



ISSN 1180-4386

Legislative Assembly
of Ontario
Second Session, 38th Parliament

Assemblée législative
de l'Ontario
Deuxième session, 38^e législature

Official Report of Debates (Hansard)

Wednesday 25 April 2007

Journal des débats (Hansard)

Mercredi 25 avril 2007

**Standing committee on
finance and economic affairs**

Budget Measures and Interim
Appropriation Act, 2007

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

Loi de 2007 sur les mesures
budgétaires et l'affectation
anticipée de crédits

Chair: Pat Hoy
Clerk: Douglas Arnott

Président : Pat Hoy
Greffier : Douglas Arnott

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Hansard Reporting and Interpretation Services
Room 500, West Wing, Legislative Building
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Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

Wednesday 25 April 2007

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Mercredi 25 avril 2007

The committee met at 1004 in committee room 1.

SUBCOMMITTEE REPORT

The Chair (Mr. Pat Hoy): The standing committee on finance and economic affairs will now come to order. The first bit of business we need to do is have the report of the subcommittee.

Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge): Your subcommittee met on Wednesday, April 18, 2007, to consider the method of proceeding on Bill 187, An Act respecting Budget measures, interim appropriations and other matters, and recommends the following:

(1) That the committee meets in Toronto on April 25 and 26, 2007, for the purpose of holding public hearings.

(2) That the committee clerk, with the authorization of the Chair, post information regarding public hearings on the Ontario parliamentary channel, the Legislative Assembly website and with the Ontario edition of the Canadian Newswire.

(3) That interested parties who wish to be considered to make an oral presentation contact the committee clerk by 12 noon on Tuesday, April 24, 2007.

(4) That groups and individuals be scheduled on a first come, first serve basis from the committees branch database.

(5) That all witnesses be offered 10 minutes for their presentation, and that witnesses be scheduled in 15-minute intervals to allow for questions from committee members if necessary.

(6) That the deadline for written submissions be 5 p.m. on Thursday, April 26, 2007.

(7) That amendments shall be filed with the committee clerk by 12 noon on Friday, April 27, 2007.

(8) That the committee meets for the purpose of clause-by-clause consideration on Tuesday, May 1, 2007.

(9) That the committee clerk, in consultation with the Chair, be authorized prior to the adoption of the report of the subcommittee, to commence making any preliminary arrangements necessary to facilitate the committee's proceedings.

Mr. Chairman, that's the subcommittee report.

The Chair: Thank you. Any comment? Hearing none, shall it carry? Carried.

Before I call our first presenter up, I'm informed that at the subcommittee stage it was suggested that perhaps the rotation wouldn't go in the way we are accustomed to

here. For example, if one of the parties was to waive off a question, it would go to the next party, to see if they were interested. That's fine, but then for the Chair's purposes, where do I go back to in the rotation if people start waiving off questions and want it to transfer to some other party? We can try it today and see how it works out. I'll try to do my best to be fair in this, although in some cases, I can see where rough justice might prevail.

I also want to tell the committee that we have eight presenters this morning—we're running behind time already—but tomorrow we have 18, plus at noon hour there's a possibility of a vote. I don't want to have our guests sitting unduly in their chairs, waiting to make their presentations. We'll try this rotation suggestion. If you can work out between yourselves before we get to the end of the presentations who's going to actually ask questions, that will be fine. I'm not particularly in the mood to split questions, so if another party wants to stand down and let another one go for five minutes, I'm agreeable to that. But splitting five minutes three ways is just not palatable. We'll try it and see how it goes for today. If I find it disconcerting, we may change it tomorrow.

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**BUDGET MEASURES AND INTERIM
APPROPRIATION ACT, 2007**

**LOI DE 2007 SUR LES MESURES
BUDGÉTAIRES ET L'AFFECTATION
ANTICIPÉE DE CRÉDITS**

Consideration of Bill 187, An Act respecting Budget measures, interim appropriations and other matters /
Projet de loi 187, Loi concernant les mesures budgétaires, l'affectation anticipée de crédits et d'autres questions.

TOWN OF MOOSONEE

The Chair: With that being said, I call on our first presenter, the town of Moosonee. This is teleconference.

Mr. Wayne Taipale: Wayne Taipale, town of Moosonee, mayor. I would like to first thank the standing committee for hearing my concerns.

I would like to start with the first bullet: The decision to significantly increase the royalty tax on diamond mining will definitely have a negative effect on my

community and our community in northern Ontario, especially the far north communities.

The second point I'd like to bring forward is: The proposed increase in royalty taxation will likely limit or restrict other industries from venturing into the far north for development, as start-up costs are significantly higher in the north up here already.

My third bullet would be, on average, the cost of doing business in the far north communities is about 30% higher than the other communities that are connected to Highway 11. Now I'm talking about the remote communities on the western James Bay coast.

Employment and training opportunities have only just recently begun improving here in the community of Moosonee and the other communities with the development of the diamond mines. I think that the taxation level would really drastically discourage other people from coming into our communities.

Remote communities have seen many years without employment and opportunities. With the new mining development in the area, including the diamonds, our communities have really, really changed, and there have been a lot more opportunities in employment and training in the area. So I'd like the committee to realize that there are some problems. Once you put the taxation up, people are not going to come to this area and our employment and opportunities for training will really decrease, I believe.

While organizations like the northern development council with the Ministry of Northern Development and Mines—I sit on that council. We are meeting, and many times strategies have come out saying that to get development in northern Ontario and remote northern Ontario, we need tax incentives. To increase the taxation by 8%, just on diamonds alone, is totally undermining what we have been hearing and what we are looking at doing for the north to get development going.

With that, I would just like to say that we are totally opposed to the 8% increase in taxation on the diamond mine right now. That's the point I would like to bring forward. If there are any questions, I can take them.

The Chair: Thank you. Does that complete your presentation, then?

Mr. Taipale: Yes, it will.

The Chair: Thank you very much for that.

Mr. Ted Arnott (Waterloo-Wellington): Mr. Chairman, I want to express my appreciation to the mayor of Moosonee for his presentation, but I know that my colleague the member for Timmins-James Bay wants to ask a question or a series of questions, and I'll defer my time to him to give him that opportunity.

Mr. Gilles Bisson (Timmins-James Bay): We're such a happy family here, Wayne.

Mr. Taipale: We are, yes.

Mr. Bisson: Mayor Wayne, thanks for presenting. I'm going to ask you a couple of questions, just to try to put this into context. My first question is: If this project had had to get the approval some three or four years ago at a

rate of 13% on royalties, is it your belief that this project would have gone forward?

Mr. Taipale: No, it wouldn't have. Gilles, as you know, there are other developers in this area right now walking around out of mining companies; another diamond one as well. What I hear out there at the field from these people is that they're looking at closing it and moving on.

Mr. Bisson: That was my second question. There is currently a bit of a rush on diamond exploration on the James Bay, and there are other companies, as you just pointed out, that are basically out exploring. I take it you've already had contact from some of them, and they're basically showing a retreat as far as their activities for exploration on the James Bay?

Mr. Taipale: That's what I understand. Not only diamond mining companies, but there are other companies that have been in here looking, and they're saying, "We're scared right now. We're not doing anything."

Mr. Bisson: Can you, Mayor Wayne, just for the sake of the committee to understand how big this is for your community and for the James Bay community, expand a bit on what Moosonee looked like, let's say, four years ago, and what's happening there this winter as a result of the De Beers mine actually going into construction?

Mr. Taipale: All right. Our community and the other communities along the west coast of James Bay, which is Kashechewan, Fort Albany and Attawapiskat—I've been in contact with them—and Moose Creek, have employment like we've never had in the history that I remember. I've lived in Moosonee since I was four years old. Training opportunities—I'll just give you one example. I go to the career fairs. I've been going to the career fairs at the high school here for many years. A few years ago, I was there and I was asking the high school students, "What are you going to do when you finish high school?" A lot of them said, "We're not finishing high school." Others said, "We're not going to go to college or university, because we can only get jobs at the northern stores or drive taxis." Last year, when I was at the career fair, the kids were saying, "We're going to university," or, "We're going to college. We want to become millwrights, we want to become computer techs, we want to do this, we want to do that, because there are jobs at the mines. We want to work in the mines."

Mr. Bisson: I guess that's one of the things I want to try to implore the committee about here, and maybe you can speak to that: In many of our communities—Attawapiskat down to Fort Albany and even into Moosonee; a little bit less so in Moosonee—you're talking about 90% unemployment, communities that have no hope and, as Wayne just pointed out, kids who see the cycle repeating itself. This project, over \$1 billion of investment, is spinning off along James Bay like we've never seen anything before, and the message the government is sending to the investment community is that all of that could basically be up in smoke, because who would want to invest in this particular climate?

From the sense you're getting on the ground, Wayne, in regard to community members—I know I ran across a

few people from Moosonee who were actually in Timmins on the weekend, and it was sort of the talk of the town. Maybe you could just talk a little bit about what you're hearing on the ground in Moosonee and Moose Factory in regard to this decision.

Mr. Taipale: They're really opposed to it. Some of the things were brought up by different community leaders and members, but it's just like somebody deflated the balloon: What is going to happen? Are we going back to the way we used to be? What about the other mining companies that were looking at coming into the north? They're probably not coming now. It's like a really negative impact on all the communities here.

Mr. Bisson: If you have to leave this committee with one last word—I take it I'm running out of time, Chair?

The Chair: You have a minute left.

Mr. Bisson: Within a minute. If you have to leave the community—this committee, not the community; Wayne, stay in the community, please. If you have to leave this committee with one last thought, one last word, and it's your last argument to get this government to support an amendment that we will be putting forward as the New Democratic caucus, basically calling for the stop of this particular move, what would that be?

