social transfers.

Ontario's former Minister of Training, Colleges and Universities, the Honourable Dianne Cunningham, frequently stated, "We are committed to ensuring that there

is a place for every qualified student who wants to go to college or university.” In order to achieve this objective, Ontario’s financial aid system and related administration must be restructured.

The Canada student loans program was designed in 1964 to assist students with educational costs. Although changes to the program have been made since that time, the original framework remains intact. The combination of public pressure to increase spending in other areas—mainly health care—combined with increasing government pressure to download education costs on to students through increased tuition and course-related fees has resulted in an inconsistent financial aid policy in Ontario.

In theory, when tuition and other fees go up, the amount of financial aid the government provides should follow equally. In Ontario, this has not been the case. Due to tightened eligibility rules within the Ontario student assistance program and frozen loan limits since 1994, the reduction in direct assistance provided to students has been in decline over the past decade. Between 1996-97 and 2002-03, there has been a reduction of over \$700 million in the amount of direct financial assistance received by students.

In a survey of over 6,900 current Ontario college students conducted by the College Student Alliance, when asked, “In the pursuit of your post-secondary education, have you accumulated personal debt other than OSAP?” 60% of participants indicated that they were carrying debt outside of the OSAP program. Of those participants who said they were carrying a debt beyond OSAP, 26% said they had debt loads in excess of \$4,000.

Approximately 50% of Canadian post-secondary students take out student loans. According to the Canada Millennium Scholarship Foundation, in 2001-02, 63% of students receiving an OSAP loan had an unmet need of \$3,070 for that academic year. “Unmet needs” means that OSAP assessment said they need it, but due to the needs assessment, they were unable to access the funds.

Students are concerned that the need to incur substantial debt in order to obtain a post-secondary education is not the only barrier to access. It limits the student’s decision of what and where they will study. Besides the financial barrier to post-secondary education, many northern Ontarians have seen cuts to the programs offered at northern institutions as a result of underfunding.

Over the last five years, Cambrian College has cut and/or suspended the following programs: horticulture technician, carpentry technician, records and information technology management, native child and family worker, geology technician and dental assistant. Confederation College has cut 10 programs for the last two years. Northern, Sault, and Canadore have also faced cuts to programs and have consistently been faced with making these decisions on a regular basis.

The decision to cut or suspend a program due to financial constraints is always a hard one for a northern institution. I believe that northern institutions do everything in their power to serve the needs of the local

community. Now I ask you, how are we serving our northern communities by cutting programs that are essential to the health of our local economies?

1050

Colleges in northern Ontario are the economic drivers within their respective communities. An increase in base operating funding would not only help the stability and sustainability of a northern college, but also the northern communities and therefore the local economies as well.

Chronic underfunding of Ontario’s colleges has resulted in a crippling of student service units. For example, during peak exam times, students at some colleges who request an appointment with a college counsellor can expect wait times of two to three weeks. This lengthy wait time reduces the ability of the counsellor to provide immediate assistance and the student to derive the benefit of their advice during these crucial times. In northern Ontario, many institutions have been forced to cut back student service areas such as the library, counselling, medical clinics and even some essential services. For example, Confederation College this year has cut back garbage and recycling pickup, cleaning services and mail delivery.

As a result of the deep cuts to base funding in the 1990s, students are expected more and more every year to directly fund many of their own support services. For example, students at some colleges are currently paying over \$920 per academic year, or 50% more than their base tuition, to fund these services. Athletics, career counselling and peer mentoring are in most cases being directly funded by students through mandatory auxiliary fees. Every year, students are seeing an increase in their mandatory auxiliary fees because the student administrative councils, which have the final say on all of these increases, are being asked to raise these fees or lose the service. Soon, higher education will become inaccessible to those from smaller and rural communities, aboriginal communities and francophone and anglophone communities.

The college and university systems in Ontario were established as distinct entities serving different mandates. This has resulted in a two-tier system. The current post-secondary education system is missing the necessary architecture to facilitate the movement of students between the two tiers.

Those who chose to pursue a college education, an applied education that in most cases is designed to provide students with the skills they need to directly enter the workforce, find it difficult to subsequently pursue an education at the university level due to the lack of credit transfers and appropriate recognition of prior learning. In order for graduates to be successful in an increasingly competitive market, a system that facilitates the easy transfer of learning outcomes within and between the tiers, thereby preparing graduates with the appropriate integration of practical and theoretical learning, must be established. In the survey results provided with this presentation, 34% of students surveyed said they intended to pursue a university education after their

college program of study, and 22% said they had the intention of attending university in a full-time capacity shortly after the completion of college. Ontario's students and future workers should not be restricted to choosing an education that offers only practical, theoretical or technological skills, but rather a combination of all three.

By addressing transferability for all students within and between institutions and through appropriate levels of recognition, we would be putting students first. In doing so, we would ensure that all levels of post-secondary education are legitimate and relevant for each and every student, and we would have truly created an integrated system of learning. Students need to be able to freely move between universities and colleges without redundant learning and without the negative effects of institutional competition.

Ontario's post-secondary system has become a privilege for those Ontarians who can afford to pay, when it should be a right. If we continue to increase the reliance on students to fund Ontario's post-secondary education system, education at this level will very soon become a privilege for those from the highest socio-economic background. If the trend of downloading costs on to students is not reversed soon, the student demographic at Ontario's colleges will soon match that of Ontario's universities, where those in the highest socio-economic background are more than twice as likely to attend than those of the lowest socio-economic background.

I would encourage you to take the first step in implementing lifelong learning in Ontario and truly making higher education accessible to every citizen of Ontario, no matter what their socio-economic background. An investment by the province to adequately and appropriately fund Ontario's colleges, especially those in northern Ontario, will contribute to the economic growth and stability of our province.

I would strongly encourage you to accept the recommendation put forth by the Association of Colleges of Applied Arts and Technology to raise provincial funding of Ontario's colleges to the national average, as well as funding the recommendations put forward by the College Student Alliance, the official voice of over 110,000 full-time college students in Ontario, including the students of Cambrian College. Thank you.

The Chair: Thank you for your presentation. The questioning now will go to the NDP.

Mr Prue: We know that Ontario's colleges and universities are in pretty desperate straits. We know that they rank 10th out of 10 in Canada and 59th out of 60 in North America in terms of how much we spend on students. In order for Ontario to come to the middle of the pack in Canada, it's going to cost—I believe the figure was \$260 million. That's how much would have to be spent this year. That's more than half of what the finance minister said he's going to spend in additional monies this year. I don't agree with him, by the way, but that's what he said he's going to do, and I don't think he's going to listen to me, any more than you. So I want to hear your best case why he should take half the money

in additional spending and move Ontario to the middle of the pack.

