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## **Official Report of Debates (Hansard)**

**Thursday 27 April 2006**

## **Journal des débats (Hansard)**

**Jeudi 27 avril 2006**

**Standing committee on  
public accounts**

2005 Annual Report,  
Auditor General:  
Ministry of Transportation

**Comité permanent des  
comptes publics**

Rapport annuel 2005,  
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Chair: Norman W. Sterling  
Clerk: Katch Koch

Président : Norman W. Sterling  
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

## STANDING COMMITTEE ON PUBLIC ACCOUNTS

## COMITÉ PERMANENT DES COMPTES PUBLICS

Thursday 27 April 2006

Jeudi 27 avril 2006

*The committee met at 0946 in committee room 1, following a closed session.*

### 2005 ANNUAL REPORT, AUDITOR GENERAL

#### (MINISTRY OF TRANSPORTATION)

Consideration of section 3.05, driver and vehicle private issuing network.

**The Chair (Mr. Norman W. Sterling):** Good morning. My name is Norm Sterling. In fact, Deputy Minister, if you look into your boardroom you might recognize a photo on the wall.

*Interjection.*

**The Chair:** The parliamentary assistant, Mr. McNeely, indicates—and I don't know this—that my photograph has been removed.

Welcome to Mr. D'Onofrio and Mr. Bartucci as well.

Deputy Minister, I see that you have passed out remarks to the committee. If you would present those remarks, and then we will ask members of the committee to question you either on your remarks or other matters they have with regard to the auditor's report on this. I'd add that this particular subject was chosen by the New Democratic Party to review, and therefore Mr. Bisson will have the first opportunity to pose questions to you, if that's his desire. No? Well, we'll worry about that after you give your remarks.

**Ms. Shelly Jamieson:** Thank you very much, Mr. Chair. Good morning to you and the committee members. My name is Shelly Jamieson. I'm Deputy Minister of Transportation. Joining me to my left is Frank D'Onofrio, our assistant deputy minister of road user safety; and to my right, Ernie Bartucci, who is the executive director of operations within the same division. We have other ministry staff over here. Some of these people are ministry staff over here, and I've asked them to join us. I'll introduce them as we require their assistance later today.

I have recently joined the Ontario public service and I'm particularly pleased to be making my first presentation as Deputy Minister of Transportation to the standing committee on public accounts. I'd like to thank you for the opportunity to report back on the Ministry of Transportation's progress in addressing the 2005 Auditor General's recommendations, specifically on the driver and vehicle private issuing network. I will focus the

majority of my remarks today on these recommendations. The Auditor General, as you know, also provided his findings regarding driver licensing, and I will touch on some of those issues at the end of my presentation.

I would like to begin by stating that I believe we've made significant progress in both areas.

It is my view that managers today must use all available tools to make sure that their business lines are relevant, current, that they have integrity and, most importantly, provide excellent customer service. Staying on top of developments, keeping an eye on changing market circumstances—being agile, really—all require constant vigilance. Therefore, the Auditor General's report is an essential tool for me and in our ministry's accountability to Ontarians.

Road user safety is one of the Ministry of Transportation's top priorities. The province's impressive road safety record is due to the determined efforts of ministry staff and our safety partners to continuously improve driver ability and behaviour, vehicle condition, and infrastructure safety.

Our ministry works with all kinds of partners, like the Ministry of the Attorney General, the Ministry of Health and Long-Term Care, the Ministry of Community Safety and Correctional Services, and of course the provincial police. We also partner with municipal police services, the insurance industry, community groups, other levels of government, and various safety organizations to make our roads safer for Ontarians.

Over to one side there, I have a visual aid that looks at Ontario motor vehicle collision fatalities from 1970 through 2003, and you do have this in your package. One of the most common ways of assessing road safety is to calculate the number of fatalities over a given period for every 10,000 licensed drivers. This is the fatality rate measure, and it's widely used in North America and around the world to compare road safety from one jurisdiction to another.

If you measure the fatalities per 10,000 licensed drivers in 2003—and those are the latest published statistics—Ontario's roads are the safest in North America. In fact, this number is the lowest since 1950. On this basis, Ontario is well ahead of our neighbouring jurisdictions: New York, Quebec, Ohio and Michigan. They ranked 10th, 11th, 19th and 22nd respectively.

Further, thanks to our aggressive anti-drinking-and-driving programs, we've witnessed declining rates in drinking-and-driving-related collisions in Ontario. In

fact, the Auditor General pointed to two ministry programs that target drinking drivers and identified their success in contributing to improved road safety. These are the administrative driver's licence suspension program—we call it ADLS—and the ignition interlock program. We know that our collective efforts must continue, but clearly our programs are working. The number of drinking and driving fatalities in Ontario fell by nearly 50% from 1989 to 2003. Since 1996, under our ADLS program, nearly 177,000 people have lost their driving privileges for 90 days. Since 2001, more than 11,000 drivers have served their mandatory suspension for drinking and driving and have had an ignition interlock condition placed on their drivers' licenses. All of this is good news for those who drive on Ontario's roads. It's also a measure of the ministry's success in promoting and regulating road user safety.

In my short time at the ministry, I can tell you that I've been very impressed by the high level of dedication and depth of the people working in the ministry. This is a team that strives for excellence. I am pleased to be able to appear before you today and report that ministry staff have made a significant amount of progress in responding to the Auditor General's recommendations. I want also to acknowledge the considerable effort on the part of staff in responding to the recommendations.

I'd like to draw your attention to the next chart that we've put up on the easel, and it highlights our progress to date. It's also in your package; I know you can't read it from there. What I'd like you to notice is that a large percentage of the recommendations have been addressed. They're identified by tick marks in the status column. We have also identified target dates for recommendations that require more time for implementation.

I'd like to focus my remarks today on the progress we've made in four key areas: first, our relationship with the private issuing network; second, customer service; third, contract and compensation; and fourth, stock management.

I'll begin with our relationship with the private issuing network, which dates back to 1917. It's been a very long relationship. Since the Auditor General's report, I think we've taken significant steps to create a more positive, long-term partnership. Here are a few facts. Approximately 280 issuing offices are located in rural and urban communities across the province. Services provided there include driver licence renewal and replacement, registering vehicles, issuing validation stickers and licence plates, and providing used vehicle information packages. Issuers process about 18 million driver and vehicle transactions annually on behalf of MTO. These offices process 85% of all vehicle registration transactions and 55% of all driver licensing transactions.

When customers walk through the door of an issuing office, they care about and deserve service that is fast, efficient and gets them what they need. These offices are in fact the face of the Ministry of Transportation. Our issuers need to have up-to-date information and the tools to do the job. We need to provide them with these tools

in a timely fashion so that they can provide excellent customer service on our behalf. It's that simple. That's why improving this partnership is so important to us. As we will show you, we're doing this by clarifying roles and responsibilities and enhancing communication.

For example, since the auditor's report, we've established two joint committees with the issuer's provincial association, called the Ontario Motor Vehicle Licence Issuers Association. The first committee is a strategic planning committee that's examining long-term business initiatives and possible improvements. The second is a policy and communications committee, focusing more on operational issues that affect issuers.

Through these newly formed committees, we will continue to engage the broader network, improve decision-making and resolve issues. We are very, very committed to ongoing direct communication and outreach with individual issuers. From my perspective, the discussions that I've had reported back to me have been promising.

I'm also pleased to update you on improvements we've made to the services we provide to issuers through our call centre. We have implemented a new training program for call centre operators. New operators are now trained by experienced operators and teamed with a trainer partner for ongoing support. Call centre staff are also provided with online tutorials, a reference library and a detailed training manual.

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The auditor noted that 51% of calls made by issuers to the ministry's call centre were being answered within two minutes. Clearly, that's not good enough. This new program is providing more timely responses to issuers' questions. Currently, more than 70% of all calls are being answered within two minutes. We're not yet at our target of 80%, but I'm confident that we will achieve it. That means better and faster service for customers.

We've also taken steps to address fraud prevention. Between October and December last year, the ministry trained 226 issuers in 11 sessions across, I believe, nine communities in the province. We focused on: current fraud trends, including customer fraud awareness; recognizing fraudulent documentation; process and system integrity; and stock inventory management. These sessions were really well attended and, from the feedback we got through our formal process, quite well received.

We agree with the Auditor General that the completeness, accuracy and validity of records is important. Protecting the integrity and confidentiality of the information entrusted to our stewardship is critical. During the training sessions, we also addressed the protection and appropriate use of ministry information, things like names, birth dates, information relation to collisions, convictions and suspensions. We stressed our zero-tolerance policy on the inappropriate use of personal information on the licensing control system.

Now I'd like to address the Auditor General's comments regarding our contract and compensation arrangements with the issuers. Small operators in particular have told us that providing service in their area does not

always provide enough compensation to make it worth their while. Staffing, training, rental costs: These things all add up, and we have empathy for that. We are sensitive to the concerns about rising costs. Compensation is important, and we want to make sure we get it right.

We've taken action to address this issue. This March, we established a guaranteed minimum compensation program for small driver and vehicle licence issuing offices with annual compensation under \$10,000. These offices can apply for top-ups to bring their commissions up to \$10,000. The first cheques in this program went out last month.

I'd like to draw your attention to the chart that's been put up over there called "Total PIN Commissions." What you can see from this chart is that in 1998, we transferred 17 new items to the issuers. Essentially, we expanded the product list of transactions they could make on our behalf. This resulted in a 30% increase in total network commissions earned by the private issuers. When you look at the chart, in 1998 it was about \$30 million, and in 2005 the total commissions paid to PINs by the government were over \$40 million. We are exploring ways like these, other ways, for issuers to increase their revenue, as well as conducting a pilot project to study the viability of flat-fee compensation.

The Auditor General recommended that we create a consistent contract for all issuers. Currently, there are two kinds of contracts in place. One is the 1982 memorandum of agreement, or MOA; it covers 230 private issuers. The second is the 2001 private issuer agreement, or PIA. It covers the remaining 51 offices.

It's fair to say that the ministry has become more experienced in writing these kinds of agreements over time. We've been able to apply lessons learned, such as laying out our expectations, creating performance measures, remedies for addressing differences, and setting firm expiry dates. In fact, it was in response to the 2001 Auditor General's recommendations that PIAs were created. They better reflect the roles, responsibilities and performance expectations of both the ministry and the issuers.

We do need to migrate all issuers to the new contracts, but this has its challenges. We are in discussion with the issuers' association about both contract and compensation issues. We are looking for fair solutions and positive outcomes.

As we approach the 90-year mark in the cornerstone partnership between the issuers and the ministry, we want to provide the best possible service to each and every customer who walks through the door. I think you'll agree that we've made a tremendous amount of progress, and we're already seeing some results.

The fourth area I want to cover today is effective stewardship of government stock. The Auditor General found a wide variation between offices as to how inventory was managed and safeguarded, which led to what appeared to be a large number of missing items. I can assure you that we've conducted a thorough investigation of all missing and unrecovered stock identified by the

auditor. We have reconciled 94% of the missing stock. The balance of unaccounted stock represents 0.004% of the total stock distributed by issuers over a four-year period. All unaccounted stock has been reported to the police.

To address this concern, we have made significant improvements and have clarified our expectations and the issuer's obligations for safeguarding inventory. As I mentioned earlier, recent province-wide training for issuers focused on business integrity. It focused on fraud and stock inventory management as well. We've also implemented a modern, aggressive and stringent audit plan. Our plan consists of an improved, multi-pronged approach to enhance controls over the stock system. It includes written instructions to issuers regarding their stock management obligations. It also includes daily reporting of missing stock items and a review of these reports by senior managers. It includes an improved internal tracking set of controls. It also includes reporting unaccounted stock to police and, importantly, sharing the information regarding both stolen and missing stock with Canadian and American jurisdictions.