Mr. Taipale: It would be, think of the communities, think of the economics, think of the future, think of our kids. If we go ahead with this taxation and De Beers or any other mining company pulls out or doesn't even look at coming into this area, our economics are bleak. We're back where we were 20, 30 years ago.

Mr. Bisson: So finally we're getting to share in some of the wealth of the economy of Ontario, and the sense in the James Bay area and Timmins and other areas is that this is being pulled out from underneath us. Members of the committee have to understand how serious an issue this is for us. It would be like going into Windsor or Oshawa or any car community and saying, "We're going to make the taxation such that these companies can't operate." You may try to undermine that, but that's the reality. Thank you, Wayne.

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

ALLIANCE OF CANADIAN CINEMA, TELEVISION AND RADIO ARTISTS

The Chair: I'll now call on the Alliance of Canadian Cinema, Television and Radio Artists to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Karl Pruner: Thank you very much, Mr. Chair. I'm Karl Pruner. I'm the president of ACTRA, Toronto, and I want to thank you for giving me the opportunity to speak here today. ACTRA is a national organization of 21,000 Canadian performers working in the English-language recorded media. I speak on behalf of ACTRA's largest branch, ACTRA Toronto Performers, which has a

membership of approximately 13,000. My comments this morning will be specifically regarding schedule 39 of Bill 187, the Status of Ontario's Artists Act, 2007. You can find it starting on page 257 of Bill 187.

As a preamble to my comments, I'd like to give you a little background on the history of status-of-the-artist legislation. In 1980, UNESCO produced its recommendation concerning the status of the artist. That document stressed the vital importance of art and culture in society and highlighted the fundamental truth that art cannot thrive without artists. Vibrant, healthy societies must support their artists, improve their status and promote their ability to earn a living through their art. UNESCO made it clear that the word "status" included moral, economic and social rights, with particular reference to income and social security.

UN member states were urged to address a number of issues, including measures to ensure that artists are accorded the same rights as other workers, measures to protect child artists, measures relating to pension rights, measures in the taxation system which take into account the particular condition of artists' work and measures which recognize the role of professional and trade union organizations in the arts. Since 1980, efforts have been ongoing to translate this UNESCO recommendation into legislation. Ontario came somewhat late to status of the artist, but we were pleased to see a commitment to legislation in the 2003 Liberal campaign platform.

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In 2004, the Minister of Culture established the Advisory Council for Arts and Culture. They in turn established a status-of-the-artist subcommittee, who are charged with the responsibility of preparing a report on the socio-economic status of the artist in Ontario in the 21st century. After receiving input from thousands of artists, artist unions, art organizations and supporters, the subcommittee presented its report to the minister in October 2006. The report contained 23 recommendations. On March 22 of this year, the Status of Ontario's Artists Act, 2007, was introduced as schedule 39 of Bill 187.

Unfortunately, the recommendations contained in the subcommittee's report were not reflected in the proposed act. The only concrete proposal is to proclaim a Celebrate the Artist Weekend. The stated purpose of the proposed act is to recognize that artists make "contributions to Ontario's economy and quality of life." I have no quarrel with the validity of that statement, but it does nothing, in itself, to advance the status of artists. In particular, it does nothing to address socio-economic status, recognized by UNESCO and the minister's own subcommittee as fundamental to the status of artists.

Today, we are asking that fundamental changes be made, through amendment, to the proposed act, so that it can meet the spirit of the UNESCO recommendations and indeed the commitment made in the 2003 campaign. Specifically, we would like to see an amendment to provide standard protection for children in the performing arts. ACTRA represents approximately 1,750 per-

formers under the age of 19. The conditions under which these children work have long been an important priority for ACTRA in our bargaining, most recently earlier this year, in negotiations which led to the first strike in our 64-year history. Our agreement addresses such key issues as the protection of physical and moral health, the protection of education, the protection of earnings and mandating parental responsibilities. I put it to you that children should not need to go on strike to achieve such basic protections.

ACTRA has also been working with our industry partners and the Ministry of Labour to develop guidelines to protect child performers, but these are just guidelines, and if and when they are adopted, they will not carry the full weight of the law. The importance of protections for child performers was not lost on the status-of-the-artist subcommittee. On page 17 of their report, they recommended that legislation should include measures to provide standard protection for children in the performing arts. ACTRA asks that you amend the proposed act in keeping with that recommendation.

Secondly, we would like to see amendments that provide direct income support to artists. Despite being highly educated, artists earn significantly less than other workers. As of 2001, artists earned, on average, 26% less than other workers. To address this, the subcommittee recommended that the government consider a range of tax benefits, such as a provincial tax credit based on a range of eligible expenses and expansion of the existing PST exemption program. ACTRA urges this standing committee to amend the proposed act by implementing this recommendation.

In addition, in the spirit of the UNESCO recommendation and as a matter of simple justice, ACTRA urges amendments that would allow artists to be treated as employees, so that they may obtain the minimum standards available to other workers, such as hours of work, overtime and rest breaks, regardless of whether or not they are classified as independent contractors for tax purposes; and allow artists to spread their income over several years, an Ontario-based tax deferral system as mentioned on page 20 of the subcommittee's report.

Thirdly, we would like to see amendments that address the serious situation faced by older artists in Ontario. Typically, artists do not earn enough to bank significant credit in the Canada pension plan and do not participate in employer pension plans. For those who manage to set up an RRSP, many are forced to collapse their plans during periods of low or no earnings. RRSP savings are therefore often not available to artists to fund their own retirements. Artists typically cannot afford to own their own homes and have a pressing need for retirement housing tailored to their unique circumstances. Again, this need was recognised by the subcommittee, which recommended a provision of existing and new sustainable funding mechanisms and delivery channels for housing programs that benefit artists, such as Toronto Artscape and the Performing Arts Lodges.

ACTRA urges the standing committee to amend the proposed act so that it may facilitate revisions to the

province's housing grants programs to ensure that they are funded and designed to meet the needs of older artists.

Fourthly, we would like to see amendments that would address the pressing career transition issues of artists. Many artists, particularly in the performing arts, are forced to leave their profession long before retirement age, but making such a career move can be much more difficult for artists than it is for other workers. Existing provincial training programs are often restricted to recipients of employment insurance benefits, and artists are often ineligible because they cannot collect EI when they are out of work.

The subcommittee recommended that apprenticeship opportunities be developed for artists regardless of whether they were self-employed or employees. They also recommended that funding be made available under the Labour Market Partnership Agreement and that those training funds be available for both self-employed artists and artists who are employees.

ACTRA urges this standing committee to amend the proposed Status of Ontario's Artists Act to implement these recommendations.

Finally, we would like to see an amendment that would address the collective bargaining situation of artists in Ontario. Artists' associations and trade unions have played a key role in protecting and improving terms and conditions of engagement for their members and will continue to do so. The importance of this role was given broad support in the 1980 UNESCO recommendation.

Many unions and associations in the arts have no history of collective bargaining and very little bargaining power without a legal framework. The differing situations of various artists' unions have in the past been a stumbling block in determining the best way forward, but that is no longer the case. All artists' unions, under the umbrella of the Ontario Federation of Labour, have reached a common position. The subcommittee recommended on page 18 of its report that the Minister of Culture establish a time-limited process where parties with a direct interest in any mandatory collective bargaining regime are invited to meet with representatives of the Ministry of Culture and the Ministry of Labour to work toward consensus. ACTRA asks that the standing committee amend the proposed act to implement this recommendation.

In conclusion, ACTRA Toronto Performers urges this standing committee to make these amendments that we seek on behalf of individual artists. Over the past three years, ACTRA, as well as other artists' unions and organizations, individual artists, the members and staff of the status-of-the-artist subcommittee and staff in the Ministry of Culture have worked hard to formulate solutions to the significant challenges faced by Ontario's artists. That work is not reflected in this proposed act. The members of the standing committee can correct that, and we ask that you do so. Please make this an act that the government and artists alike can truly celebrate.

The Chair: Thank you for the presentation. This round of questioning will go to the official opposition.

Mr. Tim Hudak (Erie–Lincoln): Thank you very much for the presentation, Mr. Pruner, on behalf of ACTRA. You make an excellent point. I'm looking at page 5 of your presentation that, while the incorporation of the status of the artist in Bill 187 may sound good in a press release, in fact it's pretty thin gruel when it comes to actual legislative authority. We'll share this, my colleague Mr. Arnott and I, with Julia Munro, our critic, as well. She'll be very interested in your presentation. We'll get her advice in terms of potential amendments.

I'm making sure that I'm following this correctly: Are you suggesting to strengthen this part of Bill 187, and then incorporating what parts of the 23 recommendations from the report?

Mr. Pruner: There is a document available, our brief, which I will leave with you. It is a more expanded version of the presentation I just made to you, with detailed recommendations on presentations, including appendix A, which is the language that ACTRA has in its union contract to protect child performers and which we think is a good template. So there's a number of specific recommendations that we'll leave with you for your deliberations. They are basically those five points: Some kind of tax relief and income support, training monies, housing for older artists, transition issues and all of these areas.

Mr. Hudak: You've no doubt had discussions over some time with the Ministry of Culture on these issues. I think most of us were expecting a stand-alone bill at some point in time from this government, as it was a campaign promise they had made. It's now been inserted in a shrunken form as part of this omnibus legislation.

I guess you brought these issues up, in terms of having a strong act, to the Ministry of Culture. Why did they decide not to pursue stand-alone legislation of some significance?

Mr. Pruner: The workings of other people's minds are always a mystery to me. We have made these presentations continuously over a long period of time. We are always happy to see recommendations brought forward to implement status-of-the-artist legislation, but we were hoping to see something meaningful. The line that we're working on now is that performers in particular, and artists in general, are looking for help from the province in getting a workweek, not a weekend, to celebrate. We've got far too many weekends. We'd really like to have some help in getting to work.

