



---

ISSN 1180-4386

**Legislative Assembly  
of Ontario**

First Session, 39<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Première session, 39<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

**Thursday 24 January 2008**

**Journal  
des débats  
(Hansard)**

**Jeudi 24 janvier 2008**

**Standing committee on  
finance and economic affairs**

Pre-budget consultations

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

Consultations prébudgétaires

Chair: Pat Hoy  
Clerk: William Short

Président : Pat Hoy  
Greffier : William Short

---

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

---

Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
111 Wellesley Street West, Queen's Park  
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

Thursday 24 January 2008

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES  
ET DES AFFAIRES ÉCONOMIQUES

Jeudi 24 janvier 2008

*The committee met at 0903 in the Valhalla Inn, Thunder Bay.*

## PRE-BUDGET CONSULTATIONS

**The Chair (Mr. Pat Hoy):** The standing committee on finance and economic affairs will now come to order. We are pleased to be in Thunder Bay for today's hearings.

THUNDER BAY DISTRICT  
SOCIAL SERVICES  
ADMINISTRATION BOARD

**The Chair (Mr. Pat Hoy):** I would ask our first presentation to come forward, the Thunder Bay District Social Services Administration Board. 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. You may begin.

**Ms. Gwen Garbutt:** Good morning, Mr Chair and members of the standing committee. On behalf of the Thunder Bay District Social Services Administration Board and the people we both serve and represent, we want to thank you for the opportunity to speak to you today. My name is Gwen Garbutt, and I am the vice-chair of the board. I'm joined by Joe Virdiramo, who is the secretary-treasurer of the board.

Let me start by saying we believe that the McGuinty government is on the right track when it comes to social services. We applaud the provincial government in eliminating the national child benefit clawback; for the Best Start and the schools first policy, providing the operating and capital funding to expand child care spaces throughout the district; for the northern home repair program which is providing much-needed assistance to families; and for the new Seniors' Centre of Excellence in Thunder Bay.

We are pleased to note that the government has committed to the development of a comprehensive poverty reduction strategy with key targets and deadlines. This is an extremely important step toward the ultimate goal of totally eliminating poverty. We want to focus our remarks on that issue today. Before we get into the details of what should be done, I want to brief you on the realities of poverty in the northwest, and in the Thunder Bay district in particular.

**Mr. Joe Virdiramo:** Good morning. I'm Joe Virdiramo. Bienvenue à Thunder Bay.

First the statistics: Using Statistics Canada's low-income cut-off level as a comparator to the annual social assistance rates, we find that there is a significant disconnect between what we are allowed to provide a recipient and what they need to survive in our region: 49% of our caseload is singles, and they get between \$11,000 and \$13,000 less than what they need; 41% of our caseload are sole-support parents, and they are short-changed by \$9,400 when they have one child over 13; couples with one child can get anywhere from \$13,600 to \$19,300 less than they need to properly function in our society. Those are some of the statistics.

We now want to turn to what it means to be in poverty in this community. We have been working with one of the local high schools, Hillcrest High School, and they have provided us with two pieces of information: Of the 100 students who were surveyed in grades 9 to 12, 81% stated that they did not eat breakfast every day; 77% of the students stated that they believed students are bullied if others think they are poor and disadvantaged.

Let me now turn to a few of the testimonials. A student aged 15 said, "One of the toughest parts about being poor is coming to school. It is hard when I look around and see everyone dressed with all the right clothes. I don't have that. Some of the guys bug me about wearing the same thing all the time but it's all I've got. I would rather spend extra money on clothes than food. No one sees if you don't eat but they always see what you wear."

**Ms. Gwen Garbutt:** A 16-year-old student said, "Being poor affects everything. Self-esteem—you don't feel accepted. Learning—you can't eat in the morning and need nutrition to think straight. Assignments—can't buy the supplies. Sometimes kids have to choose between food and school supplies."

Finally, a student aged 14 told us, "If you can't buy nutritious food then it's hard to learn. I know if I don't eat a good breakfast I can't think and learn. If a kid doesn't have a choice to eat well then the choice to learn is taken away from them."

The teacher involved with this project wrote the following, based on her 18 years of teaching. She describes three different students. Let me read you one of those:

"He was a young boy, the youngest from a large family and his father died when he was 14. Some days

his mom would tell the teenaged kids they were on their own for the day while she went to work. On those days, they would head out to friends' homes to hang out and hopefully be fed because it was a strong certainty that there wouldn't be much, if anything, to eat in their own house. If there was food at home, it was literally a race to the table to grab what you could because there wasn't enough for everyone to eat. Sometimes the boys would give their share to their sisters and other times they were just too hungry to be chivalrous. School was never a priority because the rewards that he could receive from getting an education were too far off in the future to do him any good now—dreams of a well-paying job after high school didn't ease the constant feeling of being hungry.”

There are more testimonials and more reflections from the teacher in the brief. I would encourage you to read them when you have a minute.

**Mr. Joe Virdiramo:** Let me turn to the action that needs to occur. Thunder Bay DSSAB recommends that the provincial government's main priority should be the commitment to build a comprehensive and integrated poverty reduction strategy. Thunder Bay DSSAB's experience is that the current level of financial assistance provided to the poor is viewed as a punitive measure upon the most vulnerable Ontarians who are experiencing mental health and physical health issues, those who have diagnosed and undiagnosed psychological and learning disorders and those who happen to reside in areas facing significant economic challenges.

Many social assistance clients present to DSSAB with long-term, untreated and disabling mental health and developmental problems.

**0910**

These clients often cannot comply with social assistance program requirements. Due to the lack of available services through the health care system, Thunder Bay DSSAB has contracted with a local agency for the completion of psychological assessment services. Psychologists from St. Joseph's Care Group's Behavioural Sciences Centre have indicated that they have never seen such complicated cases come through their offices as they are having referred from Ontario Works. Thunder Bay DSSAB recommends that the studies and reports on the mental health system reform completed over the last 10 years not be repeated as a precursor to action.

**Ms. Gwen Garbutt:** The Thunder Bay District Social Services Administration Board recommends that responsibility for implementation of outstanding recommendations contained in the 2002 North West Mental Health Implementation Task Force report, A Regional Mental Health System for Northwestern Ontario, is assigned by the Minister of Health to the North West Local Health Integration Network, and that these recommendations be appropriately funded and acted upon immediately.

Recent reports confirm that there is a bewildering assortment of social assistance program rules and directives and inadequate linkages between systems. The same reports confirm that when a person receiving social

assistance starts to work, the total tax on a working poor person can add up to more than 100% of the earned dollar. This means that poor persons in some cases can have the highest marginal effective tax rates in the country. That means they are paying the same tax rate as each of you on this committee. That's not fair, and it's not wise either.

In many situations, families are better off remaining on assistance as their disposable income on assistance is greater due to the fact that low-income earners must pay back the majority of the income they have earned. DSSAB recommends that the province consolidate social assistance programs within one ministry and implement other recommendations contained in the reports described to promote policy integration and to provide incentives, not barriers, in getting off social assistance.

**Mr. Joe Virdiramo:** The Thunder Bay DSSAB recommends that the provincial government continue negotiations with the federal government to assume a greater cost sharing for social service programs such as expanding eligibility rules for unemployment insurance, wage top-ups for low-income earners and funding for permanently disabled individuals.

Finally, let me turn to Thunder Bay's growing urban aboriginal population. It grew by 22% from 2001 to 2006, to 8.25% of the total population, and that is likely understated. Canada's aboriginal population grew by 20% from 2001 to 2006, to 3.75% of the total population. The trend to move from remote communities into larger urban centres is growing, and while many are employed in well-paying jobs, there are those who require the supports of the social safety net. The Urban Aboriginal Task Force found that at least 56% of urban aboriginal people's earnings in Thunder Bay were under \$20,000.

The city of Thunder Bay was selected by the federal government as one of 12 municipalities to assist aboriginal people living in our community through the urban aboriginal strategy; however, funding for the program requires provincial matching. Thunder Bay DSSAB strongly recommends that the provincial government work with the federal government and the urban aboriginal community within the city of Thunder Bay to adequately fund this much-needed initiative.

Mr. Chair, members of the standing committee, we thank you for your time and interest. We'd be happy to respond to any questions that you may have.

**The Chair (Mr. Pat Hoy):** Thank you. This rotation goes to the official opposition. Mr. Murdoch.

**Mr. Bill Murdoch:** I'm sorry I was a little late, so I'll turn it over to Mr. Prue here.

**The Chair (Mr. Pat Hoy):** Mr. Prue of the NDP.

**Mr. Michael Prue:** Okay. A couple of things: I think everybody would commend everything you're saying and all the recommendations you're making, but I'm a little nonplussed by two of your statements. One is that you commend the government for ending the clawback, and it is still 100% in effect. Why do you commend them for that?

**Ms. Gwen Garbutt:** I don't know that we said we commend the government for the clawback. We certainly comment them for the things that they are doing. We're just saying that we don't think it's enough.

**Mr. Michael Prue:** "We applaud the provincial government in eliminating the national child benefit clawback," which they haven't done at all. So I just wondered why you said it. Okay, you don't know why you said it.

The second one relates, again, to poverty rates and ODSP and OW payments. They have been increased only marginally in the last four years: 3% in the first year, 0% the second, 1% and 1% in the following years. Given inflation, people are actually worse off today than they were under the Harris government, and you commend the government for going in the right direction. Can you tell me what you expect in this budget?

**Ms. Gwen Garbutt:** It would be nice to see if it was well above the rate of inflation. The reality is that there probably are not the dollars to make that happen.

**Mr. Michael Prue:** So what are you asking the finance committee to recommend?

**Ms. Gwen Garbutt:** Certainly an increase, eliminating some of the clawbacks that are currently there for people who do manage to get out and work part of the time. When you find that you're working for \$7 an hour and you're getting, say, \$7.10 taken off your cheque, it's really not a very good incentive to go back to work.

**Mr. Michael Prue:** How about the minimum wage? I didn't hear anything about that. Do you think that should be increased? And, if so, by how much and when?

**Ms. Gwen Garbutt:** I believe it was just increased.

**Mr. Michael Prue:** To \$8.

**Ms. Gwen Garbutt:** Yes, it probably should be increased, but you also have to realize that the people who are paying that minimum wage are usually small companies who don't make enough money to pay somebody \$27 an hour.

**Mr. Michael Prue:** The two biggest companies that pay minimum wage or less are Wal-Mart and McDonald's, both traded on Standard and Poor's. What about them? Should they be paying more than \$8?

**Ms. Gwen Garbutt:** In the case of McDonald's, it's a franchise, so it's not McDonald's that's losing the money; it's the guy who owns the franchise. By the time he pays his franchise fees and everything else, he probably can't afford to pay much more than minimum wage.

**Mr. Michael Prue:** Thank you very much.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

STUDENT UNION OF CONFEDERATION  
COLLEGE INC.

**The Chair (Mr. Pat Hoy):** Now I call on the Student Union of Confederation College Inc. to come forward, please. Good morning. You have 10 minutes for your presentation. There could be up to five minutes of

questioning. Please identify yourself for the purposes of our recording Hansard.

**Mr. Jon Hendel:** Good morning, everyone. My name is Jon Hendel. I'm the president of the Student Union of Confederation College, representing 3,000 full-time and over 12,000 part-time students. I'm also the vice-president of the college's student alliance, which represents more than 110,000 college students across Ontario.

I came here today to talk to you about a looming labour shortage in Ontario. It's projected that by 2025 we'll have a labour shortage of more than 360,000 people. My recommendations throughout this document state that education is the key to relieving this labour shortage.

One of the key issues—I think everything stems from this issue; I actually read an article about this in the paper this morning—is that in 2004-05 we were the lowest-funded students in all of Canada, in all of the provinces. Right now I believe we're ninth out of 10. I, as a student—the college receives from the government \$6,685. If I just tiptoed over to Manitoba—they're receiving 45% more than I do. The second-lowest in all of Canada is PEI, but they're still receiving 18% more than I do. If I go over to Lakehead down the street here, they receive 38.8% more than I do. If I go to Hillcrest High School down the street, they get 47% more than I do. I'm actually only funded 70% of the national average of \$8,800. The recommendation to the standing committee is that we at least bring Ontario to the provincial average of \$8,800.

**0920**

The McGuinty government talks a lot about pathways, but I think a lot of times we have roadblocks. In Thunder Bay we have many underrepresented students who cannot receive funding, one group being aboriginal students, another being students from low-income families, and another, students with disabilities. A lot of the time we see aboriginal students come to the big city and have culture shock. That's one of the things that I've been dealing with. I've been with the college, in student government, for about four years now, and it's one of the number one issues that we see. Students from low-income families are facing issues of rising education costs and huge student debt loads. We only see 19% of students from low-income families going to university and 29% go to college. OSAP needs an overhaul when it comes to dealing with these students. Many students with disabilities who need to take a low course load do not get the adequate funding that they need.

One of the key things to reach these students is having upfront grants, and one of the ways we can do it is by eliminating the education tax credit. In my case, and actually in a lot of students' cases, while they're going to school they can't make 10 grand, can't make five grand, can't make 30 grand a year. To have this education tax credit, there's no way they're going to be recouping those dollars. Only the students who are making decent money while they're going to school are going to get a good

kickback. Our recommendation is that we eliminate that—it's projected that that would be a \$1.3-billion saving for Ontario—and turn that into an upfront grant for these students.

One issue that really hits me is interest, and I think it actually hits all of us. Interest is killing students right now. It's something that's making our debt insane. I think the average for a student in Ontario now is \$26,000 that students are leaving with. I don't believe that the Ontario government should be charging students interest at all on their OSAP loans, but at least reduce it to prime minus one. Another recommendation is to increase the grace period from six months to 12 months after graduation; currently there's a six-month interest-free grace period.

The Canada Millennium Scholarship Foundation is a really hot topic when it comes to student groups across Canada. Personally, being at Confederation College here, we don't have this industry that there is in southern Ontario. We don't have the RIMs; we don't have the Rogers. We don't have these huge companies that are investing big dollars into these universities and colleges, but we do have the Canada Millennium Scholarship Foundation, which has given \$5 million to students here at our college. It's given over \$789 million to Ontario students since it's been instated. It's set to die in 2008-09, and there's no renewal yet from the feds. I think Ontario really needs to make a stance on this that it either gets renewed or that there's something new and that these dollars are going to the students' pockets. There are a lot of hot topics right now about what form it's in; we don't really care as long as these dollars are getting to students because they absolutely need them.

Transferability is a huge issue as well when it comes to students. Ontario is so far behind when it comes to this. I've sat down with Deputy Minister Steenkamp from the Ministry of Training, Colleges and Universities, and he has made it one of his number one priorities, but I haven't seen anything come out of that either. Provinces like Alberta and BC are so far ahead of us in this; it seems like they're far behind us in everything but. There needs to be a way that a student can transfer from one college to another college or from one college to another university without all of the hierarchy of, "Wow, that's Queen's"; "Oh no, that's just Lakehead University." Twenty-five per cent of college students continue with further studies after they graduate. Currently, 8.7% of graduates move on to university directly after graduation; 17% move on to a different college. It's a pretty big chunk. I'm a huge supporter of the College-University Consortium Council. We need to set them up as a hub of transferability so that there's some sort of accreditation for each program, each course, so that when a student transfers, there's not the huge hassle that there is now.

I truly believe that education can be the key to this labour shortage that is coming up. I thank you for your time.

**The Chair (Mr. Pat Hoy):** Thank you for the submission. Continuing the rotation, this will go to the NDP, Mr. Prue.

**Mr. Michael Prue:** Okay. Busy morning I have here, unless you wanted a turn.

**Mr. Bill Murdoch:** No, no, you're so—

**Mr. Michael Prue:** All right.

This is the finance committee, so I want to talk mostly about the money as opposed to the educational programs or what can be done to transfer students; I agree with all of those. In terms of money, you started off by making a very good point, that Ontario is dead last or second from dead last when it comes to students. How much money do you advocate being spent on student programs to bring us even up to the middle of the pack? I'm not sure that's where we should be—I think we should be higher than that—but how much are you requesting that the finance committee recommend to the finance minister?

**Mr. Jon Hendel:** Currently, we're at \$6,600 a student; I recommend at least to go to \$8,800 a student.

**Mr. Michael Prue:** So you're talking about \$2,200 per student per year to be added incrementally to the budget?

**Mr. Jon Hendel:** With college students, yes.

**Mr. Michael Prue:** Where do you think that's going to take us? To the middle of the pack somewhere? Just not number nine—

**Mr. Jon Hendel:** I believe totally that these dollars per student are directly funded with quality of education. If you notice how we are last in the country—I've been across the country to see these different colleges, and we are dead last when it comes to this stuff. At least if we get to the average, maybe the government could realize that investing in education is investing in the economy.

**Mr. Michael Prue:** In terms of the students, many of them are fairly poor. The last deputant before you talked about aboriginal students, First Nations students, coming into places like Thunder Bay and having a really tough time in terms of school, jobs and money. Do we need special programs for them?

**Mr. Jon Hendel:** I actually just did a presentation in Timmins on this, about strategies for reaching the aboriginal student. At Confederation College, the way that we're set up, having a college within a college geared toward aboriginal students, I believe is definitely helping. One of the trends we're seeing right now is that students are entering into these aboriginal programs and then branching out into the mainstream courses that we do have. So I think it's definitely helping with this culture shock that's going on, and I believe it needs to be incorporated throughout Ontario.

**Mr. Michael Prue:** The last question: You recommended a grace period. This, to me, seems to make eminent sense, changing it from six months before you start paying interest on the loan back to 12 months. Have you costed that at all, what that will cost the Ontario government?

**Mr. Jon Hendel:** I have not, sorry.

**Mr. Michael Prue:** Okay. But anecdotally then, can you tell us what effect that will have on the majority of students? It's been my understanding that most find a job within six months, but certainly there are so many ex-

penses when you find a job: buying new clothes, getting an apartment, sometimes moving cities. What will the extension to 12 months do?

**Mr. Jon Hendel:** I think that anything that can help a student out—I believe that six months is probably at least necessary; any time longer would even be better. If students are finding jobs after six months, at least being able to start collecting something to put against your OSAP loan would definitely be of help, as opposed to just paying interest out the wazoo.

**Mr. Michael Prue:** Thank you very much.

**The Chair (Mr. Pat Hoy):** Thank you for the presentation.

**Mr. Jon Hendel:** Thank you very much.

NORTH WESTERN ONTARIO  
TOURISM ASSOCIATION  
KENORA DISTRICT  
CAMP OWNERS ASSOCIATION

**The Chair (Mr. Pat Hoy):** Now I call on the North Western Ontario Tourism Association and the Kenora District Camp Owners Association to come forward, please. Good morning. You have 10 minutes for your presentation. There might be up to five minutes of questioning. I'd ask you to identify yourself for the purposes of our recording Hansard.

**Mr. Jerry Fisher:** Good morning. My name is Jerry Fisher and I'm the president of the North Western Ontario Tourism Association. Together, the Kenora District Camp Owners Association and the Northwestern Ontario Tourism Association represent tourism advocacy throughout northwestern Ontario. As active lobby groups, we continue to address critical issues facing the tourism industry and the economy of northwestern Ontario.

**0930**

The economy of northwestern Ontario has performed poorly over the past few years. The reality of the quick decline in employment in the forestry industry has shaken communities and caused families to leave the region. We are pleased that the government of Ontario has assisted the industry, and hopefully the forest fortunes will turn around soon. Even in the good years, when the forest industry was booming, there was a marked realization across the region that more diversification was required to create economic stability in northwestern Ontario.

Within the Kenora and Rainy River districts, which is defined as the travel region of Sunset Country, tourism supported directly and indirectly 12,235 full-year jobs; \$451 million in economic activity; wages and salaries in excess of \$282 million; and \$185 million in federal, provincial and municipal taxes. There are approximately 440 tourism accommodation businesses within the region. In fact, 43% of the tourism income in northern Ontario is generated in northwestern Ontario, primarily in Sunset Country.