We've implemented a redesigned and enhanced, risk-based audit methodology to effectively address financial, stock and licensing control system issues with the issuer network. By April 2007, the ministry will have commenced audits in every issuing office across the province.

Members of the committee, I hope you'll agree that we've made great strides in addressing the Auditor General's recommendations in the driver and vehicle private issuing network audit. We want to assure you that we are fully committed to continuing our progress.

I recognize that we are not here today to specifically discuss the other chapter in the audit, on the driver licensing system, but I think it would be a good idea to provide a brief overview of the considerable progress we've made in addressing the recommendations in the report. Some of the key areas identified in that section by the Auditor General included:

- standardizing the list of personal identity documents for Ontario's drivers, specifically when they're getting a driver's licence;

- reaffirming road user safety policies and procedures regarding senior and young drivers, high-risk drivers and the demerit point system; and

- protecting driver records and ensuring accuracy in the way MTO records and maintains them.

I'll begin with the security and integrity of driver's licences. MTO exercises a high degree of due diligence and rigour in reviewing documents for the purposes of identity verification. At this point, I would like to set the record straight regarding what was previously accepted as identification for obtaining a driver's licence. I would like to clarify that wholesale retail store cards were never accepted as a stand-alone piece of identification, an impression left by some reports. These cards were only accepted as secondary sources to confirm applicants' names. In any event, recent changes to the system have precluded this from ever being an issue in the future.

This January, Ontario became one of the very first jurisdictions to adopt a newly developed North American standard for identity verification. The list now only includes secure documents such as passports, citizenship cards and immigration documents. The full list is available on the ministry's website and at drive test centres. If an applicant cannot meet the proof of signature requirement with the items listed, they may provide a signed declaration of guarantor. This is a recent addition to the system.

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When it comes to keeping our roads safe, we're trying to identify drivers who are at risk, while actively working to allow safe drivers of all ages to continue driving. We take this issue very, very seriously. We have a multi-faceted approach that we believe addresses the issue of safety for all drivers. For example, Ontario law requires doctors to report any person of driving age who is medically unfit to drive. Ontario's mandatory senior driver renewal program provides seniors with training on aging and driving. The average fatal collision rate for drivers aged 80 and over has decreased by almost 50%. We also require that drivers aged 70 and over be retested when they are charged and convicted of an at-fault collision. Finally, we're participating in a national study on evidence-based medical testing for seniors at risk, and we consult regularly with other jurisdictions on driver fitness issues.

Suspended drivers should not be on Ontario's roads. We are working with other jurisdictions to assess the impact of suspended drivers on road safety. Ontario sees court convictions as the best indicator of improper driving behaviour and drivers who are most likely to be a threat to other people on the road. We are supporting MADD Canada's follow-up research study on the involvement of suspended drivers in collisions. This study will examine the collision risk of drivers suspended for serious offences such as drinking and driving.

The Ministry of Transportation understands that road safety is of paramount importance to the people of Ontario. I'd like to reiterate: We have the safest roads in North America because the Ministry of Transportation and its many partners are committed to road user safety and security.

Mr. Chair, I'd like to thank the Auditor General for the thoroughness and thoughtfulness of his report and his recommendations. I want to assure you that we take the recommendations seriously and we intend to continue addressing each of them. I'd also like to thank the committee for the opportunity to present these remarks.

We would be pleased to take your questions. Thank you.

**The Chair:** Thank you very much, Deputy. Could I just have one point of clarification? With regard to the annual compensation of those under \$10,000, how many issuers of the 280-odd issuers did this affect? What was the total number? Well, we can just multiply it; if it was 17, it would be—well, no. What was the total amount of money that was expended on those making up to the \$10,000?

**Ms. Jamieson:** I'm going to ask Mr. Bartucci to answer.

**Mr. Ernie Bartucci:** Thank you, Deputy. For the year that we assessed, Mr. Chair, it was 11 issuers that earned less than \$10,000 in commission and the stipend that we topped up.

**The Chair:** So it would be less than \$100,000 that was paid out in total, because I think the lowest was \$3,600, so the largest cheque would have been \$6,000.

**Mr. Bartucci:** That's correct.

**The Chair:** So it might have been less than \$50,000 that was paid out in additional compensation.

**Mr. Bartucci:** I trust the auditor's math. Yes, I would accept that.

**The Chair:** Mr. Bisson?

**Mr. Gilles Bisson (Timmins—James Bay):** I've got a couple of questions. I was interested in the comments you made about the issuance of driver's licences, because that's becoming more and more of an issue for most constituency offices in the province, I think, with the move to the private delivery system. A couple of general comments, and then if you can have people respond to the questions I'm going to raise. I'm just going to put them out there, and after that we'll go from there.

The overall complaints we have are on a couple of things. First of all, scheduling and being able to get an appointment to go for your driver's test has become much more difficult than it ever was in the past. We've got instances, for example, where people have confirmed that they were going to have an appointment on such-and-such a date, and then they go to the particular office for their driver's test and they're told, "Oh, no. That was a mistake." And then they make the person reapply for another date and make them pay a second fee, which I think is wrong and shouldn't be done. A couple of cases like that have come to our constituency office. The other issue is just sometimes, for people trying to get their driver's licence, the time it takes to get an appointment. It seems in some cases to take very long.

I'd like to hear a little more about what the ministry is doing to resolve those two issues. It seems to me that when the ministry used to do it themselves it was a heck of a lot faster. You walked up to the MTO office, you got an appointment fairly quickly and away you went. Now you seem to have to wait a lot longer. Could you share whatever stats you have and what you're doing to address the wait times? Second is the policy on when there's a mess-up on the part of the contractor about the appointment. Why are they allowed to re-charge the constituent for a fee they've already collected for a mistake they made messing up the appointment?

The other big problem we have is when a person needs to get a specific licence. For example, there may have been a medical reason the person lost their licence and they've got to go back for a driver's test for a licence that's more than just a normal driver's test. It's really hard to find people to do that. We're having to send people down to Sudbury from Hearst, or down to New Liskeard. Those seem to be about the only places we can

get that. Why is it that the ministry doesn't take up the issue of trying to find a way to provide those services closer to the community?

Let's start with that and see where we go.

**Ms. Jamieson:** Thank you very much for the questions. I'm going to begin with the first one, the scheduling and the fee. My first reaction is that nobody should ever have to pay for a service they didn't actually get. You're absolutely right: Someone shouldn't be charged twice.

**Mr. Bisson:** I'm raising it because another colleague of mine raised the same thing. We threaten to come into the House and ask a question, and they don't want that, so they fix it. But there are probably a lot of people who don't come to our offices and end up paying the fee. I know of at least three cases where that's happened.

**Ms. Jamieson:** In a moment, I am going to turn the question over to Mr. Bartucci, but with regard to the length of time since the transfer to the private issuer network, average road test wait times have been reduced by more than 30%. That's average; that's across the province. We think that's a credit to the new system. Obviously, the experience you're speaking about is different. You feel that people are waiting a longer period of time.

**Mr. Bisson:** A supplemental question as you're turning it over: Are we finding that in larger urban centres we're getting better times and it's worse in smaller rural centres? Is that what I'm getting? Do you have any stats?

**Ms. Jamieson:** Mr. Bartucci?

**Mr. Bartucci:** Thank you, Deputy. I don't have here, but we can certainly get for you, the specific stats for each of the 55 driver exam centres throughout the province. The contract we have with Serco DES does not differentiate or distinguish. Their service standard is consistent across the entire network. That's the expectation we have and that's the expectation that we expect they live up to.

Just building on what the deputy said, as you may be aware, we recently changed the requirements, where an applicant has to actually pay for their road test as they're making their appointment. A confirmation number should be provided and proof of payment should be provided. We will certainly go back to Serco and ask them to audit their system to ensure that it's not a glitch or a problem that you've identified. I would invite you, if you could, to give us those specific instances as live examples, and we will certainly make it right.

**Mr. Bisson:** We'll pass those on.

Could you provide for me and the rest of the committee—it should be fairly easy to pull it out of the ministry—how much we spend now on the contracts versus how much we used to spend when we did driver testing ourselves? Can you guys get that fairly easily?

**Mr. Bartucci:** If I may carry on, Deputy, the way we structured the concession agreement with Serco is that they paid a lump sum to the government and any revenue they earn from driver exams they retain. As you may recall, for \$114 million, they were awarded a 10-year

concession. The revenue that comes to the province relates to the first-time licensee who pays \$75 for a licence card. Because at the time of the contract only \$50 was the prevailing rate for a five-year driver's licence, \$25 of that reverts to the treasury of Ontario, so they don't keep that money. So it would be difficult for us to tell you how much it costs to provide driver exam services. It costs us a lot less, obviously; we don't do it anymore. We have overhead costs for oversight of the contract, but the revenue collected is retained by the operator.

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**Mr. Bisson:** How many offices did we have prior to going to this system? We've got 55 now. How many offices could you go to before?

**Mr. Bartucci:** In fact, the contract required that Serco maintain the same offices. In addition to the 55 fixed driver exam centres, I believe we have 39 centres where we provide intermittent service—once a week, once a month, depending on the community, depending on the need—in addition to the full-time open facilities, and they have maintained those numbers.

**Ms. Jamieson:** May I respond to the medical question?

**Mr. Bisson:** Go ahead.

**Ms. Jamieson:** I just want to make sure we circle back to your second question, which was the medical testing and people having to drive farther in the north. That was your question?

**Mr. Bisson:** Yes. What happens is that a number of the people who do the testing are not qualified to carry out the driver's test that has to be done for this particular licence. I can look up the specifics for the next round. Is there any attempt to resolve that? We don't get a lot, but we must get about three or four or five of those a year where we have to call around almost everywhere to try to find somebody who will actually do the test.

**Mr. Bartucci:** If I may offer a response, let me paraphrase the question back, if I may, sir. This is a situation where someone is suspended for a medical reason and there is a requirement that they be evaluated by an occupational therapist to determine whether they have overcome the medical condition in the first instance or can drive despite that medical condition being present. We attempt to negotiate arrangements with occupational therapists throughout the province and we are ever diligent to do that. Unfortunately, I don't have with me the number of occupational therapists that we have under contract—or that we make available. I should correct myself: They're not under contract. We have a list and we direct drivers to those occupational therapists who provide a program that we've certified and acknowledge their expertise. They recommend to us that the driver has overcome or is still challenged by the medical condition.

**Mr. Bisson:** But those are two separate issues. There's the issue of the actual assessment of the medical condition, which is key to getting the driver's test to going back with your driver's licence. For example, it's the AZ licences etc. For some reason, they don't do them

everywhere. That type of road test is not done everywhere. I'd have to go back and look at the specific files to remember. I'm going by memory. But it's like you have to through specific training to get back that particular licence, and it's not offered very many places. Then there's the actual test, which is an issue as well.

**Mr. Bartucci:** I regret—if you could elaborate on the first part of your question. I don't believe we have a—I know we do not prescribe a certain level of training for a commercial licence that you described, an AZ or a BZ. You can present at Serco for a road test, and if you're successful you earn that class.

**Mr. Bisson:** Do they do the testing for all the various forms of licences?

**Mr. Bartucci:** The short answer is yes. They do all the tests we did and they do them at all the facilities where we did.

