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Wednesday 16 May 2007

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Mercredi 16 mai 2007

**Standing committee on
estimates**

Ministry of Public
Infrastructure Renewal

**Comité permanent des
budgets des dépenses**

Ministère du Renouvellement
de l'infrastructure publique

Chair: Tim Hudak
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Wednesday 16 May 2007

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The committee met at 1623 in committee room 2.

MINISTRY OF PUBLIC
INFRASTRUCTURE RENEWAL

Hon. David Caplan (Minister of Public Infrastructure Renewal, Deputy Government House Leader): Mr. Chair—

The Vice-Chair (Mr. Garfield Dunlop): I'm going to start first today. Okay, Minister? We're going to call the meeting to order and then you can have the first say. Go ahead.

Hon. Mr. Caplan: Yesterday, members of the committee asked some questions, and we do have some answers, so I wanted to provide them.

Mr. Hudak asked which staff were present at the initial foundation briefing to myself regarding the Ontario Lottery and Gaming Corp. The answer is, former Deputy Minister Geoff Hare, the assistant deputy minister of the agencies division, the director of gaming, the manager of gaming and the gaming team lead would have attended this briefing.

Mr. Hudak asked whether Ms. Barbara Hewett, who is the director, or her staff during the previous tenure in the Ministry of Economic Development and Trade would have briefed former economic development minister Joe Cordiano on the Edmonds lottery case that was going on once the decision was rendered. We don't have an answer for that, so we'll endeavour to find out.

Mr. Hudak also asked if we could provide him with a transcript of Ombudsman Marin's March 26 media conference when he made his report possible. I have the transcript of his media conference here, and for reasons of brevity I'll just make sure that this is filed with the clerk and can be circulated to all members.

As well, Mr. Tabuns asked for the name of the external cost consultant firm hired by Infrastructure Ontario to do our oversight on the North Bay Regional Health Centre. That was Marshall and Murray.

Then Mr. Hudak asked when the \$2.5-million Super 7 free play lottery ticket mentioned in the Ombudsman's report was purchased, paid out and brought to the OLG's attention. We will provide details on that to the best of our ability.

The Vice-Chair: Thank you very much, Minister. Welcome today and welcome to everybody on the committee. Where we left off yesterday, we have three hours and six minutes remaining, and in the rotation

today, the third party, the NDP. Mr. Tabuns, you have five minutes remaining in your round of questioning. Proceed.

Mr. Peter Tabuns (Toronto-Danforth): Thank you. One of the questions that occurred to me when I looked at my notes from yesterday: What is the provision here if Plenary Health goes bankrupt with the North Bay project? We've invested a lot in them. We're expecting that they will manage the project for 30 years. What are the provisions in case they go bankrupt?

Hon. Mr. Caplan: We have ADM Hughes here and he'd be very happy to provide the answer for you.

Mr. Bill Hughes: I don't know the exact provisions, but I can maybe speak to the question a little bit. There is a 700-odd-page project agreement that is posted on the Infrastructure Ontario website, and one of the sections that it deals with is what happens in events of default. So I don't have detail on what's in that section, but we can certainly extract the relevant portions and provide them.

Mr. Tabuns: If you could, that would be great.

The other question that occurred to me is, when this base cost is paid out, is that paid out in a lump sum upon completion of construction, or is it paid out over the 30 years?

Mr. Hughes: It depends on the type of project. In the case of a design-build-finance project—

Hon. Mr. Caplan: Montfort Hospital.

Mr. Hughes: Like Montfort, for example; yes, Minister—the payment is made when the project is available for service. So when the hospital is complete and ready to go into service, at that point the government makes the payment, which is in contrast to the traditional model where the government makes progress payments as construction happens. In the case of the DBFM model, like North Bay, for example, the payments are part of the unitary charge over the 30-year period.

Mr. Tabuns: Okay. Thank you.

You noted in the documents that the hospital is going to be built to the LEED standard, and since LEED has different grades—bronze, silver, gold, etc.—which LEED standard is this hospital being built to?

Mr. Hughes: It's being built to LEED-certified, which I believe puts it in the top 25% of buildings, taking all buildings into account, but it doesn't have any of the higher certifications like gold, platinum and so on; it's just LEED-certified. I should say also that the project agreement contains a provision that if the project company, Plenary Health, fails to achieve certification within

two years, there are financial penalties that they will be obliged to pay.

Mr. Tabuns: What's the basis for calculation of those financial penalties?

Mr. Hughes: Do you mean, how much are they?

Mr. Tabuns: Do they reflect the fact that the building will be paying higher utility costs over the years? What's the calculation based on?

Mr. Hughes: We'll get you details on that.

Mr. Tabuns: Okay. I'd appreciate that.

Hon. Mr. Caplan: I believe the contract outlines performance standards in this regard, that they must first of all certify and then meet those performance standards for energy usage, etc. If they do not, they're subject to penalty under the terms of the contract.

Mr. Tabuns: Is Plenary Health able to sell its contract to another company at a later date?

Mr. Hughes: They are able to refinance, and if they refinance, the project agreement provides that if there are benefits associated with that refinancing, the government shares 50% of any of those benefits.

Mr. Tabuns: Which is useful information. Are they able to sell their contract to another body?

Mr. Hughes: I don't know the answer to that.

Mr. Tabuns: It would be useful—

Mr. Hughes: I would assume yes, but we will check.

Mr. Tabuns: If Plenary is able to sell, then it would be interesting to know what conditions the public sector is able to impose on any sale. Is it able to reject a proponent whom the public sector may not have confidence in?

Mr. Hughes: Okay.

Mr. Tabuns: Do I still have time?

The Vice-Chair: Yes, you've got one more minute.

Mr. Tabuns: Have you considered self-insuring against risk? When I looked at the standard procurement model, you have a calculation of common risk. I assume that with good management it would be possible on a regular basis to reduce those risks. You understand what they're going to be; we all can see what they're going to be. Has the government of Ontario looked at the potential for self-insuring against those risks rather than having someone else finance those risks?

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Mr. Hughes: For which projects are we specifying?

Mr. Tabuns: For the whole process of going to alternative financing. When you go to alternative financing, the contractor assumes all the risk. When you do traditional procurement, you've been able to quantify risk, you know what it's likely to be and you can take steps to try to minimize those risks. Have you looked at self-insuring against risk?

Mr. Hughes: My understanding is that the government does self-insure. In the value-for-money calculation, there is a cost associated with insurance, so if the private sector has insurance premiums built into its bid, then comparable costs of insurance need to be built into the public sector comparator.