Tourism in Sunset Country is an export business which is heavily reliant on American visitors. American visitors to our area contribute 79% of all tourism expenditures. In economic terms, tourism in Sunset Country is a wealth-generating industry.

Growth in our industry requires continual reinvestment. Our client base is changing, and we understand our role in the stewardship of the boreal forest and its assets. To grow our businesses, we cannot sell more fish or game consumption. To maintain a world-class fishing experience in northwestern Ontario, our industry advocates and supports reduced limits and catch-and-release fishing. Expansion dependent on current resources is not appropriate. We must diversify the experiences we offer to grow our industry. Largely, our tourism operators are accomplishing this; in fact, seven out of 10 accommodation operators reinvest figures greater than the average profit per unit within the industry back into their operations annually.

Most of the tourist operators within northwestern Ontario are still family businesses. We're proud that our members are real folks and not corporations. We are connected to the landscape and carry with us a long-range view of our individual camps and the industry as a whole. This independence, however, is problematic in accessing capital for reinvestment. We are pleased that the government of Ontario included resource-based tourism in the businesses eligible for northern Ontario heritage fund loans. We would urge the government to continue to support our industry and provide not only expansion dollars but assistance with legislated, regulated requirements such as water, sewer and gas handling.

For decades, the tourism industry of Sunset Country has been heavily dependent on the US visitor, selling experiences related to the region's undeveloped lakes, rivers and forests. In that regard, the roots of the draw for the tourism in Sunset Country are similar to that of the draw of Niagara Falls: a natural wonder, miles and miles of undeveloped forests, fresh lakes, healthy fish and wildlife stocks.

The biggest difference between tourism in Sunset Country and Niagara Falls is not really the quality of the experience we offer but the investment in building on that experience and assisting our communities and businesses in extending the diversification of the stays for our visitors and developing an atmosphere that promotes entrepreneurial investment. We believe that the tourism industry provides the province of Ontario with great opportunities for sustainable growth. We are investing and reinvesting in our industry. We are contributing to employment and tax revenues. We would like to ask you to join in: We would like the province to significantly invest in the potential growth of the tourism industry in northwestern Ontario region.

I am sure you will hear today, and you have heard for years across the region, that massive investment in upgrading our main highways is absolutely essential. Less expensive but equally important for the travelling public is the need for roadside stops, turnoffs, historical markers

and washrooms. Our guests travel up to 18 hours to get to us, mainly on roadways. A great portion of their trip is in the United States. The US is our main competitor, and in every way—roads; historical markers; road stops; clean, attractive washrooms—reinforces to every traveller that they are valued. Ontario is not communicating that same message.

Another way the province stimulates tourism interest is in attractions. For instance, in Ontario there are 24 heritage attractions, 20 of which are in central and southern Ontario, two in northeastern Ontario, one in Britain and one in northwestern Ontario. Somehow, we are doubtful that within the 520,000 square kilometres of northwestern Ontario there is just one attraction of interest to the travelling public that is deserving of provincial involvement. Through various agencies, the province owns at least 40 attractions in the province. In total, the province owns just two attractions in northwestern Ontario. Investing in tourism infrastructure based on either the local population of an area or certain tourism visitations will not grow new jobs in Ontario, and it will not assist the industry in expansion. Can you imagine if the United States government at the turn of the century had decided not to invest in attractions and transportation in Florida because it was kind of out of the way and didn't have much of a population? All we're asking for is simply a fair share.

Finally, we'd like to thank the province and the Ontario Tourism Marketing Partnership Corp. for their recent marketing efforts. This strategy will address both product development and marketing jointly. It will make the best use of web-based marketing tools and will attempt to align with both national and local marketing efforts.

We appreciate this venue for discussing our challenges and look forward to the government of Ontario's and opposition parties' favourable responses to our thoughtful requests. We look forward to working with you to ensure a prosperous future for both the province of Ontario and tourism in northwestern Ontario.

**The Chair (Mr. Pat Hoy):** Thank you for the submission. This round of questioning goes to the government. Mr. Arthurs.

**Mr. Wayne Arthurs:** Thank you, Chair. There may be other members of our caucus who may have a question. If they'd just let me know, that would be great as well.

Mr. Fisher, thank you so much for your presentation this morning. We're certainly enjoying our limited visit to northwestern Ontario. I think probably each of us wishes we had a few extra days—

**Mr. Jerry Fisher:** Please come back.

**Mr. Wayne Arthurs:** Yeah, we could actually go out and see a little bit of it. Our experiences tend to be between the airport and the hotel, and that's a pretty limited exposure.

**Mr. Jerry Fisher:** We'll take you fishing. You'll see some world-class fishing up here.

**Mr. Wayne Arthurs:** With the competitive environment you have with our neighbours to the south or west, I

guess, depending on what your geography is at any given point in time—our American friends—are you seeing in industry here the dollar having a significant impact on the tourist industry that you're engaged in, or is the nature of the business of tourism that you're engaged in less impacted because of the reasons why people come to northwestern Ontario as tourists?

**0940**

**Mr. Jerry Fisher:** No, I have to say it's having a heavy impact, but it's recent. I think the major impact that we're having, which is a federal issue, is the border. Secondly, marketing is totally inadequate, but there have been some major steps in improving that. Third and fourth are the issues that I talked about today: providing the travelling public with quality infrastructure and welcoming them to Ontario.

**Mr. Wayne Arthurs:** Thank you. I'm just going to pass off the balance of my time to other members.

**The Chair (Mr. Pat Hoy):** Put your hand up. Who's asking? Ms. Pendergast.

**Ms. Leeanna Pendergast:** Thank you. Good morning, Jerry.

**Mr. Jerry Fisher:** Good morning.

**Ms. Leeanna Pendergast:** Thank you for being here this morning. I just wanted to go back to a couple of things you said. I thought that was an outstanding presentation; thank you. Thank you for acknowledging this government's investment in tourism and marketing and cultural festivals. In our fall economic statement, as you know, \$30 million is being dedicated to the tourism industry, and \$1.4 billion is being invested in infrastructure. Some \$300 million of that money is going to roads, bridges, and waterway systems. My question is, are you working with your municipalities to use some of that investment in building your roads, bridges, and waterways to improve the tourism?

**Mr. Jerry Fisher:** Interesting question. No, I'm not. Our association, KDCA, is part of a working group of northwestern Ontario municipal associations, and that is one of the items on the list. KDCA and NWOTA are part of that effort.

**Ms. Leeanna Pendergast:** Okay. That said, with all of the supports that this government has put forward and continues to put forward as we move forward together, what would you see as immediate next steps? Given that those supports are in place, what would you see as immediate next steps for the tourism industry?

**Mr. Jerry Fisher:** I think marketing is absolutely essential. I winter in the States, and you don't see Ontario at all. Our customers are all from the States, and they just do not see anything about Ontario. There are some major steps being taken right now to correct that; \$1 million is going into the Chicago area this year, but up until then, it has been left up to us. We spend \$11.3 million to market our individual businesses, and we were expected by the Ontario government to buy into 50-cent dollars to further take care of their responsibility in marketing Ontario. This is the first time that we've had some dedicated money to market Ontario as a destination.

**Ms. Leeanna Pendergast:** Excellent. So then that \$30 million for the tourism industry will go to support exactly what you're talking about: marketing, cultural festivals, things like that.

**Mr. Jerry Fisher:** I haven't seen the plan, but it's supposed to be marketing Ontario as a destination.

**Ms. Leeanna Pendergast:** Excellent. Thank you, Jerry.

**The Chair (Mr. Pat Hoy):** Thank you for your submission.

Now I call on the Northwestern Ontario Women's Centre.

#### THUNDER BAY ECONOMIC JUSTICE COMMITTEE

**The Chair (Mr. Pat Hoy):** Okay, the Thunder Bay Economic Justice Committee. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to identify yourself for the purposes of our recording Hansard.

**Mr. George Drazenovich:** Okay. Thank you. My name is George Drazenovich and I serve as chair for the Thunder Bay Economic Justice Committee. Just to give you some background, the Thunder Bay Economic Justice Committee is made up of representatives from Kinna-aweya Legal Clinic and 15 to 20 other social service agencies, as well as concerned citizens. Our mission is to work towards identifying and overcoming the barriers which prevent people from being able to achieve economic security and live in dignity.

We're here to be able to underscore that it's very important that we acknowledge the depth of poverty faced by many people in Ontario and in particular those in Thunder Bay. In Thunder Bay, people living with low income represent 14% of the population. The economic justice committee has outlined these issues of poverty facing local residents in two public documents: the Poverty Report for Thunder Bay, of which I gave a copy to the committee to review later, and a follow-up qualitative analysis called Rich Conversations with the Poor. These documents provide a factual reference intended to serve as a reliable resource and educational tool for use by the broader community in developing strategies to eliminate poverty in the city of Thunder Bay. Currently, we're undertaking a photovoice—that is a method that enables people to define for themselves and others, including policy-makers, what's worth remembering and what needs to be changed.

However, I would like to focus in this presentation on three specific areas of poverty that have relevance for the budget and that we want to underscore. They are the rates of ODSP and Ontario Works, energy poverty, and finally, the poverty reduction strategy initiative that's going to be chaired by Deb Matthews.

We are all aware that the Conservative government in 1995 cut social assistance rates by almost 22%. Since that time, fuel and electricity costs have increased and the cost of food has risen by 14%. You've probably heard a

lot about the fuel costs in northwestern Ontario. The 7.1% increase since 2003 has not kept up with inflation, nor are the rates, by any definition, adequate.

For example, a single person on ODSP receives an annual income of \$12,386, and that's including all available tax credits. In Thunder Bay, the low-income cut-off is \$17,895 for an individual. That difference represents a 70% difference of the after-tax low-income poverty line. It would require a rate increase of 43% to reach the after-tax poverty line. In contrast, seniors receive regular cost-of-living increases for their income security programs. We think people with disabilities deserve the same treatment.

Ontario Works—which was general welfare; it was changed in that whole process of social assistance—is the first place that people experiencing economic hardship need to go to access social assistance. As Canada's and Ontario's social safety nets shrink and our region experiences downturn, more and more people have come to rely on Ontario Works.

A single person on Ontario Works receives just \$560 a month. With tax credits, that income goes to \$666 a month. That's not just below the poverty line, that's a fraction of the poverty line. We do need reform to better support those who are able to re-enter the workforce and there are programs in place here in Thunder Bay designed to address these, but we also need to acknowledge that many people in this program have long-term needs that require other kinds of support than that income support.

The \$560 that's supposed to cover shelter and basic needs doesn't even cover rent. The average cost of an apartment in Thunder Bay ranges from \$525 to \$586. We just want to underscore that Thunder Bay has among the lowest rents in the province of Ontario yet the highest proportion of people spending more than 30% of their income on housing; that was from a Canadian study that was done about a year ago. Clearly, the issue for Thunder Bay is income levels, so immediate relief in the form of increase of rates needs to be a priority for ODSP and OW.

The second issue is energy poverty. People with low incomes are spending a disproportionate amount of their income on housing and utilities, especially in colder areas like northwestern Ontario. This is due to the rising cost of energy as well as the low efficiency of many rent-geared-to-income units. This trend is negating any social benefit from geared-to-income housing and causing some people to literally be unable to afford to live in subsidized units.

Locally, and across the province as well, the emergency rent and energy assistance fund administered through the Thunder Bay District Social Services Administration Board is exhausted. It was designed as a means of giving low-income people relief if they found themselves in rental and energy arrears. This is a very useful program and provided relief for many low-income individuals. Funding for it should be annualized.

Additionally, concrete steps that can be taken include investing in low-income units to make them more

energy-efficient and increasing the monthly utility exemption set out in the regulation to ensure that lower-income people do not spend in excess of 30% on housing or utilities.

Finally, we come to the poverty reduction strategy. On behalf of the Thunder Bay Economic Justice Committee, I would like to say that we're very pleased that this government has brought the issue of poverty back on the political agenda. We know that every aspect of the labour market has changed in the last 40 years, yet there has been no corresponding reforms or modernization of our income security system to keep pace. In addition, many social justice groups, including ours, called for a poverty reduction strategy that would include an expert panel, including low-income people, policy experts and advocates, to determine just and rational criteria for setting Ontario rates during the last election, and we surveyed local political candidates on their position with respect to this. So we applaud the government on this initiative. It wasn't something that the government pledged to officially, but they went ahead. It's a bold step, and we think it's a very positive step.

We look forward to being able to participate in the comprehensive poverty reduction strategy. The Premier's establishment of the cabinet committee on poverty reduction is a very important first step. We have discussed this issue with our local MPPs and Michael Gravelle, who is in cabinet as well; we're happy about that. We've had a long and fruitful relationship with him, and he has been an excellent support for our committee. He has indicated that public consultations will occur.

**0950**

I think it's important to adequately fund public consultations on the poverty reduction strategy initiative so that people's voices can be heard. Doing this properly requires consultation, and it requires funding for groups such as ours which currently exist as voluntary groups. All the people on the Thunder Bay Economic Justice Committee are volunteers. I work for an agency, but the agency allows me to be able to volunteer for this committee, to chair it. We don't have a full-time person consolidating the information and getting low-income people together to be able to have their voice, which is what we want.

We think that such funding would be a smart investment, because a consultation process will find that there are many strategic changes that can be made that are cost-neutral. Although we're calling for increases in OW and ODSP, there are a lot of changes to the system that can happen that won't cost any money but are going to be very beneficial. For example, the ODSP adjudication process needs to be improved, as there are far too many people who are forced to go to tribunal hearings in order to find that they qualify for ODSP benefits. The high success rate at hearings indicates that the initial adjudication is applying too high a test rate for individuals to qualify for the program. Lots of money and resources are being used to help people get on ODSP. This type of work—and we work closely with the Kinna-aweya Legal

Clinic—dominates the casework of a legal clinic. Legal aid has to spend thousands and thousands of dollars for additional medical reports. So if there was a better front-end adjudication process for people going on ODSP, I think there would be a lot of savings in the legal aid cost of it. That's just an example of some of the changes that can happen that are cost-neutral. We hope to be able to outline in detail some of these changes and recommendations when we speak to Deb Matthews.

Again, I'd like to thank you all for hearing me this morning, for hearing our committee. We just want to underscore the rate increase and the energy issue for northwestern Ontario.

**The Chair (Mr. Pat Hoy):** This question will go to the official opposition. Mr. Arnott.

**Mr. Ted Arnott:** Thank you very much for your presentation. I found it quite interesting, well-researched and thoughtful. The committee certainly appreciates the time that you put into this and your advocacy on behalf of the people in this area with respect to poverty issues.

You mentioned the fact that there needs to be better front-end adjudication of ODSP claimants. How would that work? What specifically are you asking for in that respect? More resources to ensure that the medical information is adequately reviewed or—

**Mr. George Drazenovich:** That's coming from the Kinna-aweya Legal Clinic, so they'd be in a better position to look at the technicalities of that, but I'll try to answer that as best I can. I think the thinking is that when the initial ODSP application comes to the adjudication unit, whether it's denied or accepted, the criteria that they've set—which can be a sliding criteria when they're looking at those applications—seem to be too high. So the adjudication unit may say, "Well, this person doesn't qualify because of their disability," or whatever. They're setting that bar very high. What happens is that if they're denied, it goes to the Kinna-aweya Legal Clinic appeals process. They go through that appeals process, and when there's a second look, often the second look says, "No, this person ended up qualifying under the same provisions." So there's a disconnect between those two areas; this is from the Kinna-aweya. I don't have the hard numbers to see how many applicants are denied yet, but we could research that to look at how many—

**Mr. Ted Arnott:** Initially were denied and then had their case overturned on appeal—

**Mr. George Drazenovich:** I know that from the legal clinic's perspective, that does dominate a lot of their work, so you're looking at legal aid time for community legal aid workers and lawyers. Some of the community legal aid workers were supposed to be working on community development work, so a lot of their work is taken up doing this kind of casework. So if that didn't happen, those are the kinds of things that could have meaningful change.

There are other things that could change, like with the Ontario Works automated system, in terms of sending people letters right off the bat, feeling that they're going to get cut off. They go to Kinna-aweya Legal Clinic. That

takes up time to be able to go back and forth, when there could just be a reporting glitch or something like that. There are systemic issues that can be resolved that would be cost-neutral that would help in the long run.

**Mr. Ted Arnott:** Are you able to give the committee some information about the affordable housing situation in Thunder Bay and area?

**Mr. George Drazenovich:** We can. I don't have that prepared. I could put that together. That issue was raised with the energy arrears and we have looked at that with housing. What happens for some rent geared to income, and not all, is that people will be in a rent-geared-to-income unit, so that will be fine, but their utilities will be separate and the utilities will be paid to hydro. I know, just in some of the work that I have, some of the units that we have, the hydro costs are sky high because the units are old and inefficient. So people end up spending a lot of their money on that energy. What happened with the energy arrears fund was that people who were in subsidized housing wouldn't qualify, because the assumption was that they were already receiving a subsidy, but sometimes they would have to pay for their rent separately. But again, I think there would be an overall saving in the system as well if there were that investment in making the units that are there more efficient.

**Mr. Ted Arnott:** In your opinion, are the job training programs that exist in the Thunder Bay area adequate for the people who need them?

**Mr. George Drazenovich:** I can't comment on that because we haven't researched it and looked at it. I think there are good initiatives to have. Obviously that's got to be tied to—I mean, poverty reduction is a complex issue, and it certainly involves economic development so that there can be sustained jobs to work at so that people can live.

I will touch on, a little bit separate from that, the issue of minimum wage. We have a significant amount of people earning their income—even if they're on minimum wage, they'll be close to the poverty line. Some of those jobs have to be taken, I think—and I'd have to get hard data on that—just because of the loss of a lot of the jobs that you've probably heard about already, with our manufacturing sector and mill closures and things like that. So the job training I think is a good initiative. Those are good things to have, but I think tied to that—and this is separate from the work of our committee but it's related—is to have a good, sustainable economic development strategy in northwestern Ontario.

**The Chair (Mr. Pat Hoy):** Thank you. If you provide any additional information, if you would send it to the clerk, he'll make sure that everyone on the committee gets that. Thank you for your submission.

NORTHWESTERN ONTARIO  
WOMEN'S CENTRE

**The Chair (Mr. Pat Hoy):** I now call on the Northwestern Ontario Women's Centre. While they are coming up, for the committee, checkout time is at 1 p.m.

Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I'd ask you to identify yourself for the purposes of our recording Hansard.

**Ms. Gwen O'Reilly:** Thank you. My name is Gwen O'Reilly. I work as the coordinator of the Northwestern Ontario Women's Centre, which is a community-based advocacy and support and information organization for women in Thunder Bay and northwestern Ontario. I apologize for missing my first call. George has actually covered a number of issues that are significant for women in Thunder Bay as well.

Poverty and violence are two of the main concerns that face the women with whom I work every day. Women's advocates from across the province agree that in order to address issues of gender poverty and violence, governments must also address the social and economic inequality of women. So we're looking at broad strokes but also at some specific services that require funding.

As you probably know, as a group, women are poorer than men. Families headed by lone female parents, young women, women with disabilities, racialized women, newcomers and aboriginal women are all overrepresented among low-income populations in Canada. One of the things that I see in my work every day is that women who live in poverty are especially vulnerable to violence. Many studies that you may have read or heard of, such as the Gillian Hadley and May-Iles inquests, have shown this to be true. In addition to the disproportionate impact of poverty and violence on these various groups, what I see in my work is that women are also being criminalized by a combination of the experience of poverty and the impact of punitive legal and administrative systems. So women on welfare get charged with welfare fraud; women are inappropriately charged in the criminal justice system; sex trade workers wind up in jail. There are many instances of that.

**1000**

I have gone through a list of some of the social services sectors that we are concerned about and that need to be funded adequately to address the persistent social and economic inequality of women.