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I would just reiterate that although I sit here for ACTRA, I'm speaking for all of the artists in Ontario. This is a highly educated, highly motivated part of the workforce. These people want to work. They've chosen their line of profession, often at a real financial loss, and they persist in it. Is this unrealistic? I don't think so.

We're spending a billion dollars in this city alone on arts infrastructure. We have no trouble in spending money to house the arts. We just have a little trouble actually funding the people whose work is on display. This has been studied to death under several govern-

ments. I think it's time that the rubber hits the road and we do something meaningful for the artists in this province.

Mr. Arnott: To follow up, you're so right: The economic impact of cultural activities and the film industry has become very impressive in terms of what we've been able to achieve here in the city of Toronto and the province of Ontario as a whole. ACTRA members have played an important role, to use a bit of a simile there, in terms of achieving that, obviously, so I think your advice is very helpful to this committee and should be attended to carefully by the government.

But this is an issue that has been kicking around—you're quite right—for a long, long time. Various commitments have been made. What exactly was the commitment that was made to you in the 2003 election campaign by the Liberal Party, then seeking election to government? I think you've very effectively pointed out where there need to be revisions, but what precisely was the commitment?

Mr. Pruner: The promise, as we understood it, was that meaningful legislation, and in Ontario a status-of-the-artist act, would be coming forward. We have federal status-of-the-artist legislation. The difficulty is that labour law, being rooted in the provinces, really doesn't have traction for working people until the provinces take it up. Quebec has enacted status-of-the-artist legislation that, in some regards, was salutary but in the labour organizing area was very problematic: It undermined existing contracts. That is why we have been cautious in this area. We have recommended a time-limited process where all stakeholders attend.

As I've indicated in my presentation, there is a great deal of agreement on how this process should work now and what the problems are, and there are some proposed solutions. I think the time is ripe now to do something real. That is what we were promised, and we would just like to see it brought to fruition.

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

Mr. Pruner: Thank you very much, ladies and gentlemen.

HENRY RASTON

The Chair: I call on Henry Raston to come forward. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard. You may begin.

Mr. Henry Raston: Thank you. My name is Henry Raston. You, ladies and gentlemen of the committee, have my written submission. I would like, in my verbal submission, to concentrate on three major issues: first, the audit committee; second, the credit union members' rights; third, the enforcement of compliance with the provisions of the act and the creation of bylaws.

Starting with the audit committee, we all know the battle in the United States with Enron and other major

corporations. Canada wasn't completely free of such debacles either, although they were not of as great magnitude as in the US. An example is Nortel. In the United States, to the best of my knowledge, the authorities have strengthened the audit requirements and also penalties for infringement of certain regulations and laws concerning the operation of corporations. To the best of my knowledge—and I realize I may not know everything—in Ontario relatively little has been done in that direction.

The audit committee in a credit union, an elected audit committee, is only an option in the present act; it's not being forced upon any credit union that doesn't want it. The fact that there is a proposal to amend the act to remove that option, to me, shows that the boards and management of large credit unions have lobbied to have such amendments submitted. That alone should give us pause. Why are they afraid of it? Why don't they want it?

It should be left to the members of a credit union to decide which option they want. I feel very strongly that it's unrealistic to expect an audit committee consisting of members of the board, appointed by the board, to police themselves if such policing is necessary, and it is, because one of the functions of the audit committee is to monitor the board for any violations of the act or the bylaws and, of course, for any conflict of interest. To ask them to monitor themselves I think is going beyond what human nature allows, so I strongly urge the committee to recommend rejection of that amendment and to leave the option—and I stress the fact that it's only an option—of an elected audit committee.

Going to members' rights, as I mention in my written submission and as I know you must know, credit unions are co-operatives, and the act says so. The act says that the credit union should operate according to co-operative principles. That, to mean anything, should mean that the members must have certain rights and have some opportunities to control the operation of their credit union. After all, it's their credit union, they are co-owners, and it's their money that's in that credit union. Therefore, the members' rights should be protected.

Part and parcel of that protection—there are two. First of all, in some articles in the present act and in the proposed amendment, the only redress given to members is going to court. Court proceedings are time-consuming and very expensive. Most members cannot afford the expense of lawyers and legal fees and so on. Therefore, that in effect deprives them of the rights denied them by the board of the credit union; if they cannot go to court, that's it. They cannot do what the act tells them they can.

Part and parcel of the protection of members' rights is also the enforcement of compliance with the act. I have had 40 years' experience in the credit union movement. I have had many dealings with the Financial Services Commission of Ontario, especially the division of licensing and compliance. I can tell you from my own experience that the division of compliance of the commission, most of the time, almost invariably, sides with the boards and management of large credit unions, not with the members. Therefore, the act, in my opinion, should make

it clear that it is their function not just to administer the act but also to enforce it. Again, with the amendment you are giving the superintendent complete freedom over not only what kind of action to take but even when to take action, and it would ensure, in my opinion, that the act would not be properly enforced, and that means that the act would just become words on paper. It would have little effect in life, because the members of the boards and management of large credit unions, if they don't like certain provisions, will not comply with them, and it seems that the commission at present, as it stands now, does not enforce it.

Finally, to ensure that members of a credit union can have their rights protected, I strongly recommend that this committee recommend to the Legislature the creation of a special tribunal, something along the lines of the tribunal dealing with matters between tenants and landlords. That would deal with matters much faster, more effectively and at much less expense. There would not be that many matters before the tribunal, so there could be full-time employees of the Ministry of Finance who only sit on the tribunal when and if needed. But such a tribunal should also accept appeals from the decisions of the superintendent, especially decisions of the superintendent not to enforce the provisions of the act. This is the only way, in my view, to protect members' rights. After all, the credit unions are owned by members, they have certain rights, and those rights are enshrined in the act, but without proper enforcement, those rights are meaningless.

The Chair: Thank you for the presentation. This round of questioning will go to the government.

1040

Mr. Arthurs: Thank you, Mr. Raston, for taking the time to be here this morning. You come, obviously, with a very long history—professional history as well as engagement in the credit union, *caisse populaire* activities. We certainly appreciate your taking the time and appreciate your comments this morning.

The amendments being proposed are intended to and will allow the credit unions to compete more effectively, in a new business environment, to some extent, for them, a different kind of financial market than they might have found themselves in some years ago.

I'm particularly interested in any additional comments you have in regards to the audit function. It's incredibly important that we ensure, in any legislative process, particularly one that deals with financial institutions, that we have the right framework to ensure that the audit functions work well. Do you want to provide any additional comments to me on how you see the audit committee function working more effectively?

Mr. Raston: Yes. First of all, we have to remember that there are outside auditors. The auditors really do the financial audit of the credit unions. By the way, talking about outside auditors, in my experience with the credit union I'm a member of, at present, the auditors are one of the largest firms in Ontario. I'm not going to mention their names. But the audit seems to consist almost ex-

clusively of making certain that the management's financial statement includes everything that's in the financial records on their computer—no comments, no recommendations, nothing concerning the quality of financial management or quality of investment or anything of the sort. When I asked them point-blank, "Are you looking for any dishonest things?" or whatever, they say, "No, not unless someone tells us that there is something improper. Then we'll look for it." Otherwise, they don't.

In my opinion, unless it's strengthened, the present audit, even by an outside auditor, is not that meaningful. One of the functions of this committee is to monitor the board for conflicts of interest. How can directors monitor themselves? It's unrealistic to expect them to do a proper job. They're also supposed to audit the management for compliance with the board's policies, credit union bylaws and so on. Again, the board has final responsibility for the management of the credit union. They may delegate some of them to the president and the CEO, but in the end, they are responsible for it. If they don't have proper procedures to control it and the audit committee is part of that board, that audit committee is not likely to do a very good job of auditing.

I feel strongly that it should be elected, because then that committee is only loyal to the members who elected them, to nobody else. Let's not forget that among the members, there are also qualified people. There are accountants, economists, people with higher education. It isn't just on the board. I would suggest the opposite: Some of the members of the board shouldn't be there because they are not properly qualified. But there are qualified people among the members who serve on such committees, as has been proven in the credit union I'm a member of; they have qualified people there.

As I said before, all that is meaningless unless those provisions are enforced by the commission, and they are not being enforced now.

Mr. Arthurs: Thank you.

The Chair: Thank you for your submission.

Mr. Raston: Thank you. That's it?

The Chair: That concludes it, yes.

Mr. Raston: Thank you.

CANADIAN ARTISTS' REPRESENTATION / LE FRONT DES ARTISTES CANADIENS

The Chair: I call on the Canadian Artists' Representation to come forward, please. While this presentation is coming forward, I have a suggested list for the rotation. I have here that the next question will be to the NDP, then the official opposition, then to the government, then to the official opposition and then to the NDP. Do we have agreement on that?

Mr. Arnott: Agreed.

Mr. Hudak: Agreed.

The Chair: Thank you. That helps the Chair a lot.

Good morning, sir. You have 10 minutes for your presentation. There may be up to five minutes of ques-

tioning following that. I would ask you to identify yourself for the purposes of Hansard.

Mr. Kristian Clarke: I'm Kristian Clarke, executive director of Canadian Artists' Representation / le Front des artistes canadiens. I was supposed to be presenting with Merlin Homer, the president, but she was unable to make it.

Honourable committee members, first I would like to thank you for the opportunity to speak on behalf of professional visual and media artists in the province of Ontario. As executive director of Canadian Artists' Representation / le Front des artistes canadiens, CARFAC Ontario, I'm presenting in reference to the Status of Ontario's Artists Act, introduced on March 22, 2007, as schedule 39 of Bill 187.

It is commendable that the government of Ontario is taking concrete steps to address the needs of the artists' community. Recent announcements regarding increases in funding through the Ontario Arts Council were very encouraging and were suggested in the Report on the Socio-Economic Status of the Artist in Ontario in the 21st Century, prepared by the Advisory Council for Arts and Culture. The Status of Ontario's Artists Act, schedule 39, also includes language relating to artists' health and safety, municipal cultural planning strategies, the marketing of artists at regional and international levels and professional development and training opportunities, as recommended by the aforementioned report.