Mr Charlebois: First of all, I don't think post-secondary education or education in general is one thing that we can waver on or not invest any money in. Our current system—as you stated, we're at the bottom in almost every category, which I don't think the richest province in Canada should be at in terms of educating its society. We need to invest in education because that's how we're going to improve everything. Improved health care stems from well-educated people working in their industries and in the hospitals. Every industry can benefit from education, and I think success in Ontario would be the result of an increase in funds to postsecondary education. Everything stems from education, so by investing in it, you're just investing in the future of Ontario.

Mr Prue: I am kind of worried in Ontario and in Canada that the needs of our native population have not been met in the past. Some 20, 30, 50 years ago, there were not many aboriginal peoples who wanted to attend postsecondary education. Those numbers are starting to go up significantly, yet there do not seem to be the funds. I like to ask this in northern communities: Can you tell me how many native students there are in your college or whether or not you think they have adequate access to higher education?

Mr Charlebois: Currently, I believe the number is around 400. You can ask Sylvia. I'm sure Sylvia will have a better understanding.

Mr Prue: I won't get a chance, because that will be the Liberals' turn.

Mr Charlebois: OK, sorry. I believe it's around 400 students that we have, but we also service many other First Nations students at remote campuses, such as our campuses in Manitoulin and Espanola, and the projects we do with the Anishinabek Educational Institute and other projects. Currently, I think in northern Ontario, yes, we do see an increase in aboriginal students attending postsecondary, but there are still many challenges they face in coming from remote communities to a post-secondary institution, which for some of them can mean hours and hours of travel, as well as being removed from everything they know. I think we are starting to get better in terms of making accessibility for First Nations students, but we're still not all the way there in supporting them in terms of the funding, in terms of allowing them to become an integral part of our society. I think there's a lot more we can do, and funding will help that, funding northern institutions properly to drive initiatives to go into those communities, reach out to them and bring them back to the institution.

The Chair: Thank you for presenting before the committee. You did very well.

1100

CAMBRIAN COLLEGE

The Chair: I would call on Cambrian College to come forward, please. Good morning. You have 10 minutes for your presentation and there will be five

minutes for questioning. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Ms Sylvia Barnard: Thank you very much. My name is Sylvia Barnard and I am the president of Cambrian College. I am a co-leader of the college, along with Tyler, whom you just heard from, and we do work very closely together. As he indicated, he has a very good understanding of the college and the college system.

There are a number of handouts that I'm providing for you. What I'd like to do is just very quickly direct you to the information in those, then be able to talk to you about the issues around underfunding and the challenges that northern colleges are facing and put some face to some of the challenges.

You are receiving a document entitled *The Unique Contributions and Challenges of the Small, Northern, Rural, Francophone Colleges*. That particular paper collects and documents the challenges that are faced by that category of college, which is 10 colleges across the province. I would encourage you to take a look at the kinds of things that are being done in other jurisdictions in our country and around the world in funding small, northern, rural colleges that are serving a different population and that provide a very different mandate of community development. There are some real success stories there that help to demonstrate why it is that the northern colleges seem to be facing the greatest challenges in the current funding model.

In addition to that, we're also providing you with the PowerPoint—that is, *Investing in Ontario's Future: Fund Colleges Now*, prepared by ACAATO. I know you're going to hear from colleges across the province and from ACAATO on the need for funding. You certainly all have heard about it. You read the papers, you are part of the medias you know what's going on and you know our message. We really are in a situation that is very critical: the underfunding of colleges. That particular document simply provides you with the information from ACAATO.

Finally, there is also a document that I prepared, *Colleges in Northern Ontario: The Keys to Strengthening Northern Communities*. As Tyler indicated, the strength of a community is the education of its people. We know from research that, first of all, colleges contribute a 12% return on investment for every dollar the government invests on an annual basis. So investing in colleges is a good thing for government.

In addition to that, we know that people who are better educated have lower health care costs. People who are better educated are greater contributors to the coffers of the province through their earning capabilities and also through development in their communities, because they tend to volunteer more, they tend to use social services less, they tend to be less involved with criminal activity and also, as educated people, they tend to earn higher and spend more within their own communities. So there is a sound basis for investing in post-secondary education and, in particular, in this case, in the colleges.

I'd like to talk a little bit about access. Tyler already outlined for you some of the challenges of access, and I was very pleased to have the question about aboriginal students. Let me tell you about some of the kinds of challenges and successes we've been able to experience.

On Manitoulin Island there are a number of First Nations, and over the last three years we educated nine students as carpenters on one of the First Nations. They attended class in their community. We brought them to our campus for some of the work. It was a combined delivery of face-to-face and some virtual delivery and a lot of travel back and forth. In the end, they succeeded not only in completing their qualifications as carpenters but they built two houses in their First Nation community. Each one of them is a four-bedroom house, heated through passive solar, which they designed. One house is being used as a group home and the other is being used as a foster home so that the children who are in crisis in the community are able to stay in their own community.

That's a success story. That success story cost Cambrian \$35,000 a year in order to provide that particular experience, because we can't provide a program for nine students and meet costs. But we did it because we believe in developing the community.

Right now in another community, we are providing health care instruction for practical nurses, and again, we have 11 students in that program. Those 11 students were 100% successful in their first year. They are all now in their second year. We don't have an attrition rate; we hold on to those students. We do everything we can. We can't make ends meet with 11 students in a program, but we do it because we believe in making sure that these students are able to be successful in their communities because they strengthen their communities, in the end. Normally, what we would do is look at other aspects of our operation in order to provide that kind of experience for the students, but we don't have any money in any other part of our operation.

Each year for the last four years, Cambrian has had to find \$4 million. We have had a continuous situation of each year having a \$4-million deficit, and I'm pleased to say we have been successful in balancing our budget every year. So we find the money. Where do we find it? We find it by cutting programs, we find it by cutting services, we find it by not doing deferred maintenance and we find it by being very entrepreneurial. We are currently in a position where we are bringing in approximately 5% to 10% of our budget on an annual basis through some of our entrepreneurial activities in order to fund some of these other activities that are going on, which we feel we need to do.

Cambrian has not had a librarian in its library for the last eight years. How do you keep a library current if you don't have a librarian? We run it with a few technicians. Cambrian is facing a \$6-million deficit in deferred maintenance—\$6 million that we need in order to meet our maintenance costs.

In 1993-94, Cambrian College had 4,300 students. At that time, we were bilingual. We had a \$63-million

budget. We employed 400 faculty and a total of 613 full-time staff. Then Collège Boréal was formed and we experienced a drop in students. We now, in 2003-04, have climbed back up to 4,300 students, the same number of students. Instead of a \$63-million budget, we have a \$50-million budget. It's 10 years later. There have been 10 years of inflation and we have \$13 million less for exactly the same number of students.

How do we do it? Instead of 400 full-time faculty, we have 200 full-time faculty. That affects quality in the classroom. Full-time faculty are the people who invest in making sure that programs are current. They make sure that students are served; they are available for students. Part-timers are coming from other jobs and they don't have time to spend two, three, five, six hours a week just meeting students. They're not being paid for it. They're being paid to simply teach in the classroom. Quality and retention are affected.