The first is social assistance, and I think George has probably given you a good overview of that. We know that the rates are not adequate to cover the basic cost of living and that the system has become punitive and hard to use. What you should understand, though, as a qualifier, is that women and children make up the largest proportion of recipients, and it is also access to adequate social benefits that allows women to leave violent relationships. So that is a key issue for the women I work with.

Currently, many women don't leave their abusive partners because they fear the possibility of raising their children in abject poverty. You have to ask yourself, when women have to choose between leaving a violent man and living in state-sanctioned poverty, who is the worse abuser? If the government's poverty reduction strategy is to succeed, it has to be invested with sufficient

resources to increase benefit rates to living levels, and there also must be a mechanism to tie those rates to the cost of living to allow for regular increases.

With regard to the child tax benefit, we've done work locally on the provincial clawback of the national child tax benefit, which is a value equivalent to \$120 per month per child. It hasn't been replaced by the government's current interim measures, although there are some encouraging steps forward. We welcome the Ontario child benefit. It's a great step forward, but it is also going to result in the restructuring of welfare benefits, which will mean many people will receive only an additional \$50 per month. This is not adequate to cover the shortfall. The other problem with the OCB is that it's going to introduce more administrative complexity into the social benefit system. Again, sufficient resources are required if that benefit is expected to actually reduce poverty.

With regard to minimum wage, Statistics Canada reports that women account for two thirds of minimum wage earners. Most women I speak to are working between two and four jobs just to make ends meet. They need a \$10 minimum wage immediately to ensure their survival, and also to address the issue of pay equity, which is a key one for women who are concentrated in the low-wage sector.

That's a segue into the pay equity issue. It's been 20 years since the inception of the Pay Equity Act, and Ontario women still earn 29% less than men, on average. This gap continues into retirement for women. To date, the government itself owes 100,000 of its own female workers \$369 million. There is also a double indemnity in this situation. Women who provide services for women—workers at women's shelters, child care centres and community-based organizations such as women's centres—receive wages far below male equivalents. Even where those jobs occur in the broader public sector, there is not sufficient funding or comparators done to supply those pay equity increases. Women need full public funding of the broader public sector pay equity for adjustments to redress outstanding inequities. A funded commission, hearings tribunal and legal support for equity violations are also required to advance substantive equality in employment income.

You've just asked some questions about social housing, and George has covered it pretty well. An aside for women is that a number of inquests lately into the murders of Ontario women by their intimate partners have recommended access to affordable and secure housing to ensure safety for women who are fleeing violent relationships. There's a document called the 2007 alternative budget for Ontario which recommends an annual capital commitment of more than \$830 million and another \$260 million to rehabilitate the existing stock of social housing. As George mentioned, this is a key issue in Thunder Bay, where we have high energy costs because of our long and cold winters. I guess you're experiencing that today. The housing units here are old and poorly insulated. The structural funding issue, on top

of that, is that our municipality is struggling with the downloading of the costs to operate social housing. It would be more appropriate for those costs to be uploaded back to the province, I think.

Another key issue I deal with very regularly in my work is access to justice for women. Women, especially those leaving abusive relationships, need better access to judicare. I see very many women falling through the cracks, specifically in the family law system. Women facing legal issues are having increasing difficulty either finding—so that's basically a shortage of lawyers who will take legal aid—or affording legal representation. Many, many people do not qualify for legal aid anymore. Legal Aid Ontario has to have an adequately funded family law certificate and clinic system to ensure women are safe and have adequate representation. In addition to that, both the Hadley and May-Iles inquests recommend annualized funding for full-time legal support workers in independent women's services and agencies across the province. Many women come to me because they cannot get legal assistance. I'm not a lawyer, I happen to know how the system works, so I provide support, but I'm not qualified to do it. So it's a very big gap in service.

In general, there need to be support services for women experiencing violence. Community-based sexual assault centres require an additional \$3 million of annualized core funding. Women's shelters across the province require \$13 million in one year one to restore the core funding cuts that were taken from operational budgets since 1995. A key issue for this area is that aboriginal women's services need to be funded adequately and systematically.

In addition, many shelters are dealing with much more complex issues such as substance abuse, and we need additional funding for that programming. Shelters in the north have extremely high costs with regard to heating, but also transportation. It costs a lot to bring women in from northern communities and to get them back and forth if shelters are full. Those budgets are always stretched beyond their capacity. One of the issues we see is that there's an attempt to use the same funding formula that is used in southern Ontario, where populations are higher, to justify service. That just does not work here. We don't have the population to do a per capita kind of equation, so that's a consideration.

**The Chair (Mr. Pat Hoy):** You have a minute left for your presentation.

**Ms. Gwen O'Reilly:** Okay. I want to mention the language interpretation service. This is a service that provides language interpretation for victims of domestic violence for both First Nations people and newcomers. That program has recently been attempted to be cut. When we're talking about services in the north, often they're expected to serve all communities from Sault Ste. Marie to the Manitoba border, which is ridiculous, and this program is expected to do that for less than \$140,000. If that continues, those people are not going to get service. We're not going to have interpretation for women coming out of violent relationships. That's an important one.

Child care is an essential issue for women's economic equality. We need non-profit, quality child care across the province, and we need a guarantee that the complete federal transfer for child care will be spent on non-profit and publicly funded spaces.

Education is a key concern. Few people understand the connection between women escaping violence and OSAP. Many women who leave a violent relationship go back to school to improve their lives and help support their children. The cost of attending school is incredibly high. Many are left with a large loan that is not dischargeable through bankruptcy, nor do they receive much loan forgiveness, so six months after they're out of school they may be in default, or they may be paying the bulk of their income to OSAP and have very little left to live. Often, women wind up back on welfare as a result. That needs to be addressed.

In the time allotted, I have many other concerns that I haven't time to mention, but I wouldn't be talking to you at all if my organization were not funded. With federal cuts to Status of Women Canada and the change in their mandate, many groups that do systemic advocacy for women are now fighting for survival. Many provincial groups that do policy analysis, run anti-violence coalitions, organize groups provincially such as OAITH, such as Action ontarienne, DAWN, ONWA and the rape crisis centre organization are under threat and need annualized core funding if they are to continue their advocacy efforts on behalf of women in Ontario.

That's all I have today. I'd like to thank you for the opportunity to present, and would welcome any questions.

1010

**The Chair (Mr. Pat Hoy):** Thank you. This round of questioning goes to the NDP.

**Mr. Michael Prue:** Thank you. Very good presentation; all-encompassing here. Just a couple of questions, because I only have five minutes.

You state, "If the government's poverty reduction strategy is to succeed, it must be invested with sufficient resources to increase benefit rates to living levels immediately," but you don't state what you think that is. The welfare rates were cut 22% 10 years ago—I guess maybe more than that now—and have only incrementally in very small ways, not even to match inflation, been increased in the last couple of years. How much is necessary?

**Ms. Gwen O'Reilly:** I'm not sure if George outlined this in his presentation, but the general figure is that those rates are 40% below the poverty line, the current estimates of poverty. That gap is rapidly increasing as the cost of living increases. Especially here, we're looking at large increases in both food prices and fuel.

**Mr. Michael Prue:** What percentage are you advocating? Are you advocating 40% to bring it to the poverty line?

**Ms. Gwen O'Reilly:** Yes, at least.

There are a number of measures of ways to calculate sufficient income. The market basket approach is one, and certainly we need something that's indexed to the

real cost of living in different communities. In Thunder Bay, the cost of living is, in some senses, higher.

**Mr. Michael Prue:** The next step you're advocating—you state quite rightly, "Although the new Ontario child benefit is a welcome measure, it will result in a restructuring of welfare benefits around the new income, leaving most with only an additional \$50 per month." This is a provincially mandated clawback, as opposed to a clawback of a federal program. Why, in your view, is this wrong? I think it's reprehensible, but why, in your view, is it wrong?

**Ms. Gwen O'Reilly:** The principle is not wrong. It's good to have a portable benefit that's going to benefit both people on welfare and low-income wage-earners, but it's not sufficient. If it's being seen as the measure to take people out of poverty without raising welfare rates, then that's not enough to do it.

The second problem is that when you separate income for children from income from families, you wind up with a situation where, if those children are separated from their family—for instance, if the children are apprehended or if there's a custody battle—that family will wind up without enough income to survive and they may lose their housing and be destabilized in other ways. I see that now with child apprehensions when people lose kids to child welfare, even if only temporarily. They lose their child benefit. That's an important part of their income, so they can't pay their rent, and they lose their housing. So the separation of those benefits is also problematic.

**Mr. Michael Prue:** I don't understand the government's rationale at all. Maybe one of them will explain to me later why a child who lives in a family where the parent or parents are on ODSP or welfare is to be denied a benefit to a child who lives in a family whose parents or parent has a minimum wage job. They're both poor, but one child will lose the benefit; the other won't. What impact will that have?

**Ms. Gwen O'Reilly:** It makes families poorer. At the women's centre, we run food security programs. We're running something called the Good Food Box, and we are supplying 400 boxes of fresh fruits and vegetables to people every month. If that program was subsidized, we could do double that. People are hungry; they don't have enough money for food. That's the key impact. We see that every day.

**Mr. Michael Prue:** Is there more time?

**The Chair (Mr. Pat Hoy):** Thirty seconds.

**Mr. Michael Prue:** I don't think that's enough, so thank you very much.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

#### KINNA-AWEYA LEGAL CLINIC

**The Chair (Mr. Pat Hoy):** Kinna-aweya Legal Clinic, if you could come forward, please. Good morning. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask

you to identify yourself for the purposes of our recording Hansard.

**Ms. Sally Colquhoun:** My name is Sally Colquhoun and I am the coordinator of legal services at the Kinnoway Legal Clinic.

Our office is funded by Legal Aid Ontario to provide poverty law services in the district of Thunder Bay to low-income residents. We focus primarily on income maintenance issues and tenancy matters. In addition to providing summary legal advice and actual case representation for various clients, we also do community legal education work and we do community development and law reform work towards systemic solutions for the problems that our clients face with respect to the social assistance system and housing issues. Our clients are for the most part people who are struggling to survive on social assistance in Ontario, a struggle that is becoming more and more desperate.

Much of what I'm going to say today you have heard already here this morning and in other places in the province, I'm sure. What I told the Minister of Finance when he was here in December is that, although you may find it slightly repetitive, I think it's very important for you to continue to hear this message, because it's vitally important that social assistance rates be increased substantially.

Social assistance recipients are not a vocal constituency, so you're likely not hearing much directly from people who are on social assistance. There likely are some ODSP recipients, who are seen more as the deserving poor because they have been accepted as people with a disability, with restrictions in their ability to function in the workplace. But because of the demonization of people receiving public assistance in the past, many recipients are deeply ashamed that their circumstances have forced them to rely on welfare or disability benefits. Most people who are struggling day to day to pay the rent and put food on the table do not have much energy left to be political. They are not in a position to speak publicly about the debilitating effects of having to cope with not having enough money to pay for basic necessities. So our office welcomes the opportunity to speak on behalf of our clients and our community and to urge this committee to recommend to the government a significant increase in spending on social assistance and housing in the coming budget.

We are very pleased that the government has identified the issue of poverty as an important issue and is committed to a comprehensive poverty reduction strategy. The establishment of the cabinet committee chaired by the Honourable Deb Matthews is an important step. But social assistance recipients cannot wait for the process of consultation and development of a comprehensive strategy that we all know is going to take months, if not years. They need more money now.

No one chooses to be on social assistance. It's an income of last resort; it's the bottom of the safety net. People are on assistance because they've lost a job; they've lost a spouse; they're very ill; they're living with

a disability. Program changes in recent years have tightened eligibility requirements so that in fact there are many people who have no income and no assets and are not eligible for social assistance.

Everyone who is receiving benefits has been pre-screened, and then they've been screened, and then they have provided documentary verification of everything that they're asked to provide. I've had clients who've been denied welfare because they can't provide a birth certificate or a social insurance card. People are required to provide all sorts of documentation and jump through many hoops in order to be eligible for benefits. They've been determined to be in need, they're eligible for benefits, but the money they receive is hopelessly inadequate in terms of actually meeting their basic needs. People do not get enough money to meet their basic needs in this province. The amount that a single employable person receives is not enough to pay rent and buy food, let alone pay for other necessities such as clothing and transportation. It's not a matter of budgeting more carefully; the amount of money that people receive is simply inadequate to meet basic needs.

The 2% increase that took effect in November is a minuscule amount of money in real dollars. For a single person on welfare, that meant \$12 a month. A single person on Ontario Works receives a maximum of \$349 a month for shelter. The average cost of a room—not an apartment, but a room—in Thunder Bay is \$452 a month, and I don't even like to think about people who are trying to exist in Toronto on social assistance. But for a squalid room in a rundown hotel in Thunder Bay, you pay \$450 a month. You're only getting \$349 from Ontario Works. Where does the other \$100 come from? It comes from the basic needs portion of your cheque, but for a single person on Ontario Works, that's \$211 for the whole month. So if you're using \$100 of that to maintain some shelter, you've got just over \$100 a month for food, clothing, transportation and all other expenses. It's just hopelessly inadequate, and I've said that already; I can't express it, other than that it's just simply not enough money.

#### 1020

The gap between what families receive and what they need for basic necessities is hundreds of dollars a month in all communities in Ontario. So the result you see is hunger; you see instability in families because they're moving frequently. They get into a place and then they fall behind in their rent or they can't pay their hydro bill, and so they have to move again. You see families with kids that have moved six times during the school year.

It's important to remember that we're talking about people who everyone agrees need to rely on social assistance for their basic needs. We're proud of the fact that there's a social safety net in Ontario to protect people who are temporarily out of work or who are doing everything they can to find work or who are unable to work for a period of time because of health problems or other crises—like our client who was a waitress for 30 years; she had to have knee surgery and couldn't walk, so

she couldn't work. She didn't have much in terms of savings, she'd used it up, so she's on Ontario Works. She's getting \$560 a month and her rent is \$500 a month. She can't live.

There needs to be a significant increase in the social assistance rates. It's not effective to try to deal with the sadly inadequate rates through band-aid programs like the emergency rent and utility fund. We're happy to have the emergency rent and utility fund, but it shouldn't be a cornerstone of how people pay their rent, to go to this emergency fund where you have to go through a lot of paperwork and hoops and you can't always get the money. People should get enough money each month to pay the rent that they need to pay.

Decreasing the number of families living in dire poverty would positively affect the budget in many other ways. Poor people have more health problems. Children who live in poverty have more challenges in the education system. The coordinator of the local Elizabeth Fry Society, which assists women in conflict with the law, was on the radio recently talking about the increase in the number of women who have been incarcerated; Gwen just mentioned that also. The feeling is that it's directly related to the inadequacy of social assistance rates. Obviously, it's much more expensive to incarcerate somebody than to give them enough money to pay rent and buy food.

Social assistance recipients would die without food banks and soup kitchens and the food security programs that are springing up in communities all across Ontario. This isn't because they lack budgeting skills or are frivolous with their money; it's because they don't get enough money in a month to allow them to eat every day.

People with disabilities who've managed to navigate the treacherous application and adjudication process to get on ODSP are initially thrilled at the increase in their income. A single person goes from \$560 a month on Ontario Works to \$999 a month on ODSP, but after the initial few months of that, they realize that's not very much money. Relatively, it's a lot more than Ontario Works, but in the big scheme of things it's still thousands of dollars less than the poverty line, on an annual basis.

Our primary message, which I really think is the most important message that you're going to hear and you really need to take it to heart, is that social assistance rates need to be increased substantially. I don't know that 40% is possible, but clearly it's necessary. It has to be double-digit amounts. These 2% increases are 2% of too small an amount.

There are many other issues that have been touched on and will be in other presentations. The minimum wage needs to be increased to \$10 an hour. In 1976, the minimum wage was only about 9% less than the poverty line for a single person; today, it's more than 30% less than the poverty line. So if you're working full-time on minimum wage, you're at 30% less than the poverty line.

Affordable housing is a crucial issue. The lack of stable, affordable housing is a serious problem for low-income residents in Ontario. We're delighted, again, that the Premier has indicated that you're serious about the

anti-poverty strategy and that the government recognizes that an affordable housing policy would be a cornerstone of the anti-poverty strategy. But according to recent figures released by CMHC, there are currently 123,000 low-income households across Ontario on the waiting list for subsidized housing. So the provincial government needs to put pressure on the federal government to develop a housing strategy and release additional funding. It's also essential that the provincial government move ahead regardless of the involvement of the federal government. We cannot wait for the federal government to act.

We appreciate the opportunity to provide our input to you. We recognize that you have numerous competing demands as you determine your recommendations for the budget for the province, but we urge you to remember the most vulnerable citizens in Ontario in your difficult budgeting process. Thank you.

**The Chair (Mr. Pat Hoy):** Thank you. This round of questioning goes to the government. Mr. Leal.

**Mr. Jeff Leal:** Thank you very much for your detailed submission today. I want to follow up on something you said about the government of Ontario putting pressure on the government of Canada to resolve a number of issues. One of the ones I am sure you're very concerned about is the fact that unemployed workers in Ontario, under the EI formula today, receive \$4,000 less in benefits than people in other parts of Canada. That is so significant, certainly in a place like Thunder Bay, that has seen a dramatic impact on the forestry industry for a variety of reasons—energy costs, appreciation of the dollar. Part of that \$4,000 gap, of course, is training dollars that rightfully belong to Ontario to invest back in communities. So if I could just get your comment—I think you've got a federal Conservative MP in this area, Mr. Comuzzi—on whether your group and several of your associate groups this morning that have made very detailed presentations are putting pressure on Mr. Comuzzi to make sure that Ontario gets its fair share, that Ontario is not discriminated against under this EI formula.

**Ms. Sally Colquhoun:** There are many problems with the employment insurance scheme. The fact that there are billions and billions of dollars of surplus that are paid into the program by workers and employers that just go into the general revenue of the federal government rather than being paid to unemployed workers is terrible. The fact that unemployed workers in Ontario receive fewer benefits than in other parts of the country is also very discriminatory, and it is something that has been brought to the attention of our local Conservative member of Parliament.

**Mr. Jeff Leal:** Thank you so much.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

#### CITY OF THUNDER BAY

**The Chair (Mr. Pat Hoy):** I call on the city of Thunder Bay 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.

**Ms. Lynn Peterson:** Thank you. Good morning. My name is Lynn Peterson and I'm the mayor of the city of Thunder Bay. With me I have brought a friend, Michael Power, who is the vice-president from Thunder Bay Regional Health Sciences Centre, because we have some requests around research and innovation in northern Ontario and he would be the guy to answer the questions for you.

I would like to first take the opportunity to thank you for being in the city of Thunder Bay. The weather's not always this cold; I'll let you know that.

I would like to say to you, as you are no doubt aware, that the northwest region has a struggling economy due to the ongoing crisis in the forest industry. While we have gone to great lengths to develop strategies to address and enhance our economic development, support from the provincial government is critical.

We have some issues. The Ontario Power Authority recently completed a report to identify power levels throughout the province and to develop an integrated power system plan, the IPSP. A key element of the IPSP is the implementation of the government's decision to eliminate coal as a fuel for generating electricity, but the OPA plan does not provide adequate replacement to generate and ensure that northwestern Ontario has a stable supply of power come 2014. The NOMA energy task force, the town of Atikokan and the city of Thunder Bay are all actively intervening with the Ontario Energy Board's review of the OPA integrated power system plan and asking that it be sent back to the drawing board to arrive at a comprehensive plan for the region. Immediate action is required to protect the northwest from a real potential loss of our industrial energy base.

We are requesting that the Ministry of Finance consider the financial implications that would result due to a lack of energy in the northwest. Not only will this impede our ability to sustain the industries currently operating in the northwest, it will have a detrimental effect on our capacity to expand our economy. One way to assist is to conduct research on the ability to use clean coal technology. We request that the Ministry of Finance provide funding specifically allocated for Ontario-based research into how all emissions from coal as a fuel can be reduced and eliminated, or at the very least sequestered, including CO<sub>2</sub>.