When the Minister of Culture told the Legislature last year that she would bring in status-of-the-artist legislation to improve the socio-economic conditions of artists, artists of all disciplines were hopeful that the government of Ontario had finally decided to develop some form of labour relations mechanism, for example, collective bargaining. This is not addressed in the act.

CARFAC Ontario is calling on the standing committee to revise schedule 39 to include the following: wording that acknowledges the socio-economic condition of artists; and labour standards and taxation measures to immediately improve the working lives of artists in Ontario, including protections for child performers, access to training and professional development programs and funds, tax measures favourable to artists—for instance income averaging and/or exclusions of certain incomes from provincial taxes—and protections for senior artists.

As well, we're looking to the government to start a consultative process leading to the creation and enactment, within 24 months, of an appropriate labour relations mechanism encompassing a collective bargaining procedure for all professional artists and producers/engagers in the province of Ontario.

The Minister of Culture has stated that she is committed to working with the artists' community. It is imperative that schedule 39 include a clause which allows for periodic reviews of the legislation so that the community can provide feedback. Currently, such a clause exists in the Canadian Copyright Act.

As an organization that represents self-employed visual artists, CARFAC Ontario urges the standing com-

mittee to amend schedule 39 to include wording that addresses their socio-economic standing, makes a commitment to developing labour and tax standards as well as a labour relations mechanism, and requires periodic reviews of the legislation.

The Chair: Thank you for the submission. The questioning will go to the NDP.

Mr. Michael Prue (Beaches–East York): Thank you very much for your submission. We had an earlier submission. I believe you were here when the members of ACTRA—they had an appendix A attached to their submission, which outlined the ACTRA agreement for child performers. Are you echoing this same concern?

Mr. Clarke: Yes.

Mr. Prue: Does your group involve child performers at all?

Mr. Clarke: Probably not as prolific as ACTRA, but we have been involved with ACTRA and the other artists' organizations in the province in unanimously pushing forward some of these recommendations. So we do support ACTRA in that regard. We also definitely support the idea of a collective bargaining regime, as long as there is some type of window so that all the different arts organizations with pre-existing collective agreements can make sure that there isn't any type of harm done.

Mr. Prue: In terms of artists and salaries, I haven't seen anything for a couple of years, but the last time I saw some statistics, artists were generally amongst the poorest of our population.

Mr. Clarke: And the best educated.

Mr. Prue: Yes. This bill, I've commented in the House, does virtually nothing for artists. Is the artists' community happy with Bill 187? I don't think so because there are a number of representations being made on this.

Mr. Clarke: The artists' community generally is not happy, but I have to say that I'm encouraged by what the government is doing. I do think, though, that the crux of the issue is not being addressed. If you have a report that is dealing with the socio-economic status of Ontario artists in the 21st century, and there's no effort in the legislation to deal with that issue, then I don't understand why they had the report made in the first place.

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Mr. Prue: So the body of Bill 187 mostly deals, when it's around artists, with a weekend in June.

Mr. Clarke: There are other issues which are talked about, but that is the most concrete initiative. We'll have to wait and see some of the other programs that are rolled out with the legislation, but as far as I can see, that is the only concrete initiative.

Mr. Prue: And you're here because you want to see, from the recommendations, new investments in culture, an artists' act, periodic review, that sort of thing.

Mr. Clarke: Yes. I want some type of evaluation mechanism, I'd like collective bargaining addressed in some way and I'd like the socio-economic condition of artists to be addressed—and that hasn't been done in schedule 39.

The Chair: Thank you for your presentation.

CREDIT UNION CENTRAL OF ONTARIO

The Chair: I call on the Credit Union Central of Ontario to come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard.

Mr. Howard Bogach: Thank you. I'd like to introduce myself. My name is Howard Bogach. I'm the president and CEO of Credit Union Central and I represent the Coalition of Credit Unions. On my left is Brigitte Goulard, who is the director of government affairs with la fédération; to my right is Jack Vanderkooy, who is the president and CEO of DUCA credit union and also represents the Association of Credit Unions of Ontario.

I want to thank the committee for inviting us to comment on Bill 187, more particularly schedule 7, amendments to the Credit Unions and Caisses Populaires Act. Ontario credit unions have over 1.6 million customers in the province, and assets of approximately \$26 billion. On top of that, we are key lenders to the small business and agricultural communities. Over 80% of our business is outside the greater Toronto area, and we serve over 40 communities in Ontario where we're the only financial service provider in that community, which is particularly important in rural and northern Ontario.

I want to start off by saying we are pleased that the government is moving forward with the amendment to our act, and I also want to congratulate the government on being open in their discussions. The government has taken time to listen to many of our system concerns and there were significant improvements in this bill when compared to the draft consultation released last August. We're hopeful that the end result will provide Ontario's credit unions and caisses populaires with the necessary flexibility and business powers to prosper and grow, as they have in other jurisdictions in Canada.

I'm going to quickly take you through a few areas that we feel we need to address in order to reach that end result. I've also left you a pretty detailed handout with our issues. In our handout, we've outlined three categories of comment, as follows: first, outstanding key policy initiatives; second, outstanding significant technical concerns carried over from the consultation draft; and last, other technical comments. In the interests of time, I'm only going to speak to the first item, outstanding key policy initiatives.

First, under director and officer indemnification, the Coalition of Credit Unions and Caisses Populaires of Ontario has requested that the government use this opportunity to harmonize the rules around director and officer indemnification with the more modern rules in the Bank Act. While the government did say they were interested in harmonizing this in consultation, a small amendment will still be required in Bill 187 in order to implement this promised reform. We think it's illogical that the director of a bank would receive a higher degree of indemnification than would one from an Ontario credit union.

We need some further work with a framework for the Deposit Insurance Corp. of Ontario's evolving role as both regulator and deposit insurer. Bill 187 does not implement a number of checks and balances that the coalition suggested, including an ombudsperson for the Deposit Insurance Corp., an accountability meeting and ongoing league input on certain appointments to the Deposit Insurance Corp.'s board. In fact, section 133 of the bill specifically eliminates the leagues' statutory right to nominate persons to the Deposit Insurance Corp. board. In consideration that the board has won numerous governance awards, we're surprised by that. Nevertheless, we feel that a new framework for the Deposit Insurance Corp.'s evolving role can be achieved without amendments to Bill 187 through the use of a memorandum of understanding between the Financial Services Commission, the Deposit Insurance Corp., the Ministry of Finance and the leagues as representatives of the deposit insurance stakeholders. We would ask the government to commit to working on this memorandum of understanding prior to passage of Bill 187.

In terms of the regulations, Bill 187 enables regulations to address key policy issues in many areas. We feel it's imperative that broad, system-wide consultation be conducted prior to the implementation of those regulations. The government has promised to consult with us on regulatory development, and we feel it's essential that they do so, especially in the key areas that we've identified in our handout.

I want to speak about how important quick and flexible regulations are to the constantly changing world we live in as a financial institution. We witnessed earlier this week the kinds of problems that incur when operational regulations are not harmonized. Under Bill C-37, federally, the banks had a minor change implemented this past week that allows them to finance uninsured mortgages—residential mortgages—up to 80% from the traditional 75%. Unfortunately, Ontario credit unions can still only finance personal, uninsured mortgages up to 75%. That is a significant competitive disadvantage in our marketplace. Aside from the other regulatory changes which the government has promised to consult on, this creates immediate, street-level disadvantage to credit unions and creates mass consumer confusion. We pointed this potential issue out to finance last fall, and we were given assurances that the province would act once the federal government had passed their changes.

The banks are now enjoying their new rules, and Ontario credit unions and caisses populaires are left explaining to our members why we cannot offer them the same advantages that they can get from a bank down the street. We continue to see things that are put into hardware, where they should be much more flexible in terms of being able to change in a marketplace if we're going to remain competitive. Clearly, this example provides the necessary evidence that we need more flexibility than ever for our regulatory framework if we're going to continue to compete and play an active role in Ontario's economy.

I want to conclude my brief remarks by thanking you again for listening to our comments. We invite you to ask any questions of me or my colleagues.

The Chair: Thank you for the presentation. The questioning goes to the official opposition.

Mr. Hudak: Howard, thank you very much. It's good to see you again. As has been the nature of the organization, this was a well-organized brief. I appreciate your suggestions for amendments to the bill.

The most recent change that the federal government, through Bill C-37—you said that a regulatory change gives them a greater ability and mortgage products that aren't currently available to credit unions. This was brought up to finance some time ago.

Help me understand: What would be the difference if I'm a potential customer on the street?

Mr. Bogach: If you're a potential customer on the street right now, you can go into a bank or to Manulife and get a mortgage for up to 80% of the value of that home without having it insured. You can only get that up to 75% with a credit union today.

Mr. Hudak: Which was the old standard in the federal act?

Mr. Bogach: Which was the old standard in the federal act. I'll even point out that I had a discussion with our colleagues in British Columbia. British Columbia has a flexible, "prudent person" lending policy where they don't even bother putting this—they will just make the adjustment within their prudent lending policies to 80% without making it a regulatory issue, which is a far more modern way to address that type of issue.

Mr. Hudak: I might ask the parliamentary assistant, when we get to the debate aspect of our committee consultations, if he's able to report back if finance is considering making this regulatory change.

If I understood you, would this be part of the bill? Would it be just the ongoing discussions or should it be part and parcel of Bill 187?

Mr. Bogach: We believe that it should be changed as soon as possible. We believe that our credit unions are at a severe competitive disadvantage. It may seem like a small number—5%—but on a home today, that's a significant amount of money.

Mr. Hudak: You mentioned that you have proposed for some time an ombudsperson for DICO and also that you had some concern about the change in the way appointments are made to DICO. What would be the purpose of the ombudsperson, and what advantage would it give to consumers?