In 1999, Ontario was confronted with a significant backlog, you may recall, as the graduated licensing system was reaching its five-year maturity. So the ministry, which was doing the business at the time, added a number—a dozen or so—driver exam centres that were focused exclusively on the G licence, because that was the graduated licensing system and that was the backlog. Save and except for those, they do provide the tests at the same places that we did.

The only thing I would add to that, sir, is that back when we first introduced classified driver licensing, I believe in the early 1990s or late 1980s, we set up a program that allowed community colleges to train and test drivers at those classes of licences. We also provided the opportunity for companies to train and test their own drivers. So you'll get a Labatt or a Molson or a Home Hardware, or you'll get the TTC, for example, that have been authorized by us to train their own drivers to a standard and indeed test those drivers and then come to us with their successful results and we'll provide a licence to them.

**Mr. Bisson:** The other question, the last one on that line, is that when the 55 centres provide services where they are now and they go into the smaller communities with their half-day or full-day clinics or whatever it might be, is there a requirement for the level of service that they need to maintain? Is there any kind of check and balance to make sure that the need in the community is being met by the service that is being provided? Because that's the other place we get complaints.

**Mr. Bartucci:** There's a dynamic there for sure. As a service delivery partner, we are sensitive and they are sensitive to the needs of the community, so we do in fact approach them—

**Mr. Bisson:** But my point is that from the community perspective—Hearst and a few others that I've had to deal with—that's not their view. Their view is that they're not being properly serviced and are constantly having to fight to get the proper level of service to match the need in the community. My question is, what mechanism do you have within the ministry to make sure that happens?

**Mr. Bartucci:** Our mechanism is twofold. We require under the contract that they provide the service at the same communities that we did. As the ebb and flow of applicants change, we do discuss with them whether they should increase or decrease the level of service at certain communities. Whenever we are confronted or approached by communities that believe they are underserved—obviously, they never tell us they're overserved—we encourage a conversation with Serco and the community, and we monitor that conversation. Our first attempt is for Serco to try to find a solution with the community. If we find that's not working, we will participate in that discussion, but we—

**Mr. Bisson:** I hear what you're saying, but that's not quite what I'm asking.

**Mr. Bartucci:** I'm sorry.

**Mr. Bisson:** Do you have a mechanism other than a complaints-driven mechanism to monitor if the amount of service being provided in particular communities meets the need? What seems to be happening is that it's on a complaints-driven basis right now.

**Mr. Bartucci:** As the deputy just suggested, we monitor the demand in terms of the level of service that we expect them to provide. In other words, applicants must get a road test on a timely basis, so if in a community there is a fairly high demand for road tests and they're failing to meet the six-week or 42-day limit, then we would probably require that they either make more frequent visits or increase the number of staff that attend the visits to meet their commitment.

**Ms. Jamieson:** I have a meeting coming up with Serco. I'd be happy to put this on the list. You can imagine that over time the population would have changed.

**Mr. Bisson:** How much time do we have before that? I'll get Hearst and the other communities to give me letters with specifics. By when?

**Ms. Jamieson:** I've got two or three weeks on my calendar. I'd be happy to bring it up with them. It's a good point.

**Mr. Bisson:** Okay.

**Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell):** First of all, I want to commend the ministry for having put together this training program. It's been wanted for years, and finally we got it going.

I've got three questions. First of all, you referred on page 5 to the call centres being answered within two minutes. I'd like to know who operates those call centres. I fully agree with you that two minutes, when you're waiting on the phone, is a long, long time to wait. That is probably an average of two minutes.

My other question is, at the present time, I've seen people coming into my office applying for their birth certificates. People are saying that the PIN offices or the issuers are asking for the birth certificates. I didn't question that, because we know how much fraud has been going on and it's just a fact that to renew your driver's licence, sometimes it takes a little bit of time. Now it's a lot better than it used to be, but in the past, it was taking

up to six months to get a birth certificate. Is it a must to have a birth certificate to renew your driver's licence?

My last one: I should say on the \$10,000 space that we are giving to the small operators that it only cost the government approximately \$39,000 in 2005-06. That was the cost to increase it to \$10,000. You mentioned that we transferred 17 new transactions since 1998. We increased our commission to the operators by a little over 30%. What I'd just like to know is, in those 17 new transactions, how many total transactions occurred in those PIN offices? You could have 17 new ones, but one transaction could mean hundreds of thousands of transactions. How many additional transactions? I'd just like to know when was the last time we gave an increase? They're not paid by commission. They're paid so much per transaction. I'd like to know when was the last time that we increased the commission for each transaction.

1030

**Ms. Jamieson:** I'm going to begin with the call centre. You're quite right. If you've ever phoned somewhere and been on the phone for a long period of time, and then maybe not gotten the answer, it's a frustrating experience. Our issuers were faced with calling our call centre, which we run to answer questions to support them. They had a customer standing right in front of them, waiting. It wasn't a good situation. Public and private issuers expect high levels of customer service, and we had to make improvements on that. I think we have, because we've been training these call centres and we've given them the tools.

We're also doing things like looking at the same kinds of issues that are coming up everywhere and trying to make sure that everybody's getting that answer. We're doing our best, but—

**Mr. Lalonde:** But the call centres are not run by the private sector.

**Ms. Jamieson:** No, they're run by us. The Auditor General rightly pointed out that we had some work to do to make them more effective in supporting the issuers.

The issuers are our partners in this. One of the things that's kind of interesting, because I'm new to the file—I read the Auditor General's report, I also read media coverage and I came to the ministry and learned about these issues that had come out of the recommendations—the issuers are our partner in a chain of events. There are some things that are our responsibility. There are some things that are the issuers' responsibility. I'm sure we're going to talk about stock later. There are some things that are the responsibility of people who supply stock.

There seems to be an unfair tilt, in my view, toward blaming the issuer network for things that go wrong. We fully understand that the call centre is something that we run. We have to run it well. It's in support to our partner, who wants to do a good job on our behalf. As I said in my opening comments, when people come up to the desk, they think they're dealing with the Ministry of Transportation. That's what we wanted, a seamless kind of thing. We have to provide the issuers with the support they need to do an excellent job.

Do you want to talk about call centres?

**Mr. Bartucci:** I'd be delighted to. Thank you, Deputy. In addition to the comments the deputy made, I just want to add the following: Our call centre is run in Kingston, actually. We call it hotline. It services both the private issuer network, the 281 or so offices, as well as the Serco community, in terms of providing technical support, procedural support, password reset and so on. We have, as the deputy said, made some important changes to the way that we provide those services. For example, we've adjusted the hours of work so that more staff are available when the issuers are open, including evenings and weekends, of course. One of the concerns that the Auditor General heard when his team had interviewed and had questionnaires with the issuers was that there was conflicting information received from various operators. We've clarified that. We allow the issuer now to go to a supervisor to get a best and final answer, if I can use that term. We've done these things.

We've also implemented, in the last year or so, technology on the telephone system, so that we're learning from the nature of the calls. As the operator concludes the call on the IVR, he or she notes the nature of the question, the nature of the call, and we use that to both improve our training for our staff, and clarify the documentation that is produced for the private issuers, as well as improve information sources like the web page or information newsletters that we put out to clarify. If customers are coming in with the wrong documents, if there's some confusion or unnecessary complexity in the transaction, we garner that information from the IVR system and we use it in our training throughout the process.

**Ms. Jamieson:** I'd like to move on to your second question, if I may. I'd just like some clarification: Are you talking on renewal of a driver's licence being asked for a birth certificate? Is that your question?

**Mr. Lalonde:** Yes, that is right.

**Mr. Bartucci:** That is not a requirement that we have. I think the requirement that we've imposed—and again, Mr. Lalonde, if someone is coming with an existing driver's licence, that should be proof. We require proof when anyone comes in to do a transaction with us. That's a fairly recent clarification of the requirements. If an individual is coming in to do a driver's licence renewal, we will ask for proof. The issuer has available to them, or our Queen's Park office has available to them, the driver's file. With driver's licence number, they can call up the existing picture on our records to confirm that that is the applicant. If the driver's licence is submitted or is available and tendered with the renewal, there should be no reason—as far as I understand it, there should be no requirement that a birth certificate be tendered as subordinate proof or additional proof.

**Mr. Lalonde:** Because there's no picture or signature on it.

**Mr. Bartucci:** The birth certificate only validates a date of birth; that's correct.

**Ms. Jamieson:** And then your third question was with respect to the 17 new products and actually how many

new transactions—specifically, are you looking at the total growth of transactions in the system or just to do with the 17?

**Mr. Lalonde:** Those 17.

**Ms. Jamieson:** I don't have the answer here.

**Mr. Bartucci:** I do have a list, Mr. Lalonde.

**Ms. Jamieson:** Could we circle back and get back to you? We'll do it, I think, right now, but maybe we'll move on with questions.

*Interjection.*

**Ms. Jamieson:** Okay, thanks.

**The Vice-Chair (Mrs. Julia Munro):** Thank you. Ms. Matthews.

**Mr. Lalonde:** I didn't get the answer to the last one. When was the last time that we increased—

**Ms. Jamieson:** Oh, I'm sorry. The last time we increased—

**Mr. Bartucci:** The last time the government of Ontario increased the commission across the board for all private issuers was in 1997.

**The Vice-Chair:** We'll move to Ms. Matthews.

**Ms. Deborah Matthews (London North Centre):** I have three areas of questions, so why don't I put them all out and you can answer them in whatever order suits you. The first one: I just want to get my head around this issue of 230 issuers on the old contract and 51 on the new contract. We're trying to get everybody into the new contract, but that has some challenges because of the wording of the original contract.

**Ms. Jamieson:** Correct.

**Ms. Matthews:** I just want to understand. Is the old contract with an individual or is it with an entity? When would we expect them to naturally terminate?

**Mr. Bartucci:** The contract—

**Ms. Jamieson:** She's going to give us all the questions.

**Mr. Bartucci:** I'm sorry; you're going to give us all the questions. Excuse me.

**Ms. Matthews:** I just wanted to understand how difficult this migration challenge might be and how long it would take to resolve itself.

The second question deals with something that hasn't been raised. Given the very sensitive nature of the information that is available to employees of the PINs, I wonder what we do in terms of screening employees. I think it's especially important given that we understand it's a job where there are a lot of new people coming in and out and it's a relatively low-paying job for most. I just wonder how we screen the employees who have access to that kind of information.

Third—as I said, these are all quite unrelated—I want to get back to the fatality stats that you discussed. I guess the first comment I would make is that if we talked about fatalities per 100,000 licensed vehicles in Ontario, the graph would look even more impressive in terms of the decline. So maybe we could talk about that.

I wonder if you have any information about why the fatalities have declined so dramatically. How much of that is, say, for vehicles, alcohol, drinking and driving,

seat belts? Why have we seen such success and, more importantly, how can we further improve those statistics to be not just the best in North America—obviously we still have higher fatalities than some other jurisdictions.

**Ms. Jamieson:** Thank you for your questions. Let's begin with the last one first. I think you're right; when you're number one, you have to run hard to stay in first place. I had some of the same questions when I first came. Which of our things is making the biggest impact? You know what? The answer is actually all of those things in combination. Sure, it's how cars are made, but these cars are sold all over North America. The same cars are on the roads in other jurisdictions, so I'm not sure that can help us describe the difference.

I'd like to turn this over to Mr. D'Onofrio to talk about how we got there and what we need to do to stay there.

**Mr. Frank D'Onofrio:** Thank you for the question. Your first point about which denominator to use, in effect, whether it's drivers or vehicles: We prefer to use number of drivers as the denominator for—

**Ms. Matthews:** I think on the graph you showed us it's just fatalities; not per anything, right? It's just the raw number.