#### 1030

The government committed funds to the Atikokan generating station to research and develop alternative fuels for use at their station. An additional allocation for a research program at the Thunder Bay station is also required. The city of Thunder Bay requests that the province of Ontario extend an opportunity for the generating station in Thunder Bay to research alternative fuel options.

While we appreciate the provincial government's investments in our community, a great deal more needs to

be done to ensure that Ontario municipalities are liveable, sustainable, and competitive in the national and global marketplace. There is an urgent need to address the provincial-municipal fiscal imbalance and the resulting municipal infrastructure deficit.

According to StatsCan, Ontario property taxpayers pay \$237 more per person for municipal property taxes than the rest of Canada, while the government of Ontario pays \$258 less per person on health and social services than the rest of Canada. Clearly, municipal taxpayers in Ontario subsidize the provincial treasury by well over \$3 billion a year for provincial health and social service programs. These costs need to be uploaded where they belong, to the provincial level. The bottom line is pretty clear: Municipalities need to be free to use the municipal tax base for municipal services and capital expenditures.

I also want to talk about payments in lieu of taxes. Those are paid to municipalities in respect of real property owned and occupied by the public sector. As property owned by the public sector is generally exempt from property taxation in accordance with the Assessment Act in Ontario, payments in lieu of taxes was developed as a means to provide some revenue to municipalities. Public hospitals, universities, colleges, correctional institutions and airports fall into this category. The province of Ontario has not updated the rate on any regular basis. This source of revenue does not keep up with inflation. For example, the maximum levy amount to certain institutions is \$75 per unit capacity. The rate has been in place since 1987. Since 1987, the CPI has increased approximately 45%. The city of Thunder Bay requests that the province of Ontario adjust the per capita and capacity-rated payments in lieu of taxes annually to recognize the rate of inflation—1987; it's been almost 30 years. It doesn't make any sense at all, and it's not fair, quite frankly.

Another item that, if it were resolved, would go a long way in stabilizing Ontario's manufacturing sector is the establishment of a Canadian content policy or legislation. Canada is one of few countries in the world that does not have a local content policy in place for all infrastructure projects using public funds. Canadian manufacturers are at a distinct disadvantage pursuing contracts in other nations, and they have no particular advantage at home. The hard reality is there is very little preventing foreign suppliers from winning Canadian contracts with Canadian taxpayer dollars and then taking the work offshore to benefit regions in other countries.

The Assistant Deputy Minister of Trade Policy and Negotiations and chief negotiator for the World Trade Organization with International Trade Canada—and I note that because there have been questions, I thought I'd answer it—advised that the decisions provincial governments take on how to structure their procurements are not subject to any international trade rules governing government procurement.

The city of Thunder Bay requests that the Ministry of Finance recognize the economic development opportunities of a Canadian content policy and support its imple-

mentation. Furthermore, we request that the ministers and caucus members support Mr. Bill Mauro's private member's bill pertaining to Canadian content. We believe it's critical that this be passed into legislation.

I'm going quickly, but I would like now to turn the presentation over to Michael Power, who is the vice-president, regional cancer and diagnostic services at Thunder Bay regional health sciences centre, to discuss research and innovation opportunities in Thunder Bay.

**Mr. Michael Power:** Good morning to everyone. Thank you, Mr. Chair. I first of all would like to applaud the government for the investments in the new Molecular Medicine Research Centre. As many around this table know, we will soon be home to one of the top five molecular medicine research centres in the world, certainly within the Phillips GlobalResearch family. This isn't something that has just happened overnight. It is a result of vision on the part of our mayor, other community leaders, the Premier and past Prime Ministers.

We are home to Canada's newest medical school, Northern Ontario School of Medicine, home to the newest and most robust cancer centre, and we've recently received approval and funding to become Canada's newest academic health sciences centre. I put all of that in context so that you appreciate that there is a growing knowledge economy certainly in the area of health sciences here in Thunder Bay and northern Ontario.

Knowledge-based innovation certainly is one of the main engines in a long-run regional economy and a long-run regional growth. By most measures, regions that have seen the greatest economic growth since the early 1990s, both in North America and globally, are those that have made critical investments in research and innovation in the knowledge-based economies of life sciences. In fact, *BusinessWeek* in July reported that the US economy since the year 2000 has only grown in the life sciences areas.

Thunder Bay and northern Ontario are in an advantageous position to build upon the convergence of key components of this exceptional regional capability in medical research, and specifically clinical medicine: The building of the state-of-the-art Thunder Bay Regional Health Sciences Centre, now a quarter-billion-dollar company here in Thunder Bay and the largest employer in northwestern Ontario, the creation of the Northern Ontario School of Medicine, the establishment of the new Cancer and Cardiac Research Centre and other facilities, personnel, are bringing momentum to build Thunder Bay as a new world-class leader in the area of medicine.

Recent investments in research and training have also helped to establish the foundation of health sciences innovation in northern Ontario. By investing in a system of innovation aligned with the Ministry of Research and Innovation and their strategic priorities, connected to Industry Canada and their strategic priorities, we will ensure that economic investment will catalyze job creation, it will attract innovation-based industry—Phillips being a great example, investing \$11.2 million here in Thunder Bay right now—and improve access to

the latest advances in evidence-based health care. By continuing to invest in an environment that nurtures and attracts high-tech industries, northern Ontario will build an economic base to stimulate excellence in academic health sciences over the longer term.

We believe it is imperative that the government of Ontario provide assistance now in two ways. It would be extremely beneficial if the Ministry of Research and Innovation and your government were to consider the appointment of a new Deputy Minister of Research and Innovation to be based out of northern Ontario, and specifically here in Thunder Bay. They would be a part of the Ministry of Research and Innovation, but focus on the northern Ontario strategy and the northern Ontario platform as they pertain to building out research and innovation in this province. A position of this magnitude would promote the abilities and champion our area of research and innovation specifically, again, in northern Ontario.

Secondly—

**The Chair (Mr. Pat Hoy):** You have about a minute left.

**Mr. Michael Power:** Thank you.

Secondly, the establishment in funding for the Ministry of Research and Innovation would provide the ability to further capitalize our success, and of the more than \$300 million that's now invested through the Ministry of Research and Innovation, we are asking for \$50 million to be allocated to northern Ontario research and innovation strategies.

As I close, I would also like to make a pitch on behalf of the president and vice-chancellor of Lakehead University for his NORD 21 research facility. The translational research capacity at Lakehead is necessary; this facility is necessary. He has addressed this with government, the total project is \$35.2 million, and his specific funding request of the Ontario government is \$20 million. Thank you.

**The Chair (Mr. Pat Hoy):** Thirty seconds.

**Ms. Lynn Peterson:** I have two other issues that I'll leave with you. The crown in this city—we have some elevators that have escheated to the crown. The crown is not taking care of them and they're a danger to this community. We believe that the crown needs to take some responsibility for the buildings they own in other communities and make sure that, at the very least, they're safe. We're talking about some elevators here. You can ask me about them later.

The other thing is the whole issue of raffle licensing. The cap has been \$50,000 forever. We do the work. Before, we could get at least some money back to pay for our staff's time. That cap hasn't been changed in years. Our staff are still doing the work and we're getting no money back to actually even pay for our staff time. The money is going to the government.

I would have gone longer, but I'm sure you can read everything we've said. Thank you.

**The Chair (Mr. Pat Hoy):** Thank you both. This round of questioning will go to the official opposition.

**Mr. Toby Barrett:** Thank you for the presentation. Mayor Peterson, since we've been up here, we've been hearing and reading a lot in the media about the goings-on in Thunder Bay and plans and searching for alternative activities on the waterfront and what have you.

1040

You led off with your concerns with respect to energy and electricity. We do know that originally Thunder Bay and Atikokan were to have been closed, actually 24 days ago, in 2007, along with the Nanticoke and the Lambton plants in southern Ontario. That did not happen. The target was moved to 2009; then it was moved to 2014. I don't know when those plants will be closed.

A gas pipeline was being constructed to the Thunder Bay plant. What happened to that?

**Ms. Lynn Peterson:** That's no longer happening.

If you read the OPA report, it says, and I can almost quote it, that if the plan goes through, once those closures are done, the city of Thunder Bay will not have reliable energy for what exists today. We know that we'll be short. Iain Angus is here, and I'm sure he's going to talk to you this afternoon about the shortage that is predicted. We're talking about putting mills and industry back online and expanding. If the plan, as it sits, admits that we're not going to have reliable energy for what we have today, how in heaven's name are we going to expand this community's capacity to run any more industry? So our request is that the OPA go back to the drawing board, carve that piece off and actually take a look at northwestern Ontario and its needs.

**Mr. Toby Barrett:** You mentioned that one option is to rely on coal from the United States, and I see that your brief mentions North Dakota. As far as the line from Manitoba, I have read that the federal Conservatives have earmarked money for that. Is the Ontario government moving forward on that?

**Ms. Lynn Peterson:** Councillor Angus can help, but I believe that the OPA report said that the 22 miles between the two terminals would require \$92 million in a four- or five-year lead-up.

Once again, I'm saying that we need to go back to the drawing board for northwestern Ontario to make sure that the environmental goals are reached but without leaving a part of the province without adequate energy. If the plan includes not having adequate energy, then by virtue of that comment, it needs to go back.

**Mr. Toby Barrett:** Just briefly, I think you mentioned biomass. The finance committee visited Atikokan maybe two years ago and there was talk of rail haul of wood waste to Atikokan—perhaps Atikokan as a pilot project. I think you talked about alternate sources of energy. Is anything further happening on that? There's an awful lot of wood around here.

**Ms. Lynn Peterson:** This is Councillor Angus, and they're going to do a presentation for you this afternoon on energy, and you may want to ask it then because they've got all the answers.

**Mr. Tim Hudak:** Your Worship, it's good to see you again. Thanks for the presentation, Mr. Power. It's a very comprehensive document.

I'm just looking at the appendix. There's a lot of material here for the committee to consider. You mention that Thunder Bay has seen 2,000 manufacturing jobs disappear in the last five years, and that has resulted in a 23% reduction in your industrial assessment. This must put tremendous pressures on the rest of your municipal tax base.

**Ms. Lynn Peterson:** Correct.

**Mr. Tim Hudak:** Do you have advice in terms of job creation? What's your best advice to the committee to help stimulate the economy in the Thunder Bay area?

**Ms. Lynn Peterson:** We have put together a community economic development commission that is pursuing different areas, the oil sands being one of them, quite successfully in terms of manufacturing in Thunder Bay. Certainly there has been movement in the forest industry looking at value-added products. The exploration side of mining in northwestern Ontario is actually booming. The knowledge and education and research and innovation agenda in Thunder Bay has absolutely not only taken hold, it is moving very quickly, which is why—recognizing that it is the fastest-growing economic engine in the northwest and particularly for the city of Thunder Bay, given our experience in attempting to get research and innovation money into the north—we're asking, not for an increase in the MRI bucket but to make sure that \$50 million out of that \$312-million budget for research and innovation is allocated to northwestern Ontario. We can understand that there's a process; we're not asking MRI to change their process. We're asking them to find a different type of model to work with the Ministry of Northern Development and Mines because, as you know, there's a northern plan being developed and we think that it should all work together. But it's really critical for us to make sure that \$50 million of that money is allocated for research and innovation in northern Ontario, and it's critical for us that we have a deputy minister situated in Thunder Bay because we need a champion.

**The Chair (Mr. Pat Hoy):** Thank you for your presentations.

#### THUNDER BAY HEALTH CARE COALITION

**The Chair (Mr. Pat Hoy):** Now I call on the Thunder Bay Health Care Coalition 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 yourselves for our recording Hansard.

**Ms. Barbara Maki:** I'm Barb Maki. I'm co-chair for the Thunder Bay Health Care Coalition. This is Sara Williamson and this is Doris Meredith, our resource person in case you guys have any mental health questions.

The Thunder Bay Health Care Coalition is a non-partisan group committed to maintaining and enhancing our publicly funded, publicly administered health care

system. This is the first time that as a coalition we are making a submission to the Ministry of Finance. It has been a good exercise to compile our issues and the local impact from a funding focus. Thank you for creating this opportunity. Due to time constraints, this document is missing some areas that deserve attention.

The first thing I'm going to touch on is competitive bidding. Recently, the McGuinty government started up competitive bidding again after a moratorium of several years. If this goes through, the nurses will be laid off through no fault of their own. Patients will lose their caregivers. Whichever company wins the bidding will look to hire the laid-off staff, who will have to start again in terms of seniority and time off. Patients will have to deal with the loss of continuity of care. It is expected that many nurses will leave the sector for good, worsening the already existing home care shortages.

To help resolve the continued acute care bed crisis, we need to assign the same priority to the frail elderly and provide them with the resources they need to return home. We need to have a high priority to have people return home and live independently in the community. If we identify frail elderly in the community and provide intervention it would and should significantly reduce the number of hospital admissions, essentially freeing up the much-needed acute care beds for potential clients in the system. In keeping with a government promise to ensure that Ontarians who are receiving home care services get the highest-quality services possible, the McGuinty government announced yesterday it is stopping the awarding of the home care services contract in Hamilton and surrounding areas. This decision will halt the bidding process. Recent changes to the process were expected to enhance the continuity of care. The changes were intended to create stability and we were definitely disappointed with how the current process was unfolding.

The next thing I'm going to touch on is the not-for-profit health providers. These organizations are respected and recognized not only for their dedication and commitment to quality care and service delivery but also for the active and integral role they play as employers, supporters and contributors to their local communities. Not-for-profit organizations exist for only one reason: to provide high-quality services for consumers. Any surplus income is used to improve facilities or expand services. They respond to and grow out of the communities they serve. Non-profit organizations have a direct line of accountability to their board. Consequently, use of funds can be tracked.

Not-for-profit homes for seniors: Long-term-care municipal beds have been lost in Thunder Bay because our city council didn't want to have to heavily subsidize the ongoing operational costs. Without the hue and cry from the community, many of those beds could have disappeared entirely from Thunder Bay. They could have been taken up by a for-profit corporation intent on making a profit, siphoning off health care dollars from our town and province. Fortunately, political will was marshalled and this summer funding plans for the St.

Joseph's Care Group Centre of Excellence for Integrated Seniors' Services was announced. This will mean not only a new long-term-care home but also supportive housing facilities and additional investment in related community services.

Long-term-care minimum care standard: As a province, we must demonstrate our compassion and commitment to quality of care, and more generally quality of life for our frail seniors by observing as a core maxim: "Do no harm." To permit preventable adverse outcomes, whether in terms of care not provided or inappropriately or inadequately provided that threatens the health and safety of residents as the work environment threatens the health and safety of care providers, is simply intolerable.

#### 1050

Ontario is suffering from a growing care gap. We are falling behind a continually rising Canadian average for care provision. In 2006, Ontario only provided a total of 3.8 hours per resident per day in long-term care, according to Statistics Canada. This compares quite unfavourably to the 4.7 hours in total care provided as a national average. The abandonment of a minimum staffing standard by the previous government resulted in a plateau effect, remaining constant in Ontario after 1999, while care steadily increases on a national average.

A minimum staffing standard is required to avoid adverse outcomes. Inadequate staffing clearly leads to adverse resident outcomes and compromises resident and worker safety. With violence against staff becoming an everyday occurrence in Ontario, this would be the essential first step to enhancing organizational capacity and improving quality, yet a low standard is almost no better than no standard at all. Ensuring a robust minimum standard will lead to increased staffing by all but the highest-staffed homes. Frail seniors in Ontario long-term-care homes deserve no less than the staffing adopted by other provinces such as Manitoba and Alberta, which have announced a 3.6-hour standard.

We recommend that we replace the competitive bidding for home care by collaborative proposal development with existing local providers. Although the provincial consultant's recommendations are not yet out, contingencies for the cost of a 3.5-hour minimum-care standard must be included as part of the 2008-09 budget to sustain long-term-care homes. We recommend that, in the new fiscal year, new standards for long-term-care homes be developed and that the costs that entails be estimated. Building design will need to consider efficiencies and chronic-care technology and age-appropriate unit homes. We recommend that the government augment funding for front-line mental health jobs, including those in the resource-strapped community health services.

**Ms. Sara Williamson:** The remainder of the brief touches on four areas: health determinants, aboriginal health access centres, people with disabilities, and mental health.

You have heard and will hear from many stakeholders about health determinants needing more funding, health

determinants including housing, income, education, women's rights, anti-racism and healthy childhoods. All of them do need funding.

For primary health care, aboriginal health access centres and community health centres both operate a community-based model of health care delivery worth emulating, yet aboriginal health access centres like Anishnawbe Mushkiki in Thunder Bay do not receive equity in operational funding. This should be rectified.

Under the funding needs for people with disabilities, we talk about more funds for supportive services, housing and accessibility. We remind you that accessibility involves ongoing supports, not just mobility-accessible buildings. We also discuss the costs to the health care system of workplace injury and recommend that all these costs be paid by the employer through WSIB.

Mental health is a big issue. The brief describes five priorities for mental health funding. The numbering is not a ranking order; all are important. The right to housing and income security for people with mental illness is as true as it is for other vulnerable groups. The government should be ashamed for not raising OW and ODSP rates to a livable income. We note too that the retention and recruitment of mental health workers will be difficult until there's more job security and the wage inequities between hospital and community mental health workers are addressed.

Regarding the services themselves, no front-line services should be cut; in fact, more should be added. Examples of needed new services are funding for alternative business programs so people can gain work-readiness skills, earn an income and know how to find a job in the competitive labour market; funding for psychological services for staff and residents in long-term-care homes; and paid peer-support specialists to work in the mainstream mental health system to support recovery. The government pays lip service to the idea of training and employing "people who have been there"; it's time to put word into deed.

Lakehead Psychiatric Hospital here in Thunder Bay will be closed, and there are two concerns about that. The first concern is that there will be fewer psychiatric beds in Thunder Bay. The second concern is that although more psychogeriatric beds will be downloaded to long-term-care homes, there's no guarantee of a transfer of funds for this intensive care.

Turning to another area, forensic programs and positions are a current funding priority. Court diversion is a great option, and there are increasing numbers of court diversion positions in Thunder Bay and northwestern Ontario. This is welcome and necessary. Don't forget, however, that the court-based programs divert people back into the resource-strapped community mental health services. Someone made an observation to the effect that when psychiatrists, psychologists or social workers ask for more funding for mental health services it seems self-serving, but when law enforcement asks for that funding, people sit up and listen. Ideally, the point of access to assessment and treatment should not be primarily through

the criminal justice system. How can stigma about mental illness be alleviated when funding focus is driven by criminal law enforcement rather than an inclusive approach that incorporates prevention and early community-based treatment of mental illness?

Our brief focuses on funding gaps but we're pleased with many of the improvements that have occurred in health delivery such as reduction of waits for cataract surgery, more surgeries in rural hospitals, creating more direct consultation links with the francophone community and First Nations, and the development of health information and communication technology infrastructure. Nevertheless, the gaps we have discussed demand a response. We would very much like you to advance this message. It's all about medicare, public health and accessibility.

**The Chair (Mr. Pat Hoy):** Does that conclude your brief?

**Ms. Barbara Maki:** Did we get in under 10?

**The Chair (Mr. Pat Hoy):** You have half a minute left, so you did. You did very well. We'll go to the round of questioning with the NDP. Mr. Prue.

**Mr. Michael Prue:** You've made so many recommendations; I've only got five minutes and you've only got five.

**Ms. Barbara Maki:** It's a long list.

**Mr. Michael Prue:** It's a long list, but I had an opportunity while you were speaking to try to read some of the brief here. You make a rather puzzling statement to me. This is about making housing a right. You state, "It comes back to the need for more funding from all levels of government, including the province. Please don't say that you can't do anything until the federal government steps up to the plate."