Mr. Bogach: The government feels that there is an advantage in combining what was being done in the Financial Services Commission with what was being done within the Deposit Insurance Corp., which probably gives you some economies. But that gives us concern because you now have the regulator and the deposit insurer being one. We think that creates an intrinsic conflict of interest, whereas if you're looking for the right regulations and you're also concerned about the risk side for deposit insurance, that's a difficult issue. We can live

within that framework, but we think having an independent ombudsperson, who has the right to go right to the board of the Deposit Insurance Corp., would allow us to make a submission, if we ever felt that these two issues were coming into conflict, which would be heard. But to have it heard with the judge and jury all being the same gives us great concern that due process will not be in line.

Mr. Hudak: You had also mentioned harmonization with respect to indemnification of the bank manager versus a credit union or *caisse populaire*.

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Mr. Bogach: For directors.

Mr. Hudak: For directors, sorry. What is the difference currently?

Mr. Bogach: I think that the fundamental difference is that bank directors have more of a due diligence defence than credit union directors would have in terms of doing what's required of them. I think there would be a greater potential liability for credit union directors. I think, in honesty, it's harder to recruit and find good credit union directors than it is to find bank directors, based on the remuneration that would be paid. So we would think that having a level playing field, at least with indemnification for credit union directors, would be logical.

Mr. Hudak: What was the objection of the Ministry of Finance to that?

Mr. Bogach: We're not aware that there is an objection. We're just not sure this was caught within the change. This is one of the issues we raised earlier, and perhaps it's in the drafting piece of this. It's an area that leaves us with a gap, and we think that gap should be closed. We do think it is a minor amendment.

Mr. Hudak: That would be a legislative change, then, not simple regulations.

Mr. Bogach: Yes.

Mr. Hudak: How much time do I have left?

The Chair: A minute and a half.

Mr. Hudak: Not to put the PA on the spot, but I think it would be helpful when we do get to discussion of proposed amendments on those two issues: the indemnification of directors, the parallel between the federal level and the credit unions; and secondly with respect to mortgage products and the coverage. I'm looking at whether legislative changes—you made a number of suggestions on next steps on regulations. Help me out with the time frame. What would be the urgency of a regulatory process to be complete?

Mr. Bogach: Our primary concern is around aspects which allow us to be competitive at street level and allow our credit unions to compete. For the most part, a lot of the regulations, we're more than comfortable to work with the government and get these resolved, but issues such as this 80% versus the 75% give us concern. From our organization, we're also in the midst of a discussion with Credit Union Central of British Columbia to merge our two organizations to provide greater efficiency overall to credit unions; that will also take a regulatory

change that we would hope would be dealt with rather quickly.

Mr. Hudak: The federal change is basically enacted now, so the advantage of the federal—

Mr. Bogach: That was put in place on Monday. The answer would be to act as quickly as possible.

Mr. Hudak: In the interests of keeping your comments brief, we didn't get to page six, and you have a number of what you call "outstanding significant technical concerns carried over from the consultation draft." I know there was some concern about the consultation draft. These six items are all potential amendments to the bill?

Mr. Bogach: We think those are items that are certainly worth consideration for the bill. They're not issues that would stop our support or our work with the government, but we think these are aspects which would improve the bill significantly.

The Chair: Thank you, and thank you for your presentation.

Mr. Bogach: Thank you for your time.

ONTARIO FEDERATION OF LABOUR

The Chair: Now I call on the Ontario Federation of Labour to come forward, please. Good morning.

Ms. Terry Downey: Good morning.

The Chair: You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of Hansard. For the committee, her presentation is being printed as we speak, so it should be here soon.

Ms. Downey: Thank you, Mr. Chair. I apologize for not having copies in your hands, but you're a little early, and my assistant is not here yet. Here she is. Joining me will be my assistant, Pam Frache, from my office.

Thank you for the opportunity to present to the standing committee on finance and economic affairs. My name is Terry Downey. As the executive vice-president of the Ontario Federation of Labour, I represent over 700,000 workers in Ontario.

Although there are numerous aspects of Bill 187, the budget measures act, worthy of comment, I will be limiting my remarks to schedule 39 of this bill, the Status of Ontario's Artists Act, 2007. I will be making similar comments to what you heard from ACTRA and CARFAC.

Ontario's artists and cultural workers have been pressing for status-of-the-artist legislation since well before the last provincial election. In fact, since the publication of the 1980 report of UNESCO, titled Recommendations Concerning the Status of the Artist, improving the circumstances of artists and cultural workers around the world has been a growing concern. This was one of the reasons why Ontario's artists and cultural workers were so pleased when Dalton McGuinty and the Ontario Liberal Party promised, in the last Ontario election, to introduce status-of-the-artist legislation.

The 1980 UNESCO recommendation understood that status-of-the-artist legislation was intended to improve the economic and financial circumstances of the artist. To do so, a variety of measures would be required: a collective bargaining regime, tax measures for income averaging, health and safety provisions, pensions, social benefits and others.

While the Minister of Culture established a subcommittee of the ministry advisory council to explore status-of-the-artist legislation, and while the process culminated in a series of recommendations to improve the status of the artist, I am disappointed to report to you today that we are, as a federation of labour, profoundly disappointed in the legislation that has been tabled as schedule 39 of Bill 187. We're profoundly disappointed because none of the substantive measures outlined in the minister's own advisory council report are included in the proposed act. In fact, while the proposed act recognizes contributions made by artists to Ontario's economy and Ontario's quality of life, the act's stated purpose does not even identify the economic circumstances of the artists themselves—the ones who make the contributions to Ontario.

According to Statistics Canada, cultural workers in urban centres earn, on average, considerably less than non-cultural workers. Moreover, in the year 2000 the average income from self employment for cultural workers was only \$22,000 a year. Since this figure is an average, it's clear that many self-employed cultural workers are earning less than this average figure. Because the income can vary very drastically from one year to the next, a high income in one year cannot offset other, low-income years without changes made to the taxation system.

A significant factor explaining such low earnings stems from the fact that artists and cultural workers tend not to be covered by existing legislative protections in the workplace. Too often, where artists and cultural workers have come together to collectively improve their working conditions, there are no legal mechanisms to ensure that employers, producers and engagers recognize artists' representative bodies and negotiate improvements for these workers.

As a consequence, too often there are no proper health and safety standards enforced for those working in the cultural sector and there is no mechanism to ensure that artists and cultural workers have pension provisions for retirement. The Ontario Federation of Labour and its affiliates in the arts and culture industry believe that some important measures can be implemented immediately, such things as: legislated protection for child performers; access to training and professional development programs and funds; tax measures favourable to artists, such as income averaging and/or exclusion of certain incomes from provincial taxes; and protections for senior artists, which you've heard already this morning.

We also believe that this government must act now to ensure that a finite consultative process is set out in the proposed act that will produce a collective bargaining

machine within 24 hours—sorry, 24 months. Twenty-four hours would be great, but I know you can't do it that fast—Freudian slip there, sorry—so we'll suggest, like others, that it be within 24 months of Bill 187 becoming law. We believe that this is reasonable because a two-year consultative process will ensure that the resulting regime will meet the needs of Ontario's artists and cultural industry workers and that the responsibility for enforcement will be situated within the appropriate government ministries, because there are many.

Amendments outlining these issues will be submitted by us by Friday, April 27. We believe that such amendments can and should be supported by all government and opposition parties in the Ontario Legislative Assembly. As such, we are urging the standing committee on finance and economic affairs to recommend adoption of amendments that will genuinely improve the financial and economic status of Ontario's artists.

Thank you for the opportunity to speak to you this morning.

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The Chair: Thank you. This round of questioning goes to the government.

Mr. Arthurs: Terry, thank you for being here this morning. I came here three and a half years ago, and when I arrived, not unlike you, I wished and hoped and thought that things could happen in 24 hours. I found out differently. Three and a half years later, some things I would have liked to see in the first 24 hours I'm still waiting for, and probably will still wait for. Nonetheless, I appreciate the acknowledgement that any consultations that do occur take a much longer period of time to achieve, in government probably as much as in other sectors, not unlike your own.

Ms. Downey: Absolutely.

Mr. Arthurs: I appreciate the recognition that any legislation—this being the first time, as I understand, that artists are being formally recognized in legislation—has been a long time coming. You've referenced 1980, and I suggest escalating over that period of time, because we certainly have in the past couple of years, in my limited time here, heard a number of deputations and/or discussions around artists and around the plight, in many cases, they find themselves in.

I'm interested in a couple of things at this point, a little further: the issue of income averaging and any thoughts on whether there are other sectors that would benefit from income averaging. Because as you look at one sector, one has to be cognizant that it may have a ripple effect, or you're acknowledging that this type of strategy is one that should be considered for other groups in the workforce. Any further comments on income-averaging implications, and are you aware or can you think of any other organizations or employee groups that would benefit from or would likely be seeking opportunities for a similar type of arrangement? We have the federal government undertaking income averaging for pensioners in a modest way. What you're proposing is not unlike that proposal. The arts community is proposing it over a

number of years, as opposed to income averaging between individuals in an existing year.

Ms. Downey: I'm sure many self-employed workers perhaps would be satisfied with income averaging. However, many other workers are covered by other pieces of legislation, so it becomes perhaps not as great an issue for those workers. The issue here today, though, is that many in the artist community are not covered under any other legislation, so they need these types of provisions to assist them, particularly older artists who have contributed to society and have not had opportunities to have RSPs grow. They need to have ways to make their income last longer, because they are, as we mentioned to you, based on our statistics, earning far, far less than many other workers. So we're proposing this. This is something that has also been proposed by other organizations, such as UNESCO, such as those folks who are looking at the initiatives that need to be addressed for Canadian artists as well. So we think this is a reasonable request, and it's a minimum request.

