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

Wednesday 11 May 2011

## **Journal des débats (Hansard)**

Mercredi 11 mai 2011

**Standing Committee on  
Estimates**

Ministry of Government Services

**Comité permanent des  
budgets des dépenses**

Ministère des Services  
gouvernementaux

Chair: Garfield Dunlop  
Clerk: Sylwia Przedziecki

Président : Garfield Dunlop  
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Hansard Reporting and Interpretation Services  
Room 500, West Wing, Legislative Building  
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111, rue Wellesley ouest, Queen's Park  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400; télécopieur, 416-325-7430  
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

## STANDING COMMITTEE ON ESTIMATES

## COMITÉ PERMANENT DES BUDGETS DES DÉPENSES

Wednesday 11 May 2011

Mercredi 11 mai 2011

*The committee met at 1553 in room 151.*

### MINISTRY OF GOVERNMENT SERVICES

**The Chair (Mr. Garfield Dunlop):** Good afternoon, everyone. Minister Takhar, welcome to the Standing Committee on Estimates. We are here today for the consideration of the estimates of the Ministry of Government Services for a total of seven and a half hours.

The ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has made arrangements to have the hearings closely monitored with respect to questions raised, so that the ministry can respond accordingly.

Are there any questions anyone has before we start here?

For today, we will commence with vote 1801. We will begin with a statement of not more than 30 minutes by the minister—you have up to 30 minutes to make comments—followed by statements of up to 30 minutes by, first of all, the official opposition and then the third party. They have an opportunity to either make a long statement or they can ask a bunch of questions. Then, Minister, you have the final 30 minutes to make a rebuttal to anything that might have been raised. If you don't want to use that time, it would go directly into 20-minute rotations, starting with the official opposition. Then we'll finish up with equal time after that.

With that, Minister, welcome, and you have the first 30 minutes to make an opening statement.

By the way, welcome to all the staff from the Ministry of Government Services as well. We appreciate you being here today.

**Hon. Harinder S. Takhar:** Thank you, Mr. Chair. Good afternoon, everyone.

I'm here to support our budget estimates, but I really see this as an opportunity to tell you about all the good work that is being done at the Ministry of Government Services and ServiceOntario on behalf of all Ontario residents.

With me today on my right is MGS Deputy Minister Ron McKerlie. On my left is ServiceOntario Deputy Minister Bob Stark. I also have staff sitting at the back, so I think we'll probably be able to answer most of the questions that you may have.

I'll start with a more general overview of MGS activities and then focus on specific areas such as I&IT,

human resources, accountability, procurement, diversity and the green office. Then I will move on to ServiceOntario, the government's foremost provider of services to the residents of Ontario, and talk about the great strides we have made in service delivery over the past few years, particularly in the year since I was last before this committee.

MGS was created in 2005, incorporating the former Management Board Secretariat and the Centre for Leadership and Human Resource Management. In the past six years, MGS has undergone a significant transformation. Many enterprise-wide functions have been transferred from other ministries to us, in areas such as human resources, I&IT services, Ontario Shared Services and ServiceOntario.

MGS functions as both a public-facing line ministry, through ServiceOntario, and an enterprise organization responsible for supporting the Ontario public service's workforce of some 67,000 employees, and supporting 27 ministries as they implement key government priorities.

We issue birth, death and marriage certificates. We staff 87 ServiceOntario locations, have 71 self-service kiosks, 54 land registry offices and eight telephone contact centres. We currently manage contracts for 205 privately operated ServiceOntario centres and deliver health card services at approximately 110 health card outreach locations.

MGS also carefully preserves Ontario's rich history through the Archives of Ontario, now located at its new, modern facility at York University.

MGS is responsible for building the best public service in the world, in order to deliver the government's commitment to being a responsive and innovative leader in public and customer service. Whether in Toronto, Ottawa, Windsor, Kingston, Thunder Bay or another city or community in this great province, the work of MGS impacts the lives of all Ontarians.

The 2011-12 estimates: The operating and capital expenses budget for the Ministry of Government Services for the fiscal year 2011-12 is \$2.42 billion, an increase of approximately \$214 million over the last fiscal year. The increase largely reflects additional employee pension and benefit costs of \$241 million as a result of the updated valuation of retiree benefits. This increase was offset, in part, by savings across the ministry, reflecting the government's ongoing commitment of delivering top-quality public services to Ontarians in a fiscally responsible manner.