The federal government stepped up to the plate and gave all the provinces money. This was the only province in Canada that did not match the funds; in fact, from the Wellesley Institute, the only province that spent nothing or less than nothing on housing over the last term. I'm just wondering why you're—

**Ms. Barbara Maki:** What portion was that out of? Mental health?

**Mr. Michael Prue:** I'm just wondering, are you telling the government—

**Ms. Sara Williamson:** We just don't want any buck-passing. That's basically what we're saying. Every time the situation shifts a little, then somebody says, "Oh, well, that's somebody else's responsibility." We're just saying that the housing is needed, the province can do something about; do it.

**Mr. Michael Prue:** When the federal government gave the province money in the last term of this government, they took the money and they built very little affordable housing. In fact, freedom-of-information requests finally revealed that 268 units of what can truly be classed as affordable housing were built in four years. How many affordable housing units do you need in Thunder Bay alone?

**Ms. Sara Williamson:** For low income there's a real deficit. I don't have a quantifiable figure for you on that. It's also coupled with the need for funding for supportive services in a lot of cases. I don't have the figure for that. I would hope that the homelessness and housing coalition has some of those figures and will be submitting them.

**Mr. Michael Prue:** You talked as well—and we've heard other people today—about Ontario Works and ODSP rates. You say that you want to increase them to the real cost of living. We had one presenter suggest that's about 40%; we had another one say that may not be realistic but is looking for double digits. What are you looking for? This is the finance committee; we have to recommend a number for the program.

**Ms. Sara Williamson:** I think we would go with—yes, it's definitely a double digit. We've fallen so far behind. That can be done now, increasing those rates. There is the poverty reduction strategy that's being initiated, I believe, by the province. But meanwhile, I think that we could at least get those OW and ODSP rates up to something livable. The Kinna-aweya economic justice committee's presentation I think said it all.

1100

**Mr. Michael Prue:** You were talking about the competitive bidding. Unfortunately, we've been on the road and I haven't heard what happened in Hamilton. I know up until last week it was a bloody mess.

**Ms. Barbara Maki:** Actually, they announced it.

**Mr. Michael Prue:** They made an announcement.

**Ms. Barbara Maki:** They have halted the—

**Mr. Michael Prue:** They have halted it. Have they said they will halt that elsewhere in the province or just in Hamilton?

**Ms. Barbara Maki:** As far as I've heard, just there at this point.

**Mr. Tim Hudak:** There's a moratorium province-wide.

**Mr. Michael Prue:** So it's a moratorium province-wide. Okay. Do you believe that this has served any benefit? It has been a disaster in my own community. Has this policy served any benefit anywhere in the province up until the moratorium of yesterday?

**Ms. Barbara Maki:** The competitive bidding process?

**Mr. Michael Prue:** Yes.

**Ms. Barbara Maki:** No. Actually, if you look at some of the numbers from the CCAC, the cost of home care visits increased significantly. I think it was possibly 42%. So the cost increased when they introduced this competitive bidding process. Also, they experienced quite a shortage in the service—RNs, RPNs who provide the service. So I don't see that it's been beneficial at all.

**Mr. Michael Prue:** So would you call upon the government to scrap this program altogether?

**Ms. Barbara Maki:** That would be lovely.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

## THUNDER BAY PUBLIC LIBRARY BOARD

**The Chair (Mr. Pat Hoy):** I now call on the Thunder Bay Public Library Board to come forward, please. Good morning. You have 10 minutes for your presentation. There could be five minutes of questioning. I'd ask you to identify yourselves for the purposes of our recording Hansard.

**Mr. Charles Campbell:** Thank you, Mr. Chair, honourable members. My name is Charles Campbell and I'm the chair of the government liaison committee of the Thunder Bay Public Library. With me today is Gina La Force, our chief librarian and CEO.

We're here today to address funding issues as they relate to Ontario's public libraries, more specifically libraries in northern Ontario, including those of the Thunder Bay Public Library.

The mandate of the public library is to facilitate community and individual development using the power of information in all its forms to enlighten our citizens, engage our communities and enrich the cities we serve. We believe that the number one challenge for Ontario, and for the northwest in particular, is its transition to a knowledge economy. The Thunder Bay Public Library, like other libraries, is actively engaged in helping our community in its journey to this new world—a society where literacy, a culture of lifelong learning, access to information and high-speed telecommunications, as well as the ability to use information technology, are all critical to social and economic success. While we serve all members of our community, our focus is often on those who might not otherwise have access, those who would be left behind in this emerging economy, including the unemployed, new Canadians, aboriginal people, youth and older adults.

The residents of Thunder Bay have demonstrated their belief in the value of our public library through their increased use of our facilities and services. In 2006, overall use was over 2.7 million transactions. This represents an increase of over 60% in the last four years. Online use obviously continues to grow, with almost 400,000 visits to our website in 2007, up 44% from the year before. Not only are patrons using our virtual resources, they are also using our local branches, with two thirds visiting the library at least every two weeks. The trend to increasing use is being experienced at libraries across the province.

The Thunder Bay Public Library's strategic competitive advantage within the knowledge economy includes our mandate as a public information provider; high public trust; use by all community members and organizations; our extended service hours; staff expertise in helping people navigate an increasingly complex information environment; and a wide range of partners including the chamber of commerce, local school boards, literacy organizations and the province of Ontario.

Our relationship with the province of Ontario has mutual benefit. As a depository for government publications, public libraries serve as an efficient and effective

means of disseminating provincial information. We also provide access to programs like Service Ontario, allowing citizens to access government services online.

Public libraries also support provincial priorities such as ensuring Ontario's aboriginal and northern communities have the same opportunity as other Ontarians to access information, helping address the root causes of poverty by supporting literacy in children and adults, as well as our role in helping people to make the transition to the knowledge economy.

In return, although public libraries are funded primarily by the municipalities they serve, the province has long recognized a provincial interest in public libraries through the Public Libraries Act. This act, among other things, acknowledges that libraries represent a public good and requires libraries to provide basic services without any charge. In return, the Ministry of Culture provides an annual operating grant.

In 1994, the grant that we received was \$367,886, representing about 8.6% of the Thunder Bay Public Library Board's budget. In 2007, the grant was \$220,000, just over 4% of the \$5.1 million that we require to operate our library system. While a 40% cut took place in the mid 1990s, the operating grant has been flatlined since 1997. The missing \$147,000, approximately, has had a small impact on the provincial budget but equates to about one third of the funds we have available annually to purchase material for our collections.

The Ministry of Culture has compensated in part for the loss of this program by funding additional funds through one-time grant programs, like the library service development fund. We appreciate this, but one-time project funding does not replace the reliable operating dollars needed to provide sustainable service.

Public libraries are fiscally responsible, innovative and accustomed to stretching our resources to provide the best service possible. The taxpayer should expect nothing less. Nevertheless, this erosion of base funding has downloaded costs to municipalities already struggling with fiscal challenges. It has also eroded the library's ability to provide service at a time when use has been increasing dramatically in response to the needs of communities, especially northern communities, hit by an economic downturn and the ongoing decline of employment in our traditional, resource-based economy.

We urge the province to renew its commitment to public libraries by increasing the operating grant to better reflect its covenant with public libraries and to reflect the value we bring to the citizens of this province.

Our other concern is the public library's aging infrastructure. The buildings owned by the Thunder Bay Public Library are between 50 and almost 100 years old. The last time they were expanded was 35 years ago, when there were no PCs to house and no Internet to provide access to. While the library has endeavoured to maintain its infrastructure with support from the city, all of our libraries have significant problems, ranging from a lack of accessibility to inadequate electrical systems and HVAC systems well past their lifespan. The Thunder Bay

Public Library has recently completed a 20-year business case for facilities renewal. The investment required over the life of the plan is in the range of \$37 million in 2008 dollars. Our project will renew and modernize our aging facilities, ensuring that they are accessible and energy-efficient. Equally important, our buildings will be better positioned to reflect the way 21st-century libraries are used, with more meeting rooms, study areas and adequate space for computers.

Nipigon and Fort Frances have recently benefited from significant provincial economic stimulus grants that have been applied to renewing library buildings. In the case of Fort Frances, the grant amounted to \$1.6 million. That's a good thing, for sure. It's an exciting and positive event for these municipalities. It recognizes the importance of public libraries to the fabric of their communities. However, there is no formal grant program for library renewal. We urge the province to develop an infrastructure program to help communities replace, expand and renovate their public libraries.

The Thunder Bay Public Library is committed to being part of northwestern Ontario's economic and social renewal and to continue contributing to the provincial priorities. We are convinced that renewed economic vitality depends on building human, social, institutional and physical capital. We ask the province of Ontario to recognize our role in building community and the knowledge economy by reinvesting in the library system in the 2008 budget.

Thank you for allowing us to present.

1110

**The Chair (Mr. Pat Hoy):** Thank you. This round of questioning will go to the government. Mr. Arthurs.

**Mr. Wayne Arthurs:** Charles, thank you for your presentation this morning, and Gina, thank you for the work that you're obviously doing with your staff on behalf of constituents in Thunder Bay. I must say the success story is remarkable and well worth recognizing: some 60% increase in the use of the system over the last four years, a 44% increase in visits to your website in a one-year span. Obviously, people are interested in the library system; they're interested in getting information. What are some of the things you're doing that are driving that type of change?

**Ms. Gina La Force:** That's a huge question. I think one of the most important things is that public libraries are very strategic in what they do. We keep very closely in touch with our community, and so we are providing the information that our community values. When the residential school settlement was announced by the government, it was up on our website that day. So people know that we are a reliable source of information. We survey our public. We talk to people in the libraries. I think we're reaching the needs of our marketplace, and our marketplace is responding. There's a great hunger for information in the knowledge economy.

**Mr. Wayne Arthurs:** Do you partner a lot with the business community as well?

**Ms. Gina La Force:** Yes, we do. We have partnerships with the chamber of commerce, and this year we intend to do more in terms of contributing to economic renewal in the city. We have begun doing information sessions at groups such as PARO, which helps fledgling entrepreneurs find the information they need. When I walk up and down the main street of Thunder Bay and talk to business people, they say, “That’s where I went when I needed my market information.”

**Mr. Wayne Arthurs:** With your specific ask for an increase in the base funding, what type of a number are you looking at?

**Ms. Gina La Force:** We’re looking, at the very least, at restoring the government funding to its original level. That’s \$147,000 in our library, and then I think you’d have to have the ministry calculate the numbers across the province. Clearly, we would like to see a greater increase, because we do really believe we are aligning with the province in its priorities. There are grant programs, but they do not replace base funding. So we’d start with what we’ve lost, and clearly we’d like to go from there.

**Mr. Wayne Arthurs:** Chair, is there time left?

**The Chair (Mr. Pat Hoy):** Yes, we have two minutes left. Ms. Aggelonitis.

**Ms. Sophia Aggelonitis:** You mentioned that the buildings owned by the Thunder Bay Public Library are between 50 and almost 100 years old. How many buildings are we talking about?

**Ms. Gina La Force:** We have four buildings in total, three of which are owned; one is a leased facility. So we are talking about the three buildings that we own.

**The Chair (Mr. Pat Hoy):** Mr. Leal.

**Mr. Jeff Leal:** As a person who, during my municipal career, sat on the Peterborough library board, I always know the challenges. My first question is, are there council members from the city of Thunder Bay who sit on your board?

**Mr. Charles Campbell:** We do have one of our council members who sits as a member of the board.

**Mr. Jeff Leal:** You talked about facilities renewal. With the \$300-million infrastructure program—certainly library renewal and public buildings are eligible under that—I wonder if you’ve put pressure on the rest of the colleagues on Thunder Bay city council to make library facilities renewal one of the priorities for possible funding for a new building or buildings.

**Mr. Charles Campbell:** The current council is indeed looking at our renewal plan as part of their capital plan; the degree to which we’ve been successful at engaging them in putting it at the top of their priority list we’ll know, I guess, in two to three weeks, as we go through the hearing process municipally. We certainly believe that there is a lot of appreciation for the importance of the system at council; we’ve certainly been told that. However, we’ve got aging resources right across the entire city and across the region and across the province, so where our priorities fit in—we’ll have to obviously stack up with a number of others. We’d certainly like to be in a

position where, when we talk to our council about where we want to go, we know there’s some formal matching funding process, because we know very well that when you can leverage additional partner dollars, everybody wants to come to the table a little faster. So a capital grant program might make it easier for us to work with our friends at council as well.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

#### ONTARIO SECONDARY SCHOOL TEACHERS’ FEDERATION

**The Chair (Mr. Pat Hoy):** I call on the Ontario Secondary School Teachers’ Federation, district 6A, to come forward, please. Good morning, gentlemen. You have 10 minutes for your presentation. There may be five minutes of questioning. I would ask you to identify yourselves for the purposes of our recording Hansard.

**Mr. Terry Hamilton:** Thank you. My name is Terry Hamilton and I’m the district president of Thunder Bay district OSSTF.

**Mr. Brian Church:** My name is Brian Church. I am the district president of district 5B of OSSTF, Rainy River.

**Mr. Terry Hamilton:** Good morning. I’d like to thank the committee members for providing this opportunity for us to have some input into the government’s pre-budget deliberations. I just wanted to mention before we start that Brian is here with me today because we wanted to bring a flavour of both the largest city in northwestern Ontario and the difficulties that we face along with an area from outside of Thunder Bay and the region and some of the different challenges they have around education and educational financing. By the way, Brian and I are both physics teachers, but please don’t hold that against us.

**Mr. Tim Hudak:** I still hold a grudge.

**Mr. Terry Hamilton:** A lot of people do, strangely enough.

I think that all citizens of Ontario would agree on what we want from our schools. We want our children to be safe, successful and happy, and we believe that school can be an important part of this. The majority of our students are successful in following this path. However, for a minority of students this can also be a rocky and difficult path for them. We want to really focus on those students especially. Hopefully, some of our recommendations may allow some of our students to achieve the goal of becoming healthy, productive and fulfilled members of society.

**Mr. Brian Church:** School boards in northwestern Ontario are suffering a continued decline in enrolment. One cause of this decline is the loss of jobs in the forest sector. Mill closures and cutbacks have a severe impact on many communities, and without these job opportunities young adults are leaving.

The shifting demographics and loss of young families in search of employment have resulted in fewer students

in our schools. With fewer students, the school boards receive less funding, which results in less money for supplies, less money for equipment, less money for staffing and particularly less money for supports for students with special needs.

Since 1998, school boards have not been able to raise money through local taxation but have been using the funding formula driven by the number of students enrolled. While the idea to create more equity in school funding across the province is laudable, treating boards equally does not always lead to more equity in the education delivered to the students.

With less money coming into school boards, and with many boards operating below their rated capacity, school boards have been forced to close some schools. These closures have torn apart communities built around school life, causing impacts greater than the mere loss of a building.

In Thunder Bay, the Lakehead District School Board was forced to close two of its six secondary schools. Meanwhile, other school boards, such as Rainy River, have buildings separated by large distances, ranging anywhere from 50 to 200 kilometres apart. Due to geography, these schools are forced to remain open but experience difficulty offering programs for all students.

With the recent changes to the distance schools grant from eight kilometres between schools to 20 kilometres between schools, boards with rural schools will see a further decrease in their funding. The loss of the local priority amount has dramatically reduced the flexibility of school boards, restricting their ability to make up for declining enrolment. We recommend that the local priority amount be reinstated to increase the flexibility of school boards.

Special education supports have also been reduced because of the loss of funding caused by declining enrolment. To reduce the amount of paperwork done by special ed teachers, the ISA grants were frozen at each board's current level several years back. That number has remained constant; however, with decreasing enrolment, the dollar amount that the boards receive will go down, and when the dollar amount goes down we may still have a great need for these supports; we may have a population that requires special ed support. So fewer of our special-needs students are receiving the support they need. We recommend that there be a base level of funding provided to boards for special education to protect against the effect of declining enrolment.

**1120**

**Mr. Terry Hamilton:** Another demographic shift in northwestern Ontario is the rise in the aboriginal population. According to the Canadian census, the aboriginal population in Thunder Bay rose 22% between 2001 and 2006. One of the reasons for this increase has been a number of families moving to Thunder Bay from remote reserves.

When those students come to Thunder Bay, unfortunately, their English-language skills are, on average, two years behind the students in the same grade level in

the same classroom. These students require extra supports that just aren't there. I was talking to a special education teacher yesterday who was talking about the fact that because those students aren't able to fully participate in school due to the language, and we don't have those transitional programs, we tend to lose those students very quickly. They realize that their needs aren't being met.

I think that many of these students are looking for family, they're looking for support, and unfortunately, some of those students are finding that in gangs. There has been a rise in gangs, largely in at-risk students, not just the aboriginal population; I'd say all of our students. Those alienated youth are causing safety issues in our schools. To prevent this, we have to have the appropriate programs for those students in our schools.

One of the ways to keep some of those students engaged is with the technical and vocational classes, which we don't have as much as we had in the past. We actually closed two vocational schools here in Thunder Bay back in the 1990s. Those resources were never replaced in the other schools. We recommend that funding for technical-vocational education should be increased for both the operation of current programs and the construction of additional facilities. In addition, we recommend funding for transitional programs for aboriginal students and increased funding for counselling services for high-risk students.

Another issue that we have is the fact that our funding is based on student population. It's turned into a full-time-equivalent amount. Students are supposed to take 7.5 credits on average per year, so they take this FTE and multiply it by 7.5, and that's how school boards receive most of their funding. Unfortunately, in secondary schools in Thunder Bay, our students are actually averaging more than 7.5 credits per year. In 2005-06, I believe it was 7.77, and in 2006-07 it was about 7.85. This means that there's a loss of somewhere between 3.5% and 4.5% in the amount of funding that the board should be receiving, because those students are still generating classes, due to the 22-to-1 average, but the boards aren't being compensated for the extra classes that have been created by students wanting more education when they're in high school.

**Mr. Brian Church:** An issue arises in the smaller areas as well with the 22-to-1 ratio—22 students per teacher—calculated on a board-wide average. In my district, we have three very small remote schools and one larger school with approximately 1,000 students in the centre of the district. In order to offer the programs at the smaller schools, many classes are run with much less than 22 students, or a small number of students in the classes; there are some classes of 10 and 12. As a result, the one large school in the district ends up—we still meet our 22-to-1 average, but in Fort Frances High School this year 23.6% of our classes are one over the negotiated cap. So some way to deal with this small-district issue could be looked at. Funding for a few additional teachers

in the large school or some way to deal with the inequities that are caused by the geography would be nice.

We recommend that school boards receive funding for each credit that a student takes. In addition, the funding formula should provide for the unique challenges faced by boards with geographic inequities.

Another issue: Recently the Julian Falconer report was presented, which dealt with the shooting incident at a high school in Toronto. This has heightened everyone's awareness regarding school safety, and it's certainly been in the news. Although the issues in an inner-city school in Toronto are much different from those in a small community in northwestern Ontario, one idea that has been bandied about is increasing the number of adults in the schools. We believe that increasing the number of adults in schools across the province would have positive effects as far as safety is concerned. At-risk students could be involved in early-intervention programs or alternative education programs that are more suited to their interests and abilities if we have the staff to deal with it.

All staff members must be part of the solution. The entire staff must receive training regarding bullying prevention. A program funded by the Ministry of Education, Safe@School, was created by the Ontario Teachers' Federation, and it is an excellent start, but it must be enhanced to ensure that all staff are properly trained in dealing with bullying. We recommend that school boards be able to employ and properly train the appropriate staff to improve safety in the schools.

**Mr. Terry Hamilton:** In conclusion, we firmly believe that our public schools deliver a great education to most of our students. However, most is no longer good enough. Additional supports are needed to allow all our students to succeed. Further, northern Ontario needs extra support to ensure that our students have the same opportunities as students elsewhere in the province.