Mr. Tabuns: Actually, my question was not just a question of insurance; obviously there are risks that come

along that you've recognized in your calculations. I'm assuming that there are insurance premiums, but there's also, let's say, the risk of bad weather—I don't know if you have insurance premiums for bad weather during construction. You would factor in the potential for bad weather delaying construction for you to incur costs. Right now, it looks like the private contractor, from your calculations, is able to cut that substantially.

Mr. Hughes: In the case of bad weather, the project company is responsible for that risk.

Hon. Mr. Caplan: The way it works is, the project company has to lay out a construction delivery schedule and there is a financial penalty to them if they do not deliver the project within the schedule that's agreed to contractually between them and Infrastructure Ontario.

Mr. Tabuns: I gathered that.

The Vice-Chair: Thank you very much, Mr. Tabuns. The next 20 minutes will go to the government members. Ms. Mossop, you have the floor.

Ms. Jennifer F. Mossop (Stoney Creek): Minister, I want to move into a different area. I know that you are responsible in part for the LCBO. We've had a number of discussions with regard to stakeholders in my area, Niagara region specifically. All sorts of issues have come up with the wine industry in our area, the challenges that they face. We've had some concern as to how well this industry has been able to market itself through the LCBO and other issues.

I'd like to get a sense from you of what steps and measures have been taken to support the Ontario wine industry in an appropriate manner.

Hon. Mr. Caplan: I thank Ms. Mossop for the question. The member would be aware that Ontario has a wine and grape strategy that is developed and overseen by all our partners in industry, by the government and by the LCBO. What that does is contain volume force and targets for sales of Ontario wine.

The strategy sets targets for sales through the LCBO and also through the wine retail stores and direct delivery by wineries to bars and restaurants. Notwithstanding the fact that over the past number of years we've had three crop failures—I believe we've had the Asian ladybug infestation as well—Ontario wines continue to hold, and in fact show modest growth in, market share. That is a very significant achievement for the LCBO and for the industry. Forty per cent of Ontario wine sales take place outside the LCBO, in winery-owned retail stores and through direct delivery from winery sales, and these channels are the responsibility of the industry itself.

Part of this wine strategy is to provide Ontario wineries with prime positioning and premium fixtures in each and every LCBO location. So they provide shelf space for Ontario wines in accordance with a memorandum of understanding that was signed in January 2003. Under this memorandum of understanding—the signatories are the Ontario government, the Wine Council of Ontario and the LCBO—the LCBO ensures that shelf space devoted to Ontario wine always matches or exceeds sales. Allocation is tracked, and the data is shared on an annual basis with the Wine Council of Ontario.

The government strongly supports Ontario's wine and grape industries. We've been providing \$2 million annually for five years, beginning in the year 2005, to support Ontario's wine strategy, and that's administered by the Minister of Small Business and Entrepreneurship, and in addition to that, in the 2006 budget, a further \$5-million one-time grant to the wine industry and the grape sector for marketing of Ontario product.

We've also negotiated a package of measures, supported by both the grape growers and the wineries, as I mentioned earlier, to mitigate the effects of short crops on the Ontario industry, particularly the 2005 harvest. Further, in June 2006, the government announced a three-year, \$10-million program to support the sale through the LCBO of VQA—Vintners Quality Alliance—wines, which are made up of 100% Ontario grapes. That too is administered by the Ministry of Small Business and Entrepreneurship.

There are a number of other things. For example, the LCBO developed, in consultation with the wine industry, and supports a monthly VQA superstars promotion in stores and in their Food and Drink magazine; trained Ontario wine advocates in almost 300 stores help educate customers about Ontario wine; the craft winery program helps small wineries establish their brand in stores with high VQA sales; there's an annual promotion of Ontario wines that takes place in September and October, which I'm told is a prime time of the year for such things, and of course, a comprehensive vintages strategy to support VQA wines. There are many, many other things, but I want to allow time for additional questions.

Ms. Mossop: There's one thing I'm going to get at specifically, because—

Mr. Robert W. Runciman (Leeds–Grenville): He was ready for that question.

Ms. Mossop: Well, I'm sorry that your friend Mr. Hudak isn't here, because he would very much enjoy this conversation.

The other thing I'm trying to get at, because consumers came to us with this concern as well as the grape growers—there is the wine council, but there are the grape growers as well. VQA is 100% Ontario wine; however, because of short crops in the past, there has been the ability for Ontario wineries to blend with foreign product, and there was a lot of confusion for customers, specifically, as to what they are actually buying. Are they buying an Ontario product, or are they buying a foreign product or something that's sort of a blend of the two?

There was discussion, and I want to know where that ended up. How did you manage to deal with that issue?

Hon. Mr. Caplan: Predominately, the Wine Council of Ontario, but also the grape growers, wanted us to make sure there could be the ability to continue to market. They've always made a blended product that has been a staple of the Ontario wine industry. Because of the short crop, which certainly occurred, the sector specifically asked us to be able to denote something they call "Cellared in Canada" that would have a clear delineation between a VQA product, which is exclusively Ontario grape, and the cellared-in-Canada product, which would

be blended between Ontario grapes and grapes that come from outside our jurisdiction.

The LCBO strategy, however, in support of the Ontario wine sector, has been to promote the VQA wines—the ones that are wholly Ontario grape and produced here, and they're excellent programs. As well, there are other kinds of things—merchandising programs, other ways we're working with the wine and grape sectors to promote, market and share the wonderful wines and the wine experience.

I know you're from an area of the province that has just marvellous opportunities for tourism, for others to come and experience not just a wonderful product but also the ambiance and all the wonderful things that Niagara has to offer. The LCBO works in partnership with the Wine Council of Ontario and the grape growers in making these experiences possible.

Ms. Mossop: I want to reiterate the importance of that, which you have pointed out, but it is a major industry and I cannot imagine Niagara without the wine industry. It's almost impossible to imagine taking the wine industry out, because it is such a huge part of that region. It's really a trademark. It's its character. It's its signature.

Hon. Mr. Caplan: Well, it's interesting to note that the combination of the new marketing initiatives that I outlined to you, an array of LCBO programs, have helped to make, and helped Ontario's wine industry maintain, VQA market share through the period of limited supply through the short crops. Despite reduced supply, LCBO sales of VQA wines are up 7% to over \$52 million. Those are the kinds of things that we're looking to.