**Mr. D'Onofrio:** I think the chart was fatalities per 10,000 licensed drivers. So it is a rate. You could put it back up.

**1040**

**Ms. Matthews:** That's just fatalities, right?

**Mr. D'Onofrio:** Right, that is number of fatalities. That's absolute number of fatalities.

**Ms. Matthews:** Which I'm saying, given the increase in the number of drivers on the road, understates the success.

**Mr. D'Onofrio:** Yes, absolutely. If we track it by rate in terms of number of vehicles, or more importantly, we like to base it on number of licensed drivers because that doesn't change as much as definitions for registered vehicles, for example, then we see a very similar trend. We're down to 0.97 per 10,000 licensed drivers. So it's quite an impressive rate.

To your more specific questions about why such success, as the deputy identified, we look around and compare ourselves to other jurisdictions across North America, specifically in the US and Canada. Given that vehicles are more or less the same, the same type of vehicle stock across those jurisdictions, we point to some of the things that we're doing with our partners—enforcement, safety organizations, the MADD Canadas of the world and so forth—in working on very specific programs and the many programs that Ontario has implemented. We were the first, for example, to implement the graduated licensing system—the first in North America.

We were one of the very first to implement mandatory seat belt laws. You mentioned seat belts, and I'll get a plug in for seat belts. It's the single simplest, more important thing you can do to protect yourself in a motor vehicle. We know that even though our use of seat belts in Ontario is upwards of 90%—the latest statistics show

that we're close to the very top in Canada—unbelted individuals are overrepresented in the fatalities. About a third of fatalities were unbelted. That's absolutely critical, so our performance on that front is valid.

Drinking and driving, absolutely. The rest of the country speaks to, on average, about a third of their fatalities involving drinking and driving. In Ontario's case, it's less; about a quarter. It was 217 out of 831 fatalities in 2003 that involved drinking and driving. We have to do more, obviously. That's still a very large number but we're making progress.

Safer vehicles, absolutely. Programs: We have blitzes with the police; we have fall and spring seat belt campaigns; we work with other organizations to promote education, which is very keenly important.

**Ms. Jamieson:** Car seats.

**Mr. D'Onofrio:** Yes, and most recently with the new legislation requiring booster seats and stiffer penalties for child safety seats. Those are all the types of things—and I shouldn't forget about truck safety. We've made tremendous improvement. Despite the growing number of trucks on our roads, the rate in terms of collisions and fatalities is going down in the same way.

**Ms. Jamieson:** If I may, before we go on to your other questions, we've put another graph up there, because we can even look at how we're doing compared to jurisdictions around the world. That red bar is Ontario, the yellow bar is Canada, and this is fatality rates per 100,000 registered vehicles, which is OECD data. That's the only way we can measure it. Norway and Sweden come first and second and Ontario is proudly there as third.

I would like to take this opportunity to say that one of the great delights for me in joining this ministry is meeting people like Frank D'Onofrio. This is arguably a national treasure in road user safety. I was in Ottawa this week meeting my deputy counterparts and I think they all want him.

**Mr. Bisson:** What does that mean?

**Ms. Jamieson:** That they all want him? They would like him to work for them. Frank has a huge reputation and, as you can hear from his answer, a big passion for road user safety. So I'm very fortunate. We all are.

Your second question had to do with whether the contracts with the issuer network were individual or entity contracts. That's why you're talking about the transition process and the difficulties that we have.

I just want to say, you don't have a 90-year relationship with anybody without having ups and downs. So 90 years is actually a success story, I think. But it's important that we keep working at the table together as opposed to some kind of heavy-handed approach. So the transition is difficult. We'd rather do it on a voluntary basis and we'd rather make it worth people's while to migrate to a new contract. We're not issuing any of the old contracts. We're moving over time and in the last couple of years we've gone from 35 to 51. It's moving the right way. It's important to us, but we want to do it in a fair and respectful way. I think I'll ask Mr. D'Onofrio to answer the rest of the question.

**Mr. D'Onofrio:** Thank you, Deputy, for your kind words. You have the numbers absolutely correct. It's 51 under the new contract, which dates back to 2001, which was at least partially in direct response to the Auditor General's report at that time. What we tried to do was become more specific in terms of the roles and responsibilities for both the issuers and the ministry in terms of moving from the previous contract.

Just to give you some highlights of the comparisons between the old contract and the new: The old agreement has no fixed term, whereas the new one has a fixed five-year term, with provisions for renewal for another five. Under both, the ministry can terminate within 60 days. The issuer must give 60 days' notice before resigning under the old, as opposed to 120 days under the new. There are differences in liability insurance; updating that. Under the new one, it actually can be a corporation as opposed to an individual, so the contract can survive, for example, upon the death of the issuer.

**Ms. Jamieson:** It's non-transferable.

**Mr. D'Onofrio:** And it is non-transferable. Thank you, Deputy.

I should say that both contracts impose requirements in terms of respecting the law, obviously, and pursuing policies and procedures. It's just that the new one is more specific in terms of identifying specific pieces of legislation, for example. I should add that we have tried to encourage movement from the old contract to the new for the existing contractors, but I have to admit that there are reasons why the issuers have not done so, obviously. We're talking to them now about seeing what parts of contracts in general we can take to a new contract. We're not stuck on imposing even the 2001 contract. Let's find out what works and come up with new contracts that we can both agree to and move forward on together.

**Ms. Jamieson:** Finally, your last question was with respect to employees and screening, specifically the issuer network as opposed to Serco. I'd like to ask Mr. Bartucci to answer that.

**Mr. Bartucci:** Thank you, Deputy. Just picking up on what Frank was saying, one of the other differences between the two contracts is that the new contract, the private issuer agreement, of which there are 51 signatories, has an explicit requirement that the issuer must perform criminal reference checks on all their employees and maintain them current in their files, and they're subject to audit.

I should really have started by saying that the protection of personal information is certainly a priority for the government and we believe for the issuers as well. So while we've imposed that requirement, in a modern world, that's a given. We must protect that and be explicit in the contract.

Even where it is not an explicit requirement in the MOAs or memoranda of agreement, there is a provision in what we call the performance management plan, which is a program for customer service enhancement, feedback and performance metrics that we entered into on a volunteer basis with the issuers. There are about 208

issuers who are in that program. All of the new PIA ones are in, and about—I'll have to do the quick math—150 or so of the other issuers in the MOA are also in it.

I raise that now because they also have staff sign a statement of non-disclosure that lays out very clearly what their obligations are with the data, what their responsibilities are with that information. So while they don't do a criminal reference check, our guidelines and our policies and procedures are very clear. In the case of those 208 issuers, they actually sign a statement acknowledging their responsibility and obligation. It's another piece of evidence—it was a volunteer program—that they take it seriously as well and that they practise good protection of information in their offices.

**1050**

**Mr. Richard Patten (Ottawa Centre):** Welcome today. Welcome to the deputy in particular for joining the government.

My question, first of all, is a general one, and then a specific one. It has to do with the ongoing and overall and long-term relationship with the issuers. I suppose, in a nutshell, the issue that the auditor brought out was that the relationship was in need of improvement, or certainly there were some areas of discontent that may be on both sides. My analysis of the situation is that it would appear that the ministry kind of overstates the relationship, or at least there's a discrepancy. The description of the quality of the relationship from the ministry is rather different than it is from the association's point of view, as well as from specific issuers' offices that I've had a chance to talk with. Some of the issues you've already identified: The area of compensation, for example, is one; the nature of payment; the whole question of value for money. The association seems to be saying that the ministry said it was going to approach this. I'll just read one part from the auditor's report. It said they should conduct a review of its compensation arrangements for the private issuing network "to ensure that the ... network remains stable and customer service levels are maintained...." The ministry's formal response is that they are seeking a market-driven compensation scheme, in essence a price discovery mechanism, to determine the value of the services the network provides. MTO committed to share the results of this process with the network. Then they're saying that on March 23 the director of licensing and control advised the issuers that this process had been cancelled and refused to share the information they had gathered to this point. There has not been, at least to this date, any new process suggested by the ministry.

I wonder if you have any response to that.

**Ms. Jamieson:** Absolutely. Thank you for the question. We are sensitive to the needs of the private issuers' network. We do not, however, believe that there's a cookie-cutter solution to this problem, and we've approached this from several places at the same time. We were compelled by the argument made by the Auditor General that the smallest operators were in the worst shape. We moved, I think pretty quickly, to get that addressed. As I said, cheques went out last month. But that was only one piece, and I recognize that.

The second piece we pursued was an RFP to look at five new offices, and we went about it a different way. I'm going to let Ernie speak to you about how we approached it, but we approached it differently, hoping it was going to inform us more about how we could proceed in the future. I'm unhappy to say that the ministry also did not get any information. There was nothing to share, because the rules of the RFP were such that we also did not get any information out of that process.

I just want to correct one thing. The process has been reissued, and on MERX right now is an active process, because we're trying to move quickly to get through this, where we think we've resolved what I guess were design flaws in our original RFP that didn't yield the results. I have no idea, nor does anybody, what prices were put in the RFP that was cancelled. We needed to cancel that, and it did not inform our process, which is regrettable.

Before I pass it over, I'd like to also say that when things are cranky between two parties, it takes a while before anybody believes you're going to be different. So all we can do is try to address the issues that we think—well, we know; we heard—were identified in the Auditor General's report. And we're doing that. Our call centre is, by metrics, functioning better than it was. We are doing things like trying to streamline our communications. Instead of having 85 bulletins from the Ministry of Transportation, if you're a little issuing office or even a big one, you'd like a coordinated approach to direction on what you're doing. That's why we have these operating committees: What can we do to make it easier to do business with us?

So it's kind of okay with me. I'm sorry they are not seeing improvement yet, but I'm confident that we're on the right track and they are going to see this improvement. It is sticky when you have both compensation and contract issues as the big issues on the table—they're kind of like the elephant on the table—and we need to figure out how we're going to resolve it. We're very interested in the contract issue and they're very interested in the compensation issue. This is going to take some time, because our preference would be to come to some kind of voluntary solution.

With that, I'd like to ask Mr. Bartucci.

**Mr. Bartucci:** If I could just build on that answer, as the deputy mentioned in her opening statement, we have taken some steps, which she reiterated, because we don't believe that the network is a homogeneous network. We believe that there are solutions we need to pursue with the small, the medium and the large.

The deputy said and I can reiterate that we are committed to fair compensation and we are committed to reviewing the compensation. I know our staff has met with the OMVIA board, the Ontario Motor Vehicle Licence Issuers Association board, and have received some suggestions from them on how compensation can be addressed, and we are looking at that as part of our overall review.

At the risk of repeating, sir, we said that we approached the small, financially challenged issuers in small com-

munities by having a \$10,000 floor, and we moved on that. With respect to the other end of the spectrum, the large issuers—and we define large and small by the number of terminals they have; one to two is small and four and over is typically large. We have found that the market price and the opportunities to make a successful business for large issuers seems to be fairly robust. We seldom get voluntary retirements from issuers that operate large private issuer facilities or offices, and when we do, we have a very competitive process. We get a lot of quality proposals, quality bids, that suggest a fairly competitive and viable business.

You mentioned, and I'd like to elaborate on, the pilot procurement. As the deputy said, we have reissued it and it is on MERX, and we've reissued it in a simplified way. We found we were trying to put too many things into that particular pilot, things that, for example, would be new. We were suggesting that the private issuer would requisition and pay for technology: the terminals, the screens, the computers that they would use in their offices. As you may know, currently they're fully provided by the province through the ministry.