We now have 444 full-time staff instead of 613. Our administrators have been reduced by 50%. I'm running a college for 4,300 students with a \$50-million budget with 47 full-time administrators in order to try and put as much money as we can into the classrooms.

Each year, we see an increase in costs of about \$2 million, and you ask why do we keep having this \$4-million problem? Two million dollars of it is in costs to staff. Seventy-four per cent of our budget is staff, and each year our staff are entitled to their increases in the collective agreements and so on. That's where we are seeing half of our problem eaten up each time.

So I guess what I would suggest to you is that at the same time we are experiencing all of these successes, we're doing it in incredibly fiscally challenging times. I am hopeful this government is going to see that value and is going to invest in the college system. Thank you.

The Chair: Thank you. The questioning will go to the government.

Mr Colle: Thank you very much for that very compelling illustration of the great work you've done with the First Nations, what you're trying to accomplish with the First Nations students on Manitoulin Island. I think that's an excellent example of how you're going above and beyond the letter of your mandate, and I want to commend you for that.

One of the things you've mentioned that's very troubling to me and that I've heard from other college presidents is that we have the lowest-funded colleges in Canada. The universities tell us the same thing. We are the lowest-funded per capita in our universities, too, for our students. Are you aware of the fact that every year Ontario gives to the federal government, to the other provinces, \$23 billion above and beyond what we get back from the federal government in programs and transfers? Do you think it would be a good idea if we were able to keep some of that \$23 billion here, just a small portion, so maybe we could bring our colleges up to the national standard?

1110

Ms Barnard: I am very aware of all of the information that you shared. I would say one of the things that

has really impacted the college system has been the fact that all the other provinces have a labour market agreement with the federal government. That means that, through a labour market agreement, there are investments that are happening in those provinces, centres that are being created for the development of particular training programs, largely in the apprenticeship area or in other technical areas. The colleges are being funded to set up these kinds of institutions, such as a \$17-million project that was set up for simulation for marine training in St John's, Newfoundland, with the College of the North Atlantic. I can tell you about every province and what kinds of funding they have received through a labour market agreement.

In Ontario, because of the fact that we don't have a labour market agreement, the student is funded on an individual basis. Instead of having the dollars come into the institution and having a significant pot of money so you can then say, "I've got \$17 million and I can set up this training centre," and the students come in and they are funded to attend, what we have to rely on is hopefully we can bring together enough students who all want to take their training dollars and come and participate in a training program. It becomes a very scattergun approach. It does not allow us at any time to invest in any equipment.

At Cambrian we do underground core mining training. That is our very large project with HRSD and it is very successful. But that's because we happen to be in the right place for mining and we're in a mining boom and they have seen fit to fund these students at this particular time. But I'm told that that funding is running out and we may not have that next year, so there goes about \$1.5 million that I'm going to have to find next year in the budget because we aren't going to get that training.

Each year we are sitting on this razor edge of trying to know what kinds of training we will be able to get funded, whereas we see the other provinces getting the money for these large institutions. So anything that the Liberal government here could do with the Liberal government federally to come to some kind of an agreement around investment, and then recognize the colleges are well positioned to do that kind of training—because we have the expertise, and we certainly have the will and the experience—would be very helpful for the college system and for the growth of our communities.

The Chair: Thank you for your presentation this morning.

CHILD CARE RESOURCES

The Chair: For the benefit of the committee, the 10:15 presentation has cancelled. Now I would call on Child Care Resources to come forward, please.

Mr Colle: It's 11:15.

The Chair: Did I say 10:15? The 11:15 has cancelled. And a correction to your sheet: The name "Lisa" should be "Lois."

Good morning. You have 10 minutes for your presentation. There will be five minutes left for questioning. I would ask you to identify yourself for the purposes of our recording Hansard. You may begin.

Ms Lois Mahon: My name is Lois Mahon. I'm the executive director of Child Care Resources, and I would like to thank you for the opportunity to chat with you this morning.

Our agency is the lead agency for the Ontario Early Years Centre—Sudbury and also with the preschool autism program for the northern region. We also deliver the school support program for children with pervasive developmental disorders. We deliver out-of-home respite services for children with high needs and multiple needs and provide special-needs resourcing to all child care programs in Sudbury-Manitoulin.

We currently provide a 24-hour therapeutic residential program for three children with severe autism. As a children's services provider, we participate in single point of access here in Sudbury-Manitoulin and also in many network forums.

Today I'd like to highlight for you four key areas that the Child Care Resources board and myself would like you to consider as you prepare for our next provincial budget. These include: first, the need for enhanced funding to address gaps in developmental funding services for those children who are developmentally delayed; second, to provide resources to support children with special needs in Ontario Early Years centres and to include support for these children in the new Best Start strategies; third, to identify the challenges of providing services in northern Ontario that require funding allocations to be flexible and, in some cases, enhanced; and fourth, the need to support research, planning and program evaluation in a meaningful manner.

Let me begin with services funded by the Ministry of Children and Youth Services for those children with developmental delays. Certainly not to diminish the need that child welfare and children's mental health services have for enhanced funding, I'd like to point out that the services for children with developmental delays, Down's syndrome and similar diagnoses seem to have been forgotten. These children and their families continue to require support at both ends of the service spectrum. Families need coordinated respite that meets the needs of their child and their specific family. They need assistance and support in coordinating services and in advocating for their children. These children and families require access to clinical services: psychology, occupational therapy and physiotherapy, social work, speech and language. Above all, these children need direct support so that they can be successfully included in their neighbourhood schools and in the community.

In our community of Sudbury-Manitoulin Island, these children and those children who don't qualify for the more intense preschool autism program really only have access to one program, that being out-of-home respite service. Some families can access special services at home, a directly funded program. However, families that

are already overburdened and stressed and dealing with challenges have little energy or ability to recruit, hire, train and supervise workers.

Residential supports for children with developmental delays and for those kids with autism seem now to be required only for those kids who are at the severe end of the spectrum and who are functioning at a very low developmental level. These children often present with very challenging and aggressive behaviour, they're often nonverbal and they require both intensive therapy and high levels of care. In our experience, these kids are usually able to live with their families as preschoolers, but as they reach adolescence, their needs increase dramatically, and often by that time their families are no longer able to care for them. The cost to provide support for these children is exceptionally high. In our community, it's costing \$500,000 per year per child, and currently there is no existing base funding for this support. While this is a small number of children, I would guess both provincially and locally, their care needs are high. Funding is certainly a challenge, but nonetheless a critical need, in our opinion.

In terms of early childhood development, we in Ontario can be proud of the movement we have made with our Ontario Early Years centres, and we look forward very much to the implementation of this government's new Best Start strategy. However, we urge you to ensure that as you budget for this initiative and for Early Years centres, you include funding to provide support for children with special needs. Currently, the special needs resourcing funds and programs are managed by local levels of government—municipalities and, in the north, district social service administration boards—as part of the child care envelope with, as you may know, the province contributing 80% and the local government contributing 20%. These programs ensure that all children, including those with any special need, from physical challenges to developmental delays, from mental health concerns to autism, can participate in regular programs enhancing their development. However, funding is very limited and is provided only for child care programs, not for Early Years centres.