The ministry's estimates reflect its focus on providing simple, seamless and personalized services to the public and focusing on excellence in people, processes and technology in its employer and enterprise role. The Ministry of Government Services is uniquely positioned as an enterprise ministry to deliver efficient and effective services to the public and to the other ministries.

**Financial restraints:** The Ministry of Finance recently reported that Ontario's economy is turning the corner, marked by six straight quarters of economic growth, higher business investment and regaining 93% of jobs lost due to the global recession.

The deficit for 2010-11 is projected to be \$16.7 billion, \$3 billion lower than the forecast a year ago. This is largely due to the fact that program expenses for 2010-11 are projected to be \$2.6 billion lower than the forecast published in the 2010 budget.

#### 1600

To help eliminate the deficit without threatening economic growth, the government is reforming the way it does business. Recent initiatives and those announced in this budget would help realize savings of nearly \$1.5 billion over the next three fiscal years. There are several new measures that would make public services more affordable and effective for Ontario families, including:

- instructing major agencies to deliver efficiencies of \$200 million by 2013-14;

- reducing funding permanently for executive offices of specific transfer payment recipients by 10% over two years. This policy will also be put in place for major government agencies;

- reducing the size of the Ontario public service by an additional 1,500 positions between April 2012 and March 2014. This is in addition to the reduction of some 3,400 full-time OPS employees by April 2012, as announced in the 2009 budget; and

- determining whether the current ServiceOntario delivery model provides the best value and services to people.

Last year, the Public Sector Compensation Restraint to Protect Public Services Act, 2010, received royal assent. The act extended the existing freeze on the salaries of members of provincial Parliament from one to three years, froze the compensation structure for non-bargaining political and Legislative Assembly staff for two years, and froze compensation structures in the broader public sector and the Ontario public service for two years for all non-bargaining employees.

Over the two-year period, restraint measures in the act will help redirect up to \$750 million towards sustaining schools, hospitals and other public services.

Statistics Canada data shows that Ontario has the lowest number of provincial public servants per capita, compared to other provinces. Ontario also has the lowest expenditure per capita on general and government services. Total current expenditure per capita was \$7,339 in 2008-09, lower than any other province.

**Accountability:** On December 8, 2010, the government passed the Broader Public Sector Accountability

Act, which brings a higher level of accountability and transparency to organizations in the broader public sector, including hospitals, universities, colleges, school boards and others. It also extends coverage of the Freedom of Information and Protection of Privacy Act to Ontario hospitals as of January 1, 2012.

The BPSAA brings a higher level of accountability and transparency to organizations in the broader public sector, the BPS. The act applies to designated BPS organizations, including hospitals, school boards, universities, colleges and publicly funded organizations that receive \$10 million or more in public funds.

The BPSAA brings in new rules and consistent accountability standards for the broader public sector, including:

- a ban on using public funds to pay for consultants and lobbyists;

- new directives setting out rules for procurement and expenses, including prohibiting the reimbursement of meal and hospitality expenses for consultants and contractors; and

- requirements specific to hospitals and local health integration networks, which are normally called LHINs: for example, reporting and publicly posting expense information; reporting on the use of consultants and attesting to compliance; and bringing hospitals under freedom-of-information legislation.

This is a strong indication of the government's commitment to enhancing openness and transparency in public sector organizations.

In the past year, the government, through MGS, has taken several steps to strengthen accountability, transparency and oversight of expenses. In April 2010, the government launched a public website for posting expense information for expenses claimed and approved, beginning by cabinet ministers, parliamentary assistants and political staff. The information is available to the public on the government website [ontario.ca](http://ontario.ca).

The website also links to the website of 22 of Ontario's largest agencies. These agencies must post expense claim information of their chairs and other appointees, chief executive officers, presidents and vice-presidents or equivalent levels, direct reports to CEOs and the top five claimants. Expense information for senior managers in government ministries are also posted on [ontario.ca](http://ontario.ca).