We also were looking at the opportunity for some synergies to come out of bundling. We put five offices in that PIN pilot, inviting proponents to put proposals forward on combination offices, thinking that by spreading their overhead, there might be greater business viability managing their fixed costs and their average costs in a way that will allow them to run multiple offices. We've changed that. We haven't made it a mandatory; it's a desirable. Now anyone can bid on one or all or any number in between.

Those are the primary changes we made. We also lowered the threshold in terms of the multi-phase scoring that we were going to use. We had a threshold scoring of 75% on your business case to move you to the next section that dealt with your price proposal, and we've reduced that to 50% now to encourage more participation and to encourage a better look at the opportunities that people are proposing back to us.

I believe it's going to close in about six or so weeks. Please don't quote me. It is on MERX now. We're hoping that we will get a much better result than the one we concluded in March.

**Mr. Patten:** The last thing I think the committee would be proposing is that you spend more money. However, it's seldom that MPPs' offices receive complaints from small businesses that do fairly well, so when we get a number of representations in a particular area, obviously we investigate it and look at it, and we find there is some merit to their concerns. Having been a former Minister of Government Services, I can assure you that I'm conscious of the efforts that government would make to provide certain services. Some it's best to do in partnership with the private sector, and by and large, these are small businesses we're talking about.

**1100**

I'm sure you know this, because I asked the question to them: "Well, If you think it's such a bad deal, why don't you get out of the business? Of course, as you

know, they have existing commitments for rent. They've spent 20 years in the business and they know nothing else, in some instances, and they can't see dropping all their staff. In other words, they're kind of locked in, psychologically and vocationally, to this particular area. But some of the stats they give out in terms of comparative compensation—and 10 years is a long time, looking at other jurisdictions and what they do. In terms of the kiosks and what people can do there—provide simple tasks. The pressure is on them to spend more time, and they feel that's not being acknowledged by the ministry.

I present that as part of the arguments they have. At this particular stage, the information that some of us have is that they do not see yet the efforts to develop the long-term partnership arrangement that they'd like to see.

**Ms. Jamieson:** I take your point. I just need to tell you that we are committed to a fair compensation model. We're trying to better understand the business model and what the solution would be. We have a responsibility to make sure we get the solution right, and we have some things in process that we think are going to help us do that. Are we there yet? Absolutely not. I have empathy for them, and we're working on it.

**The Chair:** Thank you very much. John O'Toole?

**Mr. John O'Toole (Durham):** Congratulations, Deputy. Everything I've heard as the critic has been positive, and I commend you for that. I've always had very amicable relationships with the ministry over the last 10 years. They've been helpful to me as a local representative on lots of issues, so I want that to be on the record. I may sound critical here, but that's really not the intent.

Just looking at it in a broad sense, as an opening comment, there are lots of challenges ahead of you. I'd like to know who to contact many times. I find asking questions somewhat less productive than what my constituents or stakeholders want to find out. Asking them in the House or through the ministry's offices—I'm not trying to be political here; it's just not helpful. The speed limit issue of course is in the news, and issues around the 407 and the disputes there, the gridlock, the Windsor border, and other, more localized issues. The GTTA is at this point still political and is just a framework sort of thing. Regulation 629 on accessibility vehicles is another ongoing issue that I don't seem to get much headway on, but I have some lawyers' letters and other things that need to be dealt with. That's just a general skeleton that I would be in touch on, but not during these hearings. I want them on the record, as I have brought them up.

I am happy to say that one of the complaints, in a letter I wrote to the minister about the G1 licensing and the age and proof issue—I commend the ministry for responding to that rather quickly, actually, by recognizing the dilemma of Canadian-born children 16 years of age with none of the required documentation: passport, health card with a picture etc. It's smart, and it shows responsiveness—not two minutes on the phone, but not two years waiting for some bureaucratic decision. I commend you for that.

But if I look at this issue on the PIN, I'd have to put on the record again, being new, that I had to go back to

see where it started. I found out it was actually 1902, and it's been a problem ever since. I looked at the only auditor's report I had, from 2000, which was when we were government, and the answers are the same; I think they're just kind of dittoed answers to the problem. It's a fact. Here's the actual cabinet document on the response. It's quite interesting.

In fact, I have another report that was issued back in 2000. I want to put it on the record because it's quite important. It talks about the history and background of the private issuing network. For the record, I think it's important to put down that there was an important commentary on the same issue in 1985. In 1986, there was a response to it from the ministry from Carl Vervoort. I think the most important one, in 1987, was that the assistant deputy, Marg Kelch at the time, stated that change to the method of level of compensation to the issuers agents—there it is in 1987. We're almost there, 20 years later. So this is not new. Here it is in writing: a fully documented, footnoted report. There it is.

I'm surprised that I'm getting many of the same answers. So I hope you're not getting the wool pulled over your eyes. Do you understand? Because you're in a mode of trying to be trusting and building relationships and blah, blah, but you need to get in and just say, "Hey, we're going to fix it."

I was happy just with your worded response today, that there's no cookie-cutter solution—competitive, multi-functional offices. You're on the right track. If there's no volume, there's no money, there's no service, and if the government cuts it off, they're going to be in political doo-doo, okay? So you've got to mandate the multi-service. Whether it's hunting licences, fishing licences, whatever it is, get them some more jobs to do something to get more revenue, period.

Paying them more for the transaction is an issue that, in the business sense, should be dealt with in relationship to other jurisdictions, best practices. Economies of scale are diminished, of course, with no volume. If you've got a high-volume office, of course, you can offset your overhead and salaries and insurance and all those things. That's the only issue you have to make, and it's a very small part of the problem, but it does affect northern members, as Gilles will probably point out, or has already pointed out. They need that. They don't want to drive to Sudbury to get whatever documentation.

I've got a couple of things that I want to request on the record formally: a non-edited version of the Maves report, which dealt with this when we were government, and a non-restricted version of the Ernie Parsons report. Those reports need to be in the public domain. These are Bart Maves, who was the PA to, I think, Frank Klees—or Norm Sterling was probably minister of that at some time. All I'm saying is those reports were hard work done with stakeholders. I can tell you, and I have the record, that, really, both of them said, "You've got to fix the compensation."

So you don't need to be told by us. It's not partisan. We're guilty, they're guilty, the NDP, everybody's

guilty, and you're here to fix it. You're Ms. Fix It. You may have your own channel on the radio or something.

So that's for the debate, and I don't think I need to go on too much, because it is covered in your response that you're going to work through a competitive model and there's an RFP, and we'll be keeping an eye on it. Have you got an actual delivery date? We know when the next election is. That's called fixed-term elections.

**Ms. Matthews:** It's a good idea.

**Mr. O'Toole:** Oh, yes. It's not a bad idea. We voted for it, actually.

Here's the key. The key is this: When I look at it—and I don't think it's Bob Rae's problem, David Peterson's problem, Dalton's problem, or Ernie's or Harris's problem—I think it's the ministry's problem, seriously. It's not your problem, because you're new here. You can go in and you can start with a clean sheet. I've told you it's been a problem since about 1971, which was the first evidence I was getting on this.

So I know I'm ranting here, but all I want is, what date are you going to fix this problem? Don't get it caught up in 2006, because that's almost election time. By January 2007, it's over with, and we'll get another auditor's report. Oh, why don't you just recopy this one? It's not fixed. So don't spend any more staff time looking at it.

**The Chair:** Is that your question?

**Mr. O'Toole:** No, it isn't my question. I haven't got to it yet.

When I look at specifics—and this is a question—why do you pay the kiosks, the high-tech system, 46% more on a transactional service than you do the office where they actually have to type the stuff and use some phone link to upload and wait busy time? Why are you paying them more? I thought it was supposed to be quicker, faster, cheaper. It's all important for me to send out to people.

**Ms. Jamieson:** First of all, let me assure you that my management staff and my colleagues here will attest, it was nice the first couple of weeks; it's been a little tougher lately. So don't worry about that. Don't lose sleep over that.

This is our problem to fix. We're seized by it. We're addressing everything in the Auditor General's report. I'm not actually prepared to speak back to 1986 and the intervening time, but I'll say this: This PIN-issues' network is receiving \$12 million more in commissions than it was since 1998. So there is money flowing. It's a different kind of—

**Mr. O'Toole:** You doubled the licensing.

**Ms. Jamieson:** No. Secondly the kiosk issue, I'm going to ask Frank specifically, but I'll tell you that we have to compare apples to apples when we look at costs. There are costs to supporting a PIN transaction that aren't just in the compensation fee.

**1110**

**Mr. D'Onofrio:** Thank you, Deputy. Yes, I think we have to look at what the kiosk contract does in terms of providing the service. If you look at the kiosk contract, the service provider does everything with the machines in

terms of looking after the machines, filling the machines with stock, and also does at least the first level of response in terms of customer calls, which is a different bundle of work compared to the specific aspect of the total transaction, if you like, of the private issuer. So in the case of the private issuer for a given transaction that we would compare to the kiosk, the ministry does other aspects of that. So it is, in our view, a bit of apples and oranges in comparing those two.

**Mr. O'Toole:** I get that. I guess the general perception in the public is that it's quicker, faster, cheaper, and it turns out it isn't. So don't go with all kiosks, because it's going to double the cost. That's my advice to you. In the perception of this, it would seem logical to automate everything, get it online—quicker, faster, cheaper. In fact, if the solution is costing more, this is where Dalton has the problem. You have to figure that out yourself. It's a multi-tasking issue. I'll leave it with you, because I'm not the boss.

I would say the other thing that's concerning to all of us, in the sense of the heightened security that we live in today, is the fraud issue and those documents and the security.

On the auditor's report, it's my understanding that 70% of the missing stock was from six of the offices—this shouldn't be hard to visit and fix up—and of that, 75% of the stock was from three offices. So close them. That will send a signal. Just close them and there won't be any more stolen. Can you respond to that? And were there ministry offices involved in this fraud, as opposed to the private issuing network, which you could fire in a moment?

**Ms. Jamieson:** First of all, let me say government stock must be accounted for. There is zero tolerance for missing or unexplained stock, right? So it's hugely important to us to understand where everything is, and if it's not where it's supposed to be, what happened to it.

I think the biggest mistake we made as a ministry was not being able to answer the Auditor General's question on 56,000 pieces the day the report came out, or even before that when they were in speaking to us. We've rectified that. We've gone through and looked at all of that stock, and I would like to talk to you about where it is, because I think you're going to be happy with the answer.

Would you like to walk us through that?

**Mr. Bartucci:** Certainly. The members of the committee have the graphics. It's a pie chart.

Let's segregate the stock into two groups. There were 7,000 stolen that the Auditor General brought to our attention. In fact, those had been reported to the police. They had been noted in our stock system. Information about that stock had been sent to other jurisdictions, to be wary of it. So we believe we've dealt with the stolen stock. Let me just finish that storyline, because there were three offices. Two are no longer with us and one of those three offices was audited, and we've addressed some of their issues. There were no outstanding stock

management issues. They were victims of a robbery, and they reported that to us.

What the deputy alluded to on the news, that had we been more sure-footed we would have dealt with it before the report was published, was on the 49,000 that were reported lost or missing. As the deputy indicated in her opening remarks, we have reconciled all but 3,000, and we continue to work at identifying where those 3,000 units of missing stock are.

