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**Official Report  
of Debates  
(Hansard)**

**Wednesday 6 June 2012**

**Journal  
des débats  
(Hansard)**

**Mercredi 6 juin 2012**

**Standing Committee on  
Public Accounts**

Special report, Auditor General:  
Ornge Air Ambulance and  
Related Services

**Comité permanent des  
comptes publics**

Rapport spécial, vérificateur  
général : Services d'ambulance  
aérienne et services connexes  
d'Ornge

Chair: Norm Miller  
Clerk: William Short

Président : Norm Miller  
Greffier : William Short

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
PUBLIC ACCOUNTSCOMITÉ PERMANENT DES  
COMPTES PUBLICS

Wednesday 6 June 2012

Mercredi 6 juin 2012

*The committee met at 0831 in room 151.*

## COMMITTEE BUSINESS

**The Chair (Mr. Norm Miller):** Okay, I'd like to call this meeting to order. The first order of business we have is that we've received permission from the House leaders to attend the annual conference of the Canadian Council of Public Accounts Committees in Iqaluit, Nunavut. The organization committee has set a cap of four members from each jurisdiction, including staff. I do have a letter to the Speaker with an approximate budget of \$19,000, and I seek approval from the committee. Any discussion? Yes.

**M<sup>me</sup> France Gélinas:** I just want to make sure. With four members, we get one from each caucus plus you, Chair?

**The Chair (Mr. Norm Miller):** That's correct.  
*Interjection.*

**The Chair (Mr. Norm Miller):** Oh, sorry. It's one from each caucus, including the Chair, plus the clerk.

**M<sup>me</sup> France Gélinas:** Plus Will.

**The Chair (Mr. Norm Miller):** So just one from each caucus.

**M<sup>me</sup> France Gélinas:** How about our auditor?

**Mr. Jim McCarter:** The auditor has the pleasure of going to Nunavut with—we fund that ourselves, out of our own.

**M<sup>me</sup> France Gélinas:** You come out of your own budget.

**Mr. Jim McCarter:** Usually myself and the deputy auditor go to that. We fund that out of our budget.

**M<sup>me</sup> France Gélinas:** Okay. So two, yourself plus somebody else from your office, will be coming?

**Mr. Jim McCarter:** Yes, the auditor and the deputy typically go from the different jurisdictions.

**The Chair (Mr. Norm Miller):** So our total delegation would be four, including Will. If any members wish to bring a spouse, they pay on their own for that.

**Mrs. Liz Sandals:** We should maybe just clarify that the way the conference works is that, at some points, it's split off to the legislative branch and the audit branch. That's why we're dealing with the legislative part, which is the clerk and the members, separately from the auditors. I'm sure the auditors—and we should also clarify that the limit of four delegates per province was set by the organizers of the conference. There's nothing we can do for the legislative part, but the auditors—

**Mr. Jim McCarter:** I should just mention too, to help you out in your planning, that typically, while the auditors work right till 5 o'clock on Tuesday, on the Tuesday, the members are usually done at noon, and there is I think a 1:30 flight out. I suspect that flight will be booked fairly quickly, so should you want to depart, you might want to book that flight fairly early.

**Mrs. Liz Sandals:** Delegate Will to be on it.

**Mr. Jim McCarter:** The auditors will not be on that plane, I should add.

**The Chair (Mr. Norm Miller):** Yes, and I think that Will has already looked into that.

Is it—

**M<sup>me</sup> France Gélinas:** My next question is, do we make our own flight arrangements or will you, Will?

**The Clerk of the Committee (Mr. William Short):** I'll call your office.

**M<sup>me</sup> France Gélinas:** Okay, because I need to go from Sudbury to—

**The Clerk of the Committee (Mr. William Short):** Yes.

**Mr. David Zimmer:** And the caucuses sort out who's going from their respective party?

**The Chair (Mr. Norm Miller):** Yes.

Okay, so all in favour of that? Carried.

## SUBCOMMITTEE REPORT

**The Chair (Mr. Norm Miller):** Now we have a subcommittee report. Ms. Sandals.

**Mrs. Liz Sandals:** Yes, thank you. Your subcommittee met on Monday, June 4, 2012, to consider the method of proceeding on the 2012 special report of the Office of the Auditor General on Ornge Air Ambulance and Related Services, and recommends the following:

(1) That legal counsel attend future meetings as the committee may require.

**The Chair (Mr. Norm Miller):** Any comment or discussion? Yes, Mr. Zimmer.

**Mr. David Zimmer:** Yes. I think that's entirely appropriate, because—I know we're trying to keep an eye on costs, but I do have a question for the clerk, through you, Mr. Chair: What is the committee counsel's, Ms. Flood's, billing rate or billing arrangement? I assume it's a per-hour. How many hours has she billed to date?

**The Clerk of the Committee (Mr. William Short):** She brought her detailed billing to the subcommittee. I

don't actually have a copy of it in front of me, but there was a detailed billing that she laid out for the subcommittee members.

*Interjection.*

**The Clerk of the Committee (Mr. William Short):** Yes. Sorry, I didn't—

**Mr. David Zimmer:** So do you know what the hourly rate was?

**The Clerk of the Committee (Mr. William Short):** Off the top of my head, I do not, no. I can find out for you.

**Mr. David Zimmer:** Yes, the hourly rate or whatever the billing process was, and the bills to date.

**The Clerk of the Committee (Mr. William Short):** Yes, I'll get it for you by this afternoon.

**Mr. David Zimmer:** Thank you very much.

**The Clerk of the Committee (Mr. William Short):** You're welcome.

**The Chair (Mr. Norm Miller):** Okay. Any other further discussion? All in favour? Carried.

SPECIAL REPORT, AUDITOR GENERAL:  
ORNGE AIR AMBULANCE  
AND RELATED SERVICES

**The Chair (Mr. Norm Miller):** Here we have another motion. Who is moving this motion?

**Mrs. Liz Sandals:** I'll do that too.

**The Chair (Mr. Norm Miller):** Mrs. Sandals.

**Mrs. Liz Sandals:** Because this is essentially on behalf of the subcommittee as well:

"That the Standing Committee on Public Accounts report to the House requesting that the House authorize the Speaker to issue his warrant for the appearance of Dr. Chris Mazza, former president and CEO of Ornge, before the Standing Committee on Public Accounts, in Room Number 151, legislative building, Queen's Park, Toronto, at 9:00 a.m. on Wednesday, July 18, 2012.

"That Dr. Chris Mazza produce all documents relating to the 2012 Special Report of the Office of the Auditor General of Ontario on Ornge Air Ambulance and Related Services.

"That, if necessary the warrant can be delivered to Dr. Chris Mazza's attorney, Roger D. Yachetti, Q.C."

**The Chair (Mr. Norm Miller):** Discussion? All in favour? Carried.

Mr. Klees, you had a question?

**Mr. Frank Klees:** Yes. We had requested some information, specifically the financial statements from Ornge. That was a week ago now. We still don't have them.

**The Clerk of the Committee (Mr. William Short):** Actually, I'm not exactly sure what information it was that they filed with my office at the end of the day yesterday, but I did receive a binder from them, and my office is in the process of copying it right now. It was a substantial amount of paper, so we had been working on it late last night, and I know that my office is going to be working on it this morning as well. Hopefully, we'll be able to get it to you guys by lunch today.

**Mr. Frank Klees:** Okay, thank you.

**The Chair (Mr. Norm Miller):** Okay. Very well.

MR. TREVOR KIDD

**The Chair (Mr. Norm Miller):** Okay, our witness for this morning is Mr. Trevor Kidd. Please come forward. Welcome, Mr. Kidd.

**Mr. Trevor Kidd:** Thank you.

**Mr. David Zimmer:** Chair, can you turn the—(a) it's really cold, and (b) it makes a lot of noise. I'm just having trouble hearing, even from across the table.

**The Chair (Mr. Norm Miller):** Sure. If it gets too hot we'll maybe—

**Mr. David Zimmer:** We'll turn it back on.

**Mrs. Liz Sandals:** If it gets too hot, we'll complain.

**The Chair (Mr. Norm Miller):** But I agree, it's a little hard to hear.

Welcome, Mr. Kidd, and just to confirm, you have received a letter informing you about witnesses appearing before the committee?

**Mr. Trevor Kidd:** I have, thank you.

**The Chair (Mr. Norm Miller):** Very well. Our clerk will get you to swear an oath or do an affirmation.

**The Clerk of the Committee (Mr. William Short):** Mr. Kidd, do you solemnly affirm that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth?

**Mr. Trevor Kidd:** I swear.

**The Clerk of the Committee (Mr. William Short):** Thank you.

**The Chair (Mr. Norm Miller):** Very well. You have some time for an opening statement and then we'll have the three parties ask questions.

**Mr. Trevor Kidd:** Thank you. Thank you for having me. My name is Trevor Kidd. I have been a paramedic for 11 years. I would like to briefly outline just a few of the many concerns regarding unsafe, egregious and unprofessional practices I experienced under Ornge, which I left in disgust in the fall of 2009.

I initially joined the air ambulance in 2003. Ornge took over the Sioux Lookout base I was working at in 2006. Already having my advanced care, I started the critical care course, which traditionally took one year under the previous carriers and was a time frame that Ornge itself advertises. However, under Ornge, accountability for having properly trained crews was gone. The time frame for the six students in my class ranged from two years, eight months, to more than five years. I feel that the reluctance of Ornge to invest in their paramedics significantly compromised patient care in this province.

In 2008, I was moved to the new fixed-wing that Ornge was starting in Thunder Bay. That was the first time I have experienced the terror of working on an aircraft which, due to the interior set-up, had no business carrying sick patients. We felt we were putting patients and staff at risk.

When Ornge refused to address any of these issues after many months, I applied for and was approved for a transfer to the new critical care land transfer unit that was scheduled to open in Windsor on November 3, 2008. I was one of 11 staff looking forward to providing care in this city that had long been neglected.

**0840**

Now, of course, I know what you are saying: There is no base in Windsor. On that very day, November 3, we were told that Windsor was not opening, that Markham and Peterborough would be opened half-time. That stunt secured Ornge millions of unearned taxpayer dollars every year thereafter.

As background to the land program, Ornge received \$9.4 million in start-up funds for the 2006 fiscal year and \$13.2 million the following year, despite only opening a single base very late in the year. This was \$23 million for essentially doing nothing.

Unfortunately for Ornge, come 2008, there was finally pressure to deliver something for the money. Instead, they created a crisis. Ornge's documents to the Ministry of Finance claim that they spent \$22.3 million on the land program that year. More recently, the Auditor General found that Ornge only spent \$8.2 million. That \$14-million discrepancy has never been discussed, explained or accounted for, as far as I know.

The Auditor General also found that year that \$8 million Ornge received for the program was not spent on the land program and was not returned to the Ministry of Health. We also know that in June 2008, \$8.4 million was transferred out of Ornge into the Ornge Foundation charity. Three months later, Ornge created a crisis by not opening the bases they were supposed to. From that time on, Ornge received 70% of the originally proposed funds while delivering only 20% of the proposed crews, receiving millions of dollars every year. The executives took this windfall and ran with it. In the following months, Steve Farquhar and Tom Lepine received raises of \$96,000 and \$106,000, respectively. For the other execs, we know how well they, their families and friends made out.

For the paramedics involved, the story is different. Some were left commuting several hours to work, others living apart from their families, and others still with expenses which Ornge caused us to incur, which ranged up to \$50,000. Ornge not only did not assist us, but their continued lies prevented us from making informed decisions which would have minimized our losses. To this day, they refuse to take any responsibility for their actions in this fraud.

Since that time, Ornge has had staffing issues the likes of which had never been seen before. When I left a year later, Sioux Lookout was properly staffed 27% of the time; Thunder Bay's fixed-wing, 2%; and Moosonee, 0%. These problems have spread to Toronto and Sudbury, which for the first part of this year were properly staffed only 60% and 65% of the time, respectively. Pilots and engineers are also leaving in droves, with six each from Toronto Island alone so far this year.

Despite knowing that the control Ornge had over air ambulance left me with nowhere else to go, I left two and a half years ago with the goal of exposing the corruption that was already evident by that time. I kept in contact with many staff and compiled evidence of Ornge's mismanagement. Those I talk to do not feel that this nightmare is being seriously addressed to this day.

The air ambulance in this province used to be among the most respected in the world. It was so high that it took six years of concerted effort for the execs to drive it into the ground. It will take many years for the system to be restored, but whether that respect can ever be returned, I have serious doubts.

That ends my speech. However, if I may, I have asked many of those who have sent me information over the years if they would agree to allow their names to be submitted to the committee, in writing, under terms of extreme care for maintaining confidentiality. They unanimously said no. However, they have approved a short statement which I can read to the committee if they desire.

**The Chair (Mr. Norm Miller):** Go ahead.

**Mr. David Zimmer:** Well, just a second here. When someone comes before the committee and says, "I have a piece of evidence in the nature of a statement from person X. They don't want to be identified. They won't permit themselves to be identified, but they've given a statement and I am prepared to read in the statement on their behalf. But they don't want to be identified," if there's anything more outrageous than accepting that as a statement without giving—the members here have no chance to follow up on that, to ask questions about who the statement's coming from. That is just unfairness of the grossest sort. That's just scandalous. If the witness X wants to come and read the statement in or present the statement, that's fine. That's entirely appropriate. But you just can't do that, Chair.

**The Chair (Mr. Norm Miller):** Yes, Mr. Klees?

**Mr. Frank Klees:** I cannot believe what I'm hearing Mr. Zimmer say.

**Mr. David Zimmer:** You couldn't do that in a court.

**Mr. Frank Klees:** This is not a court.

**Mr. David Zimmer:** It's fundamental fairness.

**Mr. Frank Klees:** This is a public hearing on the Auditor General's report on the air ambulance. We have a witness here who tells us that he is willing to respect the confidentiality of his colleagues, who are afraid to come forward but they are willing to share their concerns. What are we afraid that we're going to hear?

**Mr. David Zimmer:** That's outrageous.

**The Chair (Mr. Norm Miller):** We'll just hear from France, please. France, go ahead.

**M<sup>me</sup> France Gélinas:** I'm not a lawyer and this is not a court of law. We know with Ornge that a lot of people who have come to the reporter at the Toronto Star, to Frank, to myself and, I'm sure, to the Liberals have said that they are afraid for their jobs; they do not want to be identified. I will take the statement as one more of those witnesses who is afraid for their job and does not want to

be identified and treat it as such. I have no problem with it.

**The Chair (Mr. Norm Miller):** And he has qualified that statement. Go ahead.

**Mr. Trevor Kidd:** Thank you. This statement was approved by nine people who had sent me information on more than one occasion.

**Mr. David Zimmer:** Nine people? Chair, this is outrageous.

**The Chair (Mr. Norm Miller):** Go ahead.

**Mr. Trevor Kidd:** The frontline and office staff who have sent me information over the years almost unanimously remain in fear of speaking out publicly or having their names come to light. They hold this position because some of the management structure remains in place—a management structure that they largely do not trust or have confidence in; because strong whistleblower protection has not been put in place; because they feel that the only people who have faced the threat of legal action so far have not been those who have committed the egregious acts that have occurred at Ornge, but instead those who have tried to bring those acts to light; because people like Tom Lepine have left receiving praise and severance instead of going before the people of Ontario and asking for forgiveness while acknowledging that he does not deserve it; because staff and former staff who have been harmed by this company continue to lack redress against the company that used every dirty trick imaginable to screw them over; because they feel that the actions done so far have been to try to minimize political fallout and have little confidence that serious efforts are being made to improve patient care, safety, relations with allied health care providers or providing a work environment which is positive, honest and open.

**The Chair (Mr. Norm Miller):** Thank you for your opening statement. Now we'll move to the opposition. We'll do 20-minute rounds and see how much time is left after. Mr. Klees.

**Mr. Frank Klees:** Thank you, Chair. Mr. Kidd, thank you for being here this morning.

**Mr. Trevor Kidd:** You're welcome.

**Mr. Frank Klees:** We're looking forward to hearing from you. You obviously did not have a good experience with Ornge.

**Mr. Trevor Kidd:** No.

**Mr. Frank Klees:** And from what you're telling us, many of your colleagues had the same unfortunate experience.

**Mr. Trevor Kidd:** Yes.

**Mr. Frank Klees:** I'd like you, if you could take some time, to just give us some context for your background. You're a flight paramedic. Could you tell us where you got your training?

**Mr. Trevor Kidd:** I originally trained as a paramedic at Humber College from 1999 to 2001. I worked two years on land between Niagara region and Timiskaming and then I went to air under Voyageur Airways 795 in Sioux Lookout in 2003—I believe, May 2003.

Ornge took over the base I was working at in January 2006. I worked at that base until I transferred to Thunder Bay around February 2007. I transferred to Windsor in November 2008, and then spent the last couple of months I worked at Ornge in Peterborough. Before resigning, I completed a biology degree at Trent University. After Mazza departed from the air ambulance, I came back—not to Ornge but to one of the contract carriers, Thunder Airlines, in Thunder Bay.

**Mr. Frank Klees:** What was it that motivated you to get into the emergency care business, get your training as a paramedic?

**Mr. Trevor Kidd:** My motivation to be a paramedic was simply—it was a job; I wanted to help people. At the time, when I was younger, I didn't feel I had enough time to spend many years in school. To be a paramedic was two years, and I could get out working, helping people.

**0850**

When I had the opportunity to join the air ambulance, the air ambulance was the best of the best. You could work with the people who had the most training. You could see the highest level of acuity care, and it was a great opportunity. I think at that time anyone who could have received that opportunity would have jumped at it. The same is not true today.

**Mr. Frank Klees:** At what point did things start to go wrong? Can you just elaborate? Is there a specific time or time frame during which you started to see some changes?

**Mr. Trevor Kidd:** The first time that I thought there were potentially some major problems with Ornge was actually within the first year that Ornge had taken over as much of the air ambulance as they had. They had passed some kind of law which had stopped the contract carriers, the standing-offer-agreement carriers, from doing advanced care transfers inter-facility-wise.

**Mr. Frank Klees:** What year would that have been?

**Mr. Trevor Kidd:** That would have been in 2006, the first year that they were running the air ambulance. This seemed like just a blatant power grab to harm the competition. It made no sense. It harmed patient care. It left the hospitals in a situation where they had to send staff frequently with primary care SOA carriers instead of advanced care carriers which had previously been available.

**Mr. Frank Klees:** Okay. I'd like to just spend a little bit of time talking about that. You're saying that there was a definite point in time when Ornge took over a certain part of the air ambulance business and that certain things then started to go wrong. Can you be specific about the kind of circumstances that you as a paramedic—I'd like to hear this from your perspective as a paramedic who's actually on the front line doing the work. What kind of specific things changed in your day-to-day functions once Ornge took over?

**Mr. Trevor Kidd:** Okay. The issue I was previously talking about: I was working with advanced care paramedics in Sioux Lookout who may have worked there part-time for 795. On Thunder Airlines or one of the

other SOA carriers where they worked full-time, they could no longer function as advanced care carrying patients between hospitals, even though they could do that working with Ornge. There was no difference. The only difference was who they were officially working under.

Shortly after that, I transferred to Thunder Bay. There were issues there with getting myself trained to the critical care level. They seemed to be delaying things. They just didn't want to put out any money to get us trained, and they had no motivation, because previously carriers were fined if they weren't at the level of care they were supposed to be at. With Ornge, that didn't happen. So I waited for years to get my precepting done at the critical care level. Even though I was working with a critical care partner who could have been precepting me at that time, they wouldn't allow it to happen. That caused countless delays.

Shortly after that, I was moved to the new fixed-wing, which was simply not set up in any way that could safely transport sick patients. Aircraft that have advanced care and critical care—and even, for the most part, primary care—crews have lots of shelving units where we keep all our equipment. The aircraft that Ornge set up in Thunder Bay, the fixed-wing they set up, we had all of our equipment stuffed into large bags sitting on the second stretcher. Whenever you needed anything, you had to search through bags trying to find the equipment and hope when you found it that it was still good. Chances are it wasn't sterile anymore—you know, bags were ripped open, all kinds of stuff. You would be desperately searching for something you needed to assist the patient, and you'd have to try to find it, and then you'd have stuff strewn all over the floor. It was just a mess.

**Mr. Frank Klees:** So you, as a paramedic, were going through this duffel bag looking for whatever you need there—

**Mr. Trevor Kidd:** Vital equipment, yes.

**Mr. Frank Klees:** What did you do about that? Did you talk to your superiors about that? And if so, to whom did you bring those concerns?

**Mr. Trevor Kidd:** I brought up that concern as well as a couple of other concerns to Rick Potter.

The other concerns were that this was a dedicated aircraft where pilots had to be there for the 12-hour shift. So unlike SOA carriers, where you were called in, dedicated pilots all throughout Ornge—previous carriers had always been paid salary and not a combination of salary and mileage. We had been promised before we agreed to go over to this aircraft that the pilots would be paid strictly salary and not a lower salary and then mileage. That was not the case, so I went to Rick Potter with that concern as well. I got nowhere with those concerns. The only thing he did do was that he went to the pilots and informed them that if they spoke to the paramedics about any issue, including safety or weather, that there would be serious consequences for them. So it essentially left us in a position where we wouldn't know what kind of weather we'd be flying through, what kind of weather would exist in the location. And if our patient

or a family escort had concerns, we couldn't find out that information. It was very unsafe. It was a childish way to react to the serious problems that were being presented to him.

**Mr. Frank Klees:** So pilots were told not to have any of those discussions with the paramedics. I'm assuming, and one would think, that it's a fairly tight team on an emergency medical team like that.

**Mr. Trevor Kidd:** It's supposed to be a very tight team, and things certainly work a lot better when it is a tight team. When relations deteriorate between pilots and paramedics or other kind of crew, then it makes the job a lot harder.

**Mr. Frank Klees:** Was that the first step of intimidation that you and your colleagues started to feel in this organization?

**Mr. Trevor Kidd:** Certainly for myself in Thunder Bay, what surrounded the implementation of the fixed-wing up there was the first step I had seen of intimidation. It included other intimidation before that. I mean, as someone who was still in the critical care program, I was told that I had to go over to that aircraft from the helicopter or I would be thrown out of the critical care program, even though there was supposed to be complete separation between the education department and the company.

**Mr. Frank Klees:** So did you attempt—you say you didn't get very far with Mr. Potter. Was there anyone else that you tried to express your concerns to about, first of all, the safety issues that you were seeing?

**Mr. Trevor Kidd:** These issues were discussed with a lot of people. Fred Rusk came in and looked at the aircraft.

**Mr. Frank Klees:** Fred Rusk: What was his position at the time?

**Mr. Trevor Kidd:** I can't say exactly what his position was, but he was brought in to look at the aircraft and make recommendations as to what should be done with it.

**Mr. Frank Klees:** Now, who was Fred with at that time?

**Mr. Trevor Kidd:** I can't say if he was with Ornge or if he was contracted to work with Ornge.

**Mr. Frank Klees:** Because my understanding is that there was a time when Mr. Rusk was with the Ministry of Health.

**Mr. Trevor Kidd:** Yes.

**Mr. Frank Klees:** You're saying you spoke with Mr. Rusk when he was either a consultant or he was employed by Ornge, but he was a go-to person for you?