Also in April, the government revised and reissued the travel, meal and hospitality expenses directives, strengthening the accountability for reimbursement of expenses for government ministries and the 22 agencies required to publicly post expense information. Online training on the government's new expense rules is now mandatory for all staff who will be submitting or approving claims.

The government announced that it has accepted the recommendations made by Rita Burak in our December 2010 Report of the Special Advisor on Agencies. Greater efficiencies, service levels and accountability will result from the implementation of these recommendations. The government also announced its plan to reduce the number of government agencies by 5%.

The Adjudicative Tribunals Accountability, Governance and Appointments Act—and it is normally referred to as ATAGAA—will be in full force by June 30, 2011 including all of the required regulations. The act ensures that the same rules apply to all adjudicative tribunals and that they are accountable, transparent and efficient in their operations by remaining independent in their decision-making.

I&IT: I'm proud to tell you that very recently we formally opened the government's new data centre in Guelph. The new facility will strengthen security and protection of sensitive and personal information. It will ensure that important government services such as health card, driver's licence and birth certification, as well as the OPP dispatch system, continue to be delivered with a high degree of availability and improved business continuity.

The new data centre is a critical component in the information technology infrastructure required to support essential services to Ontarians. The facility will strengthen service delivery by replacing several old data centres that are beyond their economic life cycle. The new data centre provided about 400 construction jobs during the peak of the construction project and created 30 new jobs in Guelph.

This new data centre is the IT backbone supporting programs delivered by all ministries and will ensure long-term stability and service excellence.

Consulting: The government of Ontario has tightened its policies on the acquisition and use of consulting services to ensure greater accountability and transparency in its procurement policies and processes. Consulting expenditures have decreased from \$656 million in 2001-02 to \$346 million in 2010-11, a reduction of \$300 million annually, or roughly 50%. Since 2003, 1,519 positions have been approved for conversion to replace work previously done by consultants, resulting in an ongoing annual savings of approximately \$64 million. Reducing our reliance on consultants will help provide the services Ontarians need in a more cost-effective and efficient way.

The government is reducing spending on consulting services by focusing on strengthening the Ontario public service's internal capacity and expertise.

The government's policies on the procurement of consulting services require all ministries and agencies to use competitive procurement processes when they acquire consulting services and a strict repayment of hospitality, incidental and food expenses for consultants.

The government has also introduced greater controllership by requiring ministerial oversight of non-competitive procurement of consulting services by ministries and agencies. These procurement policies apply to all ministries, agencies and non-classified entities, such as eHealth Ontario, the LCBO, the WSIB, Hydro One, Ontario Power Generation and the Ontario Lottery and Gaming Corp.

Let me talk briefly about the procurement side. On average, Ontario does business with over 45,000 suppliers every year, and approximately 92% of these are

located in Ontario. The government's procurement policies help deliver value, innovation and integrity to Ontario, and enable the delivery of modern and efficient public services to the citizens of Ontario. The Ontario government's procurement policies ensure that it obtains value for money by using open and fair competitive processes when it requires goods and services. Ontario vendors are highly competitive and are routinely selected through competitive processes to supply the Ontario government.

Since 2003, this government has introduced many changes to its procurement policies to strengthen transparency and accountability in the procurement processes.

In July 2009, a new procurement directive was issued reflecting the government's commitment to greater controllership and accountability in the acquisition of consulting services.

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Last month, a new procurement directive was implemented that, among other things, introduced minimum bid response times and a formal bid dispute process.

New rules were also announced that the Ontario government and all its agencies will not pay consultants for any hospitality, incidental or food expenses.

Consulting services are not the only commodity where government aggregates its spending power to get the best value for taxpayers.

MGS manages approximately 60 enterprise contracts, referred to as our "vendor of record" program or VOR program. The VOR program includes commodities ranging from food and clothing to volume agreements with Microsoft and Oracle.

The government procures almost \$500 million worth of goods and services annually in this manner. Strategies such as regional participation ensure participation by small and medium enterprises.

Some examples of recent savings achieved through the enterprise VOR program are \$56,000 for general office seating; \$394,000 for a travel management company; \$2.2 million in rebates for our purchasing card program; and \$8 million in IT task-based consulting.