Current research supports our premise that everyone benefits from programs where all children are included and that early development maximizes every child's potential, decreasing future and often more costly interventions. We trust, therefore, that the development of Best Start strategies will include specific budget allocations for special-needs resourcing, that all existing child care budgets to municipalities and DSSABs will have adequate money to support Best Start, existing child care programs and to expand to include support to the Ontario Early Years centres and to children of our First Nations.

In a recent position paper presented by the northern Early Years centre, the following was noted: While the population is slightly over 10% of the province, the north of Ontario covers over 800,000 square kilometres, or 89% of the provincial land mass. Northern Ontario is

made up of 154 municipalities, 104 First Nations and over 150 unincorporated communities. Some of these are fly-in communities only, with no road access. We have a large francophone population, and we must ensure services in both official languages almost everywhere in the north.

1120

We are designated underserved in health care in 34 of our communities and have over 100 specialist vacancies. Many of our First Nations are in crisis and don't even have the basic necessities of life. As you are aware, youth suicides are extremely high.

Due to out-migration, most of the 33 school boards and authorities have had to close schools. In many of our rural areas, children are bused for very long distances.

We have six DSSABs—district social services administration boards—and one consolidated municipal service manager, and these attempt to span the 800,000 square kilometres and over 250 non-aboriginal communities. Their focus is on ambulance, social housing, Ontario Works, daycare fee subsidy and daycare special-needs financial management.

To those of you who will have an influence on the development of this provincial budget, we urge you to consider these facts as you allocate resources, particularly to your Ministry of Children and Youth Services. We also encourage a flexible approach for transfer payment agencies in the utilization of these funds. Often northern communities have creative ideas, as necessity becomes the mother of invention.

My last point is that you would adequately fund generic programs such as our local social planning council to assist both yourselves and service providers in collecting data that is accurate and timely to demonstrate that resources are in fact spent meeting the needs of children and families, that the services provided are of high standard and quality, and most importantly, that they are coordinated, complementary and collaborative to maximize resources and to provide seamless services to children and families. Thank you.

The Chair: Thank you. We will begin questioning with the official opposition.

Mr Miller: Thank you for coming today. I guess, first of all, questions about the area that you service. How big an area is it that you personally—

Ms Mahon: We provide services in some of our programs from Sudbury East to the Manitoba border; other of our services are provided to the geographic area of Sudbury-Manitoulin district.

Mr Miller: OK. For that area, how many Early Years centres would you have?

Ms Mahon: Our agency itself is responsible for one Early Years centre, in Sudbury-Manitoulin. As you know, the allocation of Early Years centres, unfortunately, as you're probably aware, came down with political boundaries rather than the traditional service boundaries. So we have four Ontario Early Years centres serving Sudbury-Manitoulin and we have six serving the north part of the province.

Mr Miller: They were introduced a couple of years ago. Have they been a success, in your mind?

Ms Mahon: In the north, we have provided services in a collaborative way with all of our Early Years centres and we've worked very closely with our other children's services providers—children's mental health and our child welfare agencies—to be a front door and to be a support to those other programs. I think that we've had some challenges in the north, particularly my colleagues in the Kenora-Rainy River area, who have such a geographic area to provide service to with such a limited budget. But we found ourselves in the north really integrated into the rest of the children's services and so I would have to say that we've become very effective.

Mr Miller: Certainly the geography and the huge distances in trying to provide service to the areas is a challenge.

Ms Mahon: Exactly, yes.

Mr Miller: I know in my own area of Parry Sound-Muskoka, they ended up using a whole bunch of small satellites in the delivery model.

You were also talking about autism services that you provide. You state that the cost of delivery for adolescent people is half a million dollars per year.

Ms Mahon: This would be the cost that we currently are looking at for three kids. This is sort of an average cost, but this is a cost per child. This is for kids who are at the very most severe end of the spectrum: children who are non-verbal with aggressive behaviour who require very intensive therapy and high levels of care. So that's a residential kind of support for those kids.

Mr Miller: I was a little bit taken aback by the amount. I believe the government made some promises in the last election to do with autism services beyond age six, but I'll let them speak about that.

You wanted to ask a question?

Mr O'Toole: Yes. I just want to follow up.

I appreciate the work you do. It's very important for vulnerable children; I couldn't agree more. And the delivery, as Mr Miller has pointed out, is difficult. But the autism issue, as you know, has been before the courts and they have not ruled. Do you have any comments on that that you would share with the committee? It is and will remain very important. Shelley Martel has been a strong advocate on that particular file, and I haven't been convinced by the response by the ministry that they're prepared to do anything particularly new on the autism file, which is difficult.

Ms Mahon: I bring to your attention today the need for services outside the existing preschool autism program and school support program. As you know from my presentation, we are the service providers for both of those programs. I have to say that to this point we in the north have felt adequately supported in the delivery of those programs, notwithstanding the need for the other supports I talk about today in terms of respite, in terms of residential for those kids who don't fall into the criterion that's established by those programs.

We feel that in the north we've been able to enhance the number of kids we provide service to in those areas.

We've got a challenge in that area in the program. In the province, the program, as you may know, is provided both in a regionally funded program and provides the opportunity for families to purchase their own services. We've not had any private operators who have come to the north. I guess the profit margin here is not sufficient, so options for families in that area are sometimes limited. That's not anything to do with anybody's funding but rather, I guess, just market. But we at Child Care Resources, in our work with children with autism, would like to bring to your attention that it's the services that wrap around families that need attention.

Mr O'Toole: One final question, if I may—

The Chair: The time has expired. Thank you for your presentation.

For the committee, our next two presenters have not arrived, so we will recess until 11:45.

Mr O'Toole: Chair, with the indulgence of the committee, I would like to make a comment and I would like it to be recorded in Hansard. It's really requesting research, not in any partisan way. It's preparation for research.

I would like to bring forward a research request relating to the automotive sector.

As we are all aware, the automotive sector in Ontario is in competitive and challenging times, and this is the way it has been for some time. I believe that one of the issues we should be looking at as we work toward our final recommendation to the Minister of Finance is how the province can continue to provide support to keep these valuable jobs in our province.

Project Beacon is an initiative that has been proposed by General Motors of Canada intended to accelerate Canadian-based automotive innovation and competitiveness in conjunction with Canadian educational institutions and automotive suppliers.

As we are hearing from many colleges and universities from across the province their desire for more research support, I felt now would be a good time to put this request forward so that we have some information well in advance of preparing our final recommendations to the Minister of Finance.

I would ask that the researcher kindly look into the status of Project Beacon and their requests for financial support from the provincial and federal governments, and provide members of this committee with a brief overview of how this project could be advanced through upcoming budgets.

This is a project that deserves to be looked at very seriously. I have previously voiced my personal support for their efforts. I look forward to having an opportunity to discuss Project Beacon with members of the committee at a later time.