So let me start with the 56,000. Upon investigation, we found that a little over 5,000—5,300—were lost when an issuing office in Flinton was burnt. We recalled approximately 22,000 permits that were production errors; the wrong colour of ink was used in production and did not meet our standards. So, although they had been shipped from the supplier, we recalled them. We recalled stock that was time-dated, for example, val tags, where we revised the format, where legislation was changed, and that accounted for an additional 15,000.

We have identified clerical error: transposition of numbers or typing errors, keying errors, and inappropriate disposition code, which is our jargon for, "How was the stock used? Was it lost? Was it consumed in a transaction?" That accounted for about 1,700.

We suffered through recovering from a labour disruption in 2002. The private issuers, as our partners, performed over two million transactions through the 10-week period our systems weren't up, which they did in a manual way. We had to reconcile the stock they used because all of those transactions, Mr. O'Toole, were done manually, like the good—or bad—old days. There were about 800 of those units that were outstanding.

If we have our math right, which I believe we do, we're down to 3,130.

**Ms. Jamieson:** If I may, that's out of 77 million pieces of stock over four years. Now, we don't want one missing.

**Mr. O'Toole:** Well, the Auditor General has to make headlines once a year at least. I'm not being critical or cynical either. I'm just saying it's important to point this out. You've given an answer. I'm satisfied with it and your earlier comments.

The last thing I want to say is that on this G1 licensing thing, and this may even sound a bit intemperate, I'm somewhat insulted, actually, when I'm not allowed to be a guarantor on this, signing a document. I've written to you or someone on this. I think in the office we're in and the accountability and transparency we all talk of—a lot of it is talk, anyway—I am accountable. I have a serious job appraisal every four years now, with fixed-term elections. In a serious fashion, is there anything you would like to comment on about why I can't be a guarantor? In many cases, members are lawyers or professionals. Norm is a lawyer and an engineer, and he can't sign this thing.

**The Chair:** Oh, yes, I can.

**Mr. O'Toole:** I know you can, because you're a lawyer.

**Mr. Bartucci:** When we implemented the guarantor process, we tried to reflect as closely as possible the passport guarantor program.

**Mr. O'Toole:** I can sign a passport. I do, today. I'm telling you now, I want this changed. This has nothing to do with politics. I want this to be our duty and/or responsibility. I am equal to any of the persons—I shouldn't be exempted if I'm a lawyer or not or a former judge or whatever. Do other members disagree with me? I think it's an insult, personally.

**Mr. Bisson:** A guarantor on what? Because you're a commissioner for taking oaths.

**Mr. O'Toole:** On the G1. We can't sign it.

**Mr. Bisson:** But you're a commissioner for taking oaths, as a member, so what's the problem?

**Mr. O'Toole:** That substantiates my point. I think if a secret, unnamed individual can do it, and I couldn't really attest whether or not they're valid or any more valid than I am—

**The Chair:** Mr. Bartucci, perhaps you could provide an answer in writing to the committee on that.

**Mr. Bartucci:** We will. We will take back the concerns expressed today, sir.

**Mr. O'Toole:** I'm just insulted—not by you.

**Mr. Bartucci:** It was never our intention to insult any members of Parliament, provincially or nationally.

**Mr. O'Toole:** We get insulted daily, because that's the job.

**Mr. Bartucci:** Well, it was never our intention.

**Mr. O'Toole:** And in opposition, we get insulted all the time, not just daily.

**The Chair:** Ms. Munro, you had some questions—

**Mr. O'Toole:** No, I have one more question, if you would, and that question would deal with not a trivial matter either. It's the road safety issue. I'm concerned. I recognize that you are the author of road safety. You are respected by many whom I talk to—CAA, all of them. So it's a compliment.

What's holding up the driver distraction debate? I've talked to all the former ministers, off the record, of course, so I won't cite them, on the cellphone issue. It opened up a whole issue of technology in the driver's face, whether it's navigation, GPS, traceability, all the stuff, very important. There is no substantive reason why this study should not go forward. In fact, the hearings must go forward. There are two Ph.D. people—one at York, one at Ryerson—who both want this issue pursued in a mode where they look at the latest research evidence on driver distraction. Could you give me a response?

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**Ms. Jamieson:** Absolutely. I am also very concerned about driver distraction and its impact on road safety. It's something we're talking about. As you point out, there are many new things happening: videos in the car, navigation systems—

**Mr. O'Toole:** All of the above.

**Ms. Jamieson:** If we want to stay in our number one position, we have to make sure we understand what the impact of these things is on road safety. I am going to ask Mr. D'Onofrio to—

**Mr. D'Onofrio:** Where to start on this one? It is a complicated issue. We've been tracking, as I think you

know, other jurisdictions in terms of implementing specific laws, including, for example, bans on hand-held cellphones. What we're seeing is that after the initial euphoria of introducing the law, the compliance rate, if you like, goes back down to what it was before the laws were introduced, and we're concerned about that. We had the first-ever international driver distraction conference in October.

**Mr. O'Toole:** That's right, in Toronto. Congratulations.

**Mr. D'Onofrio:** Right—right here in Toronto. We're trying to pursue the themes from that. One of the major lessons learned from that was that we need to get more information. That was one of the keys. What I mean by that is not just more studies, because there are lots of them around, but actually collecting information from collision reports, for example. So we're working on changing the collision report in Ontario to have the police tell us—

**Mr. O'Toole:** That's one of the functions of my bill.

**Mr. D'Onofrio:** That is an important area to move forward on.

We still remain confident that the public education side is keenly important, people talking within their families, for example, from young drivers to seniors, about the importance of—

**Mr. O'Toole:** The G1 licensing suggestion is important as well. It's part of your original road safety bill, where there are restrictions in the regulations with respect to how many roads they can travel on, etc. I'm suggesting that the technology and driver experience—I don't want to have the debate here, but I appreciate that very much.

I do have experience. I have family who live in Australia. They have this law there. I've been there. They don't use hand-held cellphones. It's about a \$1,000 fine. You just get whacked. It's like impaired driving now. The comparator here is actually the seatbelt implementation process, how you enforce it, blah, blah, blah—blitzes in its education. It could mandate driver education as the fine on driver distraction. Do you know how important—anyway, I won't go on.

I appreciate your time and look forward to working with you on this and many issues in a positive way, especially the implementation of the GTTA. On that one, I also have a bill. It is a tax credit for the use of public transit. It's in place in 30 jurisdictions. It increases ridership by 30% and makes it affordable to use public transit. A commute from my area on an annual basis per person is \$6,000 a year after tax.

**Mrs. Julia Munro (York North):** I wanted to come back to an issue with regard to the pilot project that we discussed a few moments ago. In this pilot project, is this what you were referring to with the RFP or is this separate?

**Ms. Jamieson:** We were referring to it in the RFP. We are also doing some of our own work actually, to understand compensation.

**Mrs. Munro:** That's really what I would like to concentrate on, because it would seem to me that that's the

pivotal issue in relation to the comments made by the Auditor General on this whole area. As you yourself have stated, a 90-year relationship is one where obviously the people in Ontario have been served well over many decades, and it would seem to me that the necessity of having a review and the pilot project are critical pieces.

You said you're also pursuing some other things on that. Would you tell the committee what you are able to do at this point in terms of the objectives and parameters that you have set for this pilot project?

**Mr. Bartucci:** I can certainly speak to it. I have to be cognizant of the fact that there is an RFP currently on MERX, and I don't want to go beyond what we've disclosed in that RFP document. But the document does speak to looking at a different model of flat rate per transaction and asking proponents to tell us what would be an appropriate remuneration for that work. As I mentioned, we've taken out the IT cost component, but we're also encouraging proponents to come forward with approaches to combining offices and looking at some of those synergies that I mentioned earlier.

It's really to try to test a new model in a pilot way. We have five offices that are available, the medium-sized offices, covering from Windsor to Pembroke and three in between, so it's just to get a sense of what the market is going to come back with for those kinds of offices in those communities. Obviously we hope we're successful in securing qualified proponents for those, but that information, that market intelligence will come back and be part of our overarching, holistic review of compensation that the deputy and the ministry have committed to doing with the issuers.

**Mrs. Munro:** Things such as allocations for training and things like that, are they part of those kinds of discussions?

**Mr. Bartucci:** It is the total cost, but as the deputy indicated, I should say we have provided face-to-face training with issuers in the last couple of months. We intend to maintain that training. We made a commitment that we're going to consolidate our policies and procedures. We're going to use modern media and techniques to push out training to the issuers, to allow them to train their staff. Our commitment of course is to train the issuer and certainly support the issuer in training the staff they recruit to work in their office.

All of the training we provide to the network is provided by the ministry at our cost. Obviously there are some out-of-pocket expenses that they incur when we invite them to a session on the weekend or whenever is convenient for both parties, but we provide in that sense a turnkey operation. We train their staff. We train the issuer and we provide the equipment. We provide the consumables.

**Mrs. Munro:** There was reference made earlier in our discussions about the fact that you're more likely in an office, if someone has the choice between a kiosk and going to an individual issuer, it's going to be the complex ones that are going to go to the issuer. Are you able to determine that more than intuitively? Are we able to say categorically that if given the choice, an individual is

going to go to an issuer because of the complexity of the issue?

**Mr. Bartucci:** The short answer is yes. There are only eight transactions currently available on the kiosk and they are the straight renewals, address change, those types of things.

**Ms. Jamieson:** The simpler transactions.

**Mr. Bartucci:** The simpler transactions. There is no other place to go in our system other than to the issuer for complex transactions, so as a matter of course a transfer between relatives or bringing in an imported vehicle and the documentation necessary to support that, that would all go to the issuer.

But I should say that in the 1987 year that Mr. O'Toole referred to, when we did change the compensation model, we went to a model using industrial engineering-type techniques that costs out the physical work of receiving information from the customer, processing the paper, reaching in, feeding the printer, doing all of those things. So this MTM—that's what we call it, motion-time management study—remunerates based on transactions. For example, a driver renewal where you might renew a driver's licence every five years, we calculated that back in the days when we used to use Polaroid licences—many of you will recall those—and we've maintained that same rate of payment at \$3.04, I believe, because we calculated that to be roughly a six-minute transaction.

So we've taken all of our transactions and applied that MTM standard to them. We have certified, qualified staff, certified by the association, who measure these transactions, and we talk through OMVLIA to the issuers about them when new transactions come on stream. We go through the process of evaluating and sharing that information with the issuer.

I should add one of the other areas, a benign area that we have used to maintain revenues or commissions. When we implement technology or business rule changes, where a transaction becomes easier—I use the driver licence as a very good example. In 1994, we went to a digital licence. You come in, you have your picture taken and you're on your way with a temporary driver licence, a lot shorter procedure than waiting for your Polaroid to be developed, cut, laminated and presented. We didn't roll back the commission to reflect the true time used to perform that transaction. We've done that throughout—what we call "red-circle" a lot of those transactions—because they are our partners and we benefit from an enhanced service by introducing IT and those elements, and we share that with the issuer. That's an area that we haven't talked about. I can't quantify how much additional revenue that represents, but it is a positive revenue stream, most definitely.

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**Mrs. Munro:** I would assume, too, that some of the other variables in terms of the cost of doing business—whether it's wages or rents or whatever—also would have to be updated as we move forward.

**Mr. Bartucci:** If I may, those are the types of factors we will be taking into consideration as we look at the new contract, the new compensation model.

**Mrs. Munro:** How long would it take to train someone to be able to provide this service? Could you give us some idea of hours or whatever?

**Mr. Bartucci:** I'd have to check with my staff. It's certainly more than hours. Our business is somewhat complex. The private issuers do virtually all driver and vehicle transactions from complex, as you noted earlier, to fairly routine. Probably three weeks is what I'm hearing, so I'll accept that. I hope it's our people who are saying that.