**Mr. Trevor Kidd:** I didn't personally speak to Fred Rusk. One of my co-workers spoke with Fred Rusk. Then he came in, looked at the aircraft and made a list of many, many recommendations that had to be fulfilled for this aircraft to be workable. None of those recommendations had been fulfilled when I left eight months later—when I left Thunder Bay.

**Mr. Frank Klees:** Did Mr. Rusk, to your knowledge, express to anyone to whose attention he brought that list of issues?

**Mr. Trevor Kidd:** I don't know of any reaction of anyone within the company.

**Mr. Frank Klees:** Were there any other safety concerns?

**Mr. Trevor Kidd:** I don't believe there were any other safety concerns at that time—not that I can think of. Most of them started to occur in the coming months and years.

**Mr. Frank Klees:** Do you recall any circumstances when you were on duty that, as a result of the circumstances you've described in the aircraft and so on, you felt that a patient's care may have been compromised?

**Mr. Trevor Kidd:** I was pretty lucky. I worked with pretty strong partners, and generally, we almost always made it through. We had one issue where a gentleman had lost some fingers due to an accident with a skilsaw or some other type of saw, and the delays that existed in getting him from Thunder Bay to Winnipeg were outrageous. I was on the phone with dispatch probably 15 times alone, on the ground in Winnipeg, waiting for a land ambulance to pick us up. The land ambulance was finally sent and had been sent code 1 instead of code 4, or whatever their coding system was in Winnipeg.

**Mr. Frank Klees:** We've had a lot of discussion over the last number of weeks, throughout the course of these hearings, regarding circumstances that involved down-staffing: either not enough pilots, not enough paramedics. You've raised the issue of dispatch. Could you elaborate on what took place at the communications centre? Did you notice a change—again, I'd like to get a sense of before and after. With the advent of the Ornge regime, was there any noticeable change on the dispatch side of the operation?

0900

**Mr. Trevor Kidd:** Yes, there was. Dispatch is a tough job. I've never worked it, but I can guarantee it is a tough job. Things have never been completely smooth, and you can't expect things to run perfectly when it's that kind of complicated position. But the level of training that was required for people working at dispatch deteriorated under Dr. Mazza. You could see the difference. You could be talking to a call-taker who simply didn't know a lot of the medical terms and what was going on, and didn't know what questions to ask when they initially talked to the hospital. How you can properly dispatch air ambulances around the province when you don't have a firm grasp on what's going on medically is very difficult.

On the pilot side, my understanding is that similar things have happened. I don't have enough knowledge on the aviation side to be able to actually comment on that, but that's what I've been told.

**Mr. Frank Klees:** I'd like to get your sense of what is happening out in the field today. You haven't been there for a while. You left for the reasons that you've indicated, but you say you continued to stay in touch with your colleagues on the front lines. It's no secret what has taken place at Ornge. It's no secret that there are some serious issues, and we have yet to determine exactly what all of the reasons are. But what we do know is that there

continue to be numerous incidents where, for one reason or another, when a call goes out, the Ornge air ambulance cannot respond. We continue to hear about issues on the dispatch side. I've heard about an event this past month where the dispatcher lost the helicopter. The dispatcher actually called the home of the pilot to see if he was there. His wife answered, who happened to know that he was on a call—somewhat distressing for her. I think it speaks to the point that you're making about the lack of qualifications of people who are actually on the front lines doing some of this work—no fault of their own, but it gets back again to training.

I continue to hear—we hear from the minister all the time—that the minister insists that in her conversations with front-line people, paramedics and pilots, she tells us that they're fully supportive of what the government is doing and that all is doing well, that they feel secure with the direction that Ornge is going. Can you comment on that? Is that what you're hearing as well?

**Mr. Trevor Kidd:** Not at all. When it comes to aircraft engineers and pilots, we have the numbers that show that these people are leaving in droves. So, obviously, they don't have confidence in the way the system is going. For paramedics, they don't have as easy an opportunity to leave. If Ornge didn't have basically a monopoly over people with higher training in this province, paramedics would have left en masse in 2008, 2009, 2010, 2011 and this year. Most of them want to work somewhere else, but there is no place in this province where they can work somewhere else. They feel that the problems haven't been dealt with. They want whistle-blower protection put in place. Most of them I talked to feel that we will not receive strong whistle-blower protection until everything has blown over. At that point in time, it's too late to be able to testify.

The people I talk to who work on helicopters feel like these helicopters just shouldn't be used for air ambulance in this province. They don't feel they are the appropriate helicopters. They feel that they're very difficult to work on. They tell me that, as they are loading and unloading patients, they lose intubation tubes; they lose IVs. That's very critical, and that never happened on the previous aircraft. We used to be able to unload the stretcher off the Sikorskys in seconds. It was very quick. If you needed to, you could do it in 10 or 15 seconds, or 30 seconds if you weren't in a rush. People tell me that it can take 10 minutes to unload the stretchers in this helicopter, that they're just—I haven't worked in the helicopter. I haven't actually even seen the interior of the helicopter, so I don't know exactly what they're going through. But there's enormous frustration with the people who I talk to with these new helicopters.

There's enormous frustration with the organization. They're frustrated that some of the people who they feel shouldn't be there are still there, and of course we know that the pilots and the engineers can much more easily just leave with their frustrations and go work somewhere else where they don't have to deal with these kinds of issues.

**The Chair (Mr. Norm Miller):** You've got about two minutes.

**Mr. Frank Klees:** Could I have five and I'll tack it on?

**The Chair (Mr. Norm Miller):** Certainly. Go ahead.

**Mr. Frank Klees:** You know, obviously, what you're saying is very disturbing because it deals with patient care. I'm not a paramedic, but I can only imagine that if it takes 10 minutes to extricate a patient from a helicopter, that could very well be a life-and-death issue.

We would like to think that there are competent people there now in senior management positions who are addressing these issues, so that they get dealt with. You're telling us they persist—

**Mr. Trevor Kidd:** Yes.

**Mr. Frank Klees:**—even since Mr. McKerlie has been there. You mention that there are still some people there who should not be there, in your opinion. I don't want to put you on the spot, but can you give us a sense of who, in your opinion, is still in a senior management position there who isn't doing their job and maybe is not qualified to?

**Mr. Trevor Kidd:** I have a list that I can submit, if you would like.

**Mr. Frank Klees:** Okay. We'd appreciate that.

**Mr. David Zimmer:** Chair, are we getting that list now or—

**Mr. Frank Klees:** Do you have it with you?

**Mr. Trevor Kidd:** I have a list right here.

**Mr. Frank Klees:** Okay. Well, maybe the clerk—

**The Chair (Mr. Norm Miller):** We'll get it copied.

**Mr. David Zimmer:** It's a list of names?

**Mr. Trevor Kidd:** Yes.

**Mr. David Zimmer:** Okay. Thank you.

**Mr. Frank Klees:** Chair, I will defer, then, until my next round.

**The Chair (Mr. Norm Miller):** Very well, and you're just about on time. Good. So we'll move on to the NDP. Ms. Gélinas.

**M<sup>me</sup> France Gélinas:** Nice to see you, Mr. Kidd, and thank you for coming. I know that it tends to be a nerve-racking process. We will try to be as helpful as we can, but you do have knowledge that we would like to hear from.

In your statement, you start by saying, "In 2008, I was moved to the new fixed-wing that Ornge was starting in Thunder Bay." Now, "I was moved" is really different from "I applied to and chose to go." Why did you use that language?

**Mr. Trevor Kidd:** I was working on the helicopter 797 in Thunder Bay. Ornge brought in a fixed-wing. The staff there had tried to negotiate with management a system where everyone would work on both aircraft, so you're on the helicopter for a while and the fixed-wing, the other aircraft. Ornge said they would not do that and they wanted designated staff over there. To get people like myself on to the fixed-wing, they threatened that they would remove me from the critical care course that I

was two years into at the time, if I did not go to the fixed-wing.

There were four of us who were students in Thunder Bay. They threatened the four of us that if we did not move to the fixed-wing, then we would be thrown out of the course, so myself and another person agreed to go.

**M<sup>me</sup> France Gélinas:** Because you were dependent upon Ornge to finish your training?

**Mr. Trevor Kidd:** Yes.

**M<sup>me</sup> France Gélinas:** Okay. So not only were they your employer, but they were also the one giving the training. So they used that opportunity to pressure you to go to this—

**Mr. Trevor Kidd:** Yes, and the education department was supposed to be separate from operations, but that clearly was not the case at least for that issue.

**M<sup>me</sup> France Gélinas:** Do you remember who you had that conversation with?

**Mr. Trevor Kidd:** That conversation—actually, I don't know who the people were in management who informed the union of this. The union had a meeting with us and informed us that was the case.

**M<sup>me</sup> France Gélinas:** Who was your union?

**Mr. Trevor Kidd:** Chuck Telky was the head of the union.

**M<sup>me</sup> France Gélinas:** And who represents you? Was it OPSEU?

**Mr. Trevor Kidd:** The CAW.

**M<sup>me</sup> France Gélinas:** CAW. And what local?

**Mr. Trevor Kidd:** Local 2002.

**M<sup>me</sup> France Gélinas:** Did you grieve? Did you put in a grievance?

**0910**

**Mr. Trevor Kidd:** The union were the people who were telling us that this was what management had decided. They seemed not to have any disagreement with it, so there seemed to be no way forward in grieving it.

**M<sup>me</sup> France Gélinas:** Do you know if any of your colleagues put in grievances? Were grievances happening often?

**Mr. Trevor Kidd:** Oh, there were many, many grievances at Ornge, yes—not on that specific situation, but there were a lot of grievances at Ornge.

**M<sup>me</sup> France Gélinas:** Have you ever put in a grievance?

**Mr. Trevor Kidd:** With my house, where Ornge didn't pay the expenses. I contacted the head of the union and informed him that Rhoda Beecher had turned down my expenses on the house and I wanted a grievance filed. He told me that the union had filed a grievance on my behalf when the Windsor base had been delayed, on November 3, so that was about six months earlier. He said that we were at whatever level—level 3 or level 4—that there would be a meeting within 30 days, and if that failed, then it would go forward to arbitration.

I was in contact with them with text messages about the meeting within 30 days, which he said resolved nothing and that we were moving forward. Later that summer, I was told that the union was dropping the

grievance. A year or so later, when I went to small claims court with Ornge, I was informed that the union's position was that there had never been a grievance. I'm at the Ontario Labour Relations Board right now with that issue.

**M<sup>me</sup> France Gélinas:** Okay. So this is an ongoing issue that hasn't been settled.

**Mr. Trevor Kidd:** This is, yes.

**M<sup>me</sup> France Gélinas:** In 2008, you ended up going to the fixed-wing in Thunder Bay, but you quickly applied to go to Windsor.

**Mr. Trevor Kidd:** Yes.

**M<sup>me</sup> France Gélinas:** How did this process unfold? How different was it from your being told to go there versus all of a sudden you had an opportunity to bid on a different job?

**Mr. Trevor Kidd:** With the Windsor base opening, and Peterborough and Markham, they were looking for staff who had experience to agree to go to these bases. For the Windsor base, before I put in to go there, there was really no one who had any experience with Ornge, so they were looking for someone who kind of knew the ropes. They had put out a request to see if anyone wanted to transfer there. That was the end of August. I submitted and was approved for it on September 8, 2008.

**M<sup>me</sup> France Gélinas:** So from September 8, 2008, you made arrangements to be ready to move and work in Windsor?

**Mr. Trevor Kidd:** Yes, that's correct.

**M<sup>me</sup> France Gélinas:** And nobody ever led you to believe that this was not going to happen until the day you were supposed to report to work on November 3, when you were told, "Ha ha, there's no job"?

**Mr. Trevor Kidd:** In fact, on October 31—the Friday before the Monday—they sent out an email advising us that the 11 of us who were supposed to go to Windsor were to come to Toronto on the Monday at 10 o'clock for a team building meeting. In that email, they outlined the orientation that was going to be continuing over the next couple of days. On the Thursday, from 8 o'clock in the morning until 4 o'clock in the afternoon, there was going to be a trip around the city for the paramedics to get used to it. This was all outlined in the email that came out in the afternoon on October 31, so just a couple of business hours before they told us they weren't opening the base.

**M<sup>me</sup> France Gélinas:** So the transition had been set, you were to get your training on streets on how to work as a team, how things were going to be. Did they give any explanation as to why they were not opening?

**Mr. Trevor Kidd:** The email that was sent out by Tom Lepine while this meeting was going on said that due to the international financial situation, Ornge was not going ahead with—they said they were delaying the base in Windsor. According to EMS in Windsor and the hospital in Windsor, they've never been informed that this base was any more than delayed. I don't know if anything ever officially came out saying that the base had been cancelled.

**M<sup>me</sup> France Gélinas:** In your mind, what does the international financial market have to do with providing EMS to the people of Ontario?

**Mr. Trevor Kidd:** I don't think it has anything with that. I think it has to do with Ornge's for-profit interests and the amount of money they were having to shift onto that end of things. If the international financial markets didn't look as good, then they were going to need more taxpayer money to go toward those private financial interests, and that was going to have to come out of the money that was supposed to go to operations in Ontario.

**M<sup>me</sup> France Gélinas:** How much did the people at Ornge know that they were for-profit entities being created?

**Mr. Trevor Kidd:** That's hard to say. I think—

**M<sup>me</sup> France Gélinas:** How much did you know? You knew that they existed.

**Mr. Trevor Kidd:** Yes. There was a lot of talk as to what was going on. The difficulty was getting anything ironed down.

Before I left Ornge in 2009, I knew that there was a lot of corruption going on, and I could list all kinds of things that I knew were going on—the speedboat; the resort or whatnot for J Smarts. I knew all this stuff was going on. Whether or not I could provide evidence for it was the issue, like having something ironed down on a piece of paper, saying, "This is proof that this is going on."

**M<sup>me</sup> France Gélinas:** But staff were talking. In the rumour mill of a place of employment, people knew that Dr. Mazza had bought a speedboat. Could you make a link between the need to provide patient transfer and the need for a speedboat?

**Mr. Trevor Kidd:** No.

**M<sup>me</sup> France Gélinas:** No. Okay. And the same thing with what you call the resort: The rumour mills at work knew that taxpayers' money was being used to buy that kind of stuff—

**Mr. Trevor Kidd:** Yes.

**M<sup>me</sup> France Gélinas:**—and you also knew that some for-profit companies were being set up.

**Mr. Trevor Kidd:** Yes.

**M<sup>me</sup> France Gélinas:** This kind of information was never shared with the staff at Ornge?

**Mr. Trevor Kidd:** No, absolutely not.

**M<sup>me</sup> France Gélinas:** You heard of them through the rumour mills, mainly?

**Mr. Trevor Kidd:** Yes. I mean, Ornge management basically tried to create an air where there was nothing going on, where they were tightening their belts, just as they were expecting everyone else to.

**M<sup>me</sup> France Gélinas:** The official line you were being told was, "Things are tough. We have to tighten our belts, and everybody has to co-operate." But then, through the rumour mills, you hear—was the rumour mill talking about the salaries that Mr. Mazza was being paid?

**Mr. Trevor Kidd:** We all knew that Dr. Mazza was no longer on the sunshine list. We all knew that he didn't seem to be living extremely frugally. We also knew that,

for instance, Steve Farquhar's wages increased \$96,000 in 2009. Tom Lepine's—

**M<sup>me</sup> France Gélinas:** How did you know that?

**Mr. Trevor Kidd:** That was on the sunshine list.

**M<sup>me</sup> France Gélinas:** Okay. Sorry, I didn't mean to interrupt.

**Mr. Trevor Kidd:** No problem.

**M<sup>me</sup> France Gélinas:** You knew that Dr. Mazza was no longer on the sunshine list. You knew by his actions that he was being well paid.

**Mr. Trevor Kidd:** Yes, and we also knew that there were things going on, like Dr. Mazza's girlfriend being hired, Rhoda Beecher's daughter being hired. I mean, these were the worst-kept secrets at Ornge.

**M<sup>me</sup> France Gélinas:** And did that worry you?

**Mr. Trevor Kidd:** I was extremely worried, and the main worry was that it was affecting patient care. We already knew that what was going on at Ornge was leading to negative patient outcomes. When we look at the amount, 145 or whatever, that are currently under the coroner's inquest, which I think is far lower than what they would actually find if they dug a lot deeper—I knew in 2009 not only that those cases were already going on, but that it was inevitable that they would dramatically increase as Ornge kept on going, unless something was done to stop what was occurring.

**M<sup>me</sup> France Gélinas:** In your letter to us, you say, "I left in disgust in the fall of 2009." I kind of know what you were disgusted about, but could you put it out for the record? You left; you were disgusted about what?

**Mr. Trevor Kidd:** I was disgusted about several things: first of all, the way we had been treated in Windsor and the lack of redress there. But at the same time, I had discussed with the partner I was working with in Peterborough, who was also from northern Ontario like I was, that if patients started to die in northern Ontario, I had to leave. Of course, things have progressed to being short-staffed everywhere, but at that time, the major staffing issues were in northern Ontario.

I put in my two weeks' notice after I had talked to a couple of people who were on a call and was pretty sure that if this patient in northern Ontario, a teenager from northwestern Ontario, did not die because of Ornge—it probably appears as though she would have died anyway—that had she been in a situation where she could have survived, Ornge had robbed her of that chance simply by not having aircraft properly staffed, their own aircraft in northwestern Ontario; also by not having standing offer aircraft properly staffed as advanced care anymore; and by simply not sending out the crews in a timely manner. This patient died after waiting several hours for an aircraft that simply should have been there.

0920

**M<sup>me</sup> France Gélinas:** So you see what's happening. You're disgusted about the whole thing to the point where you decide to leave. This is a major decision. Did you ring the alarm bells in any way?

**Mr. Trevor Kidd:** Between the fall of 2009 and the fall of 2010, I had contacted a couple of journalists and

discussed things that were going on. That didn't get anywhere and I felt that chances were, the problem was with me and that I simply couldn't provide the kind of information that would have got them started.

I no longer believe that was probably the case. It was simply a case where—at the time I left, Ornge had developed and maintained this Mother-Teresa-like—in the media.

**M<sup>me</sup> France Gélinas:** Image, yes.

**Mr. Trevor Kidd:** Ornge had this image that was of this incredible organization that had saved the air ambulance from the brink of disaster, which was the opposite of what had actually happened. The air ambulance was functioning not perfect but very well before Ornge took over and Ornge was driving it into the ground.

So you had to overcome the situation where you knew the media had this sterling image of Ornge. At the same time, the information that has come out about Ornge is crazy. When you talked to someone about what was going on, you had to try to really downplay it or you worried that they would dismiss you as being crazy. I mean, the way these stories have come out in the media has allowed people to get used to the things that were going on there, but if you just went and talked to someone and you said that these are the things that are going on at this organization that has this great reputation, nobody would believe you.

My father also talked to some people. I felt that he was in a better position to talk to certain people than I was. He talked to people within the Ministry of Health. He also talked to David Ramsay, before he left office, on more than one occasion.

**M<sup>me</sup> France Gélinas:** Just for the record, I know your dad is the mayor, but you may want to put that on the record.

**Mr. Trevor Kidd:** My father is the mayor of Temiskaming Shores.

**M<sup>me</sup> France Gélinas:** So the mayor of Temiskaming Shores knew of the situation because he's your father and you had shared. He went to the Ministry of Health and explained what was going on. He knew about the boats, he knew about—

**Mr. Trevor Kidd:** I can't say what my father discussed with them. I certainly had told him that these things were going on. Of course, he knew about my own situation there. I know that he talked to Kevin Finnerty, who I believe is in communications with the Ministry of Health.

**Mr. David Zimmer:** Sorry, I missed that. I didn't hear it.

**Mr. Trevor Kidd:** Kevin Finnerty, communications with the Ministry of Health, and Malcolm Bates, who I believe is director of emergency health services for the Ministry of Health. He talked to another woman who had previously been at the Ministry of Health, but she had moved on to another ministry at that time.

**M<sup>me</sup> France Gélinas:** Do you remember her name?

**Mr. Trevor Kidd:** I have it written down here somewhere.

**M<sup>me</sup> France G elinas:** And you said that your father also went to his own MPP, who was David Ramsay at the time.

**Mr. Trevor Kidd:** Yes.

**M<sup>me</sup> France G elinas:** Do you know if any of them followed up?

**Mr. Trevor Kidd:** Sylvia Shedden was the woman who he spoke to. She advised him to speak to Malcolm Bates.

**M<sup>me</sup> France G elinas:** Okay.

**Mr. Trevor Kidd:** And then both of us had talked to John Vanthof after he came into his position. As far as I know, I don't see anything that was done between Malcolm Bates or David Ramsay or Kevin Finnerty.

**M<sup>me</sup> France G elinas:** Just to clarify: You said that you yourself also talked to some of the people in the ministry, or only your father?

**Mr. Trevor Kidd:** Only my father talked to people in the ministry.

**M<sup>me</sup> France G elinas:** Okay. Except for trying to ring the alarm bell with the media, did you try to tell somebody else what was going on?

**Mr. Trevor Kidd:** Are you referring to within Ornge or outside of Ornge?

**M<sup>me</sup> France G elinas:** Everyone.

**Mr. Trevor Kidd:** Within Ornge, of course, there was communication going on with people who were front-line workers. Going anywhere above that, I don't think anyone would have attempted to do. I mean, nobody was going to go to Steve Farquhar or Tom Lepine, those kinds of people. I had—

**M<sup>me</sup> France G elinas:** Why not?

**Mr. Trevor Kidd:** Well, I think we all knew what kind of reaction we were going to get. I don't think we would have got a response anyway. I had contacted Steve Farquhar about the land program and what had happened there probably four or five times, between leaving phone messages and email messages, and never got a response from him at any point in time.

We, of course, had managers who were at a lower level, so they, I would assume, heard the same things we did. Some of them were people who you wouldn't approach about any kind of problem other than—they were people who if they had felt there were problems, they would have just been let go anyways.

**The Chair (Mr. Norm Miller):** You have about two minutes.

**M<sup>me</sup> France G elinas:** So you felt that if you had gone to a manager to explain and that manager had taken your case up as to what is going on here—"Spending money on a boat might not have been the wisest thing to do; maybe we should have spent it on patient care"—they could have lost their job by speaking out?

**Mr. Trevor Kidd:** I think they would have. There was enough lower management that had been fired for any number of reasons that I think it would have happened. I did go to Rick Potter about legitimate safety issues on the aircraft, and I saw what reaction that had gotten.

**M<sup>me</sup> France G elinas:** And that reaction was that he dismissed you?

**Mr. Trevor Kidd:** He not only dismissed me, but then he went to the pilots and told them that they could not communicate with the paramedics and made the aircraft less safe than it had been before.

**M<sup>me</sup> France G elinas:** Okay. Does a specific example of a lower-level manager being dismissed come to mind when you think about the culture and what you saw, heard and lived through?