Mr. Arthurs: On the child labour and child safety front, it's obviously a concern to everyone, including those of us who aren't in any way in the industry, when we look at very young people working in that environment. What are some of the things that we should be incorporating into legislative or regulatory frameworks that would provide additional support to young workers?

Ms. Downey: I think ACTRA clearly laid it out to you this morning. None of these individuals should have to go and work and not have some protections to deal with their hours of work, to deal with breaks, to deal with the monitoring, ensuring that they get time to do their schoolwork, all those sorts of things that they need to address their quality of life—and also their salaries. They should not have to, as ACTRA said this morning, go on strike to have their rights heard.

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

Ms. Downey: We'll look forward to those 24-hour amendments.

The Chair: Is the Ontario Long-Term Care Association in the room? I'm not seeing anyone.

CITY OF TIMMINS

The Chair: Would the city of Timmins come forward then, please? Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard.

Mr. Tom Laughren: I'm Tom Laughren, mayor of the city of Timmins. I want to say before I start that this document is a really good document, and I'm hoping that not only this committee but you will share it with your colleagues in provincial Parliament. I think this is a very important issue.

I'd like to take this time to thank you for the opportunity to make a presentation to the standing committee

on finance and economic affairs on behalf of the residents of the city of Timmins.

As one of the five mayors of large communities in northern Ontario, let me say that I see some very good aspects of the budget for northern Ontario, an example being the \$468 million for the ReNew Ontario plan for northern Ontario highways. However, the budget also outlines that a significant change will be made to the fiscal regime involving diamonds.

The city of Timmins is here asking for fairness—fairness for the De Beers Victor mine to be treated like all other mines in northern Ontario. They came to Timmins and northern Ontario and committed \$1 billion to develop this project. They have been in our area for 17 years, through many trials and tribulations. To triple their taxes less than one year from opening the mine is not fair. They should be treated the same as any other mine that wants to develop in our region, regardless if it's diamonds, copper or gold.

Timmins has a long history which I'm sure you guys all know. We've been in different types of mining for well over 100 years. We believe that competition makes it attractive to invest. Investment now is not just local; it's worldwide. To make northern Ontario more appealing, the government should be providing stable, long-term incentives, not telling investors one thing and then changing the rules without warning.

The Victor mine will be Ontario's first diamond mine. Let's not make it our last. It should be the building block for this brand new industry in our province—a showcase for the rest of the country. The trials and tribulations that this company went through should be a model for this province. We should be embracing them and bringing them into government, not scaring them away.

In my lifetime in Timmins, we've enjoyed and suffered from commodity price fluctuations. I was part of a business group that did a lot of work in the mining industry before I took the mayor's job in Timmins in November, and we survive on mining. Many other companies did as well—and do.

Council's goal is to set policies to create the correct environment for economic growth. The change in the budget for diamond mines has created economic uncertainty. This could impact future exploration in our region—we're already hearing it, and you heard it from the mayor of Moosonee this morning—and throughout northern Ontario. Canada and Ontario have always been recognized as a stable environment for the mining industry. However, changing the rules of engagement on this project after it was approved by shareholders sends out a negative message to the industry about Ontario's investment climate.

Increasing the royalty rate from 5% to 13% for the only diamond mine in northern Ontario penalizes diamond exploration and mining with a 2.5-times royalty increase over other mining projects working in the same area.

This affects the city of Timmins because the De Beers Victor project has selected Timmins as the location for its

offices and as the central point for crews accessing their remote mine. Their investment in Timmins has been substantial and long-term.

Discover Abitibi, which is something that this provincial government is partners in, has been a huge impact. I'm not going to go through the figures, but the point I really want to make here is, I was down at the prospectors and development conference back in early February and there were 20,000 people at that conference. It's the largest conference they've had ever. The optimism and enthusiasm for mining in Ontario I've never seen in my lifetime, and I've worked in mining for over 30 years. What I think this new bill, if passed, will do is kill that optimism. We'll be going backwards, not forwards.

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Youth out-migration is huge in northern Ontario.

The De Beers project, as an example, has over 600 people on site today—many skilled tradespeople, security guards, you name it. It has offered youth in northern Ontario and especially the First Nations an opportunity for jobs. When you're talking 90% unemployment in some of these communities, what hope do they have? Governments have been working for a long period of time to create opportunity for the First Nations people; this project does it.

The basis of our economy is natural resources. Diversifying skills and business requires a plan, patience, and policy to support that change. In Timmins, we're always up to that challenge.

Northern communities require provincial policies that support growth, like appropriate energy policies or investment in infrastructure. Changing of the rules of the game, penalizing the largest investment in northern Ontario, is not a policy that supports the city of Timmins's goals or the rest of northern Ontario.

An example of that is, for every dollar that De Beers invests in northern Ontario, you can multiply it by 6.5 to seven. It's a billion-dollar project; you're talking somewhere in the neighbourhood of this being a \$7-billion project.

During the construction phase, the Victor mine is spending nearly \$1 billion to build the mine. Many of these contracts have been awarded to businesses in Timmins and northern Ontario. Spinoffs from these contracts have been tremendous, from air travel to fuel, vehicle rentals, office space and much more. If you look at one of the slides, what it's done to our airport in Timmins has been phenomenal.

This project is also providing 1,100 person years of employment in construction. So far, more than 70% of that workforce has come from Timmins and northern Ontario. It's the biggest development in the north at this moment. When this project was given the green light by De Beers, it provided a huge economic and emotional boost to Timmins, which at the time was dying.

It is our understanding that De Beers Canada is committed to exploration and development in northern Ontario. Right now, the majority of their current annual

exploration budget of \$15 million is directed strictly at northern Ontario. We'd like to see them find another Victor in our area, not in another province.

As noted in the above slide on mining investment facts, attractive geology does not always guarantee mining investment. The provincial government needs to work with the mining communities to lure that investment to Ontario so we can all benefit.

There is no doubt that mining investors and lenders are concerned about agreements with government being honoured and about taxes being stable and predictable, especially during the period when debt is required to be repaid. Unfortunately, this stability was dramatically altered in regard to the Victor project.

In conclusion, Ontario needs to set regulations to create incentives for mining growth. As I said earlier, this Victor project should be a model for other projects going on in the north. Equity and policy certainty across commodities in provincial mining regulations will create the basis for growth.

De Beers is not the only company exploring for diamonds in our area and using Timmins as a base. The optimism from that prospectors' and developers' conference has been amazing. There are 70 or 80 companies working out of Timmins right now.

Reverse this decision on a new diamond royalty and send everyone a message that Ontario is the best and fairest place to invest their money.

Uncertainty will hurt Timmins and the northern Ontario economy.

The Chair: Thank you. The questioning will go to the NDP and Mr. Bisson.

Mr. Bisson: You were talking about the amount of dollars that are being spent out of Timmins right now in regard to exploration. Can you explain for the committee the effect on the exploration community when you change the regime mid-stream, not only for diamond mining but for other types of mining?

Mr. Laughren: When you look at the remoteness of some of the areas where people are doing exploration work right now—I think part of the incentive was that the normal mine royalty was 10%. If you were working in remote areas, it dropped to 5%. What this does is it really sends a message to many people, not only those looking for diamonds in that area, that there's some uncertainty. Is the government going to look at copper? Are they going to look at gold? I believe that's something that has to be addressed, along with the changing of this bill.

Mr. Bisson: I've been contacted, as a provincial member for the riding, and I'm sure you've been contacted, as mayor—and for people in the exploration industry, most of the money now comes from outside of Ontario. It doesn't come, as it used to at one time, from Ontario, and far too often it comes from outside of Canada. The message we're getting from the exploration industry—not only the diamond mining industry, but gold and copper and zinc—is that you're basically sending the message out there that Ontario is no better than any Third World country when it comes to changing the game midstream.

What people here need to understand is that to find the De Beers diamond mine you probably had to spend \$250 million—I don't know what the numbers are; they'll be here tomorrow—but the millions and millions of dollars that had to be spent just to find this mine are astronomical, and you're saying to the investment community that Ontario is capable of changing the regime mid-stream. Can you speak to what that means for the exploration industry?

Mr. Laughren: The exploration industry is in peril right now because of this. I don't want to say that exploration has stopped completely, but I think if you look at De Beers as the example, where everything has to be trucked in by winter roads, and the environmental hurdles that they went through, the agreements that they had to go through with the First Nations, the partnerships that they made with education and giving people hope in that area, what I see is that this is just like sticking a needle in a balloon and deflating it.

Mr. Bisson: You talked about De Beers being the model. Can you expand on that a bit, because what people need to understand is that—and this is not just a phenomenon of this current government; it was a phenomenon of other governments in the past—nobody has been very clear at setting policies about what you will do when you do exploration on First Nations territories. De Beers, in this case, has gone pretty well out of its way to negotiate impact benefit agreements for the communities, employment opportunities etc. Can you explain a bit what you mean about the model?

Mr. Laughren: I think the model goes even further than that.

For one, as we all know, the First Nations communities have struggled for hundreds of years. What this did is it gave them opportunity. What they didn't realize was how to take advantage of that opportunity. De Beers worked very, very closely with the First Nations people. They took the time and the patience to work out a deal.

In all my life working in mining in the Timmins area, I have never seen a project that had the buy-in of so many other communities, even some who may not be directly affected by the economic spinoff of De Beers. This was a project where people saw the opportunity that goes with that optimism and that this was something that could be brought to reality—and it will be brought to reality almost a year from now. It'll be our first diamond mine in Ontario.

I think if you look at diamonds as an example, it's something that has not been really explored in the past. It opens up a whole new business opportunity for us in Ontario, and I don't think we should be killing it on the first pass.