We have issuer office administrators in the field. One of their responsibilities is to initiate the training and walk the new issuer, the new staff through the procedures and look over their shoulder and take them through the process. We are pushing out educational materials to maintain and support that ongoing training.

**Mrs. Munro:** Obviously, if you're looking at a minimum of three weeks, then there are those costs associated with any issuer. As you point out, your responsibility is to train the issuer and theirs is any staff.

**Mr. Bartucci:** Yes. Under our current regime, we absorb our costs for training and we assume that they absorb their costs for training. But we will factor that in to the formula as well to understand who bears the cost and how that should be reflected in a fair compensation model.

**Mrs. Munro:** So am I to take it that this pilot project will concentrate on that area of concern; that compensation as well as customer service are the essential issues here? Is that fair to say in this pilot that you're undertaking?

**Mr. Bartucci:** The short answer is yes. Those are factors that we will consider in the proposals that we receive and the kind of quality service that the proponents will be offering as they bid for the contract. But it is a pilot procurement more than a pilot in the sense that we're piloting a new technique across the system. It is five specific offices with a satellite office in Petawawa, so five and a half, whereby we will try a different procurement methodology to see if there's a market for it, to see what the market interest in that is. Then we would fold that in, on a going-forward basis, to the formula that we look at for compensation in the future.

**Ms. Jamieson:** If I may, that process will help inform us as we go forward, but we are doing other pieces of work to give us that information.

**Mrs. Munro:** My final question: How does this fit into the government's overall initiatives with regard to ServiceOntario? People have referred to the potential to issue other kinds of licences. Are we there yet? How does what you're doing ultimately move in that direction?

**Ms. Jamieson:** Thank you for the question; it's a great question. Of course, ServiceOntario remains important to the government. The government wants to offer many different kinds of transactions in many different ways, so there will still be over-the-counter service, there will be kiosks, there will be Internet. There will be a whole series of things. They're interested in providing efficient service to Ontarians wherever they live across the

province. Some of those solutions don't work in different parts of the province.

So we are working very closely, as one of the lead ministries on the ServiceOntario initiative, to try to understand which of our products—and we have many—could be part of that ServiceOntario network. I'm going to ask Mr. D'Onofrio to expand on ServiceOntario. It is a big piece of what we're spending time talking about.

**Mr. D'Onofrio:** Thank you, Deputy. I guess it's fair to say that we're not unlike a lot of other jurisdictions that are looking to improve the way services are delivered to their citizens, and ServiceOntario is the government's way of centralizing the strategy and delivery of those products. On the immediate horizon, we have five of our current products and services that are going to migrate to the ServiceOntario website by later this spring or summer, and those include your validation tags for motor vehicle plate renewal, driver abstracts, vehicle abstracts, the used vehicle information package and, for the very first time, which you can't do now, "own choice" plates, to actually go on there and figure out whether you can get that plate or not. What I mean by transferring them and these being improved is that for the first time it will be an integrated process. Right now most of those, except for "own choice" plates, you can actually do at our website, but it really amounts to an electronic ordering form and then we pick it up and, as was identified in the Auditor General's report, it becomes a manual process at our end. In this case, for example, with the val tag renewal, once we move to the new process our vehicle registration system will be updated immediately and the individual, from their home printer, will have a receipt that they can show to the enforcement officer, and the officer will be able to check on the system to see that that plate has been renewed. So it is improvement. That's sort of the near-term frontier for making improvements, and as the deputy said, we're looking at ways of improving all of the delivery channels that we have, everything from phone and mail and counter to electronic service delivery, including the kiosks.

**Mrs. Munro:** So—

**The Chair:** Thank you very much. My records show that the Liberal Party has had 32 minutes of questioning, the Conservatives 34 and Mr. Bisson only 17, so you have 15 minutes to catch up with the others.

**Mr. Bisson:** I was just trying to be very gracious to my colleagues this morning.

**The Chair:** Well, thank you very much. Then we can decide whether we want to go another round, extending the questions.

**Mr. O'Toole:** I would certainly like the opportunity to mention one other issue—

**The Chair:** No, we've got to give equal access here to the parties before that.

**Mr. Bisson:** And you're going to see that I'm going to be—

**Mr. O'Toole:** I seek unanimous consent to make a couple of points.

**Mr. Bisson:** He can take a minute of mine; that's fine.

**Mr. O'Toole:** Thank you. Chair, with your indulgence, I'll be brief and succinct. There will be no pontificating.

The first point is the vintage licence plate issue: these are vintage vehicles, and access to registering a vehicle using the year of manufacture as a licence plate. There is the plate you can get which is the historical plate or you can register a 1934 Chev with a 1934 plate on it. Why has that fee gone up? These vehicles aren't on the roads. They are vintage cars, and the people who authentically identify that complete restoration have the year of manufacture. They're an ardent group. I passed a bill on it, and since then there has been some administrative tinkering with the fees. It isn't a revenue issue. I'd like a written response to that so I can send it out and get full credit for bringing it to your attention.

**The Chair:** Thank you. Mr. Bisson.

**Mr. Bisson:** Do you guys want to respond very quickly for Hansard?

**Ms. Jamieson:** I think we'll get back to him in writing.

**Mr. Bisson:** I have just a couple of things. In the auditor's report it was noted that it was about a 30% dissatisfaction rate among the people who filled out the forms as to how they felt things went when they dealt with your private issuers. Where's that at now? Has there been a recent survey as to customer satisfaction?

**Ms. Jamieson:** Thank you for the question. The Auditor General certainly pointed out that some of our comment cards and customer surveys weren't being used universally, and the results weren't as stellar as we'd like them to be. We certainly value our customers; as I said before, we see them as our customers. So in June 2005 we put a system in place that was an enhanced monthly reporting system to make sure that in fact we were capturing the comments, and this is something that we're certainly focused on. I think what we're also finding is that we're sharing the results in a quarterly newsletter to the issuer network so that they can see what people are saying.

1140

**Mr. Bisson:** Could you give me an update of where we're at? Since this report, has there been another survey? Has it changed at all etc.?

**Mr. Bartucci:** Correct me if I'm wrong, Mr. McCarter. I believe what the Auditor General referred to was the feedback through the comment cards. As the deputy indicated, we're beefing up our comment cards. We're using that information more deliberately and feeding it back both to our staff and to the issuers.

The other aspect of customer surveys is that we put out surveys to the public, to the users of our service, beyond the comments cards, and in that regard we are improving that. We're looking for better ways of getting at that information.

There was a comment, I believe—the gentleman can correct me, I'm sure, if I'm wrong—on the customer survey technique we were using where it was really the private issuer staff who would say, "Can you complete

this survey?" at the end of the transaction. Quite correctly, those folks pointed out that if they were not pleased with the service, they might not provide the form. If the people were over the moon with the service, they might provide two forms.

To be serious—I apologize for being glib—we are looking at different techniques. We are looking at either directing people to a website through the vehicle renewal application notice or sending out a notice with that package and asking them, after they've received service, if they could return a comment card by mail or—

**Mr. Bisson:** Do you have any data recently on any of that stuff coming back? Could you provide it us, please?

**Mr. Bartucci:** Some data on?

**Mr. Bisson:** Is there any more recent data on customer satisfaction by any means of survey since the auditor did his work?

**Mr. Bartucci:** I know that using the techniques I've describe here—thanks.

**Mr. Bisson:** There we go.

**Mr. Bartucci:** It turns out there is.

**Mr. Bisson:** It's just in, hot off the press.

**Mr. Bartucci:** A customer survey we conducted in 2004-05 had over 37,000 responses, which provided a fairly high statistical basis of accuracy and a low margin of error. I believe the result of that survey was a 93% customer survey result; again, a different technique, I don't want to take issue with the comments they made. We pushed out surveys to the public and received 37,000 responses in 2004-05.

**Mr. Bisson:** Is there anything recent?

**Mr. Bartucci:** I believe that is the most recent.

**Mr. Bisson:** Oh, that is the most recent: 2004, if I heard you correctly?

**Mr. Bartucci:** The 2004-05 fiscal year—I'm not sure when we concluded it.

**Mr. Bisson:** I just want to raise a couple of the complaints I've got. I'm just looking at the database for our constituency office. I've got about—where's the number here? If I hit the right part of the screen, it would do a count for me. Here we go: 54. I've got about 54 transactions with drivers' licence issuers over about the last year, up to about January of last year. Most of them seem to follow the same pattern. That's why I wanted a bit of time to go through the data. It seems there are a couple of recurring themes that are happening when it comes to the issuing of licences. I don't know if anybody else is getting this. One is that in some communities—and this may not be an issue directly to the issuers but it's an issue for MTO—if you're an adult and you're not in the school system, you can't get driver training. We've had a number of complaints on that, which I thought was kind of odd as I went through it. That's why I was a bit unsure and I wanted to go back and read the files. I don't know if other people are getting that.

The only place you can get actual driver training so that you can say, "Here's a certificate to show that I've done it and can get a reduction from my insurance company," because I think they provide you a 10% reduction or something like that, is if you're in the school system.

**Ms. Matthews:** For free?

**Mr. Bisson:** No, you pay for this. You pay for driver training. Have you had any complaints about that? Because I notice it's coming out of a couple of communities in my riding.

**Mr. Bartucci:** If I may, by way of correction, or to try to understand the question, beginner driver education is provided by Young Drivers of Canada. There are about 640 schools, privately run. There's a whole list of them. There are about 600—or 400, excuse me. In addition, some school boards have continued to provide, for a discounted fee, a driver ed program for their students. We impose no restriction on age. The school boards may. Because they discount it, maybe they subsidize it—I don't know for a fact—they may restrict it to the student population in that board. But with respect to Young Drivers of Canada, just to use them as an example, you and I could go take a course from them tomorrow and they would issue a certificate of completion.

**Mr. Bisson:** The interesting thing is—I'm looking at about three or four of them that I just saw here—there are people who are out of the school system who are trying to get driver training and they can't get it because the school boards don't want to allow their facilities to be used for people other than their own students, and in those communities there's no other game in town.

I guess my question is—I haven't done a driver's test in so long, I don't know the answer—if you're 25 years old and for the first time ever you decide to go out and get your driver's licence, do you need to do driver training before you get your licence? It's not a requirement?

**Mr. Bartucci:** It's not a mandatory requirement.

**Mr. Bisson:** For the insurance.

**Mr. Bartucci:** There are several advantages. Hopefully, you will become a better driver. If you are a driving school that delivers the provincially approved course, you must provide 25 hours of in-class. We approve the curriculum you use. You must provide 10 hours of in-car experiential training as well. So there are those education aspects of the training. The two advantages beyond that: As you correctly cite, most insurance companies recognize the certificate of completion and provide a discount on their insurance coverage. Under our graduated driver licensing system, if you have a certificate of completion from a school that delivers the Ontario-approved program, you can test the G1 exit test within eight months and not have to wait for the full 12 months. You get a four-month discount. A lot of young drivers—novice drivers, I shouldn't say young drivers—will take that advantage so that they can test and move to a G2.

**Mr. Bisson:** So the adult who is out of school in those communities where there isn't a driver instructor in town other than what is offered at the local high school, would be at a disadvantage for being able to accelerate to the next level of licence, if you can't get that test. My question is, is there anything we can do from the Ministry of Transportation to make sure there's some form of driver training in those communities? Do we have any mechanism?