**Mr. Trevor Kidd:** I mean, Robbin Lavoie was the regional operations manager in Thunder Bay. I can't say for sure if he was dismissed or left, but he had certainly come close to losing his job when he had complained a bit about Ornge firing some of the office staff they had. In Thunder Bay, we had Dawna Watts. They were brought down to Toronto, the staff from each base, and were told that their assistance was no longer required.

He had also talked to one paramedic about a situation where Ornge was providing discipline towards that employee. He said that he completely disagreed with what was going on but that if he said anything, he would no longer be working there.

**The Chair (Mr. Norm Miller):** Thank you, and we'll move on to the government. Who would like to ask questions over there? Mr. Moridi.

**Mr. Reza Moridi:** Thank you very much, Mr. Chair, and thank you, Mr. Kidd, for appearing before this committee.

Mr. Kidd, do you currently work for Thunder Air?

**Mr. Trevor Kidd:** Yes, I do.

**Mr. Reza Moridi:** Can you tell us a little bit about the detail of the work you did for Ornge when you were working for Ornge?

**Mr. Trevor Kidd:** When Ornge took over, I was an advanced care flight paramedic. I did my critical care training while I was there. I never certified critical care, due to delays that had occurred.

Now, at Thunder Airlines, I work as a primary care paramedic there, so I no longer work at an advanced care level or a critical care level. At some point in time, Thunder Air may be allowed to start doing advanced care transfers again, and if that's the case, I would look at getting my advanced care back.

**Mr. Reza Moridi:** When you were working for Ornge, whom did you report to? Who was your supervisor there?

**Mr. Trevor Kidd:** My immediate supervisor when I was in Sioux Lookout was Ron Laverty. In Thunder Bay, it was Robbin Lavoie. In Peterborough, it was Jeff Carss.

**Mr. Reza Moridi:** And what was your position at Ornge, or what positions did you hold?

**Mr. Trevor Kidd:** I was an advanced care flight paramedic, I was a preceptor of advanced care flight paramedics, and I was a critical care resident. In Thunder Bay, on the fixed-wing, I was the most senior paramedic there, but I don't think that makes any difference for your position there.

**Mr. Reza Moridi:** How long did you work for Ornge?

**Mr. Trevor Kidd:** I worked for Ornge from, I believe, January 6, 2006, until, I would say, early October 2009.

**Mr. Reza Moridi:** So about three and a half years.

**Mr. Trevor Kidd:** Yes.

**Mr. Reza Moridi:** When did you leave Ornge?

**Mr. Trevor Kidd:** Sorry, when or why?

**Mr. Reza Moridi:** When did you leave Ornge?

**Mr. Trevor Kidd:** I left Ornge early October 2009.

**Mr. Reza Moridi:** Do you know a gentleman by the name of Bob Mackie, who is the president and owner of Thunder Air?

**Mr. Trevor Kidd:** Yes, I know Bob Mackie.

**Mr. Reza Moridi:** He's your boss now, I guess? You work for him.

**Mr. Trevor Kidd:** Yes, he is.

**Mr. Reza Moridi:** He's also a director at the Air Transport Association, I believe.

**Mr. Trevor Kidd:** Yes. As far as I know, he is.

0930

**Mr. Reza Moridi:** When Mr. Mackie appeared before this committee, he expressed his frustration about his company losing business when Ornge Air was created. What do you think about his statement?

**Mr. Trevor Kidd:** I believe the statement is absolutely correct. In what I believe was the fall of 2006, Ornge changed the situation. Where prior to that, standing offer agreement carriers such as Thunder Air could do advanced care transfers between hospitals, Ornge removed the ability for them to do that, which left staff from hospitals going along with primary care aircraft and led to companies like Thunder Air needing to lay off advanced care paramedics and left, really, the province with far, far fewer advanced care aircraft than had existed before Ornge took over.

**Mr. Reza Moridi:** When Ornge Air was created, apart from Thunder Air, did other agreement carriers—they were also affected by lost business, basically?

**Mr. Trevor Kidd:** Yes.

**Mr. Reza Moridi:** As a competition.

**Mr. Trevor Kidd:** Most of the previous carriers have left either due to finances or not wanting to deal with Ornge. Voyageur Airways used to have the dedicated contracts for the fixed-wing, but they also had some standing offer aircraft. They no longer have anything to do with the air ambulance. I can't say exactly what their reasons were for making that decision, but I know that they were not happy with the direction Ornge was taking the air ambulance in this province.

**Mr. Reza Moridi:** Mr. Mackie said that he lost business as a result of the creation of Ornge Air. How much do you think his business lost in terms of revenue?

**Mr. Trevor Kidd:** I can't make a comment about that but I would be pretty sure that it was significant. It's expensive to run air ambulance. You're already buying all the equipment you would need to run advanced care, and when that's pulled out from under you, you've still incurred all these costs and now you're no longer generating revenue from it.

**Mr. Reza Moridi:** Could it be millions?

**Mr. Trevor Kidd:** I would think so, but I can't say for sure.

**Mr. Reza Moridi:** Have you read the Auditor General's report?

**Mr. Trevor Kidd:** Yes.

**Mr. Reza Moridi:** You have. Do you agree with the Auditor General that our government needs to strengthen the oversight framework and also bring legislation to the Parliament?

**Mr. Trevor Kidd:** Sorry, could you please repeat that? There was a little bit of noise in the background.

**Mr. Reza Moridi:** Would you agree with the Auditor General's suggestion that we need to strengthen the oversight on our performance agreement with Ornge?

**Mr. Trevor Kidd:** I absolutely think that—well, my disagreement would be that I think there needs to be increased oversight on the air ambulance. I don't think, and the paramedics I talk to don't think, Ornge should exist. We think that what is currently under Ornge should be delivered back to the other carriers; have them bid on it. Voyageur, Thunder, these companies can bid on the fixed-wing, and the same with the rotor wing. People I talk to simply do not feel that Ornge has the ability to run an airline. Maybe they can, but the paramedics I've talked to and the pilots I've talked to don't have that confidence.

Everything seemed to go wrong as Ornge moved more and more into the system. Whether or not it can—things can be improved by better regulation and better oversight, but I still think there's a problem with Ornge running the aircraft. I just don't think it makes any sense.

**Mr. Reza Moridi:** Are you aware that our government amended the performance agreement with Ornge and also brought in legislation to the House with regard to Ornge?

**Mr. Trevor Kidd:** I've been told that these things occurred, but I haven't read any of the legislation. I haven't read the performance agreements. I can't say exactly what they say—

**Mr. Reza Moridi:** Would you agree that government oversight on Ornge should be similar to our oversight on hospitals?

**Mr. Trevor Kidd:** I'm not very aware of exactly what the oversight is on hospitals. I would say that the oversight on the air ambulance has to be much higher than it was. I mean, for several years, Ornge, for the land program, had Ottawa running 24 hours and Peterborough and Markham running 12 hours. That was 20% of the crews that Ornge was originally supposed to set up, and they were receiving 70% of the originally proposed money. I think that the strong oversight wouldn't have allowed that to happen, and strong oversight would have said, when Windsor was shut down, "Why did this happen?" and "Where's the money going?" If the oversight was there, I don't see the evidence for it.

**Mr. Reza Moridi:** Earlier you mentioned, Mr. Kidd, that you'd like to see whistle-blower protection. Our government brought Bill 50 to the House, basically men-

tioning that one of the items in the bill is whistle-blower protection. Do you think that all parties should support this bill?

**Mr. Trevor Kidd:** I haven't actually read the bill. I can't say what whistle-blower protection that provides, whether it's strong enough. I think it would have to be some kind of independent counsel who has expertise in whistle-blower protection to provide any foresight on that.

**Mr. Reza Moridi:** If you think that the clause on whistle-blower protection is adequate from your point of view, do you think that all parties should support the bill?

**Mr. Trevor Kidd:** If there is strong whistle-blower protection—I'm not a politician. I don't know what all is in the bill. I can't say anything. I don't know if it's possible to support a certain clause. I don't know. I'd like to see very strong whistle-blower protection. How it gets there, I don't know.

**Mr. Reza Moridi:** Thank you very much.

**Mr. Trevor Kidd:** No problem.

**Mr. Reza Moridi:** I'm going to pass it to Mr. Zimmer.

**The Chair (Mr. Norm Miller):** Mr. Zimmer.

**Mr. David Zimmer:** Thank you, Chair.

Do you know Trevor Harness?

**Mr. Trevor Kidd:** I knew Trevor Harness briefly.

**Mr. David Zimmer:** Did you work with Trevor Harness?

**Mr. Trevor Kidd:** Well, it depends on what manner you mean. I worked at Ornge at the same time he was at Ornge. Did I work with him under any of the stuff he was investigating? No. I know that Trevor Harness had an investigative team. I didn't have that, and I didn't want to be part of a broader investigation. I just had a couple of people I talked to frequently, and they provided the kind of information that they could.

**Mr. David Zimmer:** When you worked with Trevor Harness at Ornge, how did you work together?

**Mr. Trevor Kidd:** He was at the dispatch centre and I was working as a flight paramedic, so I knew of him. I have never met him. We're each just one of hundreds of people working in the same organization.

**Mr. David Zimmer:** You said in your earlier statement that you left Ornge "with the goal of exposing the corruption." Is that correct?

**Mr. Trevor Kidd:** Yes.

**Mr. David Zimmer:** What were the first steps in your reaching towards that goal of exposing corruption?

**Mr. Trevor Kidd:** Over the years I have compiled evidence, or simply lines of "I know this was going on, but I might not have evidence of it"—so everything I found out that was going on that either was corrupt or—

**Mr. David Zimmer:** And did you make notes and keep a record of your work that you did?

**Mr. Trevor Kidd:** I have notes that I have in a document. I sent Frank Klees a document last April, I believe. It would have been 25 pages or so, that had hundreds of points—maybe not hundreds; probably a hundred points—

**Mr. David Zimmer:** You sent that to Mr. Klees last year, and it was about 25 pages plus?

**Mr. Trevor Kidd:** Yes. Well, you know, 24, 25 pages, I would say.

**Mr. David Zimmer:** Do you have that document with you today?

**Mr. Trevor Kidd:** No, I don't.

**Mr. David Zimmer:** Would you share that document with the rest of the committee members so we can all—

**Mr. Trevor Kidd:** Yes.

**Mr. David Zimmer:** All right. This is the clerk, so you can share that with him.

**Mr. Trevor Kidd:** Yes. I will email him.

**Mr. David Zimmer:** The statement that you read in, on behalf of fellow Ornge employees: How many employees were you speaking on behalf of?

**Mr. Trevor Kidd:** There were nine employees I asked if I could use their names, because they had sent me information on more than one occasion. All of them replied saying that they were not comfortable with that and gave reasons why, so I put together a statement. I sent that to them all and asked if they approved of the statement or not, or if they wanted any changes made to it, and then some changes were made.

**Mr. David Zimmer:** Do you know why they don't want their names disclosed?

**Mr. Trevor Kidd:** They feel that there are still people working high up within Ornge who they'll feel repercussions from if their names come out. They don't feel that whistle-blower protection has been provided yet.

**Mr. David Zimmer:** Were any of those names disclosed in the 25-page document that you released to Mr. Klees?

**Mr. Trevor Kidd:** I can't say for sure, but I'm pretty sure that there were no names on that list.

**Mr. David Zimmer:** Would you share those names privately with other members of this committee, including Mr. Klees?

**0940**

**Mr. Trevor Kidd:** I asked them if I could submit their names, and they said no. So I don't think I have any right to do that at this time.

**Mr. David Zimmer:** Have you shared those names with Mr. Klees?

**Mr. Trevor Kidd:** No.

**Mr. David Zimmer:** The document you provided here, that you gave to the clerk and he has made photocopies, says, "The front-line staff who I talk to state that they do not feel that this organization can move forward until the following people (in alphabetical order) left over from the Ornge corruption days are terminated," and then you have a list of two, four, six, eight, 10 names. Are any of those front-line staff who gave you those names on the same list as the statement you read on their behalf?

**Mr. Trevor Kidd:** Yes. The names that are on the list are names that were provided by more than one person. Most people who provide names would—

**Mr. David Zimmer:** No, no. The front-line staff who gave you this list of names—

**Mr. Trevor Kidd:** Yes?

**Mr. David Zimmer:** —can you give me their names?

**Mr. Trevor Kidd:** The front-line staff who gave me those names are the same people.

**Mr. David Zimmer:** What same people?

**Mr. Trevor Kidd:** The same people I have been talking about who do not want their names brought forward.

**Mr. David Zimmer:** Okay.

**Mr. Trevor Kidd:** The one other person I talked to on this issue was Trevor Harness. He provided names, but they were already names I had on my list.

**Mr. David Zimmer:** All right. So the people you read your statement on behalf of who don't want their names disclosed in turn had given you a list of two, four, six, eight, 10 names, and the names are: Jeff Carss—what does he do?

**Mr. Trevor Kidd:** I don't know what Jeff Carss' position is right now. He was the regional operations manager when I—

**Mr. David Zimmer:** The next name is Wade Durham. What does he do?

**Mr. Trevor Kidd:** I believe he is regional operations manager in Thunder Bay.

**Mr. David Zimmer:** The next name is Steve Farquhar. What does he do?

**Mr. Trevor Kidd:** He is head of operations, I guess.

**Mr. David Zimmer:** Jim Feeley—what does he do?

**Mr. Trevor Kidd:** I don't actually even know who Jim Feeley is. I don't actually know who several names on the list are.

**Mr. David Zimmer:** All right. Jim Feeley is somebody you don't know.

Christina Howell?

**Mr. Trevor Kidd:** I don't know what her position is right now. She was in the HR department.

**Mr. David Zimmer:** Nancy Mulroney?

**Mr. Trevor Kidd:** I believe she's in the HR department.

**Mr. David Zimmer:** Bruce Sawadsky?

**Mr. Trevor Kidd:** He is the head physician. He was the person who looked at the aircraft.

**Mr. David Zimmer:** Rob Smith?

**Mr. Trevor Kidd:** I don't actually know who Rob Smith is.

**Mr. David Zimmer:** Lindsey White?

**Mr. Trevor Kidd:** I don't know who Lindsey White is.

**Mr. David Zimmer:** Sandra Wilkie?

**Mr. Trevor Kidd:** I don't know who that person is either.

**Mr. David Zimmer:** How do you feel about coming to the committee and giving us a list of names, some whom you know, some whom you don't know, a list you have compiled from anonymous sources, and then sitting there and saying, "These people should be fired"? Do you think that's fair?

**Mr. Trevor Kidd:** I was brought here to say how the air ambulance can improve. People I talked to said they don't feel it can improve as long as certain people are

there. I asked who those people were, because I suspected it would be asked, and I'm simply bringing those names forward.

**Mr. David Zimmer:** What would you think of this scenario? You're working someplace—it doesn't have to be Ornge—and the boss comes in to you and says, "I've got a document here from another employee who says you should be fired, but I can't tell you who that employee is and I really don't know much about that other employee other than they think you should be fired, so you're fired." Do you think that's fair?

**Mr. Trevor Kidd:** I don't think that would be a fair situation.

**Mr. David Zimmer:** Okay, so if it's not a fair situation, do you think it's fair that you come to us with a list of 10 names of people who should be fired that you have prepared anonymously?

**Mr. Trevor Kidd:** Ornge is an organization where millions of dollars have gone missing. Ornge is an organization where the staff I talk to say this organization is not yet on the right track. When I ask them why, those are names they bring forward. I'm not saying what has to be done with those people. I'm saying that the people I talk to say they don't feel this organization can move forward with those people still in the organization.

**Mr. David Zimmer:** Yesterday, in the legislative chamber, Lisa MacLeod, a PC member from the Ottawa area, in fact quoted many of the names on the list that I've just read out to you that you've provided us with today. Did you give this list to Lisa MacLeod or the PC caucus?

**Mr. Trevor Kidd:** I don't actually know who Lisa MacLeod is and I gave nothing to the PC caucus.

**Mr. David Zimmer:** Who else have you shared this list with?

**Mr. Trevor Kidd:** I haven't shared the list with anyone. Of course, Trevor Harness is someone who I've talked to, so I knew that he had a list of people as well.

**Mr. David Zimmer:** So Trevor Harness has this list?

**Mr. Trevor Kidd:** Trevor Harness I don't think would have that list, but I am of the understanding that he has a list.

**Mr. David Zimmer:** And would the names on Trevor's list be the same as the names on your list?

**Mr. Trevor Kidd:** I would assume there would be a fair amount of overlap.

**Mr. David Zimmer:** Okay. Let me read to you from some of Trevor Harness's—

**The Chair (Mr. Norm Miller):** You have two minutes.

**Mr. David Zimmer:** All right, thank you. Trevor said he was running an undercover investigative team of about 28 members. Did you know about that investigative team?

**Mr. Trevor Kidd:** I know that Trevor Harness has had an investigative team. I don't know anything about it.

**Mr. David Zimmer:** Did you know that Trevor Harness was of the view that Kevin Donovan, a reporter at the Toronto Star, and Paul Bliss, a reporter at CTV—at

least from Trevor Harness's point of view—were on his investigative team but they did not really know they were on his team?

**Mr. Trevor Kidd:** I've watched Trevor Harness's testimony. I can't speak for Trevor Harness. I can say that I sent information to Kevin Donovan and to Paul Bliss. I wasn't someone who initially contacted them. After initially contacting a couple of journalists, I waited until MPPs or journalists started talking about Ornge and then I would contact them. I was not running an investigative team, but my understanding of Trevor Harness was—

**Mr. David Zimmer:** Were you aware that Trevor Harness was using a series of at least three aliases?

**Mr. Trevor Kidd:** That's what I heard when he was here. I didn't use any aliases when I talked to people.

**Mr. David Zimmer:** Is that my two minutes, Chair?

**The Chair (Mr. Norm Miller):** You have one minute left.

**Mr. David Zimmer:** All right. How many employees at Ornge are you aware of that have filed grievances with their union about the issues at Ornge?

**Mr. Trevor Kidd:** I honestly cannot answer that. I haven't worked for Ornge for close to three years now. I assume that the union has been busy. I can't give any kind of answer to that.

**The Chair (Mr. Norm Miller):** And that is pretty much your time, so we'll move on. We'll have 10-minute sessions, starting with Mr. Klees. Go ahead.

**Mr. Frank Klees:** Thank you, Mr. Kidd. Don't be too concerned about Mr. Zimmer's grilling over there. I think that the point that Mr. Zimmer was trying to make is that obviously there must be some credibility to this list of employees who have been identified as individuals who perhaps are less than qualified, because they show up on a number of lists. I think that's the point. So I thank you again—

**Mr. Trevor Kidd:** I think what should be done is that they should send people to Ornge and ask the front-line staff who they are having problems with. As far as I know, there really hasn't been the kind of communication with front-line staff that they would like to have about how to move forward with the air ambulance in this province.

**Mr. Frank Klees:** That's what we understand, as well, and we're quite puzzled about that. What seems to be happening is that new people are brought in who have no experience in air ambulance, who are now being paid consulting fees, who have no prior knowledge or historical context of this organization. My understanding is that they're not connecting with the front-line staff. They're not asking the people who are actually delivering the service what has to be done to restore confidence in our air ambulance service. And at the end of the day, that's why we're here, to achieve that objective, quite frankly.

To that end, I'd like to ask you this: Of the people that you continue to have contact with who are paramedics and who are pilots, what are they telling you that they would like to see happen at Ornge?

**0950**

**Mr. Trevor Kidd:** The people who I talk to on a frequent basis had been quite hopeful in the early months of this year, and since then they really feel that nothing, you know, has changed and nothing will change in the long term. So they really feel that what we have is a situation where a couple of the high-level management were let go, but basically things continue to run in the same way, at least for front-line staff.

People I talk to generally say that as long as the helicopters are there—and these are helicopters that they just don't feel are in the long-term interests of this province. The fixed-wing, the Pilatus, they also don't think was an appropriate aircraft for this province, especially in the north. It's a single-engine aircraft. It's not quite as large as the previous aircraft were in the interior. So, for instance, in Sioux Lookout where you carry a lot of mothers who have just delivered, there's not enough room in the aircraft for both a patient and an incubator, which we always had room for before. Most people I talk to—I would say everyone I talk to simply believes that as long as Ornge still exists, the problems will still exist.

**Mr. Frank Klees:** Thank you.

You know, Mr. Moridi made reference to legislation and this whistle-blower protection clause that's in this legislation. I have it here, and I think we asked that a copy be given to you.

On page 4, under section 7.7, it refers to the whistle-blower protection. What's interesting about this piece of legislation is that it talks about providing whistle-blower protection to anyone who has disclosed information, and you see under subparagraph (a) anything that's been "disclosed to an inspector, investigator or special investigator in connection with a designated air ambulance ... " and then anything that's been "disclosed to the ministry...."

Isn't it interesting that what this whistle-blower protection excludes is anybody else? So there's no whistle-blower protection in this legislation to someone who happens to go to their MPP, someone who happens to go to a reporter, someone who happens to go perhaps even to their employer or a fellow colleague, and yet we hear that, lo and behold, we have this great whistle-blower protection in this document.

We wanted to get a select committee established here that would have had, as part of its terms of reference, very strong whistle-blower protection for people who you've referred to in your testimony, who are front-line employees who would like to come here, so that Mr. Zimmer wouldn't have to go on a fishing trip to determine or to try and undermine your credibility or that of anyone else who is coming here to say, "You know, we've talked to employees and front-line paramedics and pilots"—so that they could come themselves.

This government refused. Why did they refuse to give us that whistle-blower protection? Mr. Kidd, what we're concluding is they don't want to hear the truth. They don't want—and I think you are absolutely right. The conclusion, as you've drawn it, that employees have come to is that they're trying to minimize the political fallout. That certainly is what we're seeing.

So I just want to ask you this: Why are front-line paramedics and pilots and office workers at Ornge not willing to come here and talk to us? Why?

**Mr. Trevor Kidd:** Well, I think there's a couple of reasons. A lot of people had tried to get a lot of information out for a lot of years. I mean, information has come out in the last year, basically, but for a lot of years people had tried to get information out, and I think a lot of them have, for good reasons, become very weary of the way they've been treated in that situation. A lot of people tried to do a lot of things, contact a lot of people. None of it ever seemed to go anywhere, and every time they did that, they felt they were putting themselves at risk and the people who were close to them, work- or relationship-wise, at risk.

People, though, have said repeatedly that we need whistle-blower protection, and it needs to be strong whistle-blower protection. I'm not a lawyer; I don't know what other whistle-blower protection is out there. But this story got out there through people going to MPPs and through the media. If the whistle-blower protection is not going to protect people when they're doing that, then I don't really know what the point is.

I mean, people could go to the Ministry of Health—the Ministry of Health had a lot of information about things that were going wrong at Ornge. The Ministry of Health had to have known what happened in the land program for years and never did anything about it. They had to have known what was going on with the finances. They had a lot of information and—

**Mr. Frank Klees:** Are they afraid they'll lose their job?

**Mr. Trevor Kidd:** The people at Ornge?

**Mr. Frank Klees:** Yes.

**Mr. Trevor Kidd:** Absolutely.

**Mr. Frank Klees:** And to your point, this whistle-blower—

**Mr. Trevor Kidd:** And you have to remember: As paramedics, there is nowhere else for them to go in this province. So if there's a chance of them losing their job—I mean, it's not a case of, "Well, I can come forward here and just go work for somebody else." Ornge has made sure there's no competition in this province for people who are highly trained as paramedics.