Mr. Bisson: On the model issue—and I'm going to take a bit of your time here just to make the point, Tom; I hope you don't mind—De Beers spent a lot of money to basically set policy that should have been set by the province the first time. There was no obligation on the part of De Beers to go in and negotiate with Fort Albany, Kashechewan, Moose Creek, Attawapiskat. De Beers did

it because they saw it as their responsibility, as a good corporate citizen, to build the kind of relationships they need on James Bay to move this project forward, and that literally has cost them millions of dollars. What this government has done by changing the royalty is to penalize a company that tried to do the right thing. It sends a message out there that you're better off doing the minimum because you never know how you're going to be treated in the end when it comes to royalties. Could you speak to that in your last minute?

Mr. Laughren: My philosophy and, I believe, the philosophy of northern Ontario is to always work with your partners. I believe when you look at the First Nations people—we're looking for skilled workers. There's a shortage of workers in Ontario that I don't believe we'll ever catch up on. I believe what De Beers offered to those people was hope, but the other side of the coin is that it offered Ontario an opportunity to employ these people who previously had no hope. I've talked to some of them. In fact, we had some on our payroll in the outfit that I was part of. Everybody wants to work. They just didn't have that opportunity. They all want to learn. They didn't have that opportunity. They're so excited, when you see them get their first paycheque, as an example. De Beers has brought that hope.

I don't want to just strictly stay on De Beers here today, because there are other opportunities. You can go through the slides. There are many other exploration companies that are looking for diamonds in northern Ontario, some who have found what they believe are opportunities for mining, and what does this bill not only do to De Beers but to them? I think it's something that's very, very important. If this government does not rethink this—and I think there are options for rethinking it—we're going to be in dire straits in Ontario.

The Chair: Thank you for your presentation.

1130

ONTARIO LONG-TERM CARE ASSOCIATION

The Chair: Now I call on the Ontario Long-Term Care Association to come forward, please. You have 10 minutes for your presentation, and there may be up to five minutes of questioning following that. I would ask you to identify yourselves for the purposes of our recording Hansard, and you can begin.

Ms. Karen Sullivan: I'm Karen Sullivan. I'm the executive director of the Ontario Long-Term Care Association. With me is Grace Sweatman. She is the vice-president of government relations on our board and also the executive director of Christie Gardens, which is a continuum of senior services in Toronto.

Thank you for listening to us today, particularly since being before you at this point in time is actually a first for us.

We're here on behalf of our private, charitable, not-for-profit and municipal members who provide care and services to 50,000 of our oldest and frailest citizens in

430 long-term-care homes. They represent about two thirds of the 75,000 Ontarians who live in some 600 long-term-care homes throughout Ontario.

Members will recall that during your pre-budget hearings, OLTCA and others requested that the 2007 budget fund the care, services, privacy and dignity that these residents so desperately need and so rightfully deserve.

Specifically, this request included the increased operating funding for:

- the additional staff required to provide the 30 more minutes of daily care that residents need and bring Ontario's care levels into line with provinces such as Manitoba, Alberta and New Brunswick;

- the programs and activities that give residents more to do during the day and truly add life to years rather than simply years to life;

- improved meal menus that allow homes to provide more fresh fruits and vegetables and whole foods; and

- to reduce the immediate risk to housekeeping, laundry, dietary and other services valued by residents and their families.

In addition, residents, families and others in the province's 300 B and C homes clearly stated that three- and four-bed wards and crowded dining rooms were no longer acceptable standards of comfort, privacy and dignity. Along with the sector, they were looking for a commitment to a capital renewal and retrofit program for these older homes.

Collectively, these measures required increased operating funding of \$614 million over the next two fiscal years and a capital commitment of \$9.5 million to renew the first 2,500 of the 35,000 B and C beds. Sadly, the 2007 budget's two new funding provisions for long-term care fall far short of this.

The \$28 million in new stabilization funding is welcomed but, by definition, is stabilization, not progress. It will stabilize care and services at a level that 75,000 residents, their families, staff and everyone else will tell you is totally unacceptable. It is sufficient to keep existing staff but will also ensure that they will be run off their feet.

The 30-minute gap between the care residents need and the care government funds will remain, despite the best efforts of providers and staff. It is becoming increasingly harder to argue with those who would say that Ontario's long-term-care funding levels amount to warehousing.

Members should also be aware that this stabilization funding only applies to two of the three funding envelopes. The housekeeping, laundry, dietary, building maintenance and other services paid for from the accommodation envelope are left exposed and at risk. These services and the 25,000 staff who provide them are caught in a squeeze between operating costs that are increasing at greater rates than funding in this envelope.

For example, utility costs have been increasing and are projected to increase by another 10% in both 2007 and 2008. Annual wage increases for staff paid for in the accommodation envelope have been rising by around

3%. In contrast, funding adjustments in the accommodation envelope have been based on a percentage of the annual OAS/GIS increase, which amounts to less than the annual inflation rate. Last year, for example, the increase was only 1.8%.

This cost squeeze in the accommodation envelope is now in its fourth consecutive year.

This is a risk that must be addressed by the government and not by increases to the resident co-payment beyond the normal OAS/GIS-based adjustment.

The budget's second new funding measure was the \$14 million to start funding new RPN positions, beginning in January of next year. We understand that there is an ultimate objective to add 1,200 RPNs by the end of the 2008-09 fiscal year and that this funding will eventually grow to some \$57 million.

The objective to add more registered staff is laudable. As always, however, the actual impact on resident care and services is determined by the devil that's in the details. For example, if this funding is tied to new RPN positions only, it is likely that some homes will not see any benefit from this funding next year because of recruitment issues. It is essential in these circumstances that we're allowed to use the funding for personal support workers until an RPN is available.

While the budget's operating funding measures fall far short of what is required, there was absolutely no commitment at all in this budget to the capital renewal and retrofit program for the 35,000 residents who live in older homes.

Since the budget, the minister, in leading off third reading of Bill 140, has stated that this is a government priority and that policy work is being done. This is encouraging, but the residents, families and the communities who depend on these 300 homes for access to long-term-care services still don't know if an actual program is months or even years away.

The time for action is now. Residents and families have clearly stated that three- and four-bed wards, crowded dining rooms and the other physical limitations of older homes are unacceptable accommodation standards.

The limited licence provisions of the new Long-Term Care Homes Act put a deadline on the future of older homes. Realistically, it will take at least 15 years to completely renew all 35,000 B and C beds. The longer we wait, the longer we defer the opportunities for the renewal of older homes to begin helping address alternative level of care, or ALC, issues in hospitals and other system access issues.

We are disappointed and very concerned that our sector's care, service, operating, privacy and dignity issues remain undiminished in the wake of the 2007 budget. While we keep hearing that these are priority issues, we have yet to see specific actions.

We cannot impress upon you enough the need for government to act now. At the same time, we also impress upon you the need to avoid the impact of the law of unintended consequences, a circumstance long-term-care homes are all too familiar with.

A specific area where we currently have this concern is with respect to the development of care and staffing level regulations. Government has empowered itself to do this under Bill 140. No doubt there will be much said on this issue between now and October.

We fully support the underlying principle of attempting to ensure that residents get the care and services they need; we also caution that it will be the details that will determine this.

We believe these details should be developed using the following five principles.

First, any established targets must make a difference for the residents. If any such targets do not translate into an additional 30 minutes of daily care for residents, they will be meaningless.

Secondly, government must commit to fully fund any such targets. Stabilization funding does not lead to more care and services.

Thirdly, it must allocate funding consistent with resident care needs. Homes with the heaviest care needs must get proportionally more of the available funding. Homes must also have the flexibility to adjust care and staffing levels as resident care needs change.

Fourthly, there must be incentives for homes to take residents requiring a higher level of care; if there aren't, the current ALC issues in hospitals will only increase.

Finally, it cannot be simply a minimum staffing level; if it is, the minimum will become the maximum and a cost escalator will be added to the province's health care budget without resulting benefits for resident care.

In closing, we would have much preferred to have had no reason to be here this morning. Instead, we believe the issues facing long-term care are too significant and too critical to let them rest for another budget year.

In that year, Ontario's long-term-care sector will continue to be defined in terms of staff being run off their feet and the lack of privacy and dignity in three- and four-bed wards.

Ontarians have clearly stated that the situation is unacceptable and the time for action is now. The longer we wait, the greater the risk of moving from crisis to emergency. We would welcome the opportunity to work with the government to move forward in specific and meaningful ways to avoid this.

The Chair: Thank you. This round of questioning will go to the official opposition. Mr. Hudak.

Mr. Hudak: Karen and Grace, it's good to see you both again. Thank you for taking the time to be here.

I know that my colleague Mr. Arnott has some questions, as well.

I'll jump to the capital side. As you know, my colleague Mrs. Witmer, the member from Waterloo, has a resolution before the House, which passed, I think, with all-party support, to move forward with the B- and C-level beds, as you recommend. One of the great victories of the past year was reconstructing the D-level facilities, which I know my riding benefited from, as I suspect all the committee members' ridings did, but sadly, it was left out of what is in reality a pre-election budget where there

seems to be money for pretty well everything—allotted after the next election, coincidentally—but not on the long-term-care side.

1140

You said 2,500 beds, as a start, which would be \$9.5 million of capital. Why 2,500?

Ms. Sullivan: Because we'll have a 15-year licence when Bill 140 passes. If you take all of the B and C beds and divide that number by 15 years, it's about 2,500 beds a year, so we think that's the amount that is going to have to be rebuilt every year.

Mr. Hudak: But there would be nothing that would limit it to that number?

Ms. Sullivan: No. We were trying to be as reasonable as possible.

Mr. Hudak: The previous funding model had an increase in the per diem to pay for the capital expenses over time, right?

Ms. Sullivan: Yes.

Mr. Hudak: Is that funding model appropriate? Do you have a preference for a different type of funding model?