I have prepared a brief background on Project Beacon, which I will supply to the researcher.

I would ask the Ministry of Finance, who have officials attending these meetings, to work with the Ministry of Economic Development to prepare a report

for members of this committee before we conclude our pre-budget hearings next week in Toronto.

The reason I do that is that this project is very high-profile. There has been correspondence with the Prime Minister, with the Premier and with the ministers I've mentioned in my remarks.

I'm not sure just how to deal with it, Chair, and I appreciate your indulgence. I'm going to give this to the clerk and he can pass it to the researchers. It's about a \$2-billion project, and it's been mentioned by two colleges. It's exactly that; it's skilled trades training and it does have to do with the labour market agreement. Part of the solution is the labour market agreement that's been mentioned twice in these hearings so far. So with your indulgence, I appreciate the opportunity.

The Chair: Very good, and if you provide it in writing, it would certainly help.

Mr O'Toole: It's in writing. Thank you.

The Chair: With that, I did recess.

The committee recessed from 1130 to 1151.

JOANNE QUERNEY

The Chair: The standing committee on finance and economic affairs will come to order once again. I would ask that the Sudbury audiologist please come forward.

Ms Joanne Querney: Good morning, and thank you very much for adding me to your agenda. Can you hear me all right?

The Chair: Yes. I'll just explain, which I'm rather compelled to do, that you have 10 minutes for your presentation and there will be five minutes for questions. If you would identify yourself for the purposes of our recording Hansard, you may begin.

Ms Querney: My field is communications. I can say a lot in 10 minutes.

My name is Joanne Querney and I'm an audiologist. I've been in practice for 20 years in Sudbury and I am a northern Ontario native. I've been very active in the province in terms of involvement with committees—government committees, professional association committees—and the establishment of practice standards and hearing testing guidelines for the province.

You have before you a two-page summary of—sorry, no. A very nice lady in the green jacket, who is not here, put them in a corner somewhere, because it had to be the clerk who handed them to you.

Interjection.

Ms Querney: That was really just a check to make sure you were all listening. Now you have before you a two-page document.

The issues that I would like to speak with you about today are not new issues. In fact, it's a pleasure to see some familiar faces around the table, because we've had some of these discussions before. I'm very pleased to say that since some of my last discussions with some of you, we do have a wonderful infant hearing program in Ontario. It is probably the best-regarded program internationally in terms of the protocols. They are cutting-

edge. It's a fabulous program. As an audiologist, I'm very grateful that the government has recognized the importance of identifying kiddies who have hearing impairments at the earliest possible age and getting them started on a course of good communication.

Audiology, as a specialty assessment and therapeutic field, has grown over the past two decades in order to meet the increasing hearing health care needs of primarily infants, children and the elderly. I say that because that's primarily who has hearing impairments: kiddies with ear infections and, as we age, almost all of us after the age of 35 develop some hearing loss. It's not a medically or surgically treatable hearing loss; it's part of the normal aging process. The treatment for that is appropriate assessment and primarily the fitting of appropriate hearing aids.

The Ministry of Health has recognized that the assessment of infants and children is an important health care need and requires specific expertise, such that the infant hearing program in Ontario specifies that only audiologists may perform diagnostic assessments and prescribe amplification for children under the age of three. Funding is provided directly to audiologists for these clinical services.

Unfortunately, funding for the remainder of audiology services has not kept pace. When audiology emerged as a field of clinical expertise, funding was provided under the auspices of OHIP, and this model continues to this day. Audiologists do not have access to direct public funding for clinical services rendered. Rather, they must borrow a physician's billing number and pay a percentage of the fees billed. I can tell you that often 40% of the fees that are billed—in that range—get kicked back to the physician for that privilege. Alternatively, an audiologist can work for a physician in order to be compensated from the public health care dollars. As a consequence, there are a number of audiologists who do not provide audiology services within the public domain; they operate self-pay private practices for those residents of Ontario who are able to pay as they go.

Currently, the elderly in Ontario, who comprise the vast majority of people requiring publicly funded hearing health care—again, approximately 90% of hearing problems are age-related—are required to see their family physician in order to obtain a referral to an ear, nose and throat surgeon, who in turn refers them to his or her clinic for a hearing assessment. That hearing assessment may be provided by an audiologist; it may be provided by your mother or your next-door neighbour. Hearing testing in Ontario is an unregulated field. It's in the public domain. Anybody can hang the shingle and test your hearing.

Subsequently, the individual returns to the ear, nose and throat surgeon or their family physician in order to obtain the test results. This is the protocol that we have established in our province as that required to obtain a publicly funded hearing test. If there were any value added to the individual who's trying to cope with the hearing impairment by requiring them to see several

physicians as part of obtaining hearing health care, I can assure you that our professional associations and our regulatory college would support that model 100%. However, there is zero value added in having a physician as a gatekeeper for hearing health care. The reality is that the vast majority of hearing losses do not have a medical or surgical component to their identification, treatment or remediation.

Rather, in addition to the lost time spent in physicians' offices by both the elderly individual with the hearing loss as well as the caregiver who often accompanies them—I can tell you, that's usually one of their children, who has had to take half a day off work to bring their parent to the appointment—our tax dollars are paying for unnecessary office visits. In order to bill for a publicly funded hearing test in OHIP, if you look at the minimum requirements, they are a visit to your family physician for a referral, a visit to the ENT who assesses you and then sends you for the hearing test, and then you have to go back to a physician for the results to be rendered. If you go back to the GP, because that's cheaper—and this does not include the hearing test; this is just the cost we're paying as taxpayers to doctors to do all of this referring—it's over \$100; \$109.70 is the bargain base-ment cheapest you can do it for. There are models that are being used in this province that end up resulting in an additional \$229 per patient just for those physician fees to act as a referral mechanism and conduit for that publicly funded hearing test.

1200

Data from the Ministry of Health suggest that approximately \$26 million a year is paid from our taxpayer dollars for hearing testing. This translates roughly into 433,000 hearing tests per annum based on an average assessment fee of \$60. It's actually about \$58, but I took some liberties rounding.

If we use an average add-on cost of requiring physician visits as a precursor to obtaining a publicly funded hearing assessment, then the additional cost to the system for a zero-value-added service is \$169, which would be the average of those two figures, times 433,000 hearing assessments, which totals \$73-million-plus a year. Again, that's not for the hearing test. The hearing test is less than \$60. That's for the route that we're paying in order to provide a publicly funded hearing test.

How can this system have been perpetuated? Many ear, nose and throat surgeons consider that—and this is their language from their documents—it is their "rightful remuneration" to hire an audiologist, bill OHIP for the audiology services and pocket the difference.

I sit on the College of Physicians and Surgeons' diagnostic hearing testing task force, and have for six years, and I can tell you I have personally had this conversation with several of the leading ear, nose and throat surgeons in our province who, to give them their full due, are excellent surgeons and excellent providers of medical care, but they're not audiologists. They view this money they glean as their rightful remuneration in lieu of a pension plan, because they're not provided a pension

by the province. That's their retirement fund, and I can tell you that's a direct quote.