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The LCBO has three important mandates: certainly, to return back to the treasury of the province of Ontario so we can reinvest in health, education and so on; the social responsibility mandate; but the third, equally important, mandate is the promotion of Ontario product, and they certainly do that very well.

Ms. Mossop: I have to say that it's not just about Niagara, although that is my turf. Prince Edward county and the Pelee Island area, of course, are very strong in this as well. When we talk about the tourism thing, I know—and I've done this just on my own because I am an advocate for the wineries in my area and the wine council. When I go to different LCBO stores around the province, I ask, "Do you get many questions? When people come in the door, do they ask about Ontario wine?" Invariably, the staff tell me it's one of the first things—especially tourists from outside the province come and say, "Where's the Ontario wine? That's what we want to see." That's what they want to try when they come here, and then that in turn does stir interest even within Ontario for people going down to the Niagara region and enjoying the wine experience, the winery experience and all the other great things that can be had in that area—the Shaw Festival and all the rest.

Hon. Mr. Caplan: When you or I or even a visitor to Ontario goes into an LCBO store, in virtually all of them

the first thing they will see is Ontario wine. So that is very prominently featured and marketed because we do take that responsibility and want to support this important Ontario industry.

Ms. Mossop: I'm going to stick with the LCBO for a second.

Hon. Mr. Caplan: Sure.

Ms. Mossop: The other subject matter—and I was taken aback a little bit, when we started the bag-it-back program, that I actually did hear people who had a problem with this. I couldn't quite figure out why at first, but there were various different comments about having a problem with bag it back. My understanding is it's a perfectly sound program, but people were worried about, "Gee, I don't generally go to the Beer Store. I don't generally do this and I don't generally do that."

Can you just maybe explain it so that we can understand clearly what the goal is here, the benefits for everybody in the province, so that they understand a little bit better what it's about? Because there still seems to be a bit of confusion or a misunderstanding about it out there.

Hon. Mr. Caplan: Sure. On November 6, the government entered into a contract with Brewers Retail International. They operate one of the most successful deposit-return systems in the world. They have in fact a very enviable 96% return rate. That contract is on our ministry website. It was made public on November 30.

The bag-it-back program was launched on February 5 this year. On that day, nearly all retailers of liquor in the province, essentially the LCBO and wine and spirit manufacturers, retail and direct delivery operations, began to charge deposits on the containers, and licensee customers, on sales of all alcohol containers.

On the same day, Brewers Retail International—the Beer Store, as we know it—began accepting empty containers from consumers and businesses and providing a refund on those deposits. The bag-it-back program will boost environmental protection in Ontario. In fact, Ontario's Environment Commissioner has been calling for this program, as well as many others, including the Association of Municipalities of Ontario, for years, if not over a decade. We expect that at least 85% of wine, spirit and beer containers will be returned for deposit. That's been the experience in other provinces that have all implemented deposit-return systems. I believe that only Manitoba and Quebec are the two provinces without deposit-return systems. It will improve efficiencies in the existing municipal blue box.

I was kind of shocked to learn—with so many advocates in municipalities and environmentally, and so many others—that previous governments had refused to implement this kind of program. They ignored those calls to ensure that bottles and packaging were diverted from our landfills. In fact, I would note that the previous government eliminated all provincial support for the blue box recycling waste diversion, and as a result, Ontario has the lowest recycling rate in Canada.

This program will help to divert 25,000 to 30,000 additional tonnes of glass from landfill, the equivalent of

about 80 million bottles. It will free up space in the blue box, giving municipal governments the opportunity to expand recycling programs. It's not just that we're going to divert; we're going to make sure—we have it in the contracts; I hope all members will read it—that the glass from the wine and spirit bottles will be recycled into higher-end products and materials—things we wear, like Polarfleece, or glazes for tiles or roof/ceiling tiles. The Ontario deposit-return program will complement the blue box by raising recycling rates, which will mean that less waste will go into landfill. It's an important part of the diversion strategy and the environmental strategy of this government. It will mean a win for the environment and a win for municipalities—indeed, a win for all Ontarians.

Ms. Mossop: I just need you to clarify that, because the city of Toronto said that it stands to lose millions of dollars because it will have less glass to sell. Does that resonate at all?

Hon. Mr. Caplan: I find that a bit perplexing, because the city of Toronto introduced, in 1997, a bylaw requiring deposits on LCBO containers in the city of Toronto. The bylaw in fact was neutralized then by the Ministry of Municipal Affairs and Housing in Ontario. So I find the claim a little hard to fathom, given the fact that the city itself had passed a bylaw and had urged the government of the day to adopt it. We're certainly in keeping with the spirit and the intent and the direction of our colleagues in the city of Toronto. We know from their comments that it is working indeed very well. Mayor Miller himself said, "The new deposit-return system for liquor bottles is an excellent first step in improving Ontario's waste reduction initiatives. I look forward to the introduction of additional steps that encourage reduction of packaging at the source and increased reuse of items already in circulation." I'm very heartened by those comments by His Worship Mayor Miller.

Ms. Mossop: How am I doing for time, Chair?

The Vice-Chair: You have five minutes left.

Ms. Mossop: Great. I'm just going to stick with this one more time. You said something about how this is working and we need to be able to track how it's working. I know this is something on which there has been a large discussion—accountability, transparency—which is why in many cases this government has had the Provincial Auditor open the books in many corners of this government and make sure that those books are opened and examined and made public before the next election. This has been a theme since we took office. How are you building in that same kind of transparency and accountability so that people can make sure that this program is getting the results that it needs to get?

Hon. Mr. Caplan: That was really key, especially in the contract that we wanted to strike with Brewers Retail International. I do want to commend the work that the LCBO and the agencies division of my ministry did in this regard. When the contract was signed, we made it public. That was the first step. In the early days of the program—it's still early. During the initial period with our partners, we're collecting the return rates and collect-

ing the data on what's happening. So we're committed to maintaining an open and transparent process with the Beer Store. That's why we built audit requirements into the contract. We're constantly auditing the program's costs to make sure that we pay only what is collected and what our fair share is. We believe that the program's costs are being managed responsibly.

I want to outline a little bit for you. The government pays the Beer Store 10.5 cents per container to provide the deposit-return and the recycling services to the providers and to the province. The benefits to the environment I believe far outweigh the costs. We estimate that over 2.5 million bags of garbage per year will be taken out of landfill when the public returns their empty beer, wine and spirit bottles to the Beer Store. The cost of the program depends upon the level of public participation, so it's very hard to estimate. But we've projected that the program may cost in the range of about \$15 million in the first year. I think that's a reasonable investment for the environmental benefit. Additionally, we've had a public education campaign—I hope you've had a chance to see it—in print, online, TV, radio, etc. It's approximately—and this is part of the contract too—\$7.5 million over the course of two years to ensure that the public is aware and knows how to use the particular program.