**The Chair (Mr. Pat Hoy):** Thank you. This round of questioning goes to the official opposition.

**Mr. Ted Arnott:** Thank you very much, gentlemen, for your presentation. I found it very helpful and enlightening. I want to commend you for coming forward to talk about the concerns that exist amongst your members and amongst the people who support public education in Thunder Bay and the northwestern Ontario area.

I want to ask you about the local priority amount that you made reference to on page 2 of your presentation. Do you know how much, for example, the Lakehead District School Board was receiving annually through that grant, and how much they're losing out now because they don't get that money?

**Mr. Terry Hamilton:** That's something I probably should have looked up, but it was removed a couple of years ago. I know that grant was one of the things that allowed school boards to have some kind of flexibility in terms of delivering programs, and there was a shift—I believe it was in 2005-06—that took away that part and also took away part of the demographic component of

another grant that was also helping us in northern Ontario and provided some flexibility.

**Mr. Ted Arnott:** I would agree with you that there needs to be some provision for local differences and local priorities in the funding formula. I would hope that the Minister of Education as well as the Minister of Finance will be pushing for that.

You indicated that two high schools have closed in Thunder Bay, so I assume you've got four left.

**Mr. Terry Hamilton:** Yes.

**Mr. Ted Arnott:** You also talked about the gang issue. Is it an issue that is arising at all of the four existing high schools, or is it particularly pronounced at one or two of them? What would you tell us about that?

**Mr. Terry Hamilton:** I think there's probably some kind of gang involvement at all four schools in the public system, which I represent, as well as the two secondary schools in the local Catholic system. A couple of schools probably have more students involved in gangs than others, but I don't think there's a huge difference between schools. Certainly it is a concern. I don't think that it's a huge concern, but it's an indication of where we're going and where we don't want to head. The sooner we can start to change that direction to keep those students involved—so that they're not alienated and feeling that they find this community, unfortunately, with gangs.

**1130**

**Mr. Ted Arnott:** I was following along as you were making your presentation, and I think you added an ad lib about the distance provision between schools, the number of kilometres and the change in the funding. Could you enlighten us a bit more about that and the concern you have with respect to that issue?

**Mr. Brian Church:** I believe it was a couple of years ago that there was a distance provision put in so that if schools were further than eight kilometres apart, there was additional funding provided to the board in order to deal with the transportation and the distance issues. Recently the number has been increased, and now they must be more than 20 kilometres apart. For a small community like Fort Frances, we have a number of schools, elementary schools particularly, spread around the surrounding area that were much further than eight kilometres. But now that more of them fall within the 20-kilometre range, the amount of money that will be coming to our board to deal with the distance issues will be decreasing significantly.

**Mr. Ted Arnott:** Which makes it harder and harder for your board to keep rural schools open, I'm sure.

**Mr. Brian Church:** Yes.

**Mr. Ted Arnott:** That's interesting, because in 2003 the Liberal Party campaigned on a number of promises, one of which was to keep rural schools open. If they're changing the funding formula to make it more difficult, obviously that's something the people need to know about.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

## PIC RIVER ELEMENTARY SCHOOL

## PIC RIVER PRIVATE HIGH SCHOOL

**The Chair (Mr. Pat Hoy):** Now I call on the Pic River Elementary School and Private High School to come forward, please. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I'd ask you to identify yourselves for the purposes of our recording Hansard.

**Ms. Alison Hemingway-Rayasi:** Good morning. I'm Alison Hemingway-Rayasi.

**Ms. Lisa Michano-Courchene:** I'm Lisa Michano-Courchene.

**Ms. Sarah Robinson:** I'm Sarah Robinson.

**Mr. Joshua Leclair:** I'm Joshua Leclair.

**Ms. Alison Hemingway-Rayasi:** I'm the principal of Pic River Elementary School, Pic River Private High School and a full-time grade 5-6 teacher. This is not something we're used to doing, so we're all feeling kind of nervous this morning. It's very new to us but it's something we feel very passionately about.

I've been a teacher for 26 years. The last 11 of them have been in Pic River. Our First Nations elementary school has 60 students, from JK to grade 8. We also offer Ontario Ministry-of-Education-approved programming at our private high school, which is for adult students and students who have not been successful in the mainstream system.

Lisa has the next part of our presentation.

**Ms. Lisa Michano-Courchene:** Thank you for allowing us to make a presentation on behalf of First Nations schools in Ontario. Although we work in a federally funded school, we feel that it's important to make the provincial government aware of how a lack of funding by the federal government impacts the provincial budget.

First Nations people are the fastest-growing population in Canada. According to Statistics Canada, between 1996 and 2006 the aboriginal population grew by 45%, compared to 8% for non-aboriginal Canadians. The third national survey of First Nations people living on-reserve states that in 15 years, First Nations students will represent 25% to 50% of the entire elementary student population in several provinces and territories. Presently, there are approximately 40,000 First Nations students attending post-secondary institutions across Canada, with only a 9% graduation rate.

First Nations people have an inherent right to a quality education. The federal government has a financial responsibility for First Nations education. The government has not modified its educational policies for over two generations. The money provided for the education of First Nations people is far below provincial standards. It is this exact situation that affects the provincial budget.

The funding formula used for on-reserve schools has not been indexed for an increase in 20 years. Current Indian and Northern Affairs Canada funding completely ignores costs related to school libraries, vocational training and follow-up of provincial reforms, which have a significant impact on the curriculum. There is no

money in place for support measures such as numeracy, literacy, character education, oral language, music and health, and physical education. The formula ignores costs related to programs for protection, revitalization and conservation of aboriginal languages. Teachers who work in First Nation schools receive 30% less salary than their provincial counterparts. It is no wonder that reserve schools have a high teacher turnover rate and hire inexperienced teachers in order to save money. Eventually, as our students leave and enter a provincial high school, they often experience difficulty both academically and socially. Their problems then become the problems of the provincial school system.

According to the United Nations Human Development Index, Canada is ranked number 1, yet First Nations people in Canada rank 64th. Canada is failing the neediest children in the country. Current funding for special-needs children in the elementary schools on the reserve is not based on needs but simply based on student population. A recent survey shows that 30% of First Nation students should be identified as special needs. Article 23 of the UN Convention on the Rights of the Child states that children have the right to special education and care if they have a disability so that they can live a full life. The lack of funding for special needs means that students do not have access to early intervention, speech and language pathologists, psychometrists, occupational therapists, physiotherapists and child development workers, access that could otherwise improve the educational success of these students. First Nations schools have the highest proportion of students at risk. These at-risk children eventually become the problem of the provincial education systems once they reach high school.

There has been a 2% cap on post-secondary funding since 1996-97. Close to 3,000 aboriginal students have been denied funding for post-secondary education this year. This shortfall for post-secondary students is \$724 million. By 2018, Canada will lose billions of dollars in lost productivity in labour growth as only 52% of aboriginal students graduate compared to 70% non-aboriginal. Almost half of Canada's aboriginal population live in urban areas off reserve where there are more opportunities to be part of the workforce and contribute to local and provincial tax bases. However, without proper education and training many will become a financial burden for the province. Welfare is 20 times more expensive than a university education.

First Nations people are above the national average of users of the health care system due to a number of health-related issues including obesity, diabetes, substance use and abuse and depression. Many of these problems can be prevented by early intervention, not only through the health system in First Nation communities but also the education system. Such things as adequate gym facilities, sports and recreation equipment, trained health and physical education teachers and mental health counsellors available in school for students could potentially decrease the health problems that many First Nations

experience. Healthy children will become healthy adults who will be less of a burden on the provincial health care system.

Success for aboriginal people means that substantial intervention in First Nations education is needed now. We need the voice of all Ontarians, particularly those in political office, to demand that the federal government live up to its responsibilities.

Thank you for your time.

**Ms. Alison Hemingway-Rayasi:** I didn't let you know that Lisa is our grades 7 and 8 teacher. She's also a First Nations person, a member of Pic River First Nation. The other two people who are with us are students who have been through our school system and are now about to graduate from Marathon High School. They would like to add to our presentation.

**Mr. Joshua Leclair:** My name is Joshua Leclair, and like she said, I went through the education system on the reserve from kindergarten to grade 8. Throughout my elementary career, I excelled in what was offered, but when I made the transfer from elementary to high school, I lacked in math, science and English, and this made me feel, I guess, kind of stupid compared to the provincial standard, which is 80%, right?

I was in the academic stream. There are not too many First Nation students in that education, so I also felt lonely and isolated. This made me feel like I should drop back and be with my friends, but instead I stayed in the academic stream.

This is a little nerve-racking.

1140

Now I'm in my last year of high school, still in the university stream of education, and I will be going to university in the fall. So as a successful First Nation student, I feel it's a responsibility for me to speak on behalf of the younger First Nation students. I think of my sister, how I hope she has the same opportunity as everybody else in the provincial system. I don't think that First Nations aren't capable of doing the work, it's just that we don't have the resources to do it in the elementary school. If we had those resources, I think we could thrive and better our culture and revitalize it collectively.

I think that's all I've got to say. Thank you.

**Ms. Sarah Robinson:** Good morning. My name is Sarah Robinson, and as a student, I would like to take the opportunity to talk to you about the transition from a federally run to a provincially run school.

I'm a senior at Marathon High School, and getting there wasn't easy. I graduated from Pic River Elementary School at the top of my class. I was a straight-A student and class valedictorian in my grade 8 graduating class.

I entered Marathon High School and in the first year I found out that I had a reading and comprehension disability, which wasn't found throughout elementary school. So for the first year I was very discouraged and lost; I didn't know what to do. I found myself needing tutors and help in most of my subjects after grade 9.

I'm not only a student; I am a mother of a son who's going to be entering school in the fall. Since I live in Pic River, there are no buses to take elementary children to Marathon to attend the provincially run schools. He will have to start his education at Pic River Elementary School, which I should be proud of, but it saddens me to realize that my son will more than likely have to go through the transition I did—elementary to high school—and the same with all the other children from Pic River.

I want to thank you on behalf of everyone here for taking the time to listen to our concerns. This is a serious issue. It is our education, our lives, and the first steps of who we will all be tomorrow. It is our responsibility to do what is best for the younger generation, and I feel that this is the start of it.

**The Chair (Mr. Pat Hoy):** Thank you, and now the questioning will go to the NDP.

**Mr. Michael Prue:** Thank you very much. You are describing, all of you, a problem that has existed for far too long. It has been a problem that most recently has shifted from a complete federal responsibility to people rightly asking, "Aren't we citizens of the province too?"

It would seem to me, and I want your comment on this, that there are really only two ways that we can proceed to make education better for the students of First Nations. One is to have the province subsidize the federal government operation of the schools so that there is enough money and it's brought up to the same standard. The second one is to, quite frankly, have the province do all of the education and have the First Nations have their own school boards, run their own schools, and run them as provincial institutions. I don't see any way out other than those two.

Have you given any thought to what you'd like to see in the future? Obviously, the old way doesn't work.

**Ms. Alison Hemingway-Rayasi:** We've given a lot of thought to it and my main concern is that through the treaty process and various things that have happened in the past, it is an inherent right of native people to get an education, a quality education, provided by the federal government. It is their responsibility, and they need to start stepping up and carrying through on their responsibilities. It would be very nice if what you're suggesting could happen; however, it is their responsibility, and they would like nothing better than for our school to close and for our children to be shipped to Marathon. They would pay for it; they would pay your going rate for our students. But that's not what the First Nation wants for the students. Lisa can probably speak better about that.

**Ms. Lisa Michano-Courchene:** Also, the possibility of the province taking over, so to speak, the education on-reserve means that we will have to follow provincial standards, provincial curriculum, and our First Nation does that. We do follow provincial standards because our kids still have to make that transition into a provincial school. Also, there needs to be a doorway because we need to be able to incorporate First Nations language, culture and traditions within our school system. I'm not

quite sure if that's something that would be open if it fell under provincial standards.

**Mr. Michael Prue:** I'm sure. The Pic River First Nation: What is the language group? Are you Cree or—

**Ms. Lisa Michano-Courchene:** It's Ojibway.

**Mr. Michael Prue:** Is Ojibway widely spoken in the community, or is it mostly from older people?

**Ms. Lisa Michano-Courchene:** There are approximately 450 people living in the community right now; a handful—20 people—speak it fluently, so we're very close to losing our language.

**Mr. Michael Prue:** Is it being taught, I hope, in the schools?

**Ms. Lisa Michano-Courchene:** Presently, not right now. There is no funding in place to do that.

**Mr. Michael Prue:** In Toronto, where I come from, they have languages taught—virtually every language—to children so that they don't lose it. It can be anything from Greek to Farsi to Punjabi; it's all taught. I think the province has a pretty good record on that. Why are you a little reluctant that the province would help the people retain the language?

**Ms. Lisa Michano-Courchene:** Some of the things we do in the school system now without having to, even though we do follow provincial curriculum—there are things that we do, like take the kids out rabbit snaring and moose hunting and things like that. I'm sure there are rules and regulations in terms of whether that's allowed—I'm not sure—in provincial school systems. Sometimes afternoons are filled with elders coming in from the community to the school systems. Whether it fits the curriculum or not—

**Mr. Michael Prue:** It's still a good idea.

**Ms. Lisa Michano-Courchene:** It's still a good idea, and sometimes there are certain individuals that could be very particular about making sure it does fit somewhere in Ontario curriculum, but because we're under the federal government, we don't really have to stick to it, so to speak.

**Mr. Michael Prue:** It's not a question, Mr. Chair, but just to the students: Congratulations. It's been tough, I know, but you've done a good job here today presenting yourselves.

**The Chair (Mr. Pat Hoy):** All the best to you, and thank you for your presentation.

#### THUNDER BAY AND DISTRICT INJURED WORKERS SUPPORT GROUP

**The Chair (Mr. Pat Hoy):** Now I call on the Thunder Bay and District Injured Workers Support Group. Come forward, please. Good morning, gentlemen. You have 10 minutes for your presentation. There might be five minutes of questioning. I would ask you to identify yourself for the purposes of our recording Hansard.

**Mr. Steve Mantis:** Thank you very much. My name is Steve Mantis. On my left is Robert Larocque, and on my right is Eugene Lefrançois. We're all members of the Thunder Bay and District Injured Workers Support

Group. We are a group of injured workers with no core funding; just run by donations and volunteer effort. We were formed in 1984 to try to both help injured workers with education and support and to engage in dialogue to try to make the system work better for all injured workers in Ontario.

**1150**

I want to give you a little bit of a background about the status of injured workers in Ontario. As you probably know, there are about 350,000 claims each year; that is, claims to the compensation board, not the number of injuries. The research is showing that probably the number is close to double that in Ontario. Of those each year at the WSIB, there is somewhere in the range of 12,000 to 15,000 workers that they certify as having a permanent disability or a permanent injury. Collectively in Ontario, there are about 343,000 workers still living who have been certified by the WSIB as having a permanent disability.

One of the issues we have been trying to raise with the compensation board for the last 20-something years is to track outcomes of workers. The organization has refused to do that, and of course we would hope that the Legislature is there to hold them accountable for the work they do or don't do. But some research that has been done has shown that somewhere between 50% and 80% of that group of permanently disabled workers are chronically unemployed and living in poverty. This is a system created by the Legislature of Ontario and monitored by the Legislature of Ontario to compensate, to look after people after they become injured in work. The system does not keep track of what happens, but we have been engaging for some years with researchers trying to understand the situation, and consistently, the numbers of chronically unemployed are well over 50%.

We bring a range of issues to you because we've been a little bit confused about what is the role of the budget. Last year, the budget bill, Bill 187, covered many different issues in Ontario society and led to some changes in the Workplace Safety and Insurance Act. The issues that we want to bring today are basically about poverty. We would like to see this budget set a priority to reduce and eliminate poverty in Ontario. We're one of the richest jurisdictions in the world and we have a large portion of our population living in poverty.

Certainly under the previous government, under the Mike Harris government, we had an effort to victimize those people who are most vulnerable in our society. The cuts that were made to provincial welfare, disability payments, and WSIB have left a large portion of these people struggling in their lives and in dire need. Numbers from the Canada census: If you have a disability, it's improved, but 55% will be unemployed.

A study was recently done in Toronto of homeless people: 57% of the people that they interviewed had been hurt at work, had a workplace injury. The research didn't say that that was why they ended up homeless, but that was one of the steps on the path that led them to homelessness.

We're recommending substantial increases in Ontario Works payments, in ODSP payments and to have the compensation system reflect reality. The system that we have now in place is called a wage-loss system that's supposed to cover lost wages; it doesn't do that. The vast majority of people with a disability recognized as a permanent disability get nothing on a long-term basis, and yet the research consistently shows that somewhere between 50% and 80% of them are chronically unemployed. So the system, whether it's the way you guys set it up or whether it's the way it's administered, is not reflecting the reality that workers face.

We've just done a little survey here in Thunder Bay, looking at our members. We found that 42% of the people we interviewed who were injured at work were on either Ontario Works or ODSP. The system is shifting the cost from a system that's supposed to be paid by employers on to the public purse. Thirty per cent of the people interviewed use food banks, 20% use shelters, 78% are unemployed, and 68% are depressed. All of these things are costs to the public system that have been shifted away from where they're supposed to be. The system is supposed to look after workers when they become injured and disabled, and it's shifting on to the public purse.

**Mr. Robert Larocque:** As Mr. Mantis said, the WSIB system is not paying what it should be. As a matter of fact, when somebody makes a claim, we've seen in the claim file where the adjudicator has asked, "Have you filed for ODSP? Have you filed for OW?" That's fraud. To give more money to the province, you need to eliminate fraud. To eliminate fraud, you have to say to the WSIB, "This is your health care bill; you pay it." I'm one of the people who caused the fraud. I had to go to the hospital because I had a permanent impairment, and most of the time, if I didn't say that it was WSIB, it was billed to OHIP. When an injured worker has a short-term or long-term disability, they have to sign an assignment right away, but they don't sign an assignment to pay back OHIP. If OHIP would take that money back, the province would have a lot more funding to go to different groups—and let WSIB pay their own bills.

One more way that you can save money is the last bill, Bill 187, which says that we, as volunteers, now cannot represent people at the tribunal or at appeals. If we want to, we have to be licensed and carry errors and omissions insurance, which can range up to \$8,000. We would be exempt from that if we were funded by WSIB, but we're not funded. The interpretation of "injured workers' group" has to be changed under Bill 14. They have to take away the interpretation of an injured workers' group being okay as long as they're funded by WSIB. That way, we can help people who are injured. If we don't help them, they'll end up going to the Office of the Worker Adviser, which is funded by the province, or they'll end up in a different system, legal aid, which is funded by the province. Kinna-aweya Legal Clinic is funded by the province. You're spending money where WSIB should be spending the money. Don't pick up the tab for WSIB anymore.

**Mr. Eugene Lefrançois:** I just want to know how many here pay insurance. Probably all of you guys pay insurance in one form or another, right? It's just a straw poll.

Ontario will spend whatever it takes to help an injured worker recover to his or her maximum recovery. You need a new arm? They'll give you a new arm. You need a new leg? They'll do whatever it takes. But once you're healed and unable to work at your previous employment, Ontario will spend whatever it takes to deny you health care, education and adequate income. To me, there's something wrong with that.

Ontario will also spend whatever it takes to give rebates back to the employers who pay into this—not all employers; the little guys always have to pay. It's the big employers that never have to pay. That's why I ask how many of you never had an insurance claim and how many of you already got your rebate cheque back. None, right?

To be fair, make all users of an insurance scheme, regardless, receive rebates back if they don't file a claim. So I'm going to expect my cheque in the mail from you guys, my rebate cheque for insurance if I never have an accident. Or if I don't file, my house doesn't burn down, I want my rebate cheque.

**1200**

Also, charge all employers who do not employ injured workers if they have the qualification. Bob already hit health care; Steve talked about homelessness. If you charge the employers—charge them. Don't be scared. You guys have the power, or you supposedly have the power. Do it. When you got your big 25% increase, I got my 0.01%. I was looking at the scales there; it didn't add up. That's all I have to say.