If you consider that an ear, nose and throat surgeon who's billing for these hearing tests hires one hearing tester—whether that's an audiologist or your mother or whomever—and bills conservatively, they will pocket about \$2 million in that 30-year practice. That's the profit. That's the differential between the salary and what they're billing. There are a number of ear, nose and throat physicians who run multi-testing practices. So I'm sure the math is apparent.

It is our contention that Ontario residents who are experiencing hearing difficulty deserve better. Certainly, the taxpayers of our province deserve better. Some \$73 million is a lot of money to waste.

Audiologists, who are trained at the doctoral or masters level, require a minimum of six years of university training to practise in this province, and the majority of us have seven, eight, 10 years, depending on the training route that you've pursued as a post-graduate student. Audiologists are exquisitely trained to delineate those hearing losses for which no medical or surgical treatment is possible. It's not rocket science. It's very clear hearing health science. It's not difficult.

The vast majority—and there's literature to support this, and the literature reviews have been sent to committees previously. I'm very happy to send them again if you're interested in having them. The Americans have looked at this quite strongly. Veterans Affairs in the United States, which drives a lot of the hearing health care practice there, has determined that physicians should not be gatekeepers. It's not an effective model. The data is out there.

There are very few cases of hearing loss that have a medical or surgical component. For those that may, it is our training to determine that and to refer those back to a physician for the appropriate medical care when it's required.

For the vast majority—again, your parents, ourselves; we fit a lot of people in their 40s and 50s with hearing aids these days—there is no medical or surgical component to that. There is no need to waste that money. It's much more efficient and effective to use the audiologist as gatekeeper, evaluating individuals with hearing loss, treating those for whom medical or surgical intervention is not an option, and referring to physicians those few individuals for whom this is an appropriate route.

General medical practitioners receive no training in audiology. Ear, nose and throat surgeons recently had their training in audiology doubled. It used to be one week given by audiologists; it's now two weeks. That's their entire training in audiology, and as a consequence of that, they are then given the keys to this golden billing opportunity for a domain that is neither their expertise nor their right.

By using audiologists as gatekeepers, the province will save \$73 million a year. The cost of the hearing test doesn't change. Just as a comparison, the excellent infant hearing program we have in this province, which is the

best-funded infant hearing program probably of any in the world, costs us about \$20 million. It does not use a physician as a gatekeeper. Physicians are not allowed to test or to prescribe for children. The Ministry of Health recognizes that it is the audiologist's expertise that is required. And look at what you can get for \$20 million when you spend it appropriately.

You will also increase accessibility. Fewer office visits will be required. People—again, primarily seniors, because that's who is using the hearing health care system—will not have to go to the physician's office and sit there for an hour waiting for a referral slip, and then go across town on another day to an ear, nose and throat doctor's office and sit there and wait for an appointment before they finally get to an audiologist.

We will also enable the medical community to better serve their patients by freeing up at least—get this number—1.3 million office visit spaces for people who are really sick or who require medical expertise. This is a particularly valuable number, 1.3 million physician visits, in communities like ours where 30% of patients do not have family doctors. I can tell you from personal experience that we've had to send people to the emergency room of our hospital and to the after-hours clinic because they require a referral and that's the only way they can access one. I think we can do better.

Last, we will also be recognizing the training and expertise of the audiologists of Ontario by providing funding for the services which we render on a daily basis to the residents of this province. Thank you.

The Chair: We'll move to questioning from the NDP.

Mr Prue: Thank you—most interesting. This is absolutely interesting, but you've made it before.

Ms Querney: Absolutely.

Mr Prue: And nothing has happened. I can only assume, and you can tell me if I'm wrong, there must be somebody in the finance department and maybe even some politicians who have thought this is a good idea. It hasn't happened, I must assume, because the doctors have spoken out against it, have talked against it, have rallied around the flag and done whatever. Is that the case?

Ms Querney: I can speak from my own experience, which again is as an advocate for the hearing impaired and somebody who has been involved with a lot of committees provincially, nationally and internationally that involve physicians. In our province, my experience personally has been that it is a small group of very aggressive ear, nose and throat surgeons who have bullied and steamrolled some of these perspectives through their colleagues. I have had several ear, nose and throat specialists who have said to me, "This is absolutely terrible; I'm so sorry that this is the situation," but they will not step forward because they are afraid of a few people who have been the leaders in the OMA and the ENT section of the OMA who have run interference.

If you look at the committees that have been struck, there has not been one committee that any government in this province has struck that has been comprised of

audiologists. Who do we look to when we're looking to set policy? A group of physicians. Boy, talk about the fox guarding the henhouse.

Mr Prue: In community health centres, are audiologists usually part of the team in those centres or not?

Ms Querney: I'm not an expert on community health centres; however, Sault Ste Marie does have one centre that does have an audiologist. I believe Hamilton may have one, but I am not sure. But that would probably be pretty much it. We have no community health centres that are anglophone in our district. The francophone community health centre that we have does not employ an audiologist.

Mr Prue: In larger communities—Toronto, Hamilton, Ottawa—the community health centres, I would assume, could have an audiologist if they wanted one. Would you recommend that that be part of the health team in those places?

1210

Ms Querney: I think totally irrespective of a community health centre, which quite frankly I couldn't comment on because I'm not familiar with the practice protocols and what the scope of a community health centre is, it certainly would be very worthwhile looking at as part of the LHINs, for example. I have certainly made the point that audiologists are a part of the health care team. I believe if you look at the reviews that have come in from across the province, audiology is consistently included as part of the health care team, as we try to redefine what health care is in this province and in this country as something more than a physician-based service.

Mr Prue: Are there sufficient audiologists at the present time in Ontario? If we took this away from the doctors—and I know that in some rural communities there may not be audiologists—are there enough to service all the needs of those who are losing their hearing?

Ms Querney: If you look at the waiting lists in Ontario, they're pretty short. In northern Ontario, in Sudbury, where we tend to be chronically underserved in many things, we do not have a long waiting list—a week, for example—for an audiology assessment. Again, I do not believe that that is an issue.

Certainly, patients who have hearing difficulties should be seen by audiologists. I would suggest to you that we would certainly be very interested in engaging in that discussion at a committee level, if the government felt it appropriate and saw fit to move in that direction.

The Chair: Thank you for your presentation, and I thank you for your patience in waiting for the committee to reconvene.

Mr O'Toole: On a point of order, Mr Chair: I would move that the committee request the Minister of Health to review the regulations affecting the scope of practice of audiologists and bring forward their plan to deal with the requirement of a physician visit as a precursor prior to the visit to an audiologist. This is in response to the presentation we've just heard. This could result in the

saving of \$73 million and improve access to services for citizens with hearing problems.

I submit that written request to the clerk.

The Chair: Thank you. And thank you for your presentation this morning.

Ms Querney: I thank you kindly. Any other questions?