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I want to say as well that we want to make it as convenient as possible for people to be able to access; 70% of Beer Store locations are within one kilometre of LCBO locations but, additionally, we've opened up the agency stores. I have to look to see exactly how many locations. Just under 200 agency stores in small and rural communities are also outlets, plus there are registered bottle dealers who can accept them as well. We're looking for different ways and means.

When we get the data that we collect back through the audit processes that I've mentioned, it will be analyzed. We'll prepare regular reports on the numbers of containers that were returned, how they were recycled. We expect the first report to be issued this July.

Ms. Mossop: So most agency stores can take them. Beer Stores can take them. So I can assure those people who said that they don't go to the Beer Store and this is a real hardship that probably is not a hardship if they just drive one block out of their way and stockpile the bottles?

Hon. Mr. Caplan: We believe that Ontarians, as evidenced by the early anecdotal evidence, are eager to participate, and if we can make improvements, we certainly will, but we want to make it easy and possible for Ontarians to participate in this long-overdue program.

The Vice-Chair: Thank you very much, Minister, and thank you for putting that on the record. With barbecue season coming up, it's nice to have that information available to everyone, Ms. Mossop.

We'll now turn it over to the official opposition for questioning for 20 minutes.

Mr. Runciman: I have just a few quick questions, Minister. I'm going to be jumping all over the place here,

but going back to the Ontario Lottery and Gaming Corp., you'll recall the hubbub about the meeting or meetings that took place where Mr. Kinsella and Don Guy participated with Jim Warren to devise, I gather, a public relations strategy to deal with the insider trading allegations.

I know that when these questions were raised in the House, you indicated that this was not in any way, shape or form connected to the government, that this was an OLG effort to utilize Mr. Guy's services and Mr. Kinsella's services in their private capacities, whatever firms they belong to or own. Is it possible, for the last couple of years, to have an indication of what costs were associated with the reimbursement for services provided by both Mr. Kinsella and Don Guy and have that information tabled with the committee?

Hon. Mr. Caplan: The OLG is subject to freedom-of-information requests, and certainly if the member would care to make the appropriate requests and follow the statute as it's laid out—

Mr. Runciman: We've been down that road on many other issues.

Hon. Mr. Caplan: —I'm sure that whatever exists can be made available.

Mr. Runciman: I guess if you want to be helpful, you could bypass that process and provide the information to the committee.

Hon. Mr. Caplan: Certainly I don't have, because I did not participate in any of the meetings, nor would I know what arrangements were made—

Mr. Runciman: I appreciate that.

Hon. Mr. Caplan: But that information is subject to the routine statutory requirements. I'm sure the member from Leeds–Grenville is quite familiar with those procedures and all of the information will go through the appropriate process. All you need to do is request it—

Mr. Runciman: I'm quite familiar with the stone-walling approach of this government. We saw it with the recent scandal where, week after week, you refused to call in the Auditor General until finally, in three weeks, you said, "He's going to report at some point down the road. Be patient until after the election, when all the details come out." This is sort of an echo of that approach to issues that I think bear some relevance to all of the concerns surrounding the OLG matter.

Hon. Mr. Caplan: I disagree entirely.

Mr. Runciman: A couple of other things. This deals essentially with my area. The eastern regional offices of the OPP are currently located in the building that houses Rideau Regional, which your government is fast-tracking closure of. Do you have any indication for us what might happen to the OPP regional headquarters as a result of that closure in terms of this location?

Hon. Mr. Caplan: I'd have to follow up. I don't have any detailed information off the top of my head. We could certainly follow up with you on details that you might be interested in.

Mr. Runciman: That would be important and helpful. Another property, the Brockville Psychiatric Hospital: I'm not sure what the arrangement is with the Royal

Ottawa—now the Ottawa Mental Health Centre—in terms of the buildings on that site. I know that a number have been declared surplus and, until there were public complaints about it, were being neglected by the ORC. Is there any plan for this site in terms of the ORC's approach, any efforts or plan to market surplus properties on that site?

Hon. Mr. Caplan: I have not seen any such plan but I can tell you—I don't know how appropriate it is, but the member for Leeds–Grenville did approach me with the possibility that the federal government might indeed be interested. We did pursue, both with him and his staff—I hope he would acknowledge that—to see what the interest of the federal government might be in the particular property. But I've not seen a marketing plan that's come to my attention for that particular site. I say in all candour that we're very interested in working collaboratively, co-operatively with the local member on what is an asset in the community and what the future use could be.

Mr. Runciman: I hope that's the case, because federal officials are looking at one of the buildings in the near future and it will require, I would suspect, if there is an interest, a commitment by the government and ORC to meeting some requirements in terms of security for that site to enable the feds to utilize it. So hopefully we'll be able to take you up on that offer of co-operation.

Just a couple of curious things here with respect to the two casinos. This is more my friend's bailiwick, but I know, having a chat with Peter Partington, the mayor of Niagara Falls and others—this may have been raised earlier too. What is the future of the two casinos in Niagara?

Hon. Mr. Caplan: I'm sure that the member is aware that Ontario Lottery and Gaming did sign quite recently an extension on the Casino Niagara site and I know that OLG and Fallsview management have been in conversation with Niagara Falls council. This matter was raised with me by Chair Partington and other officials in Niagara region during the recent Niagara Week and we certainly heard the interest. I can tell you that Niagara region did commission what they call the PFI study into the particular viability. Much of it is premised on the fact that the provincial government finally is coming forward and supporting the Niagara Falls convention centre.

I believe that you and your colleagues have been quite critical of that investment, but the people in Niagara and Niagara region seem to believe that this will provide an important anchor for them—

Mr. Runciman: I'm aware of us being critical.

Hon. Mr. Caplan: —and for the potential viability. That conversation took place roughly three or four weeks ago and I did undertake to the good folks from Niagara that we would certainly follow up with them and with Ontario Lottery and Gaming. I know that they have contacted or approached—I don't know if they've met yet—with the interim president and CEO, Ms. DiEmanuele, to pursue these issues further.

Mr. Runciman: I'm not aware of us being opposed to the convention centre in Niagara Falls, but if you have more information on that, I'd be happy to hear about it.

Hon. Mr. Caplan: I believe your colleague Mr. Arnott raised this in the Legislature just the other day.