Ms. Sullivan: We get \$10.35 per resident per day for 20 years for those who have built new homes and rebuilt the D homes. The model is good because it's over time. I think we have to look at the \$10.35; it was developed as the appropriate number in 1998, so it needs to be revised. Our estimates over the next number of years have that pegged at \$13.

Mr. Arnott: I heard you say that you wish you didn't have to come here today, but I think it's essential that you are here today, because this year's provincial budget overlooked the long-term-care sector in a significant way. I certainly was disappointed, and I know many of my constituents were very disappointed.

I have a good relationship with nursing home operators, and I visit nursing homes quite frequently in my riding when I'm invited to do so and meet with the residents and meet with the families. Royal Terrace in Palmerston, Caressant Care in Fergus—where I was two weeks ago, on Friday—Eden House in Eden Mills, Chateau Gardens and Leisureworld in Elmira, and Winston Park in Kitchener all come to mind as being, in my mind, very significant providers of long-term care in Waterloo–Wellington, and I certainly want to continue to support them.

I do support, obviously, the resolution that was brought forward by my colleague Elizabeth Witmer, in terms of the need for a capital renewal plan.

I had the chance to be physically present in one of the four-bed wards that exist in one of the nursing homes in my riding, and I was just overwhelmed as to how little space there was when you take into account allowing the residents to bring in maybe one article of their own furniture so as to give them a sense that they're in a home, the various lifts that are needed in order to, in some cases, lift them into their wheelchair. There's just literally no room to turn around in those rooms, and the

quality of life, as such, is something that the government must address.

I would hope that the government members who are here today will take that message back to the government so as to ensure that if there is any new money that's going to be allocated in the next little while—and we know that the government has set aside a lot of money in advance of the election—that certainly the long-term-care issue is looked at again, so as to make those improvements that are needed.

The Chair: You have about a minute left.

Mr. Hudak: I also want to get back to the case-mix ratio—I apologize, I don't remember the exact term. Funding from there would be developed based on the needs of the individual residents. You mentioned on your last page that staffing levels must be adjusted to reflect the needs of the residents. Have we moved away from that type of funding model?

Ms. Sullivan: No, we haven't. What we're concerned about is that with the introduction of a regulation around care standards, that could occur, and we don't want it to. We want additional staff, but that funding should adjust. Grace can attest to the fact that residents are not all the same and some need additional care, and if she takes those with higher care, she needs proportionally more funding to look after them. It's a fixed pot of money, and we can't just shift it from the homes that have heavier care to the lighter-care homes. It has to adjust. That's the funding system that the NDP developed in 1993. What we have to do is fund it correctly, so that the average is the right number for appropriate care in this province.

The Chair: Thank you for your presentation.

Mr. Bisson: Chair, before you adjourn, just for the committee members, we're in a bit of a conundrum in regard to committee hearings. You may or may not know that on the James Bay at this time of the year there's a spring hunt, and as a result, everybody in those communities is out on the land gathering goose, because the price of food in places like Attawapiskat, as you know, is far beyond the reach of what people can afford and they have to harvest to be able to eat.

My problem is this, Chair: Chief Mike Carpenter of Attawapiskat and Grand Chief Stan Louttit of Mushkegowuk Council have both expressed an interest in presenting to this committee, but we've only been able to get a hold of them by trail radio, as of this morning, because they're out on the land and it is really hard to get a hold of people. If they're able to get out of the bush tomorrow, can we accommodate them, considering that this is going to affect their communities?

Again, my apologies to the committee. The reality is that we couldn't get a hold of these people because they're out in the bush. I had to literally send a message in by somebody else to the chief.

Mr. Hudak: The official opposition would be very supportive of any accommodations we can make. I know that my colleague from Timmins–James Bay has been trying to get a hold of some of the representatives from the affected First Nations for some time, and having been

a former northern minister, I can understand the challenges and I'm very sympathetic.

The other aspect, too, is that the mining tax change is a very significant issue not only for northern Ontario but for the province as a whole. These First Nations had impact benefit agreements with De Beers and have been impacted dramatically by the change in the tax to a royalty, and I personally would like to hear the views of the chief and others on how this is going to impact those communities.

The Chair: Perhaps I could share this advice with you as you contemplate this: We have a full day tomorrow. We cannot go past 6 of the clock, but we could start earlier. So that would mean it would have to be before 10. The deadline for amendments was set by the House, so tomorrow would be the last day that these two—

Mr. Bisson: That's part of the problem of truncating these things. Again, my apologies to the committee. There was just no physical way that we were able to get a hold of Chief Carpenter until this morning. I just found out now that he has returned a message saying that he would be prepared to present.

Here's what I propose: I will try to get back in contact with these two individuals—and the head of the EDO of Attawapiskat has also contacted your committee, I believe.

The Clerk Pro Tem (Mr. Trevor Day): I don't know. I'm filling in for someone else.

Mr. Bisson: Anyway, there's Joe Gaboury, the CEO of the Attawapiskat Development Corp., which is very involved in this. He's in Calgary. That's the only person we're able to get a hold of who is not out on the hunt who's in a position of authority.

So I would ask that we meet early tomorrow morning, and in the event that we get a hold of Chief Mike and Chief Stan, they'll present by satellite phone from the bush. Can we confirm that with the clerk?

The Chair: Any other comment?

Mr. Arthurs: I'm prepared to agree with both the opposition and the third party. Having said that, it's with some reluctance, because we did have some very specific objectives within the subcommittee. It wouldn't be the norm, where people weren't able to be reached or weren't aware, that we would open up this window of opportunity. Having said that, this appears to be a somewhat more unique situation—

Mr. Bisson: It's quite unique. We've been trying since Thursday to get a hold of them. He's not answering his satellite phone, and we were only able to get a message in by trail radio this morning.

Mr. Arthurs: I appreciate and accept that. I wouldn't have the same sense of the situation for the individual you were tracking, I think, in Calgary—

Mr. Bisson: Just so you understand what the problem is, people are very reluctant to make a presentation unless they're cleared by chief and council. Those are the politics of the community. That's how it operates. This individual wanted to present but needed to get clearance from the chief and just got clearance, I suppose, today,

because he tried to contact the clerk to get standing on the committee. It's just the nature of what we have.

De Beers gives their employees time off to go out and hunt in the spring and fall hunts, so certainly if De Beers can do it, we can, too.

The Chair: First, we would need a motion, and we would need to know how many people you're contemplating on having before the committee, and we need to have a cut-off time for this. Members are not scheduled to be here tomorrow until 10, so we have to advise them that they must be here at whatever time prior to that you're suggesting.

Mr. Bisson: So I would move a motion that—oops, sorry.

Mr. Prue: I have to, because you're not on the committee.

Mr. Bisson: I can move a motion—
Interjections.

The Chair: Mr. Prue.

Mr. Prue: I'll move a motion that we meet tomorrow at 9:30 to potentially accommodate three additional groups—

Mr. Bisson: That's 10, 10 and 10; right?

Mr. Prue: No, 15, 15 and 15.

Mr. Bisson: Okay. We'll go with two.

Mr. Prue: —with two groups, at 9:30 and 9:45, and that any members of the committee who are not present at this time be so advised.

The Chair: Further comments?

Mr. Arnott: I'd like to second the motion.

The Chair: Can we identify the two people you're proposing?

Mr. Bisson: They're specifically from Mushkegowuk Tribal Council in the Attawapiskat First Nation.

The Chair: That's good, because then the clerk knows whom he's going to be talking about.

Mr. Bisson: And if the chief decides that he can't get in by satellite radio and appoints somebody else, I'll go with what the chief tells us. That's just the way you do it.

The Chair: Further comment to the motion?

Mr. Arthurs: In the absence of a quorum for any reason, how do we proceed?

Mr. Bisson: There's quorum.

Mr. Hudak: Do you mean if there's not quorum at 9:30 tomorrow?

Mr. Arthurs: I don't know everyone's schedule. Most of us are here, but—

Mr. Hudak: I'll be here.

Mr. Bisson: I think members who want to be here will be here. I can't force anybody to be here at 10 o'clock, let alone 9:30, right?

Mr. Arthurs: I just want to make sure we'll be able to do the business. That's all.

Mr. Bisson: No, it's good. If we don't have quorum, whoever is here hears the presentations and they can fill their caucus members in.

Mr. Hudak: You have my undertaking that we won't try any surprise amendments or anything like that.

The Chair: That is a fair question about quorum, because people are not planning to be here prior to—

Mr. Arthurs: We had quorum at 10 o'clock. We didn't have all three parties here at 10 o'clock.

Interjections.

Mr. Bisson: No. That's a friendly amendment, as I would see it, and I'm sure if there were only one member from each caucus because we don't have quorum, we would agree to go forward and then the caucus members can fill the others in. I think that's fair.

The Chair: Is that what you would propose, Mr. Prue?

Mr. Prue: So proposed.

The Chair: And that we have until 5 o'clock today to ascertain whether these people are coming or not—

Mr. Bisson: I'm going to confirm that.

The Chair: —so we can tell committee members that indeed they don't have to be here at 9:30.

Mr. Bisson: Yes, I'm going to go run out to the satellite and trail radios as we speak.

The Chair: Does Trevor have to stand on the roof to do this?

Mr. Bisson: You guys should come with me sometime.

Interjections.

The Chair: Okay. What we have here, just so that everyone is clear, is that Mr. Prue has moved that the committee meet at 9:30 for the purposes of meeting two additional persons so named—and if you'd give it to the clerk—and that quorum would not be required between 9:30 and 10 to conduct the business of this committee—

Mr. Bisson: For the record, I'd like to thank the members of the committee for allowing it.

The Chair: —and that we would know this by 5 today.

Mr. Bisson: Yes.

The Chair: All in favour? Carried.

For the committee tomorrow, the hearings will be in room 151, both morning and afternoon, and I'm advised that the subcommittee negotiated lunch. So lunch is in the dining room. We are adjourned.

The committee adjourned at 1151.

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