**Mr. Frank Klees:** Mr. Kidd, you know, it's interesting: This whistle-blower protection has about five clauses that relate to anyone who gives the Ministry of Health information. The fact is, we have all kinds of evidence that employees brought information to the Ministry of Health at various levels. And guess what? The Ministry of Health did nothing. Apparently, you don't need whistle-blower protection if you give the Ministry of Health information, because nothing is going to happen anyway.

So the issue here—what we should have in this legislation are consequences to civil servants and managers of departments who don't respond to information that they get. That's what we need. We need accountability not only on the part of civil servants but on the part of the

Minister of Health, who also didn't do anything about the information that she received. So I think—

**The Chair (Mr. Norm Miller):** And you're on your last 30 seconds.

**Mr. Frank Klees:** I'll wrap up. I just want to say, Mr. Kidd, thank you for having the courage to come. It's extremely disappointing to see how you've been treated, not only by the previous management of Ornge—the fact that the current management of Ornge and the current Ministry of Health know your circumstances and the way that you have been treated, and that you have experienced financial loss as a result of that—and they leave you out there to fend for yourself—highly unfortunate.

**The Chair (Mr. Norm Miller):** Thank you very much, Mr. Klees. We'll move on to Ms. Gélinas.

**M<sup>me</sup> France Gélinas:** I want to come back to what we were talking about before my turn ended. You touched a bit on it when you responded to Mr. Klees, that, basically, the Ministry of Health had a lot of info. They had info about the land ambulance. They had information about the financial transactions. So, what do you base those statements on?

**Mr. Trevor Kidd:** Well, we know from information that has come out. We know there were the 145 incidents that are currently being investigated by the coroner, or have been investigated by the coroner. I assume all of those had to go through the Ministry of Health.

The Ministry of Health knew where money was supposed to be going. They were the ones who, when Ornge didn't use \$8 million for the land program in 2008-09, allowed Ornge not to pay it back and to shift it wherever else they wanted to.

A lot of things had happened, and either the Ministry of Health was incapable of doing anything to stop Ornge from doing what they were doing, in which case I don't know what the Ministry of Health is there for, or they were capable of stopping what they had to have known was going on, in which case they knew something wrong was going on and did nothing when they could have.

**M<sup>me</sup> France Gélinas:** I would say that I tend to agree with your analysis of the situation.

You've left in disgust in the fall of 2009. You were bound and determined that you were going to ring the alarm bell and let people know. One such way to reach out was through your father, who happens to be an elected official. Do you remember more details as to what time of the year—when did your father have an opportunity to talk to Malcolm Bates at the Ministry of Health, to talk to the other officials at the ministry, to talk to his MPP, who was also a member of the Liberal government?

**1000**

**Mr. Trevor Kidd:** He would have talked to David Ramsay probably in the spring of 2009 and then probably again a year later.

**M<sup>me</sup> France Gélinas:** So spring of 2009 and spring of 2010?

**Mr. Trevor Kidd:** I would suggest that's probably accurate, yes.

**M<sup>me</sup> France Gélinas:** How about his conversations with some of the people at the Ministry of Health? You mentioned Malcolm Bates, you mentioned—sorry—

**Mr. Trevor Kidd:** Malcolm Bates would have been June or July 2011. Shedden would have been some time before that, because she directed him to Malcolm Bates, so probably not too long before that. Kevin Finnerty my father ran into at a conference sometime in the last maybe six months. He was sitting at the same table as him and started bringing up issues with Ornge. Kevin Finnerty asked my father to email him his concerns; my father did.

**M<sup>me</sup> France Gélinas:** So there was actually written correspondence where you father put in writing to Kevin Finnerty what he perceived as what was wrong with Ornge?

**Mr. Trevor Kidd:** I would say, especially with Kevin Finnerty, the information was already coming out about Ornge. I would say that he probably just discussed my specific situation with Kevin Finnerty.

**M<sup>me</sup> France Gélinas:** When was the date again that your father met with Kevin?

**Mr. Trevor Kidd:** It was sometime in the last six months. I can't say for sure.

**M<sup>me</sup> France Gélinas:** After it hit the papers or before?

**Mr. Trevor Kidd:** This was when it was in the papers, yes.

**M<sup>me</sup> France Gélinas:** After it had hit the papers. Okay.

**Mr. Jagmeet Singh:** Can I just jump in and ask you some questions about the land ambulance?

**Mr. Trevor Kidd:** Yes.

**Mr. Jagmeet Singh:** You indicated—and this is corroborated by page 26 of the Auditor General's report—that in 2006, \$9.4 million was given, and then a following \$13 million was given for 2007-08. The performance agreement was amended to allow this money to be used for ambulance transfer that's by land. You indicated that the money was used for nothing. It looks like the Auditor General also found some discrepancies. What can you add to that in terms of finding out what happened to the money?

**Mr. Trevor Kidd:** At the end of the 2007-08 fiscal year, it would have been almost \$23 million that Ornge had received for the air ambulance. They had only opened up Ottawa late in that second fiscal year. I think they had done 43 transfers or something at that time, so essentially, 43 land transfers for \$23 million at that time. The next year, according to the Auditor General, they received \$16.2 million. They spent \$8.2 million, but in the Ministry of Finance document, Ornge claims that they spent \$22.3 million that year. This is what they claimed to the government that the land service cost them in 2008-09, when according to the Auditor General they spent \$8.2 million. That's \$14 million that's out there in the middle of nowhere, as far as I'm concerned.

**Mr. Jagmeet Singh:** Do you have any first-hand knowledge about what was going on in terms of how many transfers were being done by land?

**Mr. Trevor Kidd:** Yes. In 2009 until I left—I was working in Peterborough—there were not a lot of land transfers being done. I mean, the land transfer program should have been implemented properly, and if it was used properly, it would do a lot of transfers and would be very cost-effective.

I don't think, actually, Ornge had really spent much money at all on the land transfer program. I think they claimed they had, but in reality, I don't think they spent more. It's not an expensive program to run. There's no aircraft; the fuel's not the kind of fuel costs we have; we don't have pilots who we're paying or aircraft engineers. These bases should be extremely efficient to run. Unfortunately, I don't think we have any idea how much it should have cost for the land program to run because we have had no idea of what the real numbers actually are.

**M<sup>me</sup> France Gélinas:** Where do you figure the money went?

**Mr. Trevor Kidd:** I have some ideas, but—

**M<sup>me</sup> France Gélinas:** Well, share them with us. I'll compare your ideas with mine.

**Mr. Trevor Kidd:** I think that some of the money went to, well, things that the executives were interested in. We know that \$8.4 million was transferred out of Ornge into the Ornge Foundation charity, which then, I assume, was distributed to the for-profits in June 2008. That occurred at the exact time that a new Minister of Health was being put in place, and I think that Ornge, in my opinion, used that situation as an opportunity to transfer a lot of money through nefarious means, and at a time when the ministry was too busy to really pay attention to what was going on.

I think that after they delayed Windsor and only opened up Peterborough and Markham 12 hours, I think they held out the rest of the fiscal year to decide whether or not they were going to actually end up opening Windsor or opening Peterborough or Markham 24 hours, based on how much funding they were going to get for having this minimal land program. When they managed to get 70% of the original funding for 10 bases, for basically running two bases, then they knew that they had scored a lot of money. If it had been a situation where the ministry had said, "We won't give you more money unless you provide more services," then I think they would have opened those bases.

**M<sup>me</sup> France Gélinas:** Really. So the intent was really, "How much money can we get out of the government without the government asking us for accountability?" Once that money came in, they ran to the bank with it; they had scored big.

**Mr. Trevor Kidd:** I think that is what happened. I think when you look at the original land program, there were supposed to be land bases opened fairly early. They kept on delaying land base after land base and—

**M<sup>me</sup> France Gélinas:** Can you think of a valid reason why, except that you have an opportunity to fleece the taxpayer and bring money to intents that were not, through the rumour mills—you worked in that organization. I don't know. Did a tsunami happen that I missed

or something? Could there be a good reason why we did not open those land ambulances, except for the fact that they wanted the money but not to provide the service?

**Mr. Trevor Kidd:** My only explanation is that Ornge wanted this money. They needed money to get their international for-profit things up and running. That was a lot of money that they thought they could make. But they managed to—well, they didn't manage to, but they were attempting to start it without providing any of the capital.

As the sunshine list shows, after the Windsor base was delayed, Steve Farquhar got a \$96,000 raise. He was the person who was supposed to be in charge of this. Tom Lepine, who was also supposed to be in charge of this, got a \$106,000 raise. Jeff Carss and Christina Howell, who were also in charge of the land program in some manner, have both been promoted in some way since then. I think that they delivered what Ornge wanted them to deliver, which was basically nothing.

**M<sup>me</sup> France Gélinas:** So what Ornge wanted them to deliver was for the Ministry of Health to transfer more of the taxpayers' money to Ornge so that they could pursue their for-profit venture?

**Mr. Trevor Kidd:** I would say for-profit ventures and other things, like the money for J Smarts and other things—motorcycles, that kind of stuff, yes.

**The Chair (Mr. Norm Miller):** You have 30 seconds.

**M<sup>me</sup> France Gélinas:** As far as you're concerned, the base would have been useful, should have been open; the money was there to do this. And none of this happened, because the Ministry of Health looked the other way, continued to flow the money, and the money went to anything but robust, strong ambulance bases?

**Mr. Trevor Kidd:** Yes, and this has had significant consequences. I mean, five of the patients, or the victims, for the coroners' investigations are from Windsor, three of them children. It's an area of the province that is not receiving much for services and should have been receiving services and was entitled to it, and they were never given an explanation. According to the hospital and the EMS services down there, they were never told that this base was cancelled, simply that it was delayed.

**The Chair (Mr. Norm Miller):** We are out of time here, so we'll move to the government and Mr. Zimmer.

**Mr. David Zimmer:** How much time do I have?

**The Chair (Mr. Norm Miller):** You have 10 minutes.

**Mr. David Zimmer:** Thank you.

**The Chair (Mr. Norm Miller):** Go ahead.

**Mr. David Zimmer:** Look, I want to ask you a question about the responsibilities of a citizen, the responsibilities of an Ontario citizen like you, because when I sit back and reflect on your evidence, and I sit back and I reflect on the evidence of Mr. Harness, I'm struck by two things: one, your stated concern, and Mr. Harness's stated concern, about the safety of air ambulance care for seriously injured patients in Ontario. I get the sense, on the one hand, listening to you and Mr. Harness, that that is what is motivating you: to make sure that we have a first-class air ambulance service. Is that correct?

**Mr. Trevor Kidd:** Yes, that is part of the motivation.

**Mr. David Zimmer:** On the other hand, when we're trying to delve into this and figure out what went wrong, how we can fix it, who can give us information about what went wrong and so on, we hear from you and we hear from Mr. Harness. We get lists of anonymous people who want to tell us things, but you don't want to share those names with us. Mr. Harness doesn't want to share with us. You want to protect your sources.

**1010**

So my question to you as a citizen is this: When you're faced with this choice between doing what's best for the air ambulance service, fixing it and getting to the bottom of it, and yet you don't want to share some of that confidential information and confidential names who might help us with that and you opt to protect your source, do you think that's a bit selfish of you? Why wouldn't you give us your sources' names so that this committee, all members—Conservatives, NDP, Liberal—can really find out what's going on? Because it seems to me, when push comes to shove, your first loyalty is to your sources; your second loyalty is to the good health of the people of Ontario. How do you respond to that observation?

**Mr. Trevor Kidd:** My position is, people have told me that if the environment is created where people feel they can come forward, then people will come forward. I don't feel that I'm in a position to put forward people's names who brought me information at risk to themselves—some people who went against their spouses to provide information because they felt that information needed to get out there, but they knew they were putting their career at risk—

**Mr. David Zimmer:** And you'd rather put the risk of patients using air ambulance service ahead of those private concerns of yours?

**Mr. Trevor Kidd:** Well, as I said, provide the environment for people to come forward and people will come forward. Without the environment for people to come forward, I think what you're asking—

**Mr. David Zimmer:** All right. Let me address that point. You know that anything that you say here in front of this committee, you've got absolute immunity from. Do you know that?

**Mr. Trevor Kidd:** Yes.

**Mr. David Zimmer:** So nothing can happen to you as a result of anything that you tell us today, and nothing can happen to any of those anonymous people on your various lists and on Mr. Harness's list. Nothing can happen to them arising out of anything that they tell us when they're sitting in that chair. Do you know that?

**Mr. Trevor Kidd:** I know that, but I think that—

**Mr. David Zimmer:** You know that, do you?

**Mr. Trevor Kidd:** Yes.

**Mr. David Zimmer:** All right. So—

**The Chair (Mr. Norm Miller):** Let him respond, please, Mr. Zimmer.

**Mr. David Zimmer:** All right.

**Mr. Jagmeet Singh:** Chair, I just have an issue. It's a bit of a misstatement of immunity. Immunity doesn't work that way. If people's names are provided, their employer might do something. We can't protect against their employers doing something. If their names are presented, the public may do something. Immunity doesn't work that way. I think there's a bit of a misstatement in terms of comments about immunity.

**The Chair (Mr. Norm Miller):** Thank you for that clarification.

Continue with your question—

**Mr. David Zimmer:** Thank you. I gather from your evidence that most of your anonymous names are members of a union.

**Mr. Trevor Kidd:** Most, but not all, yes.

**Mr. David Zimmer:** All right. And they've got all the protections that unions provide. In fact, you've been through a mediation and arbitration and grievance yourself.

**Mr. Trevor Kidd:** I haven't been through the process yet, but the process is under way.

**Mr. David Zimmer:** You know how the system works?

**Mr. Trevor Kidd:** Yes.

**Mr. David Zimmer:** So you've got protections here at this committee. You've got protections in your workplace through your union. So given all of those protections, I don't understand why, on the one hand, you and Mr. Harness say that your principal concern is the safety of Ontarians using air ambulance, and yet when it comes to disclosing your anonymous sources, you opt to protect them.

**Mr. Trevor Kidd:** The situation is that we have created an entity, Ornge, which controls people's certification, which is their employer, which is their educator. Ornge controls every aspect of that, things that used to be separate. So their careers are dependent on many facets within Ornge, and they feel that their positions are at risk.

**Mr. David Zimmer:** And their careers trump the safety of Ontarians who are going to use—they'd rather protect their careers than help us root out the causes of the difficulties at Ornge.

**Mr. Trevor Kidd:** Well, as I said, most of them don't have a lot of confidence that what is being done is to root out everything at Ornge. Most of them feel that what has been done is to make just enough changes that they can get by and say, "There were some small problems with Ornge. They were fixed."

**Mr. David Zimmer:** The report that you prepared, the 25-page-plus document you gave Mr. Klees: Are there names in that report?

**Mr. Trevor Kidd:** Names of sources? No.

**Mr. David Zimmer:** I also want to confirm what you said in your evidence: that you will email to the clerk the report, or the document of some 25 pages, that you sent to Mr. Klees.

**Mr. Trevor Kidd:** It was probably 24 or 25 pages.

**Mr. David Zimmer:** All right.

Just bear with me for a second here.

**The Chair (Mr. Norm Miller):** You have three minutes.

**Mr. David Zimmer:** Have you worked with Mr. Blum?

**Mr. Trevor Kidd:** Mister who?

**Mr. David Zimmer:** Blum.

**Mr. Trevor Kidd:** I don't believe so.

**Mr. David Zimmer:** Do you know who Mr. Blum is?

**Mr. Trevor Kidd:** No.

**Mr. David Zimmer:** All right. Thank you.

**The Chair (Mr. Norm Miller):** Other questions? Okay. Thank you very much for coming before the committee this morning. We appreciate you taking the time to do so.

**Mr. Trevor Kidd:** Thank you.

**The Chair (Mr. Norm Miller):** We are recessed until 12:30.

*The committee recessed from 1020 to 1232.*

MS CINDY HEINZ

**The Chair (Mr. Norm Miller):** I'd like to call this meeting to order and welcome our witness for this afternoon: Cynthia Heinz. Welcome.

**Ms. Cindy Heinz:** Thank you.

**The Chair (Mr. Norm Miller):** Just to confirm, you've received a letter with information about a witness testifying before the committee?

**Ms. Cindy Heinz:** Yes.

**The Chair (Mr. Norm Miller):** Okay, very well. Our clerk will have you swear an oath or an affirmation.

**The Clerk of the Committee (Mr. William Short):** Ms. Heinz, do you solemnly swear that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth, so help you God?

**Ms. Cindy Heinz:** I do.

**The Clerk of the Committee (Mr. William Short):** Thank you.

**The Chair (Mr. Norm Miller):** Very well. You have some time, about six minutes, for an opening statement if you want to go ahead and do that.

**Ms. Cindy Heinz:** Thank you.

Good afternoon. My name is Cindy Heinz. I'm a lawyer. I was called to the bar in Ontario in 1993. For most of my career, except for eight months, I was an associate and then a partner at the international law firm Fasken Martineau DuMoulin. I was a member of the health law practice group at Fasken's and worked with hospitals, charities and other clients in the health sector.

In June 2011, I left Fasken's and went to work as general counsel at Ornge. Ornge has been a client of Fasken's since 2002. Fasken's was counsel to Sunnybrook Hospital at the time. As a result of that role, I received a call from Dr. Mazza, who was medical director of the Ontario air ambulance base hospital program. The base hospital program was operated out of Sunnybrook. Dr. Mazza needed my assistance with a number of

contract issues related to the base hospital program, which is regulated under the Ontario Ambulance Act.

Commencing in 2003, Fasken's assigned me the role as billing lawyer for Ornge. This meant that I was responsible for the legal accounts rendered to Ornge, and all of the invoices were issued by me. This also meant that a majority of requests for legal work came to me from the executives at Ornge, and then a decision would be made as to whether other lawyers would do the work or I would do the work myself. This depended on the nature of the work and the expertise required, be it tax, banking, structuring, intellectual property, charities, privacy, government relations or general corporate work. The lawyer who handled the particular piece of work would be known as the responsible lawyer for that work.

In early 2007, Alfred Apps became involved in Ornge work. For the most part, he received his instructions directly from Dr. Mazza. He was the responsible lawyer for the legal work associated with the following: the financial statement consolidation; the Standard and Poor's rating; the 2009 bond transaction; the establishment of the Ornge Issuer Trust; the request for proposal, negotiation and purchase of the AgustaWestland aircraft; the request for proposal, negotiation and purchase of the Pilatus aircraft; the establishment of the Ornge Global structure; the credit lease transaction; and the briefing of the government in January 2011 regarding the structuring of the for-profit businesses.

I did not act as the first point of contact for these matters, but I did render the accounts for the work done on these matters.

On two occasions, I was seconded to Ornge to assist it with legal matters. The first secondment was in February 2005 to help with the divestment of the air ambulance program from the government. There was a great deal of legal work expected, and I was seconded to Ornge at a flat rate to minimize costs.

I spent approximately six months at Ornge before returning to Fasken's in September 2005. During that secondment, I worked with a team from Ornge and a representative from the government conducting due diligence on contracts being assigned to Ornge and assets being transferred to Ornge by the ministry. I also helped draft and negotiate the performance agreement.

The second secondment occurred in November 2009 through to June 2010. Dr. Mazza approached me about the secondment because his in-house legal counsel at the time was on sick leave. I spent approximately 15 hours a week at Ornge, providing general counsel services, primarily contract drafting.

On June 14, 2011, I started as general counsel at Ornge after I resigned from Fasken's. During my time at Ornge, I worked on various matters for the Ontario business, including the internalization of the rotor wing services, as well as the following for the international businesses: a joint venture with Synergy Group out of Brazil; the AirMed transaction; the second marketing services agreement with AgustaWestland—this was known as the joint global marketing services agreement

and was between Ornge and AgustaWestland in Italy; a letter of intent with Bombardier; and the 2011 offering memorandum for potential third party investors in Ornge Global limited partnership.

I was not involved in the MNP report, which was commissioned by the Ministry of Health in 2008, nor was I involved in providing information directly to the Auditor General's office.

With regard to the transactions involving Agusta Aerospace Corp. out of Pennsylvania, I did not provide legal advice regarding the aircraft purchase agreement, dated March 27, 2008. While I did provide legal advice to Maria Renzella and others at Ornge regarding the terms of amendments 2, 3 and 4 to the aircraft purchase agreement, I was not involved in negotiating the technical or financial terms of those amendments. At all times, I believed that Ornge Issuer Trust paid fair market value for the upgrades to the helicopters.

When I was a lawyer at Fasken's, our advice was that Ornge Issuer Trust could not pay more than fair market value for any purchases from Agusta Aerospace. Management repeatedly assured us as counsel that they understood our advice and that they were paying fair market value for the upgrades.

I was also involved in providing legal advice to Ornge regarding the first marketing services agreement, the one between Agusta Aerospace and Ornge Peel. At all times, I understood that the financial terms of the agreement were negotiated at arm's length between the parties.

I have brought some documents that may assist the committee in understanding the advice that Fasken's gave relating to the agreements involving Agusta Aerospace. I have also brought copies of my statement for the committee.

I am no longer employed at either Ornge or Fasken's.

I'm happy to now take your questions.

**The Chair (Mr. Norm Miller):** Thank you for your statement. The NDP will have the first opportunity to ask questions. You have 20 minutes to ask questions. Who would like to go first?

**M<sup>me</sup> France Gélinas:** I guess I'll go first.

Thank you for coming today. I guess, like everybody else, you read the papers, and I'm just wondering if you have been following what has been happening with this committee, if you have read any of the briefings or if you read the Auditor General's report.

**Ms. Cindy Heinz:** With respect to the Auditor General's report: I had left Ornge, and then the Auditor General report came out after that. I haven't had a chance to read the report in great detail. I did read the summary of the Auditor General's report.

**1240**

**M<sup>me</sup> France Gélinas:** Okay. All right. In your statement you just read today into the record, you make a point of saying that your work on the second marketing agreement was different from the advice that you provided on the first marketing agreement. Can you expand a little bit as to what you had to do with both of them and how they were different and how they came to be?

**Ms. Cindy Heinz:** The first marketing—we're talking both marketing services agreements?

**M<sup>me</sup> France Gélinas:** Correct.

**Ms. Cindy Heinz:** Okay. The first marketing service agreement, I was asked to look at a few legal issues and document the deal that was negotiated between the parties. I was not involved in any of the negotiations on the first marketing services agreement. Rick Potter dealt with all of the negotiations on the technical aspects, the operations. Maria Renzella dealt with Agusta on all of the financial issues. Mr. Potter indicated what he needed operationally; she negotiated the finances of that; and then they asked me to document the negotiation that they had—the arrangements between them and Agusta.

On the second agreement: I had just started at Ornge in June. In July, Dr. Mazza and two other people had gone to Italy and came back with a draft agreement. I think what they had done was use the template for the very first one. The first agreement was with the Pennsylvania corporation. The second one was with the Italian corporation. I think the Italian corporation was the parent of the Pennsylvania corporation. They had gone to Italy and negotiated an agreement, and I think what they had done was they took the first agreement and used it as a template.