HROntario: HROntario was created in July 2008 to provide a more strategic approach to human resources management and to consolidate HR expertise and functions across the OPS into a more integrated enterprise service delivery organization.

HROntario provides HR services and supports to 67,000 public servants. HROntario is providing the enterprise policies, strategies, programs and services that enable the OPS to deliver quality public service and be an employer of first choice. It is providing corporate management policies to ensure an accountable and professional public service. It is promoting OPS transformation and service excellence.

We are attracting youth and new professionals through outreach activities and a number of employment programs. In 2009-10, we offered a total of 6,000 employment opportunities for youth and new professionals.

HROntario has implemented a number of initiatives to improve oversight, accountability and transparency, and

reaffirm the government's commitment to protect taxpayer dollars.

Freedom of information and protection of privacy: As you likely know, MGS is also responsible for the province's freedom of information and privacy legislation. We are taking steps to ensure that a citizen's right to know is foremost in considering requests for information and making more government information publicly available.

In April 2011, the office of the chief information and privacy officer and the Archives of Ontario were combined to form a new division, the information, privacy and archives division. This merger will strengthen our position to deliver the best possible services to the citizens of Ontario while maintaining our obligation to ensure a continued focus on access to information issues, as well as on privacy.

In December 2010, the government passed the Broader Public Sector Accountability Act, which, among other things, extends coverage of the Freedom of Information and Protection of Privacy Act to Ontario hospitals as of January 1, 2012.

These initiatives are in addition to earlier actions that included:

- the Public Sector Expense Review Act, 2009, which enables the Integrity Commissioner to review the expense claims of executives and senior managers of specified government agencies, boards and commissions, and to make an annual report to the Speaker;

- bringing publicly funded universities under Ontario's access and privacy legislation, June 2006; and

- bringing the energy sector, including Hydro One and Ontario Power Generation, back under Ontario's access and privacy legislation in 2005, and local public utilities back in 2004.

Let me talk a little bit about employers of first choice. The Ontario public service is arguably the most efficient, professional and cost-effective public service in Canada. As one of Ontario's largest employers within Canada's most populous and culturally diverse province, the OPS strives to be an employer of first choice. We are creating and maintaining a culture of learning and promoting new and diverse ideas and approaches.

Our employees make a real difference in the lives of Ontarians every day, from inspecting food and protecting the environment to making sure our roads are safe. Ontario's public servants are dedicated to providing modern public services and have a commitment to excellence that is unmatched.

We know there's always room for improvement, but it is gratifying to see that the hard work being undertaken in the Ministry of Government Services to date is being recognized.

The OPS has been chosen one of Canada's top 100 employers for the third year in a row, one of Canada's best diversity employers for the fourth year in a row, one of Canada's greenest employers for the second year in a row, a top employer for Canadians over 50, a top employer for Canadians over 40, and one of greater Toronto's top employers for the third year in a row, and was

recently acknowledged as one of the best employers for new Canadians. I'm very proud that the OPS has achieved these awards. It means we are moving in the right direction.

The Ontario public service provides programs, policies and services to 13 million people in what is widely recognized as one of the most diverse jurisdictions in the world, so the diversity is important.

To ensure that our public services are both relevant and excellent, the OPS is undertaking a three-year diversity study which will integrate diversity, accessibility and inclusion into the core businesses of the OPS. Diversity, accessibility and inclusion are a value-added proposition which aligns closely to government's role as a policy-maker, regulator, a service provider and an employer.

Within these roles, we aim to embed diversity in all OPS policies and programs, build a healthy workplace free from harassment and discrimination, reflect the public we serve at all levels of the OPS workforce and respond to the needs of a diverse population.

The OPS already has a number of national and international complements in the area of diversity, accessibility and inclusion.

Ontario is the first jurisdiction in the world to move from compliance waste legislation to a modern regulatory regime in accessibility.

Ontario is the only jurisdiction in the world to require a public and private sector organization to train their staff on accessible customer service practices.

Ontario is the only jurisdiction in Canada to legislate a comprehensive accessibility goal, and the first province in Canada to create a chief diversity officer for the public services.

The OPS has been named the best diversity employer four years in a row, in 2008, 2009, 2010 and 2011. These wins are providing an important boost to us as we continue on our journey towards diversity and inclusion.