Mr. Runciman: When you make those comments, it's a reference to the party position and an individual—he has legitimate concerns about gaming and the growth of gaming.

This is the sort of thing that I'm hearing from some of my own constituents who tend to frequent casinos, unlike myself. They're saying that there's a real effort within both commercial and charity casinos in Ontario now in terms of slot margins to make it more difficult for people to win in Ontario. That's one of the reasons why folks are going outside the province to gamble. The smoking ban is having an impact and other factors, but I'm just wondering if you know anything about whether slot margins have been adjusted over the past few years to improve the bottom line of casinos in Ontario.

1700

Hon. Mr. Caplan: I don't know that in particular, but I do know that the matter was raised at the standing committee on government agencies when the chair and the president and CEO at the time did appear before the committee. I don't have that in front of me per se, but I have a memory remnant that the win rate was—I'm looking around. Joyce, come on up. I think it was 81%, and in fact something like 92% is the actual win rate. I think they're set at—I'm going a bit from memory.

Ms. Joyce Barretto: I can speak a little bit to this. Actually, the win rates are all set by the Alcohol and Gaming Commission of Ontario. They set the actual rates. They do monitor. There are regular inspections by the AGCO into all of the casinos to ensure that—and the win rate is actually published in these machines as well. We can provide you more information on that. It is highly regulated.

Mr. Runciman: Has it been adjusted over the past few years?

Ms. Barretto: No, it has not. Not that I'm aware of, but I will actually check that.

Hon. Mr. Caplan: No, it has not.

Mr. Runciman: You're going to clarify that?

Ms. Barretto: I will.

Hon. Mr. Caplan: Sure. I hope you'll inform your constituents that their perceptions are not correct.

Mr. Runciman: They're just having bad luck, eh?

The Woodbine corporation—Woodbine Entertainment, I guess it is—has this huge proposal. I've been reading about it. Is part and parcel of that an expansion of the gaming enterprise? Is it tied to that in some way?

Hon. Mr. Caplan: I have been briefed by Jane Holmes and the folks at Woodbine, and I do believe that that is something they are seeking. They are hoping they can get approval to expand the gaming operation, yes.

Mr. Runciman: Where would that application stand at the moment?

Hon. Mr. Caplan: I don't believe there has been a formal application at this point. I believe they still have various municipal approvals to go through to get the development. I think there were some recent articles that appeared in the paper.

There is also a matter that they will face. The city of Toronto held a referendum back a number of years ago and there was a negative response to the ballot question whether there should be gaming and casino expansion in the city of Toronto. I know that they will want to speak with the city about whether there is a change of position at the municipal level.

I did make Ms. Holmes and Woodbine Entertainment aware that at the January 5 Ontario gaming strategy there was a contemplation that, with a few exceptions—being Ajax Downs and Quinte raceway—there would be no gaming expansion in the province of Ontario. So we've been very clear about that. But they have come forward with their vision for the future.

Mr. Runciman: I know that you had some layoffs at Casino Windsor. Was it 400 people last year or something like that? It was a significant number.

Hon. Mr. Caplan: No, I don't believe that's correct. There were some. The member is quite aware of some of the extraordinary pressures related to the increase in dollar valuation, some of the pressures at the border and the advent of three casinos on the Detroit side. That market is certainly changing. As well, there have been pressures in Niagara.

Mr. Runciman: You didn't mention smoking too. That has obviously been a factor.

Hon. Mr. Caplan: That is something that we are tracking. It's quite interesting. We don't have all of the data in yet, but there are some interesting data that are being yielded. I would note that in Michigan state, for example, while they too have a state-wide smoking ban, they have exempted their casinos in Michigan.

Mr. Runciman: Mr. Hudak is just pointing out to me that approximately 800 full-time employment positions have been trimmed at three commercial casinos—Windsor, Niagara and Rama—so pretty significant numbers. Are any more layoffs contemplated?

Hon. Mr. Caplan: Ontario Lottery and Gaming had developed a plan, had brought it forward. The one that was outlined previously was not adopted. The corporation is currently working on the next iteration of their corporate plan. That has not been presented to me yet, so I'm really not in a position to be able to comment on it.

Mr. Runciman: Again, jumping around the place: You were talking earlier in response to Peter's questions about the hospital construction side and the process—I'm not sure what the acronym stands for.

Hon. Mr. Caplan: Alternative finance and procurement, AFP.

Mr. Runciman: Is the decision to make this an initiative of your ministry made by the Ministry of Health or is it made by your ministry? Does the ministry you're building these facilities for make those decisions or does your ministry make those decisions?

Hon. Mr. Caplan: The way that it works when we develop the capital plan is that we bring forward to the cabinet the different methods that we advise that we use. In fact, as the Minister of Public Infrastructure Renewal, I designate to the corporation once the cabinet has made a determination that they wish to go there.

I would point out, however, that Infrastructure Ontario has on occasion said to us, "We don't think this one makes as much sense. We think you should do it as a traditional model or another project where you've designated it. We think it might work better on this one." So there is ability and flexibility to de-designate, so to speak, or to designate other projects. That's the way that the process works.

Mr. Runciman: But this is essentially confined to the health care sector?

Hon. Mr. Caplan: No, not at all. In fact, the Durham consolidated courthouse is an example, as well as the GTA youth centre. There are a number of projects which you would be familiar with. They are predominantly in health care, but there are a number of others.

Mr. Runciman: Nothing in the education sector?

Hon. Mr. Caplan: No.

Mr. Runciman: That's where I'm going with this. We know that a lot of the schools, especially the secondary schools, in the province are in pretty bad shape, and I'm just wondering why this hasn't been looked at as a way to try to replace some of that aging infrastructure.

Hon. Mr. Caplan: In fact, education is very interesting. We chose an AFP-like strategy. What we did was we put together a revenue stream—I believe it was \$200 million per year—and levered that and were able to lever close to \$4 billion, to be made available over a period of time to boards of education. Four billion dollars has meant, I believe, that in excess of 6,000 school projects have either been completed or are under way currently in the province of Ontario. That initiative is called Good Places to Learn. It has been incredibly well greeted by school boards, by parents, by students, by teachers, right across the province. It has resulted in an unprecedented amount of work that is happening in the education system. So I commend that program to you.

Mr. Runciman: I'm not seeing it in my area.

Hon. Mr. Caplan: I could follow up. What is the school district?

Mr. Runciman: It's Upper Canada.