They came back and said, "The deal has been done. There are just a few legal issues that we need you to review." And one of them was what happens in the event where there's a disagreement, so arbitration. The other issue had to deal with jurisdiction. If there was some sort of a disagreement, what jurisdiction, what law, would take precedent? Would it be the Italian or would it be Ontario law? There were just a few legal issues that they wanted me to look at, and then I was involved in speaking to counsel in Italy and trying to get those resolved.

**M<sup>me</sup> France Gélinas:** You stated that—okay, we'll take them one at a time. During the first agreement, you were looking at a few legal issues of the document, of the deal, that was done with Pennsylvania. Now that you've read the papers—when did you become aware as to where the money was coming from?

**Ms. Cindy Heinz:** For the first agreement?

**M<sup>me</sup> France Gélinas:** Correct.

**Ms. Cindy Heinz:** For the first agreement, we always thought—and when I say "we," the lawyers at Fasken's understood that that marketing agreement was a separate, arm's-length transaction because of the advice that we had given them when they first came to us. I'd like to refer you, if I may, to tab 2 of the document, the binder, that we just handed out.

**M<sup>me</sup> France Gélinas:** Yes.

**Ms. Cindy Heinz:** So, when we were asked for some advice, it's important to note that at that time—and you'll see it's January 15, 2010—we were told that there were penalty payments owed to the trust because some of the aircraft were late. There were delays and they hadn't met the timelines.

In tab 1 in this binder—we had just put in certain pages for the aircraft purchase agreement. You'll see,

under tab 1, that there's a provision that talks about inexcusable delay. It's paragraph 5.5. If you see there, it says what happens when there is a delay, and there's a maximum penalty of \$160,000 per aircraft.

At the time, what we had understood was that there had been delays and they had penalties that were owing. There were also some credits. They had come to us and asked us if they could take that money and have AgustaWestland pay it over to the foundation so that they could use that for their other ventures.

If you see here in this email from Lynne Golding to myself—

**Mr. David Zimmer:** Which tab, please?

**Ms. Cindy Heinz:** Yes, sorry. Tab 2.

We set out very clearly our advice to them, which was that they couldn't take the money, be it the credits or any of the penalties, and give it over to another corporation. If you do that, you're depriving the trust of value, right? That's for the trust. The bondholders had made investments into that trust. You cannot do that. You have to keep whatever you're doing completely separate.

We made it very clear to them that if they didn't want the cash, then they would have to use that money. The penalties and the credits could be used as a set-off, then, for any upgrades that they were going to receive. But we made it very clear—very clear—to them that OIT was to get the full benefit of the credits and the penalties.

If you look at Ms. Golding's email to me—and what you need to understand is what I did with this when I got it. When I got this email, it was part of the time when I was working 15 hours at Ornge. Ms. Renzella was away at school, so I sent this to my Ornge email account, and when she got back, I forwarded it to her. Then she and I sat down with this document and went through it very carefully, she and I. Then, when I didn't know if she absolutely understood what I was saying—

**Mr. Frank Klees:** Like us.

**Ms. Cindy Heinz:** Pardon?

**Mr. Frank Klees:** Like us.

**Ms. Cindy Heinz:** You don't understand what I'm saying?

**Mr. Frank Klees:** I'm having a hard time. But go ahead.

**Ms. Cindy Heinz:** Sorry.

*Interjections.*

**The Chair (Mr. Norm Miller):** Let the witness—

**Ms. Cindy Heinz:** I'm trying to explain—

**The Chair (Mr. Norm Miller):** Please don't interrupt the witness.

**Mr. Frank Klees:** I apologize.

**The Chair (Mr. Norm Miller):** Go ahead.

**Ms. Cindy Heinz:** I then printed this out and I sat down with Ms. Renzella and we went through it. Then we called Ms. Golding and I had Ms. Golding explain it again so that Ms. Renzella understood exactly what it was that we were trying to say.

I don't know if you want me to read this, but I will just point out to you, in particular, paragraph 1. It said, "It is important that the arrangements with Augusta and the

foundation not deprive the trust of assets/value that it would otherwise be entitled to. If the arrangements did deprive the trust of value, and the trust in the future found itself in default to the bondholders, the bondholders could have recourse to those who authorized these transactions, among others. To be sure that the transactions do not deprive the trust of value, the following two things should occur:

“(a) the trust should receive upgrades with a minimum fair market value equal to \$1,920,000 ... for which it pays nothing.”

That’s \$1,920,000. Again, at that time, we thought that all 12 helicopters were going to be delayed and Agusta would be paying a \$160,000 penalty. That was not the case at the time, but that was our understanding as we were writing this email.

“(b) the trust should not pay more than fair market value for the upgrades it is required to pay for (whether by paying with new cash or applying the credit notes it had already bargained for).

“2. In order to be certain that this is the case, Ornge needs confirmation of the fair market value of the upgrades. This is likely not the list price. A proxy for fair market value may be the list price less the same discount rate that Ornge was able to negotiate when it struck the original deal.”

1250

Then she goes on to say, “I have stated the minimum fair market value of the ‘free upgrades’ at 1.92 million rather than 400k, because I understand that if it were not for the amendments now being negotiated, Agusta would ultimately be required to pay a penalty ... of \$1.92 million. So that is the amount that the trust is giving up by agreeing to enter into the” amendments. “It is true that arm’s-length parties will sometimes waive such fees without getting full value for doing so. The trust could do so in this case too if it considered it to be commercially reasonable but not where there is also a contemplation of a gift being made to the foundation or another Ornge entity.”

Then she goes on in paragraph 4.

**M<sup>me</sup> France Gélinas:** So you know full well what they had intention to do with the money, because it becomes clear that the advice is being given because they understand that Ornge is about to take money that should be coming to the trust. They want to pursue their other venture, their international venture, so they want to bring that money under a different corporation. Your advice is, “You shouldn’t be doing this, because you are depriving the trust of value. If you are to do this, basically here are the two things that need to occur.”

So everybody knows full well what they have intention to do, and everybody knows full well that what they had intention to do actually happens, because the money does get transferred and the marketing agreement does get written up.

**Ms. Cindy Heinz:** No, that’s not what I’m saying. That’s not what we knew. What we knew was that they wanted to take this money from the upgrades—sorry, the

credits and the penalties—and give it to the foundation. We said, “You cannot do that, whether it’s the foundation or any other one of those Ornge entities. You cannot take from Peter to pay Paul.”

**M<sup>me</sup> France Gélinas:** I fully understand that you told them that they could not, but you knew what they had intention to do, because you told them, “No, you cannot do this.”

**Ms. Cindy Heinz:** Right.

**M<sup>me</sup> France Gélinas:** And you also know what they actually did with your advice, which is, “Thank you for your advice but we’re going to move ahead with what we had intention to do anyway.”

**Ms. Cindy Heinz:** No. They told us that what they had done—they constantly assured us—

**M<sup>me</sup> France Gélinas:** Who is “they”?

**Ms. Cindy Heinz:** I was dealing at the time with Maria Renzella. I was told in no uncertain terms several times that she understood our advice and that she was speaking to AgustaWestland to get the fair market value of the upgrades.

This process took quite a few months, and I didn’t quite understand why it was taking so long. They were going back and forth with numbers, and she said she was working on getting the fair market values. I said, “Make sure you get them in writing. You should find out what other people are paying for these upgrades.” So at all times, we understood that they were paying fair market value for those upgrades.

**M<sup>me</sup> France Gélinas:** And you understood this because Maria told you?

**Ms. Cindy Heinz:** Several times. Several times.

**M<sup>me</sup> France Gélinas:** Okay. So there is information that comes to you in the way of Maria talking to you. There is also information that comes to you—you have eyes. You can see that what they had intention to do is what actually happened. I fail to see—how come I can see this but you can’t?

**Ms. Cindy Heinz:** What information is coming to me?

**M<sup>me</sup> France Gélinas:** The information you’re just telling me, that Maria fully understands your advice and your advice is, “You’re not allowed to do this.”

**Ms. Cindy Heinz:** Yes.

**M<sup>me</sup> France Gélinas:** Maria fully understands and she tells you that she fully understands that they’re not allowed to do this, but they go ahead and do it anyway.

**Ms. Cindy Heinz:** They didn’t go ahead and do it anyway. They went and they did a services agreement, which was contemplated by the original purchasing and sale agreement. They entered into what we thought was a separate, arm’s-length transaction. As long as they were paying fair market value for those upgrades, this was a separate transaction with the marketing services agreement. They were arm’s-length parties, and Agusta could pay whatever they wanted for these services.

I was told that they were going to be doing this research because they were doing this new business, they were hiring people at the time, and that Agusta wanted to

enter into a new market. They were entering into a transport medicine market, and they thought that Ornge could assist them.

**M<sup>me</sup> France G elinas:** Sitting here, it looks like you drank the Kool-Aid. They are telling you that this is what they want to do with this money. You tell them, “You’re not allowed to do this. It is illegal.” They come back with this marketing agreement, which Ornge has never been into, has never provided. He hired his girlfriend to do the work and the daughter of another executive of Ornge to do the work. And you think that everything is just fine, that they are following the letter of the law?

**Ms. Cindy Heinz:** I had no indication that anything was amiss. If I had any indication that something was amiss, I would have gone to my managing partner; I would have gone to the board. And if they still wanted to proceed, we would have withdrawn.

I can assure you that there was no way I would put my reputation, my family, at risk for this.

**M<sup>me</sup> France G elinas:** Do you feel that your reputation is at risk now?

**Ms. Cindy Heinz:** Absolutely.

**M<sup>me</sup> France G elinas:** What went wrong?

**Ms. Cindy Heinz:** What went wrong? He—

**M<sup>me</sup> France G elinas:** Mr. Mazza?

**Ms. Cindy Heinz:** Dr. Mazza wanted too much, too fast. He was very bright. He was a visionary. I really believe that Dr. Mazza’s primary motivation was to have a world-class system in Ontario. He wanted to expand it globally. He got ahead of himself.

In the process of creating this vision, he made a lot of enemies. I think he forgot the stakeholders, and he made a lot of enemies. And within that corporate office, there was a lot of fear. It was a combination of things, and there are a lot of people who are suffering as a result.

**M<sup>me</sup> France G elinas:** You’re one of them—

**The Chair (Mr. Norm Miller):** Do you want to take a couple of minutes to compose yourself? We’ll take a two-minute recess.

*The committee recessed from 1259 to 1302.*

**The Chair (Mr. Norm Miller):** We’re back in session. You have a minute and a half left in this round, Ms. G elinas.

**M<sup>me</sup> France G elinas:** I have a minute and a half left. The questions will come to me again.

You were one of the persons who got hurt in this—I will call it—fiasco at Ornge. When did you realize that your good reputation, your family, your integrity were at risk?

**Ms. Cindy Heinz:** It was the day after Labour Day when the CTV story came out from Paul Bliss. I had taken the day off to get my kids ready to go back to school. I had received a call to watch the television, and that was the first time I had heard about the kickbacks and all of the operational issues that were going on. I had no idea about the problems with the interiors of the aircraft. I think it was at that point in time that I got worried when I heard the interviewer—the investigation of Paul Bliss.

**M<sup>me</sup> France G elinas:** So when did you leave Ornge?

**Ms. Cindy Heinz:** It was February 16 this year.

**M<sup>me</sup> France G elinas:** This year. Thank you.

**The Chair (Mr. Norm Miller):** Thank you. We’ll move on to the government. Who would like to ask questions here? Ms. Sandals.

**Mrs. Liz Sandals:** Thank you for appearing here for us today. I’m going to give you a packet of documents. Earlier this week, we received a copy of Fasken Martineau’s billing statements for the legal services provided to Ornge and its related entities. Obviously when you look at that, it’s clear, as you said, that you were one of the lead lawyers at Fasken’s on the Ornge file right back to January 2003. You mentioned that Fasken’s began acting for Ornge in 2002, but in fact the first thing that we see is what I’ve given you here, which is starting back in January 2003, but what you’re seeing there would reflect the work that your firm billed for in 2003.

**Ms. Cindy Heinz:** Yes.

**Mrs. Liz Sandals:** It would appear, at least from the billings we’ve seen—and you indicated they might go back further, but at least from the billings that we’ve had access to, Fasken’s was doing work on this file and you personally were doing work on this file during 2003 for certainly the nine months in 2003 prior to the October election, so during the time when Premier Eves was the Premier of Ontario, so during the Conservative government.

During that time, Tony Clement was the Minister of Health; correct?

**Ms. Cindy Heinz:** Yes.

**Mrs. Liz Sandals:** Could you then explain to us, during this period during 2003, January through early October 2003, what position you held at Fasken’s at the time?

**Ms. Cindy Heinz:** You mean, was I an associate or a partner? Is that what you mean?

**Mrs. Liz Sandals:** Yes, and particularly with respect to this file, so both of those. What position did you hold in the firm, and what position with respect to this file?

**Ms. Cindy Heinz:** I was an associate, and I think I had just become a non-equity partner in maybe February or March of that year. It was either that year or the following year.

With respect to this file, the file had come in in 2002; it was brand new to the firm. But I think in 2003 they had switched over and opened up a new file. Instead of Sunnybrook, it was now Ontario air ambulance, and they assigned me the role of billing lawyer because I had had probably most of the contact initially with Jacob Blum and a few others at Ornge.

**Mrs. Liz Sandals:** Okay, that’s fine. Given your position as a new non-equity partner, you would have reported to a more senior partner?

**Ms. Cindy Heinz:** Well, what we did is we have a group. It’s our health law group.

**Mrs. Liz Sandals:** And who headed that?

**Ms. Cindy Heinz:** Lynne Golding.

**Mrs. Liz Sandals:** Okay.

**Ms. Cindy Heinz:** I would talk to her about things that were happening, and there were other people, other more senior people, in the group. It wasn't like reporting. We all worked together, and you always asked for—

**Mrs. Liz Sandals:** She would have been one of the more senior partners in the group.

**Ms. Cindy Heinz:** Yes.

**Mrs. Liz Sandals:** Thank you. I'd like to go back to thinking about 2003, because you're quite familiar with the file. How was Ontario's air ambulance service organized at the time? When you started to work with OAA or Ornge, whichever you want to call it, how was it organized at that time?

**Ms. Cindy Heinz:** My understanding from what I had learned mainly from Jacob was—he referred to it as a siloed system. There were many different entities providing the service, but there was no one real line of accountability. At that particular time, and I am going from memory, the pilots and the medics were employed by the air providers, the dispatch was employed by the ministry, the base hospital was under Sunnybrook—who am I missing? The medics, the pilots, the dispatch—I think another area of the ministry was doing all of the billings.

**Mrs. Liz Sandals:** Okay.

**Ms. Cindy Heinz:** So there were a number of different players involved at that time.

**Mrs. Liz Sandals:** And what becomes clear when you look at the early dockets is that Fasken's seems to be hard at work addressing the issue of building a new corporate structure. There's a lot of conversation about corporate structure for air ambulance services. Is that correct?

**Ms. Cindy Heinz:** Because they wanted to be their own entity. They were a program or a division of Sunnybrook and Women's, so at that time, they were looking to try and determine what the best structure would be for them.

**Mrs. Liz Sandals:** Okay. And Fasken's is involved in that. So why would it be Fasken's that was busy sort of designing and working on what the new corporate structure should be and not the Ministry of Health?

**Ms. Cindy Heinz:** Well, the Ministry of Health wasn't—I can't speak to that, but the Ministry of Health wasn't our client; it was this Ontario air ambulance that came to us. I think what they were trying to do was have a few options so that they could present to the ministry to get them on side and see which option they would prefer.

**Mrs. Liz Sandals:** So they're having Fasken's explore the possibility of various corporate structures. At this point, then, are you aware of what was the preferred corporate structure that Dr. Mazza said you were trying to get to?

**Ms. Cindy Heinz:** No. I was mainly dealing with Mr. Blum—

**Mrs. Liz Sandals:** And how would he have expressed where you were trying to get them?

**Ms. Cindy Heinz:** Well, it really wasn't—what we were looking at, at that point in time, was, would it be a crown? Like, there were other structures that were being

looked at. Would it be a crown corporation, would it be a not-for-profit, would it be a charity? I recall having conversations with Mr. Blum about a crown corporation. What he was doing was—we were providing him with the advice, he was liaising with the ministry, and I remember him coming back and saying, "They've settled on a not-for-profit corporation."

1310

**Mrs. Liz Sandals:** Which leads perfectly into my next question. If you could look at the docket on page 1, dated January 14, 2003—this is actually the docket of Elena Hoffstein—and the description of the time card there is "meet with Cindy Heinz to discuss compensation of directors and funding activities of the corporation."

Firstly, do you recall what issues were in play when you were talking about director compensation? What does that refer to? What was the issue?

**Ms. Cindy Heinz:** The issue was if you were looking at not-for-profit or a charity, then there are certain rules about whether directors of charities could be paid for their time as directors.

**Mrs. Liz Sandals:** And why would that be an issue?

**Ms. Cindy Heinz:** I believe they wanted to be able to pay their directors remuneration for the time that they were going to be spending on work, on—

**Mrs. Liz Sandals:** So at that point, were there already particular people they had in mind to appoint as directors—

**Ms. Cindy Heinz:** In 2003?

**Mrs. Liz Sandals:** —or particular compensation levels?

**Ms. Cindy Heinz:** No, I don't recall that. We're fairly new at this point. We're more or less just looking at different kinds of corporations—for-profit, not-for-profit, charity, not charity—

**Mrs. Liz Sandals:** Are you aware that eventually, it has come out that Rainer Beltzner, who did become the chair of a non-profit corporation, was being paid \$200,000 a year?

**Ms. Cindy Heinz:** Yes. I heard that. I was not aware of that at the time. I knew Mr. Beltzner was being paid something—

**Mrs. Liz Sandals:** Given your advice that he could be paid?

**Ms. Cindy Heinz:** What we had—it was advice that—we had done a very lengthy memo to them on director compensation. I don't have it, but it was authored by Ms. Golding and it basically said that the amount of money to be paid to directors of not-for-profits and charities should be very slim. You know, it's not a lot of money. So it would be more akin to a per diem that the local integrated health network directors would be receiving.

**Mrs. Liz Sandals:** And then the other part of this is the funding activities of the corporation. What on earth were they contemplating when they asked you to look very early on in the game here at funding activities for this corporation?

**Ms. Cindy Heinz:** As far as I can recall, they had always had in their mind that they wanted to be able to get donations from the patients and the families of patients—the patients that they helped. When Jacob had initially come to Fasken's, he talked about this model that was out west—it was the STARS model—and how everyone in Alberta, I think it was, felt that they owned this air ambulance system. There was an issue that Ontarians didn't appreciate that the government provided this service and they wanted the people of Ontario to feel proud of the service and want to donate to the service.

**Mrs. Liz Sandals:** But as early as January 2003, Jacob and presumably Dr. Mazza were already thinking about sources of funding other than transfer payments from the government.

**Ms. Cindy Heinz:** I believe that they had gone—that was one of the things, that they went to the ministry and said, “You know, if we do this, then we can have a foundation like a hospital foundation. We can get other revenues from the foundation, which would lessen the burden of the ministry.” That was the theory at the time.

**Mrs. Liz Sandals:** Could you look at page 2 on a docket dated January 17? This is one of your dockets, about the middle of the page. It says, in part, “conference call with C. Mazza, J. Blum and E. Hoffstein re: structure of new corporation and utility of separate foundations....” What was that related to? Again, why, at this point, thinking about setting up separate entities?

**Ms. Cindy Heinz:** I don't know if I can elaborate much more, other than that they were looking at other ways to generate revenue, to get more revenues into the program.

**Mrs. Liz Sandals:** So, again, they were thinking about how to generate more revenue.

Same page, page 2, dated January 20; again, one of your dockets, and you've got “Meeting with Elena Hoffstein re: structure of new corporation....” What happened there? Any other—

**Ms. Cindy Heinz:** Nothing of—

**Mrs. Liz Sandals:** So carrying on with the same?

**Ms. Cindy Heinz:** Yes, I think we were continuing on with the same conversations. I'm not recalling anything different or significant.

**Mrs. Liz Sandals:** Okay. Back at this time you were doing this work, was there any contemplation at this time that this new corporate entity would have spinoff entities? Were you thinking that this new for-profit would somehow have spinoff entities at this point?

**Ms. Cindy Heinz:** In 2003? I don't think so.

**Mrs. Liz Sandals:** Could you look at page 3, then, and January 22? This one is Lynne Golding. She references a meeting with Cindy Heinz and Guy Giorno re: the structure of spinoff entity. This sounds to me like there is a conversation about “What are the spinoff entities to this corporate structure?”

**Ms. Cindy Heinz:** No, the spinoff entity is the spinoff from Sunnybrook, from the way I'm reading this and knowing what was transpiring at the time. It's the spinoff from Sunnybrook, the program, into a new corporation.

It's not, “We already have the corporation,” and we're looking at—we don't even have a corporation in 2003, a separate corporation yet. That Ontario air ambulance services company wasn't incorporated until 2004.

**Mrs. Liz Sandals:** When you look at these dockets from January 2003 up until October, what you actually do see is that Fasken has logged an incredible amount of time. There are 30 pages of dockets that I've given you there, during that time. It looks like over 600 hours were logged. Who was paying for this? It wasn't being billed to Ornge. Who were you actually billing?

**Ms. Cindy Heinz:** In 2003?

**Mrs. Liz Sandals:** Yes.

**Ms. Cindy Heinz:** I think we were billing the program. I don't think we were billing Sunnybrook, per se, anymore but we were billing the program.

**Mrs. Liz Sandals:** Who funded the program?

**Ms. Cindy Heinz:** The ministry.

**Mrs. Liz Sandals:** So the ministry was funding the air ambulance program at Sunnybrook to provide the air ambulance base hospital, but the money that the ministry was providing to fund the base hospital was then going on to Fasken's to do all this legal work to set up something or do something.

**Ms. Cindy Heinz:** That's my understanding—

**Mrs. Liz Sandals:** So the Ministry of Health was indirectly paying Fasken's.

1320

The other thing that stands out when I look at all of this is that there are a number of individuals who obviously have very high-profile Conservative connections—at this point, we've got Guy Giorno, Jacob Blum, Kevin McCarthy—and it is also quite clear from the dockets that you're not just doing contract work; you're also doing lobbying or government relations. There are all kinds of references to government relations.

**Ms. Cindy Heinz:** I believe Mr. Giorno and Mr. McCarthy registered as lobbyists at that time, so that was my understanding: that both Mr. Giorno and Mr. McCarthy did register as lobbyists in 2003.

**Mrs. Liz Sandals:** So the Ministry of Health thinks it's paying for air ambulance services, but part of what was going for air-ambulance-based hospital services is not only going to Fasken's to do contract work; it's also going to Fasken's to do government relations and lobbying work, to lobby the same government that is paying for this to set up a structure that Dr. Mazza wants. Do you see anything circular about this arrangement?

**Ms. Cindy Heinz:** I see it circular the way you describe it; I can't confirm that's the way it happened. If it did happen that way, the best thing to do would be to ask somebody in the finance department at Ornge as to how they paid for those bills at that time. I don't want to speculate.