**The Chair (Mr. Pat Hoy):** Thank you. Your time is over, actually, by about 30 seconds, but that's all right.

**Mr. Eugene Lefrançois:** Thank you for allowing me.

**The Chair (Mr. Pat Hoy):** Now we'll go to the government. Mr. Arthurs.

**Mr. Wayne Arthurs:** Gentlemen, thank you for your presentation and the work that the workers' support group has been doing for almost 25 years, I guess, since it started in 1984. It's certainly an important part of the community in the context of providing mutual support and information to injured workers and to those who find themselves with a permanent disability as well.

In the last budget, you mentioned there were some adjustments, and one of those was some increases in the WSIB payments. It was 2.5% in three instalments over about 18 months, so it made a fairly significant change in that way, which is probably about twice what occurred in the dozen years prior to that. It's at least an acknowledgement by government that there is a need. We're trying in some fashion to address that as best as one can.

Steve, you started the presentation by saying that you really wanted to talk about the issue of poverty. The Honourable Deb Matthews is chairing a cabinet committee to look at a poverty strategy. I very much hope you will have the opportunity in some fashion, through your organization, to input into that consultative process

that she'll be taking responsibility for to ensure that injured workers also are getting their voices heard within the context of that work, so it's not just—sorry, not “just”—so that the focus isn't solely on other groups, whether it be children or others. There are specific needs in the community and we need to ensure that the full range of discussion occurs at that point in time. Do you have any further advice for us at this point in the context of the poverty strategy that you would like to see addressed in that regard?

**Mr. Steve Mantis:** Yeah. To put the context on those 2.5% increases: You're right; it is technically over 18 months. It's really over three years because the one was in 2007, the next is in 2008 and the third is 2009.

If you average out what inflation has been, it has been about 2.5%, so really what it's doing is keeping us even for that three-year period. We have lost 29% just from inflation since 1995. Those three years means that we're just breaking even now. So here you've got people who are living in poverty.

This last week I was in Toronto—we had meetings—and here were some of the injured workers who got that 2.5% increase, and here's their cheque. They're unemployed. One guy goes to the food bank every day because he can't afford—he's on ODSP—to pay for food, and he's got this cheque now that has an increase. What that does for him is nothing, other than he now has to report this to ODSP, ODSP subtracts that from his payment, and it just gives him a headache. He's no further ahead at all.

So when we look at, “Yes, this is a nice increase,” what really happens to real live people who are living in poverty? It means nothing at all. He was calling it Monopoly money: “Look, I got another \$5, but what does it do for me?” It does absolutely nothing except make his ODSP maybe be delayed because he's got a different amount to claim than he had last month.

In terms of the strategy, I think we need to restore benefit levels at least for ODSP and OW. Let's make up that 22% that was cut and let's look at the inflation. Let's look at what really is happening. Our poverty line is somewhere around \$20,000 for a single person. On welfare you get, what, \$6,000 a year?

**Mr. Eugene Lefrançois:** I have a family of five; I get \$17,000 a year.

**Mr. Steve Mantis:** Do any of you think you can live on that? If you've got a disability and you've got all kinds of extra costs, jeez, maybe you'll make \$11,000 a year. Do you think you could live on that? Could you pay your rent on \$11,000 a year?

Let's face reality here. Is it your idea to keep people down and not let them out? Is that the kind of society we want? Let's at least share the wealth in our province. The rich are getting richer and richer, and what are we doing to the poor people? This is what we're doing.

**The Chair (Mr. Pat Hoy):** Time has expired. Thank you for your presentation, gentlemen.

**Mr. Steve Mantis:** Thank you very much.

## ONTARIO DISABILITY SUPPORT PROGRAM ACTION COALITION

**The Chair (Mr. Pat Hoy):** Now I call on the Ontario Disability Support Program Action Coalition to come forward. Good afternoon. You have 10 minutes for your presentation. There may be five minutes of questioning following that. I would ask you to identify yourself for the purposes of our recording Hansard. You can begin.

**Ms. Andrea Luey:** Hello, my name is Andrea Luey. I'm a lawyer at Kinna-aweya Legal Clinic.

**Ms. Janice Cerra:** Hi, my name is Janice Cerra. I'm an injured worker and have been living on ODSP and CPP for 21 years.

**Ms. Joy Asham:** My name is Joy Asham, and I've been on ODSP now for five years. I was a worker all my life.

**Ms. Andrea Luey:** The ODSP Action Coalition is a province-wide coalition of community agencies, provincial organizations, anti-poverty groups, legal clinics and, most importantly, ODSP recipients themselves. Our aim as a coalition is to advocate for improvements to ODSP so that people with disabilities can live with dignity.

We are here today to ask you to consider the following. The government's commitment to developing a comprehensive poverty reduction strategy is crucial to the future economic and social well-being of this province. Poverty results in increased costs for our health, education and justice systems. Investing in a meaningful poverty reduction strategy with clearly defined targets must be a priority. The poverty reduction strategy must include measures to address the needs and barriers that condemn so many people with disabilities to a life of poverty.

People with disabilities and the organizations that work with them know what the barriers are and what solutions are needed. Therefore, these groups must be included in consultations to develop the specific targets and policies to achieve the goal of reducing poverty in this province. Consultations must be adequately funded and accessible in every way to support real and meaningful input from people with all types of disabilities.

**Ms. Janice Cerra:** Raising support levels of ODSP and OW to cover the true costs of living: In 2008, the government needs to do more than just study poverty and wait for the results before beginning to act on poverty reduction. Workers from charities to municipal governments have called upon the province to provide incomes allowing people on social assistance to eat nutritional meals and maintain safe and adequate shelter.

Presently, a single person on ODSP can receive a maximum monthly benefit of \$999 to live on. This includes the most recent 2% increase. This must cover rent, utilities, food, transportation, clothing, household and personal needs and, often, additional related costs to their disability that are not covered by benefits. These rates fall far beneath the poverty line. Although it is most difficult for anyone to manage on this amount of income,

it is much worse for people with physical or mental disabilities, chronic or psychiatric illnesses. Their poverty often exacerbates their condition. The fact that so many people with disabilities are struggling to survive in poverty is an issue that receives little attention. This may be because of the long-standing myth in our society that the government provides for our disabled citizens. But this is just a myth.

People on ODSP get a maximum of \$445 a month total for shelter. This includes utilities. This is far below the average rents for a bachelor and a one-bedroom apartment, which range from \$222 to \$462 above that amount provincially. Many people are forced to dip into their basic needs allowance to offset their shelter. The little that remains has to cover everything else. Forty per cent of food bank clients have disabilities. There's nothing left for emergencies, participation in community events or a decent haircut.

#### 1210

If the government is really committed to reducing poverty, these rates must reflect average market rents as reflected by CMHC, an average cost of a nutritional food basket as determined by municipal boards of health, and include money for all other basic needs, such as transportation, a basic telephone, and utilities. An increase of double-digit percentage to social assistance rates in this budget would go a long way in illustrating that your government does not plan to leave these vulnerable recipients behind.

(3) An independent committee should be established to develop rational and just criteria for setting social assistance rates. An ODSP individual receives \$554 a month to cover their basic needs. No government has ever spelled out exactly what basic needs that amount is intended to cover. These rates are based on an arbitrary figure. From 1993 to 2005, there was no increase to ODSP and a huge cut to OW rates.

Recently, the government gave increases less than the current inflation rate. I personally received \$930 in 1987 and only receive \$999 now, and that's 21 years later. That's only \$69 a month over that length of time.

Creating an independent committee that includes people on social assistance and anti-poverty and disability groups would help ensure that the criteria developed reflect the true needs of individuals and families on social assistance.

**Ms. Joy Asham:** Increase the amount that ODSP recipients can earn before deductions. Ontario ODSP recipients are often workers. We want to work. At the present time, if an ODSP recipient works part time—and many do—50% of their earnings are clawed back from their monthly ODSP income. The clawback makes it very difficult for people on ODSP to lift themselves out of poverty, since they are only keeping half of what they earn. We are asking that ODSP recipients be allowed to keep at least enough of their work income to get them up to the poverty line before their earnings are clawed back. A flat-rate exemption of \$430 per month before the 50% tax-back rate would be a good start. Surely Ontarians

agree that disabilities should not be a life sentence to poverty; yet with the ODSP rules the way they presently are, that is often the case.

**Ms. Andrea Luey:** We are also calling on the government to increase the Ontario child benefit and roll it out more quickly so that it actually benefits those who need it most. The government has committed to implementing this benefit as of July 2008 and increasing it gradually from \$50 per month per child to \$92 per month per child by 2011. While we have been assured that families on OW and ODSP will be better off as a result of the new benefit, the amount they will actually get is significantly less than it appears. This is because, also as of July 2008, monthly ODSP and OW benefits for families will be reduced, and families will no longer receive a separate winter clothing allowance or a back-to-school clothing allowance, on which they desperately rely.

Thus, the new Ontario child benefit will not make a positive difference for families on OW and ODSP who live thousands of dollars below the poverty line. As of 2006, a single parent on ODSP with one child lived 23% below the poverty line and a single parent on OW with one child lived 47% below the poverty line. Families on OW and ODSP desperately need the full amount of the new benefit as quickly as possible, and the benefit should also be increased without a corresponding decrease in social assistance rates.

**Ms. Joy Asham:** In conclusion, in this budget the ODSP Action Coalition respectfully calls on the government to:

- provide public consultations to develop a broader anti-poverty strategy and ensure there is adequate funding so that people with disabilities and other low-income people and the organizations that work with them can participate;

- make sure that all poor people benefit from the broader anti-poverty strategy that is developed, including people without children, such as single people and childless couples who rely on Ontario Works or ODSP for their income;

- announce a double-digit percentage increase to OW and ODSP rates as a down payment on a commitment to ensure that social assistance rates reflect average market rents, the average cost of a nutritious food basket, and include money for all other basic needs such as transportation, telephone and utilities;

- index Ontario Works and ODSP rates to inflation;

- create an independent committee that includes people on Ontario Works and the Ontario disability support program and anti-poverty and disability groups to advise your government on rational and just criteria for determining Ontario Works and ODSP rates in the future;

- let ODSP recipients keep at least enough of their work income to get them up to the poverty line before their earnings are clawed back;

- increase the Ontario child benefit and make sure that it gets to the families sooner than 2011.

**The Chair (Mr. Pat Hoy):** The questioning will go to the official opposition.

**Mr. Tim Hudak:** Thank you very much for the presentation and the comprehensive list of recommendations.

There are a number of topics I want to pursue, one of which is affordable housing. The government had made a promise, I think, to increase the number of social housing units by some 20,000 across the province. How close have we come to that goal?

**Ms. Joy Asham:** From what I understand, most of the increases are down in the south, and they also do not match anywhere near the projected market, never mind the present market.

**Mr. Tim Hudak:** I should ask, more fairly, about the northwest. Have we seen any increase in the northwest area?

**Ms. Joy Asham:** Not at all. In fact, we're also losing chronic care hospital beds up here.

**Mr. Tim Hudak:** You had mentioned as well the clawback of the federal benefit. Similarly, the government had promised to eliminate that clawback. I don't think that's actually been accomplished as yet. Is it a promise that should be pursued, or are you willing to take their excuse?

**Ms. Andrea Luey:** There obviously have been some starts, but it's still inadequate. Today we're focusing on the provincial budget and the announced Ontario child benefit, and I think our recommendations on that are pretty clear and understandable. As it is right now, if it were to proceed as promised, it would not, in reality, assist families on ODSP with children.

**Mr. Tim Hudak:** You also make an important point about reducing the disincentives to work for people on ODSP. Another important part of that is making sure that we do have the appropriate job opportunities. What advice could you give the committee in terms of helping create job opportunities?

**Ms. Janice Cerra:** I would like to address that. That's a big pet peeve of mine. The service providers need to really be revised as far as the kinds of opportunities they don't provide for people who are on disability. There's not enough of a range for the kind of training that people are getting. There are not enough jobs up here in the Thunder Bay area for even the service providers to provide. I find up here in Thunder Bay especially that our ODSP office just doesn't have the amount of service providers available. Not only that, but there's a heck of a lot of money—far too much money—that's going from Comsoc into the service providers. Just as an example, that 50% that we get taken off—almost 25% of that can go to a service provider as an incentive for finding us employment. That's not really fair; they're gaining an additional 25% off of the piddly little amount that we're getting in order to find us work.

1220

I myself had a horrible experience. I was a year using—I don't know if I can use the name of the service provider, but they were from Toronto. Everything was over the Internet and the telephone, and in a whole year, all I earned was \$200, and then once you take off the 50%, I was ahead \$100. Then they turned around and

said that I had unique needs, which wasn't—it was just that I needed to be taught more. I needed a different way of teaching for what I was learning as far as my computer skills. They weren't prepared to give me that time.

**The Chair (Mr. Pat Hoy):** Thank you for your submission.

#### ONTARIO ASSOCIATION OF OPTOMETRISTS

**The Chair (Mr. Pat Hoy):** Now I call on the Ontario Association of Optometrists to come forward, please. Good afternoon. You have 10 minutes for your presentation. There may be up to five minutes of questioning. I would ask you to identify yourselves for the purposes of our recording Hansard.

**Dr. William Ulakovic:** Good afternoon. My name is William Ulakovic. I'm the current president of the Ontario Association of Optometrists.

**Ms. Barbara Wattie Fuller:** I'm Barbara Wattie Fuller, the executive director of the Ontario Association of Optometrists.

**Dr. William Ulakovic:** OAO is pleased to provide input to the 2008 pre-budget consultations being undertaken by the standing committee on finance and economic affairs.

One year ago, the OAO urged this committee to ensure that seniors, children and adults with sight-threatening diseases continue to have access to OHIP-insured optometric eye care services. We urged you to recognize the important role that optometrists play in the health care system and urged you to ensure that the government works with us to build a healthier Ontario.

The OAO would like to recognize the efforts made by this government to invest in the eye care services that millions of Ontarians rely on each year. A new agreement negotiated between the Ontario Association of Optometrists and the Ministry of Health and Long-Term Care is an important step in maintaining and improving eye care services for Ontarians still covered through OHIP, and we welcome recognition of the critical role played by optometrists in its delivery.

While welcome, there is still a need to address some historic shortfalls in OHIP funding for our services. OAO is looking to the government to renew its commitment to ensuring Ontarians have access to sight-saving eye care services when they are most needed.

With this in mind, OAO is putting forward pre-budget advice that aims to help the government build on the progress it has made in primary care and work towards its commitment to improving emergency care. Specifically, we are suggesting:

- that the government work proactively with OAO to incorporate optometric services as part of a comprehensive diabetes strategy;

- that the government fulfill its promise, working in cooperation with our organization, to extend the legislated scope of practice of Ontario's optometrists to include prescribing therapeutic pharmaceutical agents—

also referred to as TPAs—by reviewing the proposed draft regulations in a timely manner; and

—that the government continue building on its commitment to providing a comprehensive slate of family care services, including community-based eye care services.

I can certainly give you a brief background description of our provincial association. More information is included in your handouts. The OAO was founded in 1909 and is a voluntary professional organization that represents 1,200 registered optometrists in Ontario. As the designated negotiating body for optometry, the association proudly serves the profession by performing a variety of government advocacy, membership education and public awareness initiatives.

Optometrists are professionally educated and clinically trained to provide community-based primary eye health and vision care services. They provide regular eye care for patients of all ages to optimize people's vision and prevent vision loss through early detection and treatment of eye disease.

Preventing blindness and preserving vision is certainly a priority for Ontario's optometrists. Comprehensive eye examinations play a critical role in the early detection and diagnosis of sight-threatening disease.

To give you an idea of the importance of optometric services for Ontario, currently there is one optometrist for every 8,600 residents, compared to ophthalmology, which only serves one in every 30,000 residents. Optometric practices can be found in over 220 towns and cities across the province, including some remote areas, particularly in northwestern Ontario.

In 2006, Ontario's 1,400 optometrists provided primary eye care services to nearly two million Ontarians. Also in 2006, Ontario optometrists provided care to approximately 40% of our senior population, a group at risk for a number of sight-threatening diseases, including cataracts, glaucoma and age-related macular degeneration, also including the complications of diabetes.

Diabetes is a chronic disease that affects more than 700,000 residents in Ontario, a number that has doubled in the last decade and is expected to do so again by the year 2010. Patients with diabetes must be monitored regularly to ensure they do not lose their vision.

With respect to the 2008 budget, I would like to address three topics.

First, recognizing preventive eye care services as a critical component of a comprehensive diabetes strategy: In the decade between 1995 and 2005, the overall prevalence of diabetes in Ontario increased by almost 70%, rates that continue to increase. Within 20 years of the onset of diabetes, the majority of patients will develop some form of diabetic retinopathy, which is the leading cause of blindness among Canadians between the ages of 30 and 70.

Diabetes and its complications drive a substantial portion of our medical resources. While family physicians are vital in working with patients to control their diabetes, preventive eye care services provided by

optometrists to those at risk for vision loss help preserve sight and minimize the costs of future health care services.

Increasing pressures on access to care have been created by both greater demand for services and growing shortages among specialists, particularly ophthalmologists. Ontario's optometrists are key to ensuring that patients receive a timely diagnosis of the ocular complications related to diabetes and that they are referred for treatment at the optimal point in time. Year over year, OHIP data show almost a 40% increase in the number of services provided by optometrists to patients with diabetes across all age groups.

I can certainly tell you that in northwestern Ontario we have a large percentage of First Nations aboriginal peoples. The population is increasing, based on some of the recent StatsCan studies. They also have a very high prevalence and incidence of diabetes. We see those patients on a regular basis in our practice. I certainly see them on a daily basis. I think that problem will just continue to rise as the population increases in that group.

Given the government's commitment to developing a comprehensive diabetes strategy, OAO is calling on the government to work proactively with our association to include optometric services as a crucial component. By including comprehensive eye examinations in the government's plan, sight can be saved, particularly with our diabetic patients.

Secondly, I'd like to address the extension of our scope of practice to include TPAs. As most of you are aware, Bill 171 was passed this past summer, and also the Optometry Act from 1991 was amended. This act permits optometrists to provide medications to treat ocular disease and certain eye conditions.

In our view, this expanded scope of practice will allow optometrists to increase the capacity of the health care system to meet the needs of Ontario patients. It will also allow optometrists to respond effectively and efficiently to patients' needs while reducing health care costs by eliminating unnecessary referrals to other practitioners. It will assist the government in meeting its commitment to reducing emergency room wait times by keeping individuals with acute-onset eye disease such as iritis and conjunctivitis out of hospital emergency rooms and allowing them to seek treatment locally from their optometrist.

As I mentioned earlier, optometrists can be found in more than 200 towns and cities across the province, including many of our remote and underserved areas. With the growing shortage of physicians and specialists, optometrists are increasingly being relied upon to help manage eye disease in these communities. We certainly see that in northwestern Ontario.

### 1230

Therefore, OAO is calling on the government to work with us to develop and approve strong regulations that will ensure that Bill 171 delivers the broad health care benefits that Ontarians deserve, and thirdly, to continue to build on its commitment to providing a comprehensive

slate of family care services, including community-based eye care services for Ontarians.

Once again, OAO would like to recognize the efforts made by the government to address the need to adequately support primary eye care services. The new agreement negotiated between the Ontario Association of Optometrists and the Ministry of Health is an important step in maintaining and improving eye care services for Ontarians still covered through OHIP, and a welcome recognition of the critical role played by optometrists in its delivery. We are calling on the Ontario government to maintain its ongoing commitment to ensuring that community-based primary eye care remains available to all Ontarians.