The Chair: The time for questions has expired.

Ms Querney: Oh, I thank you very much for your time today.

LAURENTIAN UNIVERSITY

The Chair: I would call on Laurentian University to come forward, please. Good morning. You have 10 minutes for your presentation. There would be five minutes for questioning. I would ask you to identify yourselves for the purposes of our recording Hansard. You may begin.

Ms Judith Woodsworth: My name is Judith Woodsworth. I'm president of Laurentian University. I will introduce my colleague, who will begin to speak: Mr Ron Chrysler, vice-president, administration.

Mr Ron Chrysler: First of all, let me thank you for the opportunity to speak to you today and to bring to your attention a number of issues of importance to Laurentian and to other Ontario universities, and, I think more importantly, to all the residents of Ontario.

As you are no doubt aware, the Premier and the Minister of Colleges and Universities have appointed Mr Bob Rae and an advisory panel to conduct a comprehensive review of the structure and funding of Ontario's post-secondary education system. Mr Rae, after conducting an extensive consultation process, will soon submit his report and specific recommendations to the Premier and to the minister. In the short time we have today, we would like to highlight a few points that have been included in submissions to Mr Rae by Laurentian and by the collective of Ontario universities. We believe it is important for this committee to be aware of these items as you undertake consultations in advance of the province's 2005-06 budget.

The first item we talk about is funding of Ontario universities. I think you have to view this as an investment by the province, an investment that contributes to the economic health of the province through having a more educated populace and through the research activity conducted in the universities. As has been stated by the Premier at the Ontario economic summit in October this year, "The best way to attract investment and create high-wage jobs that last is to build the best educated, most highly skilled, most productive workforce in North America." So an investment in Ontario's universities really is an investment in the economic health of this province.

Ontario universities have found themselves struggling to maintain quality and competitiveness with other jurisdictions as funding has failed to keep pace with increased enrolment and increased costs. Comparisons with the

funding provided to universities in other jurisdictions reveals the following:

Ontario ranks at or near the bottom in terms of provincial operating support to universities, as measured by operating grants per student, per capita spending and per \$1,000 of provincial personal income. If operating grants were increased to the average funding per student in the nine other provinces in this country, this would result in increased funding to Ontario universities of \$850 million, an indication of how far we have fallen in this province in terms of the funding.

As another measure of the gap in funding, a comparison with publicly supported universities in 14 US states reveals that the operating funding falls short by about \$1 billion.

Another issue that I think is of importance to you is the investment in physical facilities located on Ontario campuses. Many of these buildings, including those on the Laurentian campus, are more than 30 years old, which is considered to be the average life cycle of a building, and are in need of significant renewal. The funding currently being provided by the province for renewal of facilities of all Ontario universities is just over \$25 million annually. This is grossly insufficient to address the deferred maintenance problems faced by universities. A report which has been submitted to the Rae review estimates the total deferred maintenance problem at \$1.5 billion. If we are to continue to provide quality facilities to students and to maintain our research capacity, this will have to be addressed by increased funding.

The other capital item we would like to bring to your attention is funding for new facilities. At the moment, the ministry does not have a specific program in place to address capital needs. This is a particular concern for Laurentian, as we've seen our enrolment increase by 50% over the past few years, and it's creating significant space problems for us. Although the province did fund new facilities at most other Ontario universities over the past few years, Laurentian, as a result of its earlier lower enrolment levels, did not receive any funding for new buildings. We now find ourselves in the position of requiring significant new space to meet new program needs and to provide space for our increasing research activities. We acknowledge that universities have traditionally been asked to partially fund new facilities from fundraising efforts, and we are prepared to do so, but without some government support this is very difficult. It is important for Laurentian and other Ontario universities that the province put in place a funding program for new capital facilities.

At this point, I'm going to turn it over to Dr Woodsworth to bring other points to your attention.

Ms Woodsworth: I'd like to thank you again for giving us this opportunity to address you.

One of the stated goals in the Rae review and one of the goals of this government has been accessibility to higher education. This has been one of the core values of Laurentian University since it was founded. We believe in accessibility, and we don't restrict enrolment to people

who have 85% averages, either. We've made a commitment over the years to provide an opportunity for university-level studies throughout northern Ontario. We do this through distance education and a lot of interesting and innovative partnerships. This is particularly important for our region because we've looked at the participation rates, and we find that they're significantly lower than the average for the province. To give you an idea, the average percentage of people in Ontario with some post-secondary education is around 24%, but in the north it's 12%. So we're very, very far behind. When we look at these figures, it's even worse for francophones and aboriginals. So we think we have a role to play, as a bilingual and tricultural university—tricultural because we have a significant aboriginal population—in improving the participation rate of northerners, but this kind of initiative will require special support over and above the general funding requirements: a lot of extra money for attracting students and retaining them.

1220

Also, we've got a lower proportion of graduate students than other universities in the province, and we have now a significant number of masters programs. In the last couple of years, we've introduced PhD programs for the first time, but we will need extra funding to support this graduate initiative.

There's research behind all this. You may be aware of Roger Martin, the dean of business at U of T, who's led the institute on competitiveness and prosperity. His studies show that higher education levels have a direct impact on prosperity and competitiveness. He's speaking for the entire province of Ontario, but if it's important for the prosperity of Ontario, then it's even more important for the prosperity of the north. We feel it's very, very crucial in this region to improve the participation rates here.

Laurentian is very much aware also of the important role that it plays in the economic development of Sudbury and northern Ontario. Maybe more than a big university in a big city, a university in an area such as ours has that role. We do this by attracting students from outside the region and also by the kind of research we conduct, the scope of our research activity and also the direct impact that our research has on the economic development of the region. I give mining as an example. We do research in the field of mining that has a direct effect on the industry. We accept this role and continue to work at it, but we will require provincial support in terms of funding and space in order to play the role to its full potential.

I want to just conclude by emphasizing three areas of strength for you, and these are very positive areas for Laurentian University: health sciences, environmental sciences, and the mineral sciences and mining sector. In each of these areas, we're very grateful for the support that we have received, but we want to emphasize that we need more help and the continued support of the government of Ontario.

First of all, the Northern Ontario School of Medicine, which is the school of medicine of Lakehead University

and Laurentian University, will open its doors to new students in August, coming up in just a few months. We've had a very good initial investment, but we still have not received from the province confirmation of what the operating grant will be. We haven't gotten confirmation yet for the per student funding, and we need it for our accreditation.

We are also very proud of a collaborative research initiative called the co-operative freshwater ecology unit, which is a joint venture with the Ministry of Natural Resources and the Ministry of the Environment. To date, we have been unable to receive a commitment to move forward with the very much needed permanent facility to house the world-class research that's being done by this co-op unit. They are now operating out of cottages on the edge of Ramsey Lake that are part of a former provincial air base going back to when, Ron?

Mr Chrysler: The 1940s.

Ms Woodsworth: The 1940s. We need to replace those summer cottages with something more permanent, but we're having trouble trying to move that forward.