**Mrs. Liz Sandals:** Because I must say, looking back on this, is it possible that the firm—so we've got Ms. Golding, who's obviously the wife of the Minister of Health; we've got Mr. Giorno, who used to be the chief of staff to Premier Harris. We've got this lobbying, and

there seems to be this financial opportunity: “How can we create more revenue?” You’ve got to admit that this is a very suspicious-looking organization that we’re looking at here.

**The Chair (Mr. Norm Miller):** You have about 30 seconds left.

**Ms. Cindy Heinz:** From our understanding, it was all to improve the system. My understanding: There was a report that said that the system was fragmented; there was a coroner’s inquest that said there were problems within the system. They were trying to make the system a better system, which is what I believe the primary motivation was.

**The Chair (Mr. Norm Miller):** Thank you. We’ll move on to the opposition: Mr. Klees.

**Mr. Frank Klees:** Thank you, Mr. Chair.

Ms. Heinz, we have a serious issue here, and that relates to the total contradiction between what we’re hearing from you today with regard to your understanding of the marketing services agreement and the very clear testimony of three other witnesses before this committee. Have you read the testimonies of Mr. Rothfels and Mr. Potter?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** You will be aware that both individuals who were very intimately involved with the negotiations with Agusta related to this marketing services agreement—both were very familiar with the details and both have contradicted your testimony today. You’re aware of that?

**Ms. Cindy Heinz:** I do not agree with Mr. Potter’s testimony, nor do I agree with Mr. Rothfels’s testimony, and I’m happy to elaborate.

**Mr. Frank Klees:** Okay. Let’s deal with this line-by-line, then. Mr. Rothfels testified that he became very concerned about the agreement that was taking place between Ornge and Agusta regarding the payment of \$600,000 per aircraft, and he indicated that it was his understanding that Maria Renzella and yourself “were primarily responsible”—I’m actually quoting from his testimony. He states “that both Maria Renzella and Cindy Heinz were primarily responsible for carrying out the directive that they got from Chris to come up with a marketing services agreement.”

Do you agree with that statement?

**Ms. Cindy Heinz:** No. I’ve never spoken to Dr. Mazza about this agreement until—I should say, I only spoke to Dr. Mazza about this agreement in August of 2010, when Maria was on vacation and he wanted to know why it hadn’t been signed yet. I never received any instructions. I’ve never had any conversations with Dr. Mazza about this agreement.

**Mr. Frank Klees:** Mr. Rothfels goes on to say—and again I quote from his testimony, which he gave under oath: “Yes. I think I reiterated a number of times to Rick Potter, to Cindy Heinz, to Maria Renzella and to Chris Mazza that the \$600,000 weight upgrade was a fictional charge and that we, Ornge, should not be paying it.” Do you disagree with that?

**Ms. Cindy Heinz:** Mr. Potter—I don’t know, number one, what Mr. Potter told Maria—

**Mr. Frank Klees:** Oh, this is Mr. Rothfels I’m quoting.

**Ms. Cindy Heinz:** Sorry. I don’t know what Mr. Rothfels told Ms. Renzella or Mr. Potter. Mr. Rothfels was in my office talking about various things and mentioned the marketing services agreement, and I—

**Mr. Frank Klees:** What did he say specifically about the marketing services agreement?

**Ms. Cindy Heinz:** He said, “You and Maria are being set up to take the fall,” and I said, “What in the world are you talking about? Those agreements are separate from the upgrades, and I’ve been assured that they are paying fair market value for the upgrades.” I then went to Ms. Renzella, very upset, and said, “What is he talking about?” She said she didn’t know, and I said, “Are you paying fair market value for those upgrades?” “Yes.” “Did you receive that in writing from Agusta?” “Yes.” “Are you confident that you’re receiving all the upgrades for fair market value?” “Yes.”

Shortly thereafter, I think Mr. Rothfels left the company, and I had no opportunity to speak to him again. That was the only thing that Mr. Rothfels said. I took it straight to management to find out, and again I was assured that they understood our advice and that they weren’t paying any more for the upgrades. He didn’t tie it, at that time or any time, to the weight upgrade.

**Mr. Frank Klees:** So you’re admitting that the amount related to the marketing services agreement was tied directly to the issue of the upgrades; is that right?

**Ms. Cindy Heinz:** No.

**Mr. Frank Klees:** But you just said—you just referred to the upgrades.

**Ms. Cindy Heinz:** I referred to the upgrades because I went—what else could he possibly be talking about?

**Mr. Frank Klees:** He could be talking about what you were talking about in your earlier testimony. You made no reference in your statement to upgrades at all. You gave us a scenario that had to do with helicopters being delivered late—

**Ms. Cindy Heinz:** But there were—sir, there were upgrades within that.

**Mr. Frank Klees:** No, no. Fine. I’m just simply saying that you now are agreeing that the amount that was related to this marketing services agreement had to do with the upgrades as it has been discussed by Mr. Potter as well as Mr. Rothfels; is that right?

**Ms. Cindy Heinz:** No, that’s not what I’m saying.

**Mr. Frank Klees:** Okay. Let’s move on to Mr. Potter, then. Mr. Potter testified here. With reference to the amount that was to be paid through this marketing agreement, he said, and I quote again from Hansard, “I said”—and this is Rick Potter advising Dr. Mazza. “I said, ‘There is no value in this. This is paper.’ There was no material change to the aircraft. And he said, ‘Well, there are other things to be considered,’ or something to that effect. I’m not quoting; I’m paraphrasing, okay? And that was it.”

1330

I said to Mr. Potter, “And bottom line is, he directed that Ornge should pay that additional amount—” and Mr. Potter said, “Not to me, he didn’t, sir.” My response was, “Who would he have directed?” Mr. Potter’s response was, “I know that Maria Renzella came in shortly thereafter and said, ‘There has to be a value to this.’ I said, ‘There’s absolutely none,’ and I told her the same story.”

He goes on to then talk about the fact that you, as the lawyer, were given direction to draft up the documentation related to what would end up being a marketing services agreement.

Again, I quote Mr. Potter from Hansard, “I talked to Cynthia Heinz and I said, ‘Look, this is nuts. This is not a secret.’” He’s referring to the fact that there is no value. He goes on to say, “What I had done when I came back was share it with our committee,” that is, his negotiating committee, “because we had a list of ongoing challenges with Agusta we were trying to solve and say, ‘We can strike this off the list, this off the list and this off the list.’ There were any number of people who were well aware of that. In fact, I had reported to the executive committee what had happened that time. I said, ‘This doesn’t make any sense to me.’”

So that was Mr. Potter’s testimony. He also advised us that as the in-house lawyer, you’re someone who, as a matter of rule, would draft agreements. We were told that all of the drafts of this marketing services agreement were drafted by you. Is that correct?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** We’re also told that there were some early drafts of the agreement that were discarded. Do you have copies of those earlier agreements?

**Ms. Cindy Heinz:** I don’t have any copies of the agreements.

**Mr. Frank Klees:** Would they be on file at Ornge? Would those records have been kept?

**Ms. Cindy Heinz:** They would be on file at Ornge; maybe Fasken’s would have them. I don’t have them.

**Mr. Frank Klees:** Okay. I would like us to see if we can get, Mr. Chair, the first drafts of the marketing services agreement that may be in possession—that were drafted by Ms. Heinz.

The reason I’m very interested in those agreements is that we have been told that the reason those early agreements were discarded is that they were very transparent in terms of what the money flow was and that there really wasn’t any value to them. Do you have any recollection of that?

**Ms. Cindy Heinz:** None.

**Mr. Frank Klees:** Okay.

**Ms. Cindy Heinz:** But if you don’t mind, I would like to address a few things that you said, first about Mr. Rothfels and then about Mr. Potter, if I may.

Mr. Rothfels also said in his testimony that you did not have to pay for the weight upgrade. The weight upgrade was already included in the aircraft purchase agreement. Now, if you look at the pages from the aircraft

purchase agreement—it’s under tab 1—there are a number of schedules. The most important schedule is schedule 1; it’s toward the back. Page 5, at the back, says, “Additional equipment list, optional equipment.” You can peruse through schedule 1 and that basically—it’s entitled “Helicopter configuration and weight analysis.”

There is nothing in schedule 1 that talks about a weight upgrade. And if you look—

**Mr. Frank Klees:** Could I just—I don’t mean to interrupt you. We will have time to come back to this again—

**Ms. Cindy Heinz:** But I think these are very important points, sir.

**Mr. Frank Klees:** And I will let you make them. I just have to deal with a matter of business here.

**The Chair (Mr. Norm Miller):** Please let the witness answer the question.

**Ms. Cindy Heinz:** So when I drafted amendment 3 to add the weight upgrade—thank you, Mr. Chair. When I added the weight upgrade, if you look at tab 3, number 2 on amendment 3, it says to delete the life rafts on that schedule 1, and substitute the following: “MTOW 6800KG Upgrade”. That was the addition of the weight upgrade. It had not been provided for in the agreement of purchase and sale. It was not in there. I added that.

With respect to Mr. Potter’s recollection, Mr. Potter and I were drafting the amendments to the agreements. I was drafting amendment 3, and we met, because he came to me—we were going through the technical requirements of that amendment—and said to me, “You know, I negotiated a better deal.”

I said, “What do you mean?”

He said, “Well, I got a lower price.”

I said, “Well, do you have that in writing? Is there anything in writing, is there any documentation, that can corroborate that?”

He said, “No.”

I went to Ms. Renzella and I said, “Maria, Potter says he negotiated a better deal. Can you look into that?”

She came back and said, “There’s no other deal.”

For the next four months, I continued to send amendments to Mr. Potter. Mr. Potter commented on every single draft of the amendment. He never mentioned another thing to me after that point. In tab 3, you will see emails where Mr. Potter signed off on that final agreement, as did Ms. Renzella and the other people at AgustaWestland. So Mr. Potter’s memory, I think, is failing in this instance.

**Mr. Frank Klees:** I think we have—

**The Chair (Mr. Norm Miller):** You have about five and a half minutes.

**Mr. Frank Klees:** I think we have a lot of memories that are failing.

Mr. Chair, I’d like to deal with a matter of business, if I could.

**The Chair (Mr. Norm Miller):** You have the floor.

**Mr. Frank Klees:** Today, during question period at the Standing Committee on Public Accounts, it was evident that the member for Willowdale engaged in a case

of witness tampering. As such, I feel that we should report this issue immediately to the House.

Parliamentary authority says that “Witnesses appearing before committees enjoy the same freedom of speech and protection from arrest and molestation as do members of Parliament.”

Mr. Zimmer’s questioning could not have infringed on this principle more. Mr. Zimmer said this: “When you’re faced with this choice between doing what’s best for the air ambulance service, fixing it and getting to the bottom of it, and yet you don’t want to share some of that confidential information and confidential names who might help us with that and you opt to protect your source, do you think that’s a bit selfish of you?”

He continued, Mr. Chair, by stating: “And their careers trump the safety of Ontarians ... they’d rather protect their careers than help us root out the causes of the difficulties at Ornge.”

Mr. Chair, it’s evident that Mr. Zimmer’s questioning is an attempt to intimidate Mr. Kidd, in an effort to deter the witness, and any further witnesses, from testifying.

O’Brien and Bosc state: “Tampering with a witness or in any way attempting to deter a witness from giving evidence may constitute a breach of parliamentary privilege. Similarly, any interference with or threats against witnesses who have already testified may be treated as a breach of privilege by the House.”

O’Brien and Bosc also state:

“In a ruling given on February 20, 1984, the Speaker stated:

“A threat emanating from any government department or public corporation to withhold information or co-operation from a member of Parliament would undoubtedly hinder that member in the fulfilment of his or her parliamentary duties and therefore constitute a breach of privilege.”

O’Brien and Bosc also cite a case from 1992, where “a witness who had testified before a subcommittee was advised by a crown corporation employee that the issue of her testimony was being referred to the corporation’s legal department. The witness informed one of the committee members who raised a question of privilege in the House.” Speaker Fraser ruled that the matter was a *prima facie* case of contempt.

1340

When the Committee on House Management reported back to the House on the question of privilege, they reaffirmed that “the protection of a witness is a fundamental aspect of the privilege that extends to parliamentary proceedings and those persons who participate in them.”

**Mr. David Zimmer:** Point of order, Chair—

**Mr. Frank Klees:** Australian parliamentary guidelines further clarify—

**The Chair (Mr. Norm Miller):** Mr. Klees has the floor.

**Mr. Frank Klees:** —that “section 12(1) of the Parliamentary Privileges Act 1987 ... prohibits a person from using various means, including threat, intimidation or in-

ducement, to influence another person in respect of evidence to be given before a House or committee.”

Furthermore, former MP and lawyer Derek Lee states that “obstructing or tampering with a witness is a breach of privilege of the House or of its committees who have the delegated authority.”

These tactics fit a pattern of fear that has been exemplified by witnesses who have already been in front of the public accounts committee. This begs the question: What other witnesses have been threatened or tampered with or intimidated?

I conclude with a ruling by former Speaker of the House of Commons, the Honourable Jeanne Sauvé. Speaker Sauvé ruled, “When new ways are found to interfere with our proceedings, so too will the House, in appropriate cases, be able to find that a contempt of the House has occurred.”

Mr. Chair, I’m prepared to move an appropriate motion for the committee to report on this matter back to the Speaker of the Legislature. Thank you.

**The Chair (Mr. Norm Miller):** Mr. Klees, at this point, I will cut you off.

**Mrs. Liz Sandals:** Point of order, Chair: You previously ruled that we couldn’t bring forward motions.

**The Chair (Mr. Norm Miller):** I have the floor, and I would like to inform the committee that the Chair has no authority to rule that a breach of privilege or contempt has occurred. The role of the Chair in such instances is to determine whether the matter raised does, in fact, touch on privilege and is not a point of order, a grievance or a matter of debate.

This morning’s questioning—witnesses come before this committee. The members have an opportunity to ask questions. I did follow the questions very carefully. Mr. Zimmer was asking questions, and the witness was providing answers. I followed it closely, and I saw nothing wrong with that. So we shall move on now, please. I have made my ruling. You have 30 seconds left, Mr. Klees.

**Mr. Frank Klees:** Well, in my 30 seconds, Chair, I will simply say this: I can tell you that if witnesses who are observing these proceedings see the kind of conduct and the kind of attitude that Mr. Zimmer portrays here, I would not want to be a witness coming forward. I think it’s unconscionable behaviour, and I would simply hope that Mr. Zimmer will take note.

**The Chair (Mr. Norm Miller):** Thank you. We shall move on to the NDP. Who would like to ask questions? Mr. Singh.

**Mr. Jagmeet Singh:** Thank you very much.

Good afternoon, Ms. Heinz. I want to ask you some questions surrounding any connections or any conversations you had with the ministry in your involvement, both as outsourced counsel with Fasken’s and when you were with Ornge directly as in-house counsel. Did you have any meetings or interaction with ministry individuals?

**Ms. Cindy Heinz:** The only contact I had with ministry people were the people from the legal branch. That was when we were working on the performance agreement with Mr. Springman. He had a few other people from his branch working on that.

I then had occasion, over the years, to speak to Mr. Springman about questions about the performance agreement. I think he had a junior, Mr. Bill Georgas. I might have spoken to Bill a couple of times about the performance agreement but nobody else from the ministry.

**Mr. Jagmeet Singh:** Okay. And would these individuals from the legal department have been with the Ministry of the Attorney General, then?

**Ms. Cindy Heinz:** No, that doesn't ring a bell.

**Mr. Jagmeet Singh:** You think they were with the Ministry of Health, but the legal—

**Ms. Cindy Heinz:** The legal services branch of the Ministry of Health.

**Mr. Jagmeet Singh:** —branch of the Ministry of Health.

**Ms. Cindy Heinz:** There was a meeting with somebody from the Ministry of the Attorney General back in December of 2009. There was a meeting with Mel Springman at our firm, Bill Georgas and someone by the name of Kevin McGuinness from the Ministry of the Attorney General, I believe. They wanted to speak to us about the bond transaction and wanted to learn more about the bond transaction, and Mr. Apps explained it to them.

**Mr. Jagmeet Singh:** Just to break down some of those meetings: In the meeting with—you indicated Mr. Springman, and he had a junior, Mr. Georgas?

**Ms. Cindy Heinz:** Yes, at that particular meeting.

**Mr. Jagmeet Singh:** At that particular meeting. And those were individuals from the legal services from the government side, at least. If you're not sure exactly what division you think it was, you think it was the legal services branch of the Ministry of Health—

**Ms. Cindy Heinz:** That's right.

**Mr. Jagmeet Singh:** But it may have been just from the government side in general.

**Ms. Cindy Heinz:** I'm pretty sure they said it was the legal services branch of the ministry, though.

**Mr. Jagmeet Singh:** That's fair. And who was present on your end in terms of on Ornge's behalf?

**Ms. Cindy Heinz:** At that particular meeting?

**Mr. Jagmeet Singh:** At that particular meeting, yes.

**Ms. Cindy Heinz:** Alfred Apps was there, myself, Maria Renzella—someone by the name of Scott. He was a government relations person from Ornge.

**Mr. Jagmeet Singh:** From the Ornge side. When was that meeting, that meeting specifically with Mr. Springman and Mr. Georgas?

**Ms. Cindy Heinz:** That was sometime in December of 2009.

**Mr. Jagmeet Singh:** It was 2009? In that meeting, can you recall what the contents of—specifically you said it was related to the performance agreement, but what about the performance—

**Ms. Cindy Heinz:** Not in 2009.

**Mr. Jagmeet Singh:** No? Okay.

**Ms. Cindy Heinz:** In 2009 it was to deal with the bond transaction.

**Mr. Jagmeet Singh:** Was it limited to the bond transaction, or was there anything else?

**Ms. Cindy Heinz:** I'm pretty sure it was limited to the bond transaction.

**Mr. Jagmeet Singh:** When did you have meetings regarding the performance agreement?

**Ms. Cindy Heinz:** That was at the very beginning, when we were actually drafting and negotiating the performance agreement. Once we had drafted the performance agreement and it had been signed, over the course of the years Mr. Springman and I had occasion to talk on the phone, but not often. It would be reflected in the dockets if you have the dockets.

**Mr. Jagmeet Singh:** Those conversations that were infrequent but with Mr. Springman: What were they about?

**Ms. Cindy Heinz:** He had a few questions about what we had done on a couple of the provisions. In one particular case he thought that there was a typo and that the intent of the parties was—I can't exactly remember right now, but it was X when he thought what we really intended was Y, so we were trying to figure out if we could maybe amend that just to make it clear.

**Mr. Jagmeet Singh:** Were you amenable to Mr. Springman—if in that conversation he said, "Listen, I'd like it to be amended," were you more than willing to have that amended or work on having that amended?

**Ms. Cindy Heinz:** Yes. I took his concerns to the people at Ornge. It wasn't a significant issue. I don't recall anyone having a problem with it. I remember then speaking to Lynne Golding at Fasken to—I asked her about her recollection. We thought that actually in this particular case Mr. Springman was right and that we should amend it.

**Mr. Jagmeet Singh:** Now, just in general, as a general practice, for this specific meeting, who arranged the meetings in general, the meetings with Mr. Springman or the meeting with Mr. Springman and Mr. Georgas? Who was, I guess, the—

**Ms. Cindy Heinz:** Mr. Springman initiated those calls to me when he had questions about the performance agreement. He initiated the meeting in December 2009 in the bond transaction. He wanted to have a better understanding and grasp of it.

**Mr. Jagmeet Singh:** Did Mr. Apps ever set up any of the meetings?

**Ms. Cindy Heinz:** With the ministry?

**Mr. Jagmeet Singh:** With the ministry—that you were aware of.

**Ms. Cindy Heinz:** With the legal branch people?

**Mr. Jagmeet Singh:** That's right.

**Ms. Cindy Heinz:** Not that I'm aware of.

**Mr. Jagmeet Singh:** I'm going to switch gears a little bit and talk about salary disclosure issues. In terms of salary disclosure, when you were in-house counsel at Ornge, were you asked to give your opinions on whether a salary should be disclosed, or when it should be disclosed or if it should be disclosed?

**Ms. Cindy Heinz:** When I started, it was in June 2011. Their practice was that anybody who was employed outside the company, Ornge proper, didn't disclose their salaries. So I was an employee of Ornge Global Corporate Services, which was formerly Peel, so my salary didn't get disclosed. The issue came about in December, when I think—I don't know how it came about, but they wanted—we were asked if we would agree to publicly disclose our salaries.

**Mr. Jagmeet Singh:** Who asked you to do that?

**Ms. Cindy Heinz:** I think it came from the ministry.

**Mr. Jagmeet Singh:** And when was that?

**Ms. Cindy Heinz:** In December. It was when all the media stories started to take place. I drafted up consents, and we all agreed to disclose our salaries, except Dr. Mazza didn't want to consent to his.

1350

The difficulty was that the rest of the executive team wanted to disclose their salaries. We knew that the Auditor General's report was coming out and it had an aggregate number for executive salaries. We were concerned that if we all disclosed our salaries, then people would be able to do the math and determine what Dr. Mazza's salary was. Therefore, indirectly we would be disclosing his salary, and we were concerned that because we didn't have his consent, we were putting the corporation at risk.

**Mr. Jagmeet Singh:** Okay. What about when you were not in-house counsel, but when you were working as counsel for Fasken's, working for Ornge? At that point were you ever asked to give an opinion on whether or not salaries should be disclosed?

**Ms. Cindy Heinz:** I believe, when I was talking to Ms. Sandals back in about 2003 when we were looking at the structuring, when we were looking at for-profit, not-for-profit, charity, those sorts of things, we were also—I believe that was one element that they had asked us to look into: If it's this corporation, do you have to disclose your salary and all those sorts of things. I had gotten Guy Giorno to come in and look and give some advice on that. My recollection is, his advice was the same as it was in 2007, except he didn't say "disclose," because there was no corporation at the time. I believe he said, "Technically, you do not have to disclose if an employee that was employed by an entity other than Ornge proper wouldn't have to disclose, but a regulation could be made very quickly to change that."

That was back in 2003. Then in 2007, when the entities were—we had incorporated Ornge, then in 2003 they gave a more detailed opinion, I believe, Mr. Giorno and Ms. Golding, and I believe Ms. Golding testified as to what their advice was.

**Mr. Jagmeet Singh:** She did. That's right. At some point, Mr. Potter suggested that you had given him the opinion that he shouldn't or he was exempt from disclosing his salary.

**Ms. Cindy Heinz:** No.

**Mr. Jagmeet Singh:** Did you give him that opinion?

**Ms. Cindy Heinz:** I had thought, when I read that—the only time that Mr. Potter and I had that conversation was in December when we were all agreeing to consent, but we had received advice from the privacy lawyers at Fasken's and Hicks Morley. Hicks Morley did all of the labour work for Ornge. We had received privacy advice from them that we had to be careful, given the Auditor General's report was supposed to come out with the aggregate number. We had to be careful. If we all disclosed, we may be indirectly disclosing Dr. Mazza's salary. That was the only time Mr. Potter and I had that conversation.