Hon. Mr. Caplan: We can follow up and find out. We work very hard to try to determine where the money is going and what projects it's going into, so we can follow up with you on specific projects in Leeds–Grenville, and hopefully you'll be able to have a conversation with local trustees about how they're using the dollars that we're providing.

I can tell you that it has been a tremendous boon to elementary and secondary schools right across the province.

Mr. Runciman: How much time do I have left, Mr. Chair?

The Vice-Chair: You've got three more minutes.

Mr. Runciman: I'll turn the rest over to Mr. Hudak, but just in terms of the bag-it-back program, one thing you may also want to keep track of is beer sales at the LCBO. I was talking to a manager of a local LCBO outlet and they said they've already seen a marked decrease in beer sales at LCBO outlets, so that'll be interesting to watch over the course of the year.

Hon. Mr. Caplan: I appreciate the comment.

I want to provide a quote for you from John Hay, president of the Ontario Craft Brewers. He says, “The Ontario Craft Brewers are impressed with the level of transparency and accountability built into the Ontario government’s contract with the Beer Store. It sets a great precedent.... The government has worked very hard to negotiate a fair contract”—

Mr. Tim Hudak (Erie–Lincoln): I thank the minister. We’ve heard that quote before, and I don’t think Mr. Hay exactly was jumping for joy at—

Hon. Mr. Caplan: —“with its service supplier—a contract that supports our shared commitment to supporting environmental protection in Ontario.”

Mr. Runciman: I didn’t ask a question, Mr. Chairman. He’s just filling the time. He’s killing the clock.

Interjections.

The Vice-Chair: Guys, hold on.

Hon. Mr. Caplan: Mr. Chair, I think you want to be fair—

The Vice-Chair: Finish your statement quickly and we’ll give you one more question—

Mr. Hudak: Ah, man, he’s used this only 20 times—

Hon. Mr. Caplan: Mr. Hay stated, “The government has worked very hard to negotiate a fair contract with its service supplier—a contract that supports our shared commitment to supporting environmental protection in Ontario.”

Mr. Hudak: Do it on your time—

Hon. Mr. Caplan: I take your comments, Mr. Runciman, to heart, and we certainly do have plans to work in support of this very important Ontario—

Mr. Runciman: You said that five minutes ago.

The Vice-Chair: Now you have a couple more minutes, Mr. Hudak.

Mr. Hudak: God bless you, Chair.

Minister, I could describe your relationship with Jim Warren as being personal friends?

Hon. Mr. Caplan: No.

Mr. Hudak: What’s your relationship with Jim Warren?

Hon. Mr. Caplan: I’ve met him on a couple of occasions, but that would be about it.

Mr. Hudak: How often do you meet with Mr. Warren?

Hon. Mr. Caplan: In the last five years, maybe once.

Mr. Hudak: Have you met with him since he has taken up his position with the Ontario Lottery and Gaming Corp.?

Hon. Mr. Caplan: I believe he has attended one or two meetings or briefings that I was also in attendance at, but we never did interact.

Mr. Hudak: Can you describe what those briefings were about?

Hon. Mr. Caplan: No, I couldn’t. It really doesn’t come to mind.

Mr. Hudak: Was Mr. Warren part of any briefings with you with respect to the insider-win policy at the lottery and gaming corporation?

Hon. Mr. Caplan: Not that I recall.

Mr. Hudak: There was the infamous meeting of April 11—nope, sorry, that’s the e-mail—the infamous meeting of October 29, 2006, where Warren Kinsella, former McGuinty communications director Jim Warren and Don Guy, the director of the Ontario Liberal campaign—this is quite a triumvirate. Minister, this is not exactly Jack, Chrissy and Janet here. These are the three heavy hitters of the Liberal campaign. What the heck were they doing at the lottery and gaming corporation on this issue?

Hon. Mr. Caplan: I think the Ombudsman talks about the fact that Ontario Lottery and Gaming treated the Fifth Estate allegations, in his words, as opposed to trying to deal with the substantive matters, certainly as a public relations exercise and—

Mr. Hudak: So if you say—

Hon. Mr. Caplan: Hold on. Yes, the question—

The Vice-Chair: Finish the question and then we’ll have to go to the third party.

Hon. Mr. Caplan: The Ombudsman quite rightly takes the OLG to task for that. I think, as I’ve outlined to the member in previous questioning, that my response was to try to get to the bottom of the issues and the substantive matters that were raised. That’s why KPMG was called in. That’s why I welcomed the Ombudsman—

Mr. Hudak: He’s gone a bit further than my question, which was, just what the heck were they doing there? Did the minister—

The Vice-Chair: Guys, with that, we’re done the—

Hon. Mr. Caplan: A request.

Mr. Hudak: He’s ragging the puck, guys—

Hon. Mr. Caplan: I don’t wish to interrupt Mr. Tabuns, but could I have a short break? I need to be able to use the facilities—

Mr. Hudak: —give me three minutes back. I’m withholding my consent.

Interjections.

The Vice-Chair: We’ve got a short recess here for five minutes.

The committee recessed from 1714 to 1722.

The Vice-Chair: Okay everybody, we’re back.

Hon. Mr. Caplan: Mr. Chair, thank you for your indulgence. I really appreciate it.

The Vice-Chair: You’re very welcome, Mr. Minister.

We’ll now move over to the third party. Mr. Tabuns, you’ve got 20 minutes.

Mr. Tabuns: Okay; thanks, Chair. I have one or two questions to finish off on the procurement and then I have questions around water systems.

My questions around procurement touch on how the proponents protect themselves against risk. When I looked at the document that I was referred to, Altus Helyar, when I look at some of the risks that they are saying that the proponent will take on, I’d like to know why it’s seen that they would be much more successful than a public sector initiative using traditional methods.

For instance, one of the problems here is “Failure to build to design: The risk that project is not constructed in accordance with the design documents. This could result in a dysfunctional building.” Well, it happens all the

time. I would assume that in traditional procurement there would be an assessment of the building upon completion, and if it didn't meet the standards, if there were significant damages, then the entity that takes ownership would sue to recover damages. But I would say it would be the same if this proponent, under your AFP, botched the building. There would still be damages that would have to be taken against the proponent. How is the public protected there? How is it that you would suggest the private sector is better able to protect itself?

Mr. Hughes: I'll try and answer that one. You're quite right. There's an inspection at completion in both cases, so no real difference there. The difference is, however, in the construction process that happens before that. What happens in the traditional model is that there tend to be a lot of change orders because of issues related to design coordinations. In the AFP model, the private sector takes that risk.