Finally, we have been working with educational partners, industry and three levels of government to strengthen the mining cluster in Sudbury and, in particular for us, to develop plans for a national research centre for mining innovation on the Laurentian campus.

The province has created the Ontario Mineral Industry Cluster Council, known as OMICC, to oversee the project. That's great, and we've made a lot of progress around the planning of this, but we still are looking forward to the necessary financial investment that we will need to move this forward. We will be looking to the federal government and the municipal government for support as well, but the province has been leading this initiative, and we're hoping for results in that area, because we believe that, once again, we've got a role to play in the prosperity of the region and of the province, particularly in the area of mining.

That concludes my remarks, Mr Chair.

The Chair: Thank you. We'll move to questions now.

Mr Colle: Mr Wilkinson, go ahead.

Mr Wilkinson: First of all, on behalf of all members of the committee, thank you so much for coming in just a bit earlier than scheduled to help accommodate us in our travel plans today. We appreciate that. I found your presentation to be very interesting.

The bigger question here is the gap. You were saying about \$850 million. Everyone is waiting for the Rae report. The provincial government is in a situation where we're trying to dig our way out of debt. I think maybe this year we're projecting just over \$2 billion, and that's without \$850 million extra for post-secondary. I think it took a few years to get into it; it's probably going to take a few years to get out. I think Minister Chambers was right to ask Bob Rae, the former Premier, to help us map out a way to get to the goal of the Premier, as he stated so many times.

There are two questions I'd like you to comment on. One is whether you see part of the solution being an increasing contribution from the federal government,

which as we all know is running substantial surpluses, in regard to building up the economic infrastructure of our country and whether they should be taking a role.

The other thing is the concept, of course, that education is an investment. There are those who say that we educate and then some of that human capital leaves Ontario, leaves Canada and goes to other jurisdictions—whether we should be innovative in the sense of tying the support we give to service back to the community; obviously people pay taxes, but the idea that there's an obligation of the investment made by our society in young people and making sure that the benefits are reaped here for those of us who are making that investment.

Ms Woodsworth: Those are two questions that are hard for us to answer. I think our expectation is not that the government will give us \$850 million the first year. We realize this is very gradual.

Mr Wilkinson: We appreciate that.

Ms Woodsworth: On the question of should the federal government invest more, certainly we realize that we're in this situation—the universities are—because of a cut in transfer payments. But it's not up to us really, apart from our lobbying efforts, which of course we have been doing at the national level; it's up to the two governments to work it out. But we have been lobbying for that; it's part of our strategy.

Yes, I think people should have an obligation to stay in the place where they've been educated. I don't know how you could enforce that, but I would add that if you have very good institutions, you might be able to keep people here more. There are people in our field, in the education field, leaving the province to go elsewhere or to go the United States because they have more favourable working conditions.

Mr Wilkinson: As a follow-up, I think that part of the work being done by Mr Rae, and also from some of the other presentations we've received from other parts of post-secondary—the students and colleges—is the ability to have a more holistic approach in regard to transferability of credits so that we can have people getting practical skills but also the theoretical skills and the research skills to move these files forward. What's Laurentian's official opinion about that whole idea?

Ms Woodsworth: Thank you very much for bringing that up. We didn't include that in our presentation because it doesn't have immediate financial implications for your committee on finance, but it is an excellent question. We have always been extremely collaborative. To give you an idea, I call Laurentian the university of Ontario because we collaborate with Lakehead, with the medical school. We have collaborative agreements with Northern College in Timmins, Sault College in Sault Ste Marie, and Cambrian and Boréal in Sudbury. We have agreements with Georgian College. We run a whole program in Barrie in co-operation with Georgian College; we have about 500 or 600 students now studying in Barrie. We have students studying in Orillia, and we've recently signed an agreement with St Lawrence College for its Kingston, Brockville and Cornwall campuses. So

we go all the way from Thunder Bay to Cornwall, and as far north as Hearst, where we have an affiliate. We are right around the province and we really believe that's the best way of doing things, that we can best promote accessibility and streamlining of the system by being collaborative and working with other institutions.

Mr O'Toole: Is that done by distance learning?

Ms Woodsworth: Yes. It's quite complex. Some of it is by e-learning, some of it is by hiring people who work in those areas. But they are under our supervision.

Mr O'Toole: Right, your course evaluations.

The Chair: Thank you for your presentation this morning.

Ms Woodsworth: Thank you very much. I do have copies for the committee. I've brought copies.

The Chair: Very good. The clerk will give them to the committee members.

Mr Barrett: On a point of order, Mr Chair: I wish to move a motion that in part extends from this presentation and a previous presentation with respect to the projection of a decline of 100,000 people in northern Ontario over the next 25 years.

My motion reads: Given that by the year 2031 the north may contain only 2.14% of Ontario's population, reflecting this continued economic decline, I move, with respect to this projected economic decline, that the province of Ontario initiate further university research as

well as in-the-field community development and economic development by northern post-secondary institutions across the north.

The Chair: Very good. Would you give a copy of that to the clerk.

Mr O'Toole: I move that this committee request that the Ministry of Finance provide an update on the new assessment tax on recreational vehicles, often referred to as the trailer tax.

Committee members may recall that this same issue was brought to this committee last year in Niagara Falls by Mr Gary Bruno, representing the Sherkston Shores campground. At that time, there was a resolution and commitment by the Ministry of Finance to examine the "tag sticker fee solution." MPP Mike Colle, PA to the Minister of Finance, was assigned the task of resolving the issue. Mr Roger Faulkner has brought together an industry coalition to find consensus and find an industry solution.

I would request an update on the status of that, prior to our entertaining hearings next week. I submit that to the clerk.

The Chair: Thank you. If you would give that to the researcher, I'd appreciate it.

This meeting is adjourned.

The committee adjourned at 1229.

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CONTENTS

Tuesday 11 January 2005

Pre-budget consultations	F-1159
Nickel District Conservation Authority	F-1159
Mr Ronald Bradley	
Mr Paul Sajatovic	
City of Greater Sudbury	F-1161
Mr David Courtemanche	
Ms Sandra Jonasson	
Wood WORKS!.....	F-1163
Ms Marianne Bérubé	
Ontario Chiropractic Association	F-1165
Dr Michel Brosseau	
Ontario Coaliton for Better Child Care	F-1167
Ms Tracy Saarikoski	
Music and Film in Motion.....	F-1169
Mr Mark Palumbo	
Mr Dennis Landry	
Centre de santé communautaire de Sudbury	F-1171
M ^{me} Joyce Choquet	
M ^{me} France Gélinas	
Cambrian College Students' Administrative Council.....	F-1173
Mr Tyler Charlebois	
Cambrian College	F-1175
Ms Sylvia Barnard	
Child Care Resources.....	F-1177
Ms Lois Mahon	
Ms Joanne Querney.....	F-1180
Laurentian University	F-1183
Ms Judith Woodsworth	
Mr Ron Chrysler	