**Mr. Jagmeet Singh:** That's fine. You indicated that you were employed with—correct me, if I'm wrong—Ornge Global Rotor. What was your involvement with that?

**Ms. Cindy Heinz:** I wasn't employed by Ornge Global Rotor. I was employed by Ornge Global Corporate Services Inc.

**Mr. Jagmeet Singh:** Okay.

**Ms. Cindy Heinz:** Ornge Global Rotor—and I don't know if it still exists today, but that was the company that was supposed to run the rotor wing operation. That was the company that applied for an operating certificate to run the operation—

**Mr. Jagmeet Singh:** Sorry to interrupt you.

**Ms. Cindy Heinz:** That's okay.

**Mr. Jagmeet Singh:** And what was your connection to that company?

**Ms. Cindy Heinz:** Ornge Global Rotor?

**Mr. Jagmeet Singh:** Yes. Were you the administrator or the registered—your name would have appeared on the registered office or the registered head or the administrator?

**Ms. Cindy Heinz:** Are you looking at incorporating documents?

**Mr. Jagmeet Singh:** Yes.

**Ms. Cindy Heinz:** Yes. Oftentimes, if you're incorporating a company, it's more expedient for the lawyer to be noted as the incorporating director, and then the incorporating director would resign once the board was appointed, so it's quite usual. It's typical and it's just done for expedience.

**Mr. Jagmeet Singh:** And then similarly for Ornge Global Brazil holdings?

**Ms. Cindy Heinz:** That's exactly what happened. I was the incorporating director and then I was to resign when the new board came on, but nothing ever happened with that company.

**Mr. Jagmeet Singh:** You indicated at one point in your testimony that if you had any concern regarding the helicopters in terms of the payments and the overpayments, you would have brought them to the board, if you had had any misgivings, but you were clarified along the way that there was nothing to be worried about. Why would you have brought it to the board?

**Ms. Cindy Heinz:** I had two instances where I did go to the board.

**Mr. Jagmeet Singh:** Yes?

**Ms. Cindy Heinz:** What had happened was, we had come back from Christmas holiday and I had gotten a letter that was dated December 2009. It was a letter addressed to Mr. Potter from someone at AgustaWestland. I was given the letter—I don't know if that letter is before this committee—and what the letter did was set out a prior agreement on what was going to be paid for the weight upgrades and all the upgrades that we ended up paying for.

When I looked at that, I took it immediately to the board chair, Barry Pickford, and gave them the letter. And then—

**Mr. Jagmeet Singh:** When was that, roughly?

**Ms. Cindy Heinz:** That was in January of this year when I saw the letter. The letter had been over two years old.

**Mr. Jagmeet Singh:** Okay.

**Ms. Cindy Heinz:** If you will recall, I asked Mr. Potter if he had anything in writing to corroborate that he had negotiated a better deal. He said no.

When I took that letter to Mr. Potter, I said to him, “Rick, do you recognize this?” and he said, “Yes. I forgot about that letter.” Then I said, “I asked you if you had anything like this. You said no.” “I forgot about it.” He said, “I actually lost my copy,” but there have been a number of other people in that office, apparently—which I had learned later—who had a copy of that letter.

The first time it was brought to my attention was January 2012, right after we got back from Christmas holidays. At that point, I took it to the board. I then gave it to the interim vice-president, Ron McKerlie, and it went from there.

**Mr. Jagmeet Singh:** In terms of any misgivings or any problems that you had or if you had any concerns, you said that you'd go to the board. Here's an example: You went to the board. What I want to get at is, do you feel there was an obligation to inform the board of what was going on at Ornge or if there were any concerns that you had at Ornge?

**Ms. Cindy Heinz:** Absolutely. Typically what I would have done: If I had any concerns, I would have gone to my managing partner first and chatted about that. If we did think that there was an issue, then we would have gone to the board. Depending on how they would react, then we would either continue on, if there was a reasonable explanation, or we would have withdrawn from the file if we didn't agree with what they were doing.

**Mr. Jagmeet Singh:** Was there any obligation on your part or did you see any obligation to inform the ministry if there were any concerns or any problems that arose?

**Ms. Cindy Heinz:** I didn't see an obligation on my part. My part was to the client, the board—the board, which had a fiduciary obligation to the company.

**Mr. Jagmeet Singh:** In terms of stakeholders in Ornge, would you agree with me that the primary stakeholder was the Ontario government?

**Ms. Cindy Heinz:** Yes.

**Mr. Jagmeet Singh:** We've seen the debacle that Ornge is. Along the way, the Minister of Health has indicated that the performance agreement didn't provide enough oversight mechanisms and tools. We've heard many deputants who have come forward and said that the performance agreement had a slew of mechanisms in place that allowed the ministry to do various things to oversee Ornge, to provide the proper oversight.

Can you comment on the performance agreement as someone who was working with Fasken's and as someone who is in-house counsel? How did that performance agreement work, and did you think that there were sufficient oversight tools available?

**1400**

**Ms. Cindy Heinz:** I haven't reviewed the performance agreement in quite some time, but as far as I recall, there were audit—

**Mr. Jagmeet Singh:** Mechanisms or requirements.

**Ms. Cindy Heinz:** Mechanisms, yes, for the ministry to audit their books and records. I think there was a whole schedule at the back with reports that had to be filed with the ministry. There were—Mr. Springman wanted a provision in there that if they were unhappy with the way the dispatch centre was being run, then they could basically come in and take it over.

**Mr. Jagmeet Singh:** And when did Mr. Springman want that? You recall that one particular clause—

**Ms. Cindy Heinz:** Oh, it was—it went on for pages.

**Mr. Jagmeet Singh:** And how did that come to your attention? Was that something that was amended and put in later on or was it always—

**Ms. Cindy Heinz:** Oh, no, no, no. It was in there from the beginning.

**Mr. Jagmeet Singh:** From the beginning.

**The Chair (Mr. Norm Miller):** You have two minutes.

**Mr. Jagmeet Singh:** Okay. At any point in time were you ever contacted by the ministry to work on amending anything in the performance agreement?

**Ms. Cindy Heinz:** There were two later amendments. But I wasn't contacted by the ministry. I was contacted by Mr. Blum and—

**Mr. Jagmeet Singh:** Is that Mr. Jacob Blum?

**Ms. Cindy Heinz:** Yes.

**Mr. Jagmeet Singh:** Okay.

**Ms. Cindy Heinz:** He had asked me to work on a couple of amendments. One was to provide, I think it was, the critical care land transfer, and then they were doing something in Thunder Bay, and they were getting more funding. So we had to amend the agreements.

**Mr. Jagmeet Singh:** Okay. There's been some suggestion that it would have been very difficult to amend the performance agreement, that there would have been a lot of stonewalling that would have been faced—if you can describe how that performance agreement amendment went. Were there any sort of problems or any hiccups along the way?

**Ms. Cindy Heinz:** It took some time. You know, we went back and forth with drafts and whatnot. It doesn't

happen overnight. You go through drafts. Everybody comments. The lawyers put their two cents in, the clients, so I can't—I'd be speculating to say how long it took, but it wasn't a quick process.

**Mr. Jagmeet Singh:** Okay. I'm just going to actually read this one comment to you: The committee has been told that Ornge was given an option by Lynne Golding and Guy Giorno critical of using the network of for-profits to hide salaries—as you've indicated, Lynne Golding and Guy Giorno were critical of it—and a different opinion from Alfred Apps was suggesting that this was appropriate.

Do you have a personal opinion on those two different views?

**Ms. Cindy Heinz:** Well, I think they resolved their views. When I got the two conflicting memos, I called a meeting with Ms. Golding and Mr. Apps—I don't think Ms. Golding recalled that, but I think she clarified that in her letter to the committee. It was determined that Ms. Golding had the better view, and so Mr. Apps called the client and told them that there was this obviously conflicting view. They said, "Don't worry. We don't need the opinion in any event." So I don't think he ever finalized that memo. It remained in draft.

**Mr. Jagmeet Singh:** And your personal opinion on that?

**Ms. Cindy Heinz:** Ms. Golding had the better view.

**The Chair (Mr. Norm Miller):** And you've used up your time.

Now, we'll move to the government. Ms. Sandals.

**Mrs. Liz Sandals:** Yes. Thank you. If we could go back to 2003 and if we, I guess, think from 2003 forward, we know from the work of the Auditor General and from prior testimony that eventually Fasken's billed Ornge over \$9 million for the work that they were doing, and given what we've been talking about, clearly that included lobbying, or government relations, in lawyer-speak.

If you look at page 3 in an entry that's dated January 22 from Mr. Giorno, he references an "Office conference with C. Heinz and L. Golding to discuss government relations implications of structural and charitable status issues." And then if you go on down to page 5, another Guy Giorno docket—this one's dated February 11, 2003—it says: "Follow up with client official re status of phase II of government relations plan...." Then you go down to the bottom of page 5, and we see that Kevin McCarthy has been brought on the file and it becomes clear with his billings that they are also government-relations-related billings.

So, just looking at those few docket entries as representative of dozens, you've got three well-connected Conservatives—you've got the Minister of Health's wife, Ms. Golding; you've got the Premier's former chief of staff, Mr. Giorno; you've got Mr. McCarthy, who eventually became Minister Flaherty's current chief of staff—all working on government relations at Ministry of Health expense. Agreed? That's what the dockets say, correct?

**Ms. Cindy Heinz:** I don't think—as I can say, I don't think Ms. Golding was working on government relations.

**Mrs. Liz Sandals:** Ahh.

**Ms. Cindy Heinz:** She was not working on government relations.

**Mrs. Liz Sandals:** She's just in on the meetings directing them.

**Ms. Cindy Heinz:** No, I don't think she was directing them. I can't really recall, but I don't recall her being—I don't recall exactly what she was doing, but I—

**Mrs. Liz Sandals:** So when Mr. Giorno billed for a meeting to discuss government relations that she was at, Mr. Giorno was incorrect in his billing?

**Ms. Cindy Heinz:** Where was that? Sorry.

**Mrs. Liz Sandals:** That's the one on page 3 about four or five down from the top. Mr. Giorno: "Office conference with C. Heinz and L. Golding to discuss government relations implications of structural and charitable status issues." That seems to me pretty clear.

**Ms. Cindy Heinz:** Well, she wasn't involved—actively involved. As I said, Mr. Giorno and Mr. McCarthy had registered as lobbyists.

**Mrs. Liz Sandals:** She was just sort of there in the background.

**Ms. Cindy Heinz:** At this point, I think she was helping us try to figure out the structure, so it was probably more just an update or a briefing meeting. But I don't recall her—

**Mrs. Liz Sandals:** I'm just reading what Mr. Giorno wrote down.

**Ms. Cindy Heinz:** I know, but—I mean, I think you'd have to ask them, but I don't recall her being actively involved in that part of it.

**Mrs. Liz Sandals:** So she's at least in meetings discussing this, and we've heard that Minister Clement effectively recused himself from the air ambulance file because his wife was counsel and there would be a conflict of interest. We've got the Ministry of Health funding the air ambulance, funding Fasken's—wife is senior partner on the file. This is a circle that is not really quite kosher.

If you turn to page 7 of the docket, again an entry from Mr. Giorno dated February 17, in which he has "telephone calls to minister's office re meeting with minister." And we go down a couple of entries to February 18. Mr. Giorno: "Discussion with ministry official re pre-briefing in advance of Thursday meeting with minister," and below that we then get an entry from Kevin McCarthy on the 18th, same day, that says, "Researched and drafted briefing materials for meeting with Minister Clement." So is it in fact true that Minister Clement was meeting with Fasken's lawyers, including Guy Giorno, regarding the establishment of what eventually becomes Ornge?

**Ms. Cindy Heinz:** I can't dispute what is in here. I don't recall that happening, but I don't know. So I don't think I'm the person to ask.

**Mrs. Liz Sandals:** If it is as reflected in the docket, do you think it's appropriate that we've got Minister

Clement meeting with his wife's firm—Mr. Giorno—to discuss what's obviously a big account for his wife's firm?

1410

**Ms. Cindy Heinz:** I just do not recall that happening. I'm sorry.

**Mrs. Liz Sandals:** So Ms. Golding never spoke to you about these meetings?

**Ms. Cindy Heinz:** I don't recall that ever happening.

**Mrs. Liz Sandals:** If we look at the docket on page 8; this is dated February 25, and it's actually your docket, it says, "telephone conversation with C. Mazza re: letters patent and status of meetings with the minister." You've got a "telephone conversation with G. Giorno re: same." There seems to be a conversation going on here between Mr. Giorno and yourself and Mr. Mazza about meetings with the minister. Am I to read this, then, to say that there's another meeting with Minister Clement that Dr. Mazza was at?

**Ms. Cindy Heinz:** I'm sorry; I don't know. I don't know.

**Mrs. Liz Sandals:** You've got no recollection around any of these conversations about the minister or meetings that are being set up with the minister. I do recognize that it wasn't you that was setting up the meetings; it's clear from the record that it's Mr. Giorno and Kevin McCarthy that are setting up the meetings. But you have no recollection of these discussions that you're docketed as being participating in?

**Ms. Cindy Heinz:** No, I don't recall that. I'm sorry.

**Mrs. Liz Sandals:** Let's look at another issue here. If we go down to page 17, the Red Tape Commission pops up in several entries. Lots of us remember the Red Tape Commission, which was advertised as getting the government out of the way of business. Mr. Justice O'Connor had some pretty negative things to say about the Red Tape Commission in relationship to Walkerton, but at any rate.

If you look at page 17, there's an entry dated April 28 from Mr. Giorno. He's preparing for and attending at meetings with ministry officials and preparing for and attending a meeting with two Red Tape Commission officials; he's booking a Red Tape Commission presentation. Then, at page 18, we go on, on April 30—again, a Guy Giorno entry—a "telephone conference with client vice-president re: legislative reform and meeting with Red Tape Commission."

**Ms. Cindy Heinz:** I'm sorry, Ms. Sandals, which date are you on?

**Mrs. Liz Sandals:** I'm on April 30 on page 18, Guy Giorno, about half a dozen entries down, the middle of his docket entry, timecard narrative.

**Ms. Cindy Heinz:** "Telephone conversation with client vice-president"?

**Mrs. Liz Sandals:** "Re: legislative reform and meeting with Red Tape Commission." I'm just wondering, if this is a simple matter of separating off the base hospital into a stand-alone corporation, how on earth this involves legislative change and the Red Tape Commission. This

seems to have blown up out of all proportion to the simple matter of, "Let's separate things."

**Ms. Cindy Heinz:** That was the difficulty. It wasn't a separate matter, and you needed legislative reform in order for them to separate. The Ambulance Act had a certain definition at the time for "base hospital program." It was sort of a circular definition, but it was a hospital that has been, I believe, appointed by the minister to operate a base hospital program. Don't quote me on that, but it was something like that.

Ornge, or the previous entity, was never going to be a hospital. So you needed to get an amendment to the Ambulance Act in order to provide either a hospital or another entity, appointed by the ministry or the Minister of Health, to operate an air ambulance program. I believe what had happened: In 2005, they were waiting for that legislative change to occur.

Now when you read the Ambulance Act, the definition of "base hospital program" had been amended, I believe, to say, "a hospital or a not-for-profit corporation or a non-share capital corporation that has been appointed by the minister." When the minister actually, in 2005, appointed Ontario Air Ambulance Services Co. as the base hospital, it put in there that they had all of the powers of a base hospital under the Ambulance Act. It wasn't a simple matter. It did require a legislative change, and legislative change was—

**Mrs. Liz Sandals:** I accept it needed legislative change—you're the lawyer—but what I don't get is why you need a whole lot of lobbyists being paid by the Ministry of Health, instead of Sunnybrook having a conversation with the Ministry of Health. This seems an awfully circular way of figuring out what you need to do.

I'm going to turn it over to my colleague.

**Mr. David Zimmer:** And what time do I have, Chair?

**The Chair (Mr. Norm Miller):** You have seven and a half minutes.

**Mr. David Zimmer:** Okay. Thank you.

Are you familiar with this business that we've heard about, the \$1.2 million in loans to Dr. Mazza, which included a \$500,000 loan by Ornge Peel for assisting with the purchase of a home?

**Ms. Cindy Heinz:** You're asking what my involvement was?

**Mr. David Zimmer:** No. Are you aware of that issue?

**Ms. Cindy Heinz:** Am I aware that loans were made?

**Mr. David Zimmer:** Yes.

**Ms. Cindy Heinz:** Yes, I am.

**Mr. David Zimmer:** At page 921 of the account book, there's an entry—

**Mrs. Liz Sandals:** She doesn't have that page.

**Mr. David Zimmer:** One of the dockets: It's 24873713, a docket by Lynne Golding. It says, "meeting with Bruce re: Foundation and JSmart (financial statements) and re: 500k loan (not reflected as being)"—

**The Chair (Mr. Norm Miller):** Excuse me. Would you like a copy of that?

**Mr. David Zimmer:** I'm sorry.

**Ms. Cindy Heinz:** Yes, please.

**The Chair (Mr. Norm Miller):** We'll get a copy made. Do you have an extra one there?

*Interjections.*

**Mr. David Zimmer:** It's the entry at 24873713.

**Ms. Cindy Heinz:** Okay.

**Mr. David Zimmer:** "Meeting with Bruce re: Foundation and JSmart (financial statements) and re: 500k loan (not reflected as being owed to GP); discussion with CH and email exchange with Ron." Question: I gather CH is you?

**Ms. Cindy Heinz:** Yes. I assume so.

**Mr. David Zimmer:** So what was that meeting about?

**Ms. Cindy Heinz:** Do we have a date? Well, it has to be this year, because I assume Ron is Ron McKerlie.

**Mr. David Zimmer:** If you don't, that's fine.

**Ms. Cindy Heinz:** I'm not certain, but Ms. Golding assisted with the windup of all of these for-profit corporations. I'm assuming this docket is more recent because she helped the board wind them all down. She was probably just trying to explain to the board what needed to happen in order to wind down.

**Mr. David Zimmer:** All right. Thank you. Did you have any involvement with the giving of advice on the \$1.2-million loan, including the \$500,000, to Dr. Mazza for homes and that sort of stuff?

**Ms. Cindy Heinz:** There were two loans in 2010—there was one in 2010. I wasn't with Ornge at the time, and I had gotten a call from Ms. Renzella saying that the board wanted to give a loan to Dr. Mazza—an employee loan—and wanted to take out a mortgage. They had apparently called Hicks Morley because it was an employment matter, and Hicks is their labour counsel. Hicks said, "If it's a mortgage involved, you'd better call Fasken's." So I called somebody from our real estate department, who took care of preparing the loan documents and the mortgage.

1420

**Mr. David Zimmer:** Did you offer any advice on the propriety of that loan?

**Ms. Cindy Heinz:** No, I didn't.

**Mr. David Zimmer:** We've heard in the Auditor General's report and from the Auditor General that he was getting a lot of pushback when he went to Ornge and said, "I'd like to see this; I'd like to see that. I'd like to see salaries. I'd like various statements from subsidiary companies on all of that." Did you offer any advice on the propriety of—I'll use the expression—pushing back against the Auditor General on his requests for this information?

**Ms. Cindy Heinz:** No, I never tried—I never offered any advice on the propriety. When they asked me what they could give, it was our view—and not just my view—that they were entitled to see all of the documents that related to Ornge and its subsidiaries. I think the one thing that was in question, in my view, from what I can recall, was the shareholders' agreement for that Ornge Global Management Inc. company. There was personal and confidential information in there of the shareholders,

and so we didn't think that it was appropriate to give that out.

**The Chair (Mr. Norm Miller):** You have two minutes.

**Mr. David Zimmer:** Thank you. So Ms. Golding, Mr. Giorno and Mr. McCarthy were billing Ornge from the period January 2003 to October 2003. Our tally comes to about 600 hours of work that they did. Can you, as the responsible partner, the billing partner—at that time, what was Ms. Golding's billing rate? Roughly. What do you think it might have been at that time?

**Ms. Cindy Heinz:** In 2003? I have no idea.

**Mr. David Zimmer:** Could you get that information for us?

**Ms. Cindy Heinz:** I can't because I'm no longer with Fasken's, but I'm sure if you spoke to the managing director of Fasken's, he would give you that information. I understand they're trying to be co-operative.

**Mr. David Zimmer:** Just as an experienced lawyer—you were there in 2003; you know their level of experience and their age and their call-to-the-bar year and so on. Recognizing that it may be corrected when we hear from Fasken's, what would you guess their billing rate was? In what range?

**Ms. Cindy Heinz:** Are you taking about Ms. Golding or Mr. Giorno or—

**Mr. David Zimmer:** All three. Each of them. I mean, I know what a beginning lawyer bills at, and you know; and I know what a lawyer with 15 and 20 years' experience bills at. So where in that range were these three?

**Ms. Cindy Heinz:** It really depends. Mr. Giorno was new to the firm; he didn't sort of—

**Mr. David Zimmer:** What year were you called to the bar?

**Ms. Cindy Heinz:** In 1993.

**Mr. David Zimmer:** What was your billing rate in 2003?

**Ms. Cindy Heinz:** I think I brought mine; mine was \$380.

**Mr. David Zimmer:** Were Ms. Golding, Mr. Giorno and Mr. McCarthy senior to you in terms of call to the bar?

**Ms. Cindy Heinz:** Ms. Golding was. I don't know about Mr. Giorno and Mr. McCarthy.

**Mr. David Zimmer:** But anyway, a 10-year lawyer is \$400 an hour.

**The Chair (Mr. Norm Miller):** You are out of time.

**Mr. David Zimmer:** Thank you, Chair.

**The Chair (Mr. Norm Miller):** So we'll move to the opposition now. Mr. Klees.

**Mr. Frank Klees:** Thank you.

Can I just ask you—you tabled the aircraft purchase agreement. How did you come—you're no longer at Ornge, right?

**Ms. Cindy Heinz:** I'm no longer at Ornge and—

**Mr. Frank Klees:** Or Fasken's?

**Ms. Cindy Heinz:** No, I'm not there anymore either.

**Mr. Frank Klees:** How was it that you were able to provide us with a copy of this?

**Ms. Cindy Heinz:** Well, in preparing for my testimony today, I asked Fasken's if I could review some of the relevant documents that I thought you may ask me about today.

**Mr. Frank Klees:** I see. Did you spend any time preparing with anyone at Fasken's for this hearing?

**Ms. Cindy Heinz:** I spent time going through the documents.

**Mr. Frank Klees:** Did you have discussions with anyone at Fasken's about what you would testify here?

**Ms. Cindy Heinz:** What I would testify? We talked about what I could—what questions you may—what you might be interested in so that I knew what I could help you with.

**Mr. Frank Klees:** Was your statement reviewed by anyone at Fasken's? The statement that you prepared?

*Interjections.*

**Mr. Frank Klees:** The statement that you gave here. Did you review that with anyone at Fasken's?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** Who?

**Ms. Cindy Heinz:** Who?

**Mr. Frank Klees:** Yes.

**Ms. Cindy Heinz:** Stephen Hastings from our communications department.

**Mr. Frank Klees:** And why would you do that?

**Ms. Cindy Heinz:** To make sure that it was accurate. I'm not at Fasken's anymore. I can't speak for Fasken's anymore. I wanted to make sure that my recollection was the same as Fasken's recollection.