I'll just give a very simple example. Let's say you have baseboard heating and the design drawings show units on three walls but there should really be baseboards on all four walls. In the traditional procurement process what happens is, the builder realizes that that's a problem, goes to the hospital and says, "Guess what? You made a mistake on your design drawings. That's a change order, and we're going to charge you." No competitive tension at that point; they can charge a fairly high price for installing an extra baseboard. Under the AFP model, the risk lies with the builder, and they can't come back and ask for a change order for that sort of thing.

The consequence of that is that there is a lot more onus on the project company to do a lot of due diligence up front. We saw that in the case of the North Bay hospital where, when the RFPs went out, the bidders literally asked hundreds and hundreds of questions in an attempt to clarify exactly what the expectations were.

If you would like, I can attempt to respond to some of the questions you asked earlier as well.

Mr. Tabuns: Sure.

Mr. Hughes: While others were asking questions, I took a quick read through the project agreement. I'm not a lawyer—

Mr. Tabuns: Nor am I.

Mr. Hughes: —so I'll just give you a layman's interpretation.

On the question of LEED—I'm just going to flip to page 57 of the project agreement—essentially, the way that works is that if the LEED certification is not met within 24 months, there is a monetary payment that Plenary would have to make to the North Bay hospital. That amount has been agreed to; it's redacted from the project agreement. I don't know how much it is and I can't share that with the committee, but in response to where I think you were going with your question, there aren't additional penalties related to energy conservation targets or anything like that. It's a specific amount of money that has been agreed to in advance that would be compensation to North Bay General if the LEED certification is not achieved.

Maybe I should respond to: Can they sell, and what happens in that case?

Mr. Tabuns: Yes.

Mr. Hughes: The answer is, yes, they can, though there are restrictions. It is not possible to have a change in ownership or control if the sale is to what's called a "restricted person", which sounds strange. I looked up what a "restricted person" is. These are people who can't be involved in a sale by Plenary: anyone who has a principal or controlling office in a country that is subject to economic or political sanctions by Canada or who has as its primary business the illegal manufacture, sale and so on of narcotics or arms or has been involved in terrorism; and, in the case of an individual, any member of the board of directors or a senior executive who has been sentenced to imprisonment or otherwise given a custodial sentence, someone who has as their primary business the acquisition of distressed assets or investments in companies or organizations that are believed to be insolvent, so people who are—

Mr. Tabuns: Vulture funds.

Mr. Hughes: Exactly. That's the intent.

The last one is anyone subject to a material claim by the actual hospital or by the province. Oh, and one more: anyone who has a material interest in the production of tobacco products. Those are all restricted people, and Plenary can't sell to those people.

There's also a condition that says Plenary can't sell if a change in ownership would have a material adverse effect on the performance of project operations or the hospital's services, which is a pretty sweeping condition, actually.

Mr. Tabuns: Who gets to determine that? For instance, could the hospital say, "You're selling it to a company that's had a history of poor performance." No, they're not a terrorist; no, they don't sell tobacco; no, they're not part of organized crime or a vulture fund. It's not the highest bar I've ever heard of. Better to have terrorists excluded as potential partners than not, but—

Mr. Hughes: I understand what you're saying, and the agreement does speak to that issue. What it says, actually, is that no change in control of any Plenary party or any person with an ownership interest in any Plenary party shall be permitted without the prior written consent of North Bay General Hospital, not to be unreasonably withheld or delayed. So North Bay hospital has to give written consent to a change in ownership, according to the project agreement.

Mr. Tabuns: That answers that question.

Mr. Hughes: Okay, I'll stop there. There are a few others, but I won't take up time.

Mr. Tabuns: I've got the drift.

Mr. Hughes: Okay, fine.

You also asked about events of default. There are a number of events of default. Default can work both ways—it can be North Bay General that defaults—but I'm assuming you're most interested in the project company defaulting.

Mr. Tabuns: I am.

Mr. Hughes: Okay. I'll just give a few; I won't go through everything. One is financial. A default can be declared if there's a financial problem, meaning that Plenary can't pay its debts. There can be a default for non-performance, and a default if there is a court order against Plenary. There can also be a default if any of those three things happen in a foreign country—if Plenary has operations in a foreign country and any of those things happen. I'm skipping a few now. There's also a system where if Plenary does not keep a facility in proper condition, it accumulates what are called failure points. If it accumulates 1,500 or more failure points in any rolling 12-month period, that is an event for default. In the event of default, North Bay General Hospital has a right to terminate the whole thing with notice in writing.

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Mr. Tabuns: Is there any penalty attached to North Bay if it should—

Mr. Hughes: No. There's a long process, but no penalty, and there actually are obligations imposed on the project company. If, for example, the default happens during construction, there are all sorts of obligations to give equipment, drawings and so on to North Bay General so they can continue with construction if there is an event for default. Those are very quick answers to the questions you asked.

Mr. Tabuns: Thank you. I don't have any other questions on procurement. I do have a question related to information that was provided from the last round of estimates. I asked what greenhouse gas increase was expected for a business-as-usual case for development in the greater Golden Horseshoe. I was provided with a report done by the Neptis Foundation in August 2002, Toronto Related Region Futures Study, and it was noted that, under business as usual, the increase in carbon dioxide would be about 4.5 megatonnes between 2000 and 2031. We now have a base case for the work that's been done with the growth strategy. To what extent will that increase in CO₂ be mitigated?

Mr. Brad Graham: We don't have that exact calculation, but there are inferences that can be made from Neptis's work and business as usual in the more compact scenario that they evaluated in the study you reference and also their other work.

The Vice-Chair: Sir, could you identify yourself once again.

Mr. Graham: Brad Graham, assistant deputy minister, Ontario Growth Secretariat.

In Neptis's work—they do some very fine work; we've been working with them over perhaps the last five years taking a look at business-as-usual development vis-à-vis a couple of growth scenarios, and I think they've outlined for a dispersed model, a compact and a consolidated form. While we haven't replicated that work, nor has Neptis necessarily replicated the work to take into account the growth plan, there are some inferences—and I want to stress that they're inferences and not actual calculations—that the abatement or improvement in

business as usual versus compact is actually increased under the growth plan for a couple of reasons.

First, the Neptis work—originally, when they had their compact form scenarios prior to the development of the growth plan and the greenbelt. So in fact the scenario we actually have in policy and in law will result in more compact development than was envisioned by Neptis. That's not a criticism of their work; it's just that the framework wasn't in place. You've often heard us use statistics that were based on Neptis work: about 42% in auto emissions, base case versus compact. The impact would be greater. Auto emissions would be more if you actually compared it to the growth plan.