**Ms. Jamieson:** One thing we could do is talk to you after this about which communities you're talking about. We'll provide you with a list of what's available and what isn't and maybe we'll have—

**Mr. Bisson:** I'll get my staff to put it in writing.

The other thing we're getting, and I've got a whack of these, is that you lose your licence due to—I've raised this before, and in fairness to the ministry, they responded to a number of the concerns we raised at estimates last summer, if you go back and look at the record on this. But I notice that we still got some more afterwards. You lose your licence due to a medical issue. It could be as simple as you walked into the emergency ward and the doctor thought there might be some neurological issue, so the licence is suspended for medical reasons, for whatever reason. You have to go through the process of having your medical review people reissue a licence—for a good reason; we understand why that's done. However, one of the things we're still getting complaints about is that there are only four places in Ontario, from what my notes show, where a person can go and get specific testing, medical testing, the report you guys need to review the file. I think it was London, Barrie, Toronto, and I forget what the other one was. Why is it that we restrict that only to southern Ontario, where you've got people up in Kenora who would have to drive a heck of a long way without a driver's licence to be able to get the testing. I'm just wondering why we don't provide—

**Ms. Jamieson:** So this is building on your question earlier today.

**Mr. Bisson:** Yes.

**Ms. Jamieson:** Medical assessment, of course, is extremely difficult because when people are told they can't drive, it's very upsetting and disruptive to them, so we often hear from them about their concerns and what assessments they need to get back on the road.

**Mr. Bartucci:** If I may elaborate, sir, between questions I've received information. I want to differentiate medical assessment from vision, because I believe your question, if I may, may have been about vision.

**Mr. Bisson:** That's different.

**Mr. Bartucci:** The driver assessment: We have about 33 centres in Ontario. These are folks who meet the ministry's protocols, have occupational therapists and driver instructors available to conduct assessments. Drivers go to the centre of their choice to return from a medical condition. Last year, we implemented a pilot vision assessment program that you may be familiar with.

**Mr. Bisson:** Yes, but that's not my question. This one specifically had to do with—actually it was vision. This one is; I'm just taking a look at it. When we spoke to the ministry, they were saying that for the medical review they needed to get a particular test done, the only places this person was able to go were London, Toronto, Ottawa or Barrie, specifically. Why would we not—

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**Mr. Bartucci:** Let me try to answer it this way, sir. When we launched the pilot, we put out a request of interest for vision assessment centres—so people very much like occupational therapists on the medical side,

individuals who are qualified to assess the compensation, if you will, for drivers who don't meet the standard. Now we're talking about the peripheral vision. You must have 120-degree peripheral vision, plus or minus 15 degrees from the horizon. If you don't have that, if you're below that, we allow you to make application for a waiver, as a pilot, to test the efficacy of that program and whether we should push it up further.

We have endeavoured to get as many assessment centres as we can. We have secured the four you speak of. I understand from staff—and I apologize; I'm not sure if it was North Bay or Sudbury where we thought we might have one. Unfortunately, that assessment centre operator withdrew for reasons I regret I don't know right now. We are vigilantly trying to get a partner in the north as we pursue this pilot vision waiver program.

**Mr. Bisson:** I would only say two things, very quickly. Northern Ontario is fairly large, so doing it just in North Bay or Sudbury doesn't respond to the needs of northwestern Ontario. When looking at northern Ontario, you have to have something central to both those regions. I note that I've got at least three of them who are in a similar situation in various communities in my constituency, where they've had to make arrangements for somebody else to drive them, in this case, to London—I'm not sure where the other guy went—which is a real problem.

As a ministry, if we require these tests—for good reason, in order to make sure it's safe for the person to get their licence back—we need to provide that in some manner that's reasonable and to the satisfaction of the client, as you call it. Can we expect some movement fairly soon?

**Ms. Jamieson:** We're going to have to look at the results from our pilot and figure out—we want as many as we can have.

**Mr. Bisson:** Just another very quick question. If the Liberals have any questions within the time left, they can have it. I should know the answer to this question, but I don't: Can you apply for a driver's licence through the Internet?

**Ms. Jamieson:** For the first time, you mean?

**Mr. Bisson:** Yeah.

**Ms. Jamieson:** No.

**Mr. Bisson:** No, I mean a renewal, not the first time. Sorry. You've got to get tested. I know that. I'm saying, if a person loses their driver's licence—

**Ms. Jamieson:** No.

**Mr. Bisson:** Okay. I thought I read something somewhere, and I just thought that was kind of odd. I thought I misread it. Okay.

If you guys have any questions, go ahead.

**Mr. Jeff Leal (Peterborough):** Deputy, thanks for your insightful comments this morning. Just two quick questions: Why has there never been a simple cost-of-living increase in compensation for PINs? Their rates have been the same from 1997 to 2005. My second question is about the frequency of spot audits by MTO with regard to PINs.

**Mr. Bisson:** It refers to what?

**Ms. Jamieson:** Spot audits of the PIN network. The cost-of-living increase—I can't speak to what's gone behind us. I can tell you that one of the ways was to increase the revenue stream by offering more products. That is what we've been doing. We recognize that the business model has some issues. We're trying to address them. We're not convinced that a cookie-cutter approach is necessary in terms of the solution, unless you have anything to add to that?

**Interjection:** No.

**Ms. Jamieson:** On the second point, I'd be happy to talk very briefly. I'm not sure how much time we have. We have put a new audit process in place. I think it's a fantastic audit process. For an issuer office to be audited, they're visited four times in a year. We can tell you that by April 2007, we will have commenced an audit in every single one of the issuer offices and we will have completed them in—128 will have had four visits. We've hired additional staff, we've trained them and we've consolidated our audit functions. The Auditor General pointed out that we had different parts of the ministry auditing for different things. That was confusing and not a happy case for our partners. We now have one office in charge of the audit function, additional resources, and we are working our way around what I think is a really good audit plan.

In addition to that, we have the mandate, responsibility and authority at any given time to send an audit team wherever we like. We do that; we do it today. We have various metrics that would concern us, if we saw some certain kinds of activity in certain places. We have the ability to audit frequently in places where we have additional concerns, and we do that. As you know, or may know, sometimes that leads to the termination of a contract with our issuer network, depending on the frequency of findings, the severity of findings—that kind of issue.

Frank, would you like to add anything?

**Mr. D'Onofrio:** Just that we feel the new auditing program is going to be very effective not only in terms of recognizing irregularities, but also in terms of the partnership, because it will provide the feedback to our partner that we need. It's as much about that as about anything else. It really is based from our internal audit services that have developed the pilot. It's based on recognized auditing principles; it's benchmarked against leading-edge ways of doing this in both the private and public sectors. We're really excited about the path forward, because we don't like some of the stats that showed what was behind us. We have some reasons for that, but at the end of the day we need to do better.

**Mr. Leal:** In the last fiscal year, how many spot audits did we have?

**Mr. D'Onofrio:** We had 97 in 2005. We completed 97 audits.

**The Vice-Chair:** Mr. Lalonde, do you have a question?

**Mr. Lalonde:** Yes. First, being a former PA, we had this request many, many times: Ontario does not have any official ID cards; Alberta has them. Right now, anybody who wants to take the plane, like a senior or a

blind person who doesn't have a driver's licence—I had to accompany a few students who took the plane in the past; I happened to know the parents. I believe it has also gone to the Ombudsman, and you must have the response to that.

Next, are we still looking at the possibility of doing the initial process for OHIP cards? In rural areas—for example, if I go up north—you'll see the person from OHIP, from the Ministry of Health, probably once a month or once every second month. Other people have to drive up to three hours to get their OHIP cards. All our PIN offices are equipped with a camera and the software is in there. We have worked very hard to get this going in the past. I would like to see the service given to the rural sector as good as it is in the urban sector.

**Ms. Jamieson:** Thank you for your questions. The ServiceOntario mandate is to try to make sure that where we have things in different ministries, we're doing the same thing; that we make them as available as we can to people across the province. So certainly, there have been discussions about both the driver's licence and the health card being something we could look at doing together.

With respect to official ID cards, I was going to ask Mr. Bartucci.

**Mr. Bartucci:** We have the capacity to produce those cards. We could produce the cards in Kingston now, and under a new contract we're going to be releasing, we would have the capacity. The decision to pursue an ID card is a policy decision. We are working with other ministries and developing proposals to bring forward to government with a view to providing a non-driver's-licence, non-health-card, government-issued photo ID for the very things you described: non-drivers or people who choose not to have a driver's licence, and using them as a quick form of identification where a passport or citizenship card might be too cumbersome to bring along. We have the administrative capacity within the ministry and within the government if we look out at other ministries like the Ministry of Government Services, which is responsible for ServiceOntario, and, with respect, it's really having a policy discussion at your level to decide the going-forward strategy. So we are developing some options within government to look at that.

**Mr. Lalonde:** I know they could get cards from the LCBO at the present time; they ask me to sign them. When I see it's a young person, I won't sign. Secondly, there's the Costco card; and lately I approached the municipality, if they want to start issuing an official card to citizens of that municipality so that people can take the plane whenever it's required. But we have the equipment in the PIN offices.

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**The Vice-Chair:** Mr. Patten, you have a quick question? I'm mindful of the time.

**Mr. Patten:** Me too.

On the ID card, I suppose we're waiting for our instructions from Washington as to what constitutes an acceptable ID card in transport or voyages. But we've been looking at the smart card for, honest to God, 20 years. There's a particular business, the Canadian Bank

Note Co., which actually does the vehicle driver's licence for Alberta. I got into it out of personal interest. I think they have the absolute finest, most secure card in the world. They even do this for other countries. I've suggested this. You're right: It is a policy issue, and it's really up to the government to do this. Why we can't move on it, I don't know. It would save us a ton of money, especially in the health field. The fraud is minuscule in terms of vehicle drivers' licences as it is with OHIP. It just befuddles me, because there are tens of millions of dollars in potential savings, let alone the convenience and the ability to cross-reference the identity of individuals and their activities.

**Ms. Jamieson:** We agree.

**Mr. Bartucci:** If I may just provide an answer to the question, Madam Chair, because there are some important issues I'd be delighted to talk about. First of all, the driver's licence and health card we now have are at end of life. It's been around since 1994; it's a technology that is not really used in jurisdictions anymore. So we are looking to secure a new contract that will bring us to the state of the art, the kind of cards that most modern jurisdictions are using for ID cards, passport technology and drivers' licences.

You referenced the United States, and it's important on two fronts. Certainly you talked about border crossing under the western hemisphere travel initiative. They are articulating requirements for a card other than a passport for Americans to carry back and forth across the border. Our federal government has begun thinking about the same thing. Obviously, our Premier has indicated most recently that he stands ready to work at using an existing card, such as a driver card, I believe he was quoted as saying. So we are looking to position ourselves, as a government, to produce those cards once those decisions are taken.

The other issue that has emerged in the United States is the Real ID Act, passed in late 2004, which is a slightly different card. Essentially, it amounts to a national ID card without prescribing one, mandating one, by the federal government. What it says is that if states produce a licence to a certain level—

**Mr. Bisson:** Madam Chair, on a point of order: There's about four minutes until we vote, and I would like to get out.

**The Vice-Chair:** Yes. I'm very sorry; I must cut you off.

**Mr. Bartucci:** My apologies.

**The Vice-Chair:** I would just like to ask the committee whether we have more questions to ask, or if we will take a recess for the vote. I'm at your disposal.

*Interjection.*

**The Chair:** All right. We will recess for the time of the vote. I'd like the members back to discuss our report-writing.

Thank you very much for coming today. We appreciate the time you've taken to answer our questions.

*The committee continued in closed session at 1217 following a recess.*



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