To recap and to summarize, OAO is calling on the government to insert the following commitments into its 2008 budget: first, to work proactively with our association to integrate optometric services as part of a comprehensive diabetes strategy; secondly, to fulfill its commitment to extend the legislated scope of practice of Ontario's optometrists to include prescribing therapeutic pharmaceutical agents by reviewing the proposed draft regulations in a timely manner; and finally, to finalize negotiations with the association to develop new multi-year funding agreements for OHIP-insured optometric services.

On behalf of Barbara Wattie Fuller, our executive director, and the Ontario association, I certainly appreciate the opportunity to provide input through this presentation to the standing committee on finance and economic affairs. Thank you.

**The Chair (Mr. Pat Hoy):** And thank you. The questioning will go to the NDP.

**Mr. Michael Prue:** Thank you very much for travelling all the way. I guess you couldn't get in in Toronto so you came here?

**Ms. Barbara Wattie Fuller:** No, I came. Bill is from here.

**Mr. Michael Prue:** Oh, you're from here. Good; excellent.

This presentation—mostly what I'm seeing here is that the government has made certain commitments to the optometrists in the last couple of years, and you are simply, by way of this budget process, asking that they fulfill the promises that have been made. That's mostly what I read here. Is that correct?

**Dr. William Ulakovic:** Yes.

**Mr. Michael Prue:** Okay. The only thing that you're asking for in terms of additional funding, other than for the government to sit down and meet with you—and I found it here in page 4, the penultimate paragraph: "As the need for optometric services increases among patients with diabetes, additional funding must be provided to meet this demand and ensure these services remain available to those that need them." Have you given any thought to exactly how much money will be needed? This is the finance committee and we have to recommend additional funds and things like that.

**Dr. William Ulakovic:** Currently we've been undergoing negotiations with the Ministry of Health and Long-Term Care, and diabetes funding has been a big part of that negotiation process. With respect to the funding required, that number has been going back and forth even over the last couple of weeks. We just met with them yesterday, as a matter of fact. One of the items for discussion has been a diabetes premium that can be considered as an addition to the OHIP funding that is currently available for diabetics. Diabetics are covered at all ages with the new changes in the new OHIP agreement.

**Ms. Barbara Wattie Fuller:** I think one of our concerns, though, Mr. Prue, is that while there is budgeted growth year over year and perhaps a small amount in the volume delivery of services, because of the increase in the number of people with diabetes who need annual eye exams, they're going to have to find additional money if they want to meet the health care target of having those people have annual eye exams in order to save their sight.

**Mr. Michael Prue:** I understand that, but you are negotiating—

**Ms. Barbara Wattie Fuller:** I don't have a number for that. I just think that the small increases that are traditionally talked about in the 2% range will not cover the growth in the area of diabetic care.

**Mr. Michael Prue:** All right. So what we need to do, then, is to recommend an amount over and above normal inflation in order to cover the increase in people with diabetes to whatever amount that might be required.

**Ms. Barbara Wattie Fuller:** Yes.

**Mr. Michael Prue:** Okay. Thank you very much.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

#### NORTHWESTERN ONTARIO MUNICIPAL ASSOCIATION

**The Chair (Mr. Pat Hoy):** I call on, as the sub-committee has agreed to, the Northwestern Ontario Municipal Association. I note that at least one of you has been here since 9, but I'm compelled to tell you that you have up to 10 minutes for your presentation. Five minutes of questioning might follow. Identify yourselves for our recording Hansard, please.

**Mr. Larry Hebert:** I'm Larry Hebert.

**Mr. Rod Bosch:** I'm Rod Bosch.

**Mr. Iain Angus:** And I'm Iain Angus. We are here on behalf of the Northwestern Ontario Municipal Association. Larry Hebert is the co-chair of the energy task force, a councillor with the city of Thunder Bay and retired general manager of Thunder Bay Hydro—so a lot of experience at the municipal level in terms of utilities. Rod is the retired operating supervisor for Hydro One for northwestern Ontario and one of our technical—there we go. Magic.

Mr. Chairman and members of the standing committee, first let me thank you for adding us into your already heavy schedule. We appreciate the opportunity to

provide you with information that we believe will help the government of Ontario in developing the upcoming budget and your committee in evaluating it. We also want to thank the committee for once again recognizing the vastness of this province by holding separate hearings in the northwest.

We were going to concentrate on three items today in our oral presentation: taxation, forestry and energy. You have the document. It's fairly lengthy. I would encourage you to read it because we're going to concentrate on energy. I think that the questions that the official opposition were putting to Mayor Peterson indicated an interest in learning what it is we're talking about when we say that we're into a crisis in energy in the northwest. So we're going to do a bit of an overview for you to make sure that you understand what we are facing. But let me say at the outset that if no action is taken between now and 2014, when our two coal-fired stations will be closed, the northwest will not have enough electricity to run its industries or supply all of its homes. It's that cut and dried.

You may think those are harsh words, but if you examine the Ontario Power Authority's integrated power system plan, you will find that when the 517 megawatts of thermal generation are removed from the system, we will be short 310 megawatts, and only if there is a surplus available from southern Ontario will we be able to reduce that to a shortfall of 10 megawatts. The availability of such a surplus is not likely to occur, given the significant and ongoing demands in southern Ontario. If there's ever a blackout in the south again, we will not be protected like we were last time.

In the meantime, we have a load of 990 megawatts, according to the OPA—in all of this, we're using their figures—and that load is after a number of our energy-consuming pulp-and-paper mills have closed their doors or shut down parts of their operations. We believe that under the current systems, both generation and distribution, it will be very difficult to provide the necessary power to enable the conversion of over 200 active mining claims into functioning mines.

I'd like Rod Bosch now to walk you through the presentation that he made before the Ontario Energy Board last week in support of the city of Thunder Bay, the town of Atikokan and NOMA's intervention.

**Mr. Rod Bosch:** Call the first one up there, Iain.

We put together a slide presentation because it allowed me to graphically demonstrate to the Ontario Energy Board and the Ontario Power Authority last week specifically what we were talking about.

These are OPA—Ontario Power Authority—figures. We currently have a capacity baseload of 990 megawatts in northwestern Ontario. That's supplied by 517 megawatts of thermal generation by coal and an additional 680 megawatts of hydroelectric generation by water power, for a total of a 1,197-megawatt capacity to supply our baseload. It obviously leaves us with a surplus of 207 megawatts, which we traditionally ship eastward on the east-west tie lines through Marathon and Wawa.

**1240**

In 2014 we will still have this 990-megawatt baseload. We will have a 680-megawatt hydroelectric supply but no thermal. Our only alternative will be to transfer 300 megawatts of generation supply on the east-west tie lines into us, the exact opposite of what we do today. That will still leave us 10 megawatts short, and that doesn't allow for us in the future to have expansion of any loads up here whatsoever—no new industries; nothing. There's no recognition of that in the plan.

**Mr. Iain Angus:** I should point out, Mr. Chairman and members of the committee, that in the middle of your package you'll have a set of these slides in colour.

**Mr. Rod Bosch:** We should look at a worst-case scenario, something we just experienced for the last three years here in northwestern Ontario. Traditionally, they empty the watersheds during the wintertime and early spring in preparation for spring rains to fill the watersheds back up. But for the last three years, we've experienced drought situations and we've been down to 226 megawatts of hydroelectric supply, and we still have our 990 megawatts of baseload needs. So you would bring in 300 megawatts on the east-west ties; it still leaves us 464 megawatts short. If you brought in 300 megawatts from the Manitoba ties—and that's the maximum they can transfer as well—we'd still need 464 megawatts.

**Mr. Iain Angus:** Again, as we pointed out in the opening comments, we're not always guaranteed that there's going to be power available from the east because of the demands that are occurring there.

**Mr. Rod Bosch:** The other worst part about that is, once again, if we did have any expansion of load up here, we'd be in even more trouble.

One of the reasons that we've shown the 330 megawatts either/either is that in storm conditions the mode of operation is to zero the tie line to zero megawatts to protect it from tripping and causing even more problems. Our tie lines run from west to east, and strangely enough, that's the way the storms run: from west to east. So traditionally, if a storm comes in through Manitoba, the Manitoba ties would be zeroed, and as it moved eastward, the east-west ties would be zeroed, still leaving us with a huge shortfall in megawatts.

**Mr. Iain Angus:** Let me now ask Larry Hebert if he will talk about this phenomena called—I forgot the name of it—

**Mr. Larry Hebert:** Inertia.

**Mr. Iain Angus:** —inertia, which we've just now learned about in terms of the system in the northwest.

**Mr. Larry Hebert:** Thanks, Iain. Thanks again to the panel. "Inertia" is a technical term. I'm not going to get into the technical side of it too much, but basically it comes from within a hydro system from a couple of sources: Generation is one, and the other is equipment hooked up by customers, and we have both in the area. About 40% of the inertia in the system in northwestern Ontario comes from the two coal plants—three turbines; there are two in Thunder Bay and one in Atikokan, and that represents 40% of the inertia in the system in

northwestern Ontario. The other 40% from the generation side comes from the area that Rod alluded to, the 680 megawatts of various dams we have around the area, and that produces inertia as well. The other 20% comes from equipment from customers hooked up to the system: motors that turn in large pulp mills, etc. It's very important to have inertia in the system so that you have capabilities of black start and other things. If you don't have that kind of capability, then you have all kinds of problems keeping stability in your system. Inertia is mainly required for stability in systems.

The other thing that we do have a plethora of in northwestern Ontario is radio feed lines—very weak in terms of producing, because once a radio feed line is cut off, then the power is out until you get it back up. If you have looped lines, then you can feed from another direction and only a small section of a line is filled out. But in northwestern Ontario, the tendency is for many radio feed lines, and that creates all kinds of problems for us in terms of outages.

**Mr. Iain Angus:** In your package, you'll find the full testimony before the Ontario Energy Board last week, not only by the lawyer whom the city of Thunder Bay hired, Rod Bosch, who represented NOMA, but Mayor Dennis Brown from Atikokan and Mayor Anne Krassilowsky, the president of NOMA, who both spoke about the impacts that this current version of the plan will have on the northwest. We would encourage you to go through and read that.

At the OPA, we said, as Mayor Peterson said this morning, that we want you to go back to the drawing board. The plan was cobbled together; it didn't deal with the realities of the northwest. And I should point out: This is not about coal per se. This is not a back-door way to keep coal. That's not to say that we don't want that, but this is saying, regardless of the type of fuel, we need the generating stations to remain functional because they provide the baseload. That provides us with the stability.

Water can't do it, because it's not consistent because of global warming and all the other factors. Even the new water that's out there is too far away to fit into the grid, as well as not being sustainable. The Little Jackfish River, which is in the plan, will probably only operate four hours a day, because it's not something where you're going to build a big reservoir. It's an existing river system. You'll use what water is there and then hold back a little bit until you get enough for another four-hour surge. So there are not real opportunities for us to replace it. Even wind and solar: really nice to do, really good for the environment, but again it doesn't help run a paper mill that likes to run 24/7, 365 days of the year. So there are major issues that we've got to consider.

In addition to what we're doing before the OPA, though, we think there is a political solution, and that's what we're asking you to take: to recognize that there's a problem. It's one of those laws of unintended consequences. I know that all parties who had positions with regard to the generating stations had not been aware of those kinds of ramifications, and we respect that, but we

need the government of Ontario to immediately commit to maintaining the two thermal generating stations and to convert their fuel source to a cleaner, low-cost alternative.

That's it in terms of our energy presentation. I do want to add one final comment, Mr. Chairman, before we turn it over to you, if I have a minute left.

**The Chair (Mr. Pat Hoy):** Thirty seconds.

**Mr. Iain Angus:** Our sawmills are in real trouble. We probably only have one sawmill operating in all of northwestern Ontario today. We don't have a specific solution to offer you. What we're doing is appealing to you: Use your talents and the talents of the bureaucracy to figure out a way that we can help these mills get reopened, because it's hurting town after town after town.

Mr. Chairman, members of the committee, thank you very much for the opportunity, and, again, thank you for fitting us into your schedule.

**The Chair (Mr. Pat Hoy):** Thank you. The questioning will go to the government.

**Mr. Charles Sousa:** Thank you very much, gentlemen, for being here today and giving a lot of thought to the situation. In recognizing the problem, I think it's prevalent right across the province, not just here in the north, but certainly in some of the discussions we've had over the last few days in consultations with others, energy and pricing has been an issue.

We have to, of course, maintain a balance between the environmental concerns, the economic well-being of the industry and the residents, as well as health and safety issues.

You talked about the instability of supply. My read here is that you're going to need around 900 megawatts, going forward, that's stable as a baseload. Alternatives that you spoke of are thermal, wind or solar, which are not necessarily as stable as you'd like; the other one is gas. Then there's the concern of emissions, with small particulates, like 2.5 and 10, that still come out of the gas-fired generators, right? Also, we don't want, then, to rely on other jurisdictions that create dirty energy.

So I guess my question to you is, while trying to maintain all this, and recognizing the impacts it has on the forest industry, and while we've maintained certain caps and some rebates, up to \$23 million, to try to facilitate the forest industry, have you given some consideration to or has there been any discussion around other alternatives, like nuclear?

**Mr. Iain Angus:** Nuclear is not seen as an option for the northwest, just because of our size. I can't foresee spending the multi-billion dollars that you need to create a nuclear plant to provide for 990 megawatts. It would not be good use of public dollars, irrespective of the philosophical debate. It's not cost-efficient to do that.

**Mr. Charles Sousa:** You're recommending scrubbers on your existing plants, which probably already occurs.

**Mr. Iain Angus:** No, there are no scrubbers on any of our plants up here, although it's important to note that there was a news report in the last week that indicated that Thunder Bay had the cleanest air of any city in

Ontario. That's with a coal-fired generating plant that is pumping out electricity today.

**Mr. Charles Sousa:** Now, you've been an exporter of energy in the past.

**Mr. Iain Angus:** Yes.

**Mr. Charles Sousa:** Are the gas lines close to you? Is that a viable solution?

**Mr. Iain Angus:** The gas lines have come through here, and you'll recall that a question was put to Mayor Peterson about what happened to the planned conversion. Quite frankly, we stopped it. We got together and we said, "The province hasn't done an environmental assessment on the conversion or the closure of the coal plants, and that should be done before anything happens." We were able to use what levers we had to cause a fair amount of grief, and although the pipes, I think, are still sitting in the yard somewhere, the project funding was cancelled by the province. We don't think that's a viable option, given the cost of natural gas, plus we just found out that there is a natural gas plant at Vermilion Bay that puts more pollution into the atmosphere than either of our two generating stations.

**The Chair (Mr. Pat Hoy):** Thank you for your presentation.

**Mr. Tim Hudak:** On a point of order, Mr. Chair—and thanks, gentlemen, for your presentation. It wasn't directed to yourselves. It was an excellent presentation.

Mr. Sousa raised the notion of a nuclear plant in Thunder Bay or northwestern Ontario. This is news to us. I don't know if this is something the Liberal government is contemplating, if it's Liberal government policy. So I don't know if Mr. Sousa has particular knowledge—

**The Chair (Mr. Pat Hoy):** That's not a point of order.

**Mr. Tim Hudak:** Well, let me ask, Chair, if he would clarify his comments about a nuclear plant for northwestern Ontario.

**The Chair (Mr. Pat Hoy):** I would read the Hansard.

**Mr. Tim Hudak:** On a point of order, Chair—

**The Chair (Mr. Pat Hoy):** I heard it as a question, Mr. Hudak.

**Mr. Tim Hudak:** The discussion we just had was on energy supply policy, this presentation, and it was the main point of discussion here today. The numbers were clear in their presentation. This is a major suggestion that hasn't been posited before about a nuclear plant in Thunder Bay. I'm simply asking, if not Mr. Sousa then maybe another member of the Liberal panel, if they would instruct us, as we're leaving Thunder Bay now to go down to Toronto, if that is a serious consideration, to put a nuclear facility in Thunder Bay.

**The Chair (Mr. Pat Hoy):** I heard it as a question to the deputant and the presenters.

**Mr. Bill Murdoch:** They might want to answer, though.

**The Chair (Mr. Pat Hoy):** They did.

*Interjections.*

**Mr. Tim Hudak:** On a point of order, Chair: I'm simply asking if Mr. Sousa cares to clarify. I'm just asking, through you—

**The Chair (Mr. Pat Hoy):** We don't provide for questions back and forth across one party to the other.

**Mr. Tim Hudak:** Sure you do. You're allowed debate at committee, Chair. With all due respect, you're allowed debate at committee, and I'm asking a simple question.

**The Chair (Mr. Pat Hoy):** We can discuss it at report-writing time.

*Interjections.*

**The Chair (Mr. Pat Hoy):** Order. This can be discussed at report-writing time, if members care to.

*Interjection.*

**Mr. Tim Hudak:** This is simply the last item, Chair—

**The Chair (Mr. Pat Hoy):** We are adjourned.

*The committee adjourned at 1252.*



**STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS**

**Chair / Président**

Mr. Pat Hoy (Chatham–Kent–Essex L)

**Vice-Chair / Vice-Président**

Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell L)

Ms. Sophia Aggelonitis (Hamilton Mountain L)

Mr. Ted Arnott (Wellington–Halton Hills PC)

Mr. Wayne Arthurs (Pickering–Scarborough East / Pickering–Scarborough-Est L)

Mr. Toby Barrett (Haldimand–Norfolk PC)

Mr. Pat Hoy (Chatham–Kent–Essex L)

Mr. Jean-Marc Lalonde (Glengarry–Prescott–Russell L)

Ms. Leeanna Pendergast (Kitchener–Conestoga L)

Mr. Michael Prue (Beaches–East York ND)

Mr. Charles Sousa (Mississauga South / Mississauga-Sud L)

**Substitutions / Membres remplaçants**

Mr. Tim Hudak (Niagara West–Glanbrook / Niagara-Ouest–Glanbrook PC)

Mr. Jeff Leal (Peterborough L)

Mr. Bill Murdoch (Bruce–Grey–Owen Sound PC)

**Clerk / Greffier**

Mr. William Short

**Staff / Personnel**

Ms. Anne Marzalik, research officer,

Research and Information Services

## CONTENTS

Thursday 24 January 2008

<b>Pre-budget consultations</b> .....	F-125
Thunder Bay District Social Services Administration Board .....	F-125
Ms. Gwen Garbutt; Mr. Joe Virdiramo	
Student Union of Confederation College Inc. ....	F-127
Mr. Jon Hendel	
North Western Ontario Tourism Association; Kenora District Camp Owners Association .....	F-129
Mr. Jerry Fisher	
Thunder Bay Economic Justice Committee .....	F-131
Mr. George Drazenovich	
Northwestern Ontario Women's Centre .....	F-133
Ms. Gwen O'Reilly	
Kinna-aweya Legal Clinic .....	F-135
Ms. Sally Colquhoun	
City of Thunder Bay .....	F-137
Ms. Lynn Peterson; Mr. Michael Power	
Thunder Bay Health Care Coalition .....	F-140
Ms. Barbara Maki; Ms. Sara Williamson	
Thunder Bay Public Library Board .....	F-143
Mr. Charles Campbell; Ms. Gina La Force	
Ontario Secondary School Teachers' Federation .....	F-145
Mr. Terry Hamilton; Mr. Brian Church	
Pic River Elementary School; Pic River Private High School .....	F-148
Ms. Alison Hemingway-Rayasi; Ms. Lisa Michano-Courchene; Ms. Sarah Robinson; Mr. Joshua Leclair	
Thunder Bay and District Injured Workers Support Group .....	F-150
Mr. Steve Mantis; Mr. Robert Larocque; Mr. Eugene Lefrançois	
Ontario Disability Support Program Action Coalition .....	F-152
Ms. Andrea Luey; Ms. Janice Cerra; Ms. Joy Asham	
Ontario Association of Optometrists .....	F-154
Dr. William Ulakovic; Ms. Barbara Wattie Fuller	
Northwestern Ontario Municipal Association .....	F-156
Mr. Iain Angus; Mr. Larry Hebert; Mr. Rod Bosch	