Second, the Neptis work—again, it was pre-work that we did—forecast fewer people coming to the region. So those benefits, if you will, are even increased with the growth plan, because we're accommodating more people than was contemplated by the Neptis work and in a more compact fashion. Again, that's not a criticism of their research. They've done very good research, and that's the baseline that we do have. We would see improvements in those numbers, but I don't know exactly how much.

Mr. Tabuns: Are you planning to do a study to show what the greenhouse gas increases will be with your proposal?

Mr. Graham: Not at the moment, but it's certainly something we're very interested in. We're always looking for metrics and measuring the effectiveness of something like the growth plan. We're not a research institute.

Mr. Tabuns: No, I understand that.

Mr. Graham: We often like to rely on the credibility of others who are researchers. Certainly the issue of greenhouse gases is tremendously important. We're comfortable in that we're making improvements. We just can't measure exactly and precisely how much that is. Clearly, as governments are more interested in the cumulative effect of their actions, it's certainly something that we're very interested in doing, and working with people like Neptis, the Suzuki Foundation and others is something that we'd certainly be amenable to. Again, we've done an awful lot of work in developing metrics. I dare say it may be an issue of expertise but also a kind of capacity. It's certainly something that we'd be willing to work with people on.

Hon. Mr. Caplan: I think it's also fair to acknowledge that within the scientific community itself—this is a fairly young area—and bodies of research, in many cases, there is even disagreement on methodology, measurement and the like. We will want to take advantage of the understanding as it grows and as it can be applied to some of the growth planning work that we have done in the greater Golden Horseshoe. We certainly look forward to commencing that work with our partners, and as ADM Graham mentioned, we would talk to those who would be out there to provide us the basis of know-how and direction on how to measure, how to be able to provide answers to this kind of question.

Mr. Tabuns: Thanks, Minister. The other question that I have, following up on the responses I got from the

last round: I asked if the ministry was going to take into account life cycle infrastructure planning that would take into account the impact of climate change, the need to adapt infrastructure. The response I got back was somewhat ambiguous, so perhaps—

Ms. Carol Layton: I could give some further detail on that.

Certainly we can appreciate that climate change is critical in engineering and in design and in maintenance standards for highways, bridges, dams, hospitals, buildings, municipal roads and onwards. We are working, the ministry, as the central agency for structural planning with our many partner ministries. We have some ministries that are certainly further ahead than others. For example, the Ministry of Transportation fairly recently did some work with the department of civil engineering at McMaster University, looking at the potential impact of climate change on highway drainage, infrastructure, including bridges, culverts, storm sewers and storm water management. They looked at the present, and they looked into 2020, 2050 and 2100.

I guess the other point I'd want to make there is that we actually have under way right now, down in the West Don Lands, our first infrastructure initiative under the leadership of PIR that truly is meant to be one that is looking at climate change. The huge berm that is being built down there is a berm that is going to meet the standards required to meet a level 4 hurricane. It is our first provincial infrastructure investment that will accommodate the increased frequency of storms. It's Hurricane Hazel standards, not once but in increasing frequency. There certainly has been that sort of work.

The need for it to be obviously pervasive throughout government is what we are working on. We are meeting later this month with the Conference Board of Canada, who's done some good work on climate change, and in fact, even considering a leaders' forum on climate change as well. So there is work under way in the ministry.

Hon. Mr. Caplan: Of course, much of the infrastructure related to water and local roads is under the purview of our municipal partners. We are committed to working with them too, as they go through and do the kind of replacement work or the kind of expansion work to be able to meet the standards that would be expected in order to deliver the kind of value over the life cycle as well as possible. I believe the Good Roads Association has developed a very good asset management tool for municipalities to work with. This is a young body, and we're working with our partners to be able to develop and deliver the kind of standards that I think the member is getting at.

Mr. Tabuns: Can you tell us by what date we can expect climate change adaptation standards will be in place for projects financed by the government of Ontario?

Ms. Layton: Every year, we issue instructions to ministries, results-based planning instructions, and the asset management framework is in that context as well.

Our work won't be lock, stock and barrel and we'll have it all done at once, but we're certainly beginning, with the cycle that's coming, to increase the awareness of the need to think in that context. But, as I said, a ministry like the Ministry of Transportation has been out there commissioning that sort of work for quite a while, so as far as a central agency set of instructions going out, I think you're going to see it incrementally, but it will certainly begin in the cycle that's coming.

Mr. Tabuns: I appreciate that information, but do you have a plan to actually ensure that all of the money that we're investing will be in projects that are designed so they're protected from the different climate that they're going to deal with over the next three to four decades? Do you have a time—say, the next two or three years—that you expect to have that all in place?

Ms. Layton: In the fiscal plan certainly that we have today, and looking out multi-year, because we do it on that basis, it doesn't accommodate, in a sense, the increased costs that will be associated with climate change initiatives. But that is a rolling plan that we do every year, so we will be adjusting it within the confines of the fiscal plan that we can do it. So we'll do our best.

Hon. Mr. Caplan: I think it's important to note as well that we have moved ahead on several projects which will lead to some—not in total, but some. For example, the archives of the province of Ontario: We've broken ground at York University on the new archives, to be built toward a LEED silver certification—a reduction in energy, a reduction in greenhouse gas emissions for our building, which will have a life over the 30-, 40-year period of time. Similarly, there's the Durham consolidated courthouse; similarly, there's the West Don Lands precinct plan to a LEED gold certification.

So we're doing much of the early work in order to be there, but we do anticipate, and are working toward, the kind of standards—also with our partners, as I mentioned, federally, municipally, in the other areas as well. This is a young area of interest and science, and we certainly want to be able to work on a realistic time frame toward getting those things in place.

The Vice-Chair: Thank you very much, Minister. The bells have just started ringing, so we'll—

Hon. Mr. Caplan: We'll pick the time up—

The Vice-Chair: Next week.

Hon. Mr. Caplan: I think next week is constituency week.

The Vice-Chair: Right; the week after. Sorry. Yes, it will be May 28 when we'll be back here.

Hon. Mr. Caplan: Mr. Chair, thank you very much, and I'm eager to come back on May 28 or 29.

The Vice-Chair: We'll start with the government members that day, okay?

Hon. Mr. Caplan: That's perfect.

The Chair: Thank you very much.

The committee adjourned at 1743.

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