**Mr. Frank Klees:** So who was it that you reviewed this with?

**Ms. Cindy Heinz:** Stephen Hastings.

**Mr. Frank Klees:** And what is his role at Fasken's?

**Ms. Cindy Heinz:** He's the communications person.

**Mr. Frank Klees:** Is he a lawyer?

**Ms. Cindy Heinz:** I'm not sure.

**Mr. Frank Klees:** How long has he been at Fasken's?

**Ms. Cindy Heinz:** I don't know.

*Interjections.*

**The Chair (Mr. Norm Miller):** If you can speak up a bit, please, Mr. Klees. People are having difficulty hearing you.

**Mr. Frank Klees:** I just want to make sure that you're listening.

You're a lawyer. We weren't, quite frankly, interested in having a communications piece here. We wanted some facts. We assumed that we would get those from you. I find it quite interesting that in your preparation—I could understand if you sat down with Lynne Golding. I could understand if you sat down with—

**Ms. Cindy Heinz:** Well, I did sit down with Lynne.

**Mr. Frank Klees:** You did with her, as well?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** And who else?

**Ms. Cindy Heinz:** It was Lynne Golding, Lisa Marcuzzi from—

**Mr. Frank Klees:** And what is she?

**Ms. Cindy Heinz:** She's a lawyer. She worked on the file, as well. There were a number of people working on this file all through the period of time, and if I was speaking on behalf of Fasken's, I wanted to make sure that my recollection was the same as theirs, because they haven't had a chance to come and speak about this particular matter.

**Mr. Frank Klees:** So you had an opportunity to collaborate your presentation here with a number of people: the communications person at Fasken's—

**Ms. Cindy Heinz:** We didn't collaborate. I wanted to make sure that what I was saying in there, they didn't disagree with.

**Mr. Frank Klees:** And what if they did disagree with it?

**Ms. Cindy Heinz:** I can't speak for Fasken's anymore. At the time that this was going on, I was at Fasken's, so I wanted to make sure that I was making an accurate reflection of my recollection and not saying anything incorrect. There were so many of us involved in the file, I wanted to ensure that I was giving you the proper information.

**Mr. Frank Klees:** You understand what's puzzling to me.

**Ms. Cindy Heinz:** Not particularly.

**Mr. Frank Klees:** You have to go to Fasken's and speak with their communications person and some other—

**Ms. Cindy Heinz:** He was just one of the people.

**Mr. Frank Klees:** But why was he there?

**Ms. Cindy Heinz:** It was Lynne, it was Lisa—and we went through it.

**Mr. Frank Klees:** So there were just the three people there? There was Lynne Golding—

**Ms. Cindy Heinz:** And their counsel was there.

**Mr. Frank Klees:** And their counsel?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** Explain that.

**Ms. Cindy Heinz:** Fasken's counsel.

**Mr. Frank Klees:** Who was that?

**Ms. Cindy Heinz:** Gavin MacKenzie.

**Mr. Frank Klees:** This is getting even more interesting. You had a meeting with three individuals from Fasken's, two of them lawyers, one of them a communications person, and they each had Fasken's counsel attending with them. Is that right? That's what you're saying?

**Ms. Cindy Heinz:** They didn't each have counsel, no.

**Mr. Frank Klees:** So there was one counsel for the three of them?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** What was the purpose of them having counsel there? What was the counsel's role in this discussion?

**Ms. Cindy Heinz:** He just listened, and he reviewed the statement, as well.

**Mr. Frank Klees:** So the product that we have here, that you presented, is the result of vetting that took place; it's the result of a collaboration between counsel to

Fasken, two lawyers at Fasken and a communications person at Fasken. I'm assuming that, with all of that effort, there isn't anything in your statement that would have contradicted any other testimony from Fasken.

1430

**Ms. Cindy Heinz:** Number one, I'm under oath. Everything in this statement is accurate and completely correct. Number two, I don't believe anybody from Fasken's has given testimony on the things that I thought you would be particularly interested in knowing and that our story had not been heard. We had been told one thing and we were under the impression that our advice had been followed. What instead has been happening is, people have come before this committee and have said certain things that were not true. So it was very important for us to ensure that our advice that we actually gave—and this should be very helpful to you, Mr. Klees, because this is the truth.

**Mr. Frank Klees:** Well, in that case, I'd like the rest of it. You've given us a partial document.

**Ms. Cindy Heinz:** A partial document of what?

**Mr. Frank Klees:** The aircraft purchase agreement certainly isn't all here, is it?

**Ms. Cindy Heinz:** No, but I had assumed that you had the entire agreement.

**Mr. Frank Klees:** No, we don't.

**Ms. Cindy Heinz:** I took excerpts of what I thought you would be most interested in and that would help you understand the issues at the time when we were first asked about this. But I had understood that you had the full agreement.

**Mr. Frank Klees:** No. We don't.

**Ms. Cindy Heinz:** I thought you had referred to it.

**Mr. Frank Klees:** So could you arrange to get that for us, please?

**Ms. Cindy Heinz:** I can't speak to Fasken's, but again, I know they're co-operative and they would be happy to give you that agreement.

**Mr. Frank Klees:** Okay, I appreciate that.

**Ms. Cindy Heinz:** I assume they would, so you just have to ask the managing partner.

**Mr. Frank Klees:** Thank you.

**Ms. Cindy Heinz:** You're welcome.

**Mr. Frank Klees:** As the counsel for Ornge, you are intimately familiar, no doubt, with all of the incorporation documents for the various companies. Is that right?

**Ms. Cindy Heinz:** I didn't incorporate all of them; a lot of the documents were incorporated by clerks. Just referring to a corporate chart here—I don't know if you all have seen it, but—

**Mr. Frank Klees:** No, we'd love to get a copy of that. Clerks may have done the documentation, but you oversaw, so you're familiar with all of the companies—

**Ms. Cindy Heinz:** I'm not familiar with all of the companies. Various people had incorporated them. I was more involved in the incorporation of the earlier companies. Ornge, for example: I had prepared the letters patent, the objects and the bylaws—

**Mr. Frank Klees:** Let's talk about Ornge, then. That'll narrow it down. Do you recall how the board of directors was appointed?

**Ms. Cindy Heinz:** When I was at Ornge doing the secondment in 2005, I had drafted the objects up and I had drafted the bylaws. I was given a number of bios of the prospective board members. I think Dr. Mazza had been interviewing people for the positions and had a list of prospective board members. I then took those bios, the draft bylaws and the draft objects, and someone—I can't remember if it was me or Mr. Blum—sent them to the ministry for approval.

**Mr. Frank Klees:** So the ministry approved the board of directors?

**Ms. Cindy Heinz:** I don't know if they were asking for approval, per se, but they didn't raise any objection to any of the people who were on the board.

**Mr. Frank Klees:** But the board was vetted by the minister's office.

**Ms. Cindy Heinz:** That's my recollection.

**Mr. Frank Klees:** Do you know if any nominations were made from the minister's office for that board of directors?

**Ms. Cindy Heinz:** No. The bylaws didn't allow for that. It was a not-for-profit company. There were no ministry appointees, if that's what you're asking. There weren't any.

**Mr. Frank Klees:** No, no. I'm just asking if there were any nominations from the minister's office.

**Ms. Cindy Heinz:** No.

**Mr. Frank Klees:** Okay. So you got the names back. What happened then? How did I become a member of the board of directors? It was kind of a self-baptism, was it?

**Ms. Cindy Heinz:** No, that's not quite how it works. I think there was a company that had been started, it was Ontario Air Ambulance Services Co., and there was an interim board that was comprised of members of Sunnybrook. Once the performance agreement was signed, and once there was no objection by the ministry of the proposed board members, then that board resigned and elected the new people. In their capacities as members, they elected those new people as members of the board of directors.

**Mr. Frank Klees:** Okay. Do you recall—I'm assuming that those board meetings took place in a very organized way. Who kept the minutes for those board meetings?

**Ms. Cindy Heinz:** You know, I don't remember who kept the earlier minutes. In about, I want to say 2008 or something, they decided they needed a corporate secretary, but I think they had various executive assistants take the minutes of those meetings.

**Mr. Frank Klees:** Who became the corporate secretary?

**Ms. Cindy Heinz:** There were two. The first one was Melinda Moore, and the second one was, unfortunately, just terminated in January. Her name was Lynne Taylor.

**Mr. Frank Klees:** Okay. I assume that as the in-house counsel you kept the books or the records of those minutes. Is that right?

**Ms. Cindy Heinz:** No. That's the job of the corporate secretary.

**Mr. Frank Klees:** Do you recall, was directors' liability insurance ever applied for or put in place for the directors?

**Ms. Cindy Heinz:** Yes.

**Mr. Frank Klees:** And what was the liability limit of that?

**Ms. Cindy Heinz:** Pardon me?

**Mr. Frank Klees:** What was the liability limit under that policy?

**Ms. Cindy Heinz:** I think it went—it morphed; I shouldn't say it morphed. Initially, I think that there was D&O insurance under one—it was like an umbrella policy from HIROC, the Healthcare Insurance Reciprocal of Canada. But then I think, as various things were going and the organization grew, they got their D&O insurance from—I want to say Marsh. I think the limit changed and it increased as we were getting into this structure, but I can't recall the exact—

**Mr. Frank Klees:** Okay, but it was in place?

**Ms. Cindy Heinz:** It was in place.

**Mr. Frank Klees:** Do you recall, were bylaws ever passed to provide indemnification of the directors—

**Ms. Cindy Heinz:** The actual bylaw of Ornge provides for indemnification of directors in the absence of certain activities.

**Mr. Frank Klees:** And do you recall, was that the case for all of the several companies, then, that were subsequently incorporated?

**Ms. Cindy Heinz:** I just recall there being—there could have been, but I only know of D&O insurance for Ornge, Ornge Peel and that Ornge Global Inc. entity. There could have been. They might have. I'm thinking that they might have had an umbrella policy where it covered all of the organizations, but I just remember, before I left the organization, having this conversation with the new board that has just been appointed as to D&O insurance, and we arranged for Marsh to come in and speak to the new board about D&O insurance.

**Mr. Frank Klees:** Given the several questionable financial transactions that took place, your opinion in terms of potential liability for directors of these companies—if you were a director of any of these companies, would that be of concern to you?

**Ms. Cindy Heinz:** I mean, you're assuming that—there's an investigation going on. They're going to make the determination of what's occurred. It really depends on what they find out. I would, before all of this happened—

1440

**The Chair (Mr. Norm Miller):** I just caution, let's not get talking too much about investigations going on, please.

**Ms. Cindy Heinz:** Yes. I just—Mr. Klees, I'm not a director, I can't really speak to it.

**Mr. Frank Klees:** Have you been a shareholder of any of the several organizations?

**Ms. Cindy Heinz:** No.

**Mr. Frank Klees:** You were never kind of let into the inner circle?

**Ms. Cindy Heinz:** No.

**Mr. Frank Klees:** Okay. Are you glad about that now?

**Ms. Cindy Heinz:** Pardon?

**Mr. Frank Klees:** Are you pleased about that now?

**Ms. Cindy Heinz:** My life has been through enough change.

**Mr. Frank Klees:** I'd like to—how much time do I have?

**The Chair (Mr. Norm Miller):** You have three minutes and 15 seconds.

**Mr. Frank Klees:** Okay. Don Guy pulled back his last invoice. In all the time that you've been in business, as a professional, have you ever experienced a consultant withdrawing a bill for consulting services?

**Ms. Cindy Heinz:** I don't think I knew that he had done that.

**Mr. Frank Klees:** Yes, he did that. Do you have any sense of why he might have done that?

**Ms. Cindy Heinz:** No, I don't. I don't know Mr. Guy, I've never met Mr. Guy, I've had no interaction with Mr. Guy.

**Mr. Frank Klees:** It was just around the time when there was some media activity around Ornge and, for some reason, Mr. Guy decided to withdraw his invoice. I just thought maybe you would know why that took place.

**Ms. Cindy Heinz:** No, I wasn't even aware of that retainer of Mr. Guy. I had heard about it, actually, through someone at Fasken's asking me about an invoice that they had received. But I didn't even know at the time that he had been retained.

**Mr. Frank Klees:** Do you know who introduced Alfred Apps to Ornge?

**Ms. Cindy Heinz:** That was me.

**Mr. Frank Klees:** That was you?

**Ms. Cindy Heinz:** Yes. It was back in 2007 when Maria Renzella came to me and said, "Dr. Mazza wants to buy aircraft. He doesn't have the money. How do we do that?" I went to the firm and I looked for an aircraft financing expert. I sent out a broadcast memo to see if there was any expertise within the firm. One gentleman came forward, but he said that he didn't really seem to have the kind of expertise we were looking for, so I started looking through the firm website to see if there was anybody in the firm who could help. He was noted as a structured finance expert, and I called him. Prior to that time, I didn't know him; we hadn't worked together. I called him and I said, "This is what this client would like to do. Do you think you can help them?" And he got very excited and he said, "Absolutely."

So that was me, but I didn't know him before then.

**Mr. Frank Klees:** So you made his day; you gave him a call, and look what happened.

**Ms. Cindy Heinz:** Look what happened.

**Mr. Frank Klees:** Thank you very much.

**Ms. Cindy Heinz:** Thank you.

**The Chair (Mr. Norm Miller):** Thank you. You have five minutes each for one more round.

We'll move to the NDP. Ms. Gélinas.

**M<sup>me</sup> France Gélinas:** Quickly. I have read some of the papers that you have written in Health Law in Canada. Some of them, actually—I was quite happy when you wrote about Bill 179: A Missed Opportunity for Collaborative Care in Ontario. I also saw that you did this with your articling students. Anyway, that's something that I was interested in; I was pleased to read that.

I also saw that you co-authored a paper with Mr. Steeve, and I was wondering, what is your relationship with Jamison Steeve?

**Ms. Cindy Heinz:** Jamison: I believe he was a young associate. That was probably back in 2003-04. I think that was when the Romanow report came out. We worked on a publication together, but Jamison left the firm years ago. I haven't seen him nor have I spoken to him since he left the firm.

**M<sup>me</sup> France Gélinas:** Okay, so you worked with him on that paper and then you never saw him again?

**Ms. Cindy Heinz:** He was a member of our health law group, but I haven't talked to him; I haven't seen him. He's a very nice man.

**M<sup>me</sup> France Gélinas:** So when was the last time you saw or talked to Jamison?

**Ms. Cindy Heinz:** Probably when he left the firm.

**M<sup>me</sup> France Gélinas:** So that's about 2003?

**Ms. Cindy Heinz:** Well, was it 2003? If that's when he left the firm, then it would be 2003.

**M<sup>me</sup> France Gélinas:** Okay. So, coming back to the workings with Mr. Apps, Mr. Apps was the expert for structure, a financial expert, and he went on to design this corporate structure for Ornge. In your view, why was such a complex structure created?

**Ms. Cindy Heinz:** My understanding is there was a need for most of these companies. When we started this, there was just Ornge, and then there was Ornge Peel and there was the foundation and J Smarts—I think there was an Ornge Co. in there somewhere. It was a relatively straightforward structure. At the time when they were looking to purchase the aircraft and do it by way of a bond, Mr. Apps had said that investors don't want to invest in subsidiaries of charities and that you normally do this through a partnership or a trust. That's when OIT was formed. It went from there. Then, when there was the for-profit business, they were looking for an entity or a structure, which was a limited partnership, that would be investible, that would be attractive to investors. I don't know much about this, but right there, with a limited partnership, you have three entities. You have the actual partnership, and then you have your limited partner and your general partner. So you already have three there.

**M<sup>me</sup> France Gélinas:** So the structure is there, as complex as it is. Some people say that it evolved under the guidance of Mr. Apps to be what it was before it got all rolled back. None of them ever did anything to be in

business. Sure, there was an issue, offering money came. The only business transaction that we saw was really the real estate, where the not-for-profit pays the for-profit more than what the for-profit bought the real estate for. Then there was the marketing service agreement where, again, the not-for-profit has given a whole bunch of money that comes back to the for-profit to go someplace else.

You were there. You saw all that. There was never a red flag raised?

**Ms. Cindy Heinz:** It seemed to me, at the time, that there was a need for these companies, and when you're trying to get investors in—that's not my area of expertise. I'm not a structured finance expert. That's completely beyond my area of expertise. I wasn't involved in the credit lease transaction. I don't know a lot about the credit lease transaction. I had a hard time following it and understanding it. I wasn't involved in that. But insofar as I was aware, every company had its purpose.

**M<sup>me</sup> France Gélinas:** You've worked—

**The Chair (Mr. Norm Miller):** We are out of time here. We'll move to the government. You have five minutes. Mr. Zimmer.

**Mr. David Zimmer:** Thank you, Chair. Five minutes for the Liberal side, right? Yes.

This morning you gave what I thought was a very moving statement, this sort of general overview about what went wrong, how this all happened. You spoke about some characteristics of Dr. Mazza's personality and ambition and so forth. I was quite taken by that. You're a lawyer of 21 years' experience, obviously very skilled and talented at what you do. You've been through some difficult pressures in the last months or so. As you did this morning—offered that general overview of what the problem was with Dr. Mazza and his ambition and his personality—in hindsight, what lessons have you learned from this exercise as a lawyer and what advice would you offer to a younger lawyer about to start his or her career in a position something like yours who might fall into a similar sort of scenario like Ornge in the next couple of years? What lessons did you learn? What advice would you offer to that younger lawyer who wants to avoid this mess?

1450

**Ms. Cindy Heinz:** There are always lessons to be learned and there is definitely room for improvement. Looking back, I think we could have done a better job at persuading him to slow down, to move more deliberately in what he was doing in trying to expand the business. At the time, I think we all thought that we were doing what we could to try and slow him down, but sometimes they took our advice and sometimes they didn't. I guess the lesson learned is, we probably should have tried to do more to persuade him to move more slowly and more deliberately.

**Mr. David Zimmer:** Thank you.

**The Chair (Mr. Norm Miller):** Ms. Sandals.

**Mrs. Liz Sandals:** Yes. As we think about all the money that flowed through your firm, when you get right

down to it, why were Mr. Giorno and Mr. McCarthy essentially spending so much government money to lobby their own Harris/Eves government?

**Ms. Cindy Heinz:** I don't know, Ms. Sandals.

**Mrs. Liz Sandals:** How can you possibly justify that tens of thousands of dollars from the Ontario Ministry of Health are being handed over to Fasken's so that Giorno, McCarthy and Golding can effectively take government money to turn around and lobby the government when they've all got such close ties to the government?

**Ms. Cindy Heinz:** I don't know. They tried to do it the proper way. They registered for lobbying. They knew that legislative reform was needed. That could take some time. That's all I can tell you.

**Mrs. Liz Sandals:** So if you're properly registered, that makes it okay to take money from the government and to, particularly in the case of Ms. Golding—and I know you've said that she wasn't always directly involved, but she was certainly involved in some of the conversations—take money from the Ministry of Health when her husband is the Minister of Health, cycle that through the law firm and have that pop up at the other end of a very lucrative contract? It seems a very unusual relationship.

**Ms. Cindy Heinz:** As I said, I'm not sure how all of that was paid for, and I don't want to speculate. I think that would better be answered by someone in finance.

**Mrs. Liz Sandals:** I think we can be sure it wasn't coming out of Dr. Mazza's personal pocket, so it had to be coming out of ministry funding.

**The Chair (Mr. Norm Miller):** We are out of time. We have five minutes left for the opposition. Mr. Klees.

**Mr. Frank Klees:** Thank you. We left off with Alf Apps. I'd like to just get back to him. Obviously your introduction meant a great deal to Mr. Apps. He must have been very grateful to you for that. No doubt you became good friends. He—

**Ms. Cindy Heinz:** Did you say we've become good friends?

**Mr. Frank Klees:** I would think so.

**Ms. Cindy Heinz:** We're not close, Mr. Apps and I.

**Mr. Frank Klees:** Mr. Apps did a lot of contract work, I'm assuming, with all of these various details of his work. Subsequently, there would have been a number of meetings that he had with government ministers' offices and so on to explain things and so on. Do you recall Mr. Apps making arrangements for presentations to ministers and so on?

**Ms. Cindy Heinz:** I understood, just because I go through the bills, that he was arranging meetings with people from the government.

**Mr. Frank Klees:** Yes.

**Ms. Cindy Heinz:** When we discussed it, he said, "And by the way, I don't have to register because I am"—I just want to get the words right—"because I am not asking the government for anything. I'm only pro-

viding them with information, and I'm telling them a good-news story."

**Mr. Frank Klees:** And when did you have that conversation with him?

**Ms. Cindy Heinz:** Well, that would have been in the fall of 2010, when these meetings and things were being arranged.

**Mr. Frank Klees:** Did you find it strange that he would go out of his way to say, "I don't have to register as a lobbyist"?

**Ms. Cindy Heinz:** No. I mean, I didn't—I don't know, Mr. Klees, whether I had asked him, "Well, have you registered?" I know that he was looking into registering. I think we had had that conversation before, and then he just followed up to say, "I don't have to because, in my view, I'm not asking for anything. I'm just telling a good-news story."

**Mr. Frank Klees:** Mr. Apps was very politically active, and I understand that on occasion he would host little fundraising receptions at the firm. Did you ever attend any of those?

**Ms. Cindy Heinz:** No.

**Mr. Frank Klees:** But you knew that they were taking place? You would hear about them?

**Ms. Cindy Heinz:** I don't know about—is there a specific one? I'm not sure—

**Mr. Frank Klees:** Are you aware that he did that?

**Ms. Cindy Heinz:** That he had—

**Mr. Frank Klees:** That he held fundraising receptions there?

**Ms. Cindy Heinz:** Yes, vaguely. Vaguely.

**Mr. Frank Klees:** Okay.

**Ms. Cindy Heinz:** I'm not a political person.

**Mr. Frank Klees:** You're not a partisan-type person.

**Ms. Cindy Heinz:** No, I'm not.

**Mr. Frank Klees:** In retrospect, is there anything on a specific case that was going on that you would have advised the board of directors about, about which you had concern?

**Ms. Cindy Heinz:** If I would have had an inkling, believe me, I would have gone to my managing partner. As I said, I would have gone to the board.

The toll this has had, no client is worth it. If there was any indication, I would have followed my obligations and responsibilities of the law society, and I would have done what I needed to do, right?

**Mr. Frank Klees:** You would have.

**Ms. Cindy Heinz:** I would have.

**Mr. Frank Klees:** There were occasions when you didn't?

**Ms. Cindy Heinz:** I would have, if I had an inkling.

**Mr. Frank Klees:** I see. Thank you.

**Ms. Cindy Heinz:** Thank you.

**The Chair (Mr. Norm Miller):** Thank you very much for coming before the committee this afternoon.

The committee is adjourned.

*The committee adjourned at 1500.*







## CONTENTS

Wednesday 6 June 2012

Committee business.....	P-323
Subcommittee report .....	P-323
Special Report, Auditor General: Ornge Air Ambulance and Related Services .....	P-324
Mr. Trevor Kidd.....	P-324
Ms Cindy Heinz .....	P-340

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