Green office: The OPS has been recognized as one of Canada's greenest employers for the second year in a row. Canada's Greenest Employers award is part of Canada's Top 100 Employers competition conducted by Mediacorp Canada Inc.

This year, the award was given to employers across Canada who have focused on tangible goals to build environmental sustainability into their operations. The government has set a target of reducing its carbon footprint from direct operations by 19% by 2014 and will increase this target to 27% by 2020.

We have consolidated servers and will be reducing printing by 50% by 2012 through the elimination of more than 10,000 print devices, mandatory double-sided printing and greater use of electronic approvals.

These actions will result in a savings of 30.5 million kilowatt hours a year. That is enough energy to power 2,747 houses for a year. The Ontario government has also introduced desktop power management settings on all OPS computers, resulting in a reduction of 19 million kilowatt hours per year, enough energy to power approximately 1,700 hours for a year.

ServiceOntario: I would now like to turn my attention to ServiceOntario, which has evolved as the premier one-stop gateway to government services for Ontarians across the province. ServiceOntario has been very busy in the past year integrating some 300 locations around the province that now offer a full slate of services. As a result of that major modernization program, nearly 95% of all Ontarians are now within 10 kilometres of ServiceOntario centres. Some 12.7 million Ontarians are able to choose ServiceOntario for a variety of services, including work and marriage certificates, health cards, drivers' licences, licence plate renewals, fishing and hunting licences and other provincial services. In 2009-10, ServiceOntario facilitated about 46 million interactions on behalf of the government of Ontario, generating some \$2.5 billion in revenue.

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Today, ServiceOntario is recognized as the world leader in modernization of service delivery. Improvements will continue to come, all with the same goal in mind: making it easier for the people of Ontario to access government services. Improvements have vastly improved our service delivery network, especially in rural and remote areas.

In the year since I last appeared before this committee, I have attended dozens of openings of integrated full-ServiceOntario centres around the province. I can tell you first-hand that the response in these communities has been overwhelmingly positive. We are making it easier for Ontarians to get the service they need, when they need it and how they need it.

I would like to provide a little history behind ServiceOntario's great success story. In the early 2000s, a combination of higher demand, tighter security needs and various organizational issues made for long lines and wait times for even the most basic services. Much of this followed 9/11, which provided a wakeup call for more secure passports. This meant tougher standards and processes for documents used to get a passport, including birth certificates. Since the birth certificate is a foundation document used to get most other forms of identification, this sudden increase in demand and security made an already overburdened system much worse. The resulting pressure created a 20-week-long backlog on birth certificates.

In June 2006, the government approved the ServiceOntario modernization initiative, providing a mandate to establish ServiceOntario as the government's customer service retail arm. It meant providing services in ways that were faster and better than ever before. It recognized that citizens have higher service expectations of the government. It took hard work and some out-of-the-box thinking. It took a service revolution and a previously unheard-of government money-back guarantee. This meant offering the first-ever service guarantee for birth certificates processed and delivered from desktop to doorstep within 15 business days, or your money back. Since its launch in 2005, the service guarantee has been extended to marriage and death certificates as well.

Today, approximately 80% of all birth certificate applications are received online, and the guarantee is met more than 99.8% of the time. Customers can now renew their vehicular registration sticker online and have it delivered within five business days. Access to routine health card services has improved from 27 locations to almost 300 locations. In rural communities, access to routine health card services has expanded from about two locations to 163 locations. In northern communities, access to routine health card services has expanded from six to 67 ServiceOntario centres.

ServiceOntario has continued to make changes to modernize our service delivery and become a best-in-class customer-focused organization. Our customers want and need us to explore how to do more to provide the simple, seamless and personalized public services they demand. The organizational transformation we have already been through has shown us how change can help us better serve Ontario families and businesses by improving how we manage our work and resources.

**The Chair (Mr. Garfield Dunlop):** You've got a couple of minutes left, Minister.

**Hon. Harinder S. Takhar:** This is demonstrated by our ability to reduce wait times at the centre and increase overall satisfaction levels to 89%.

As successful as the improvements at ServiceOntario have been, we are not done yet; in fact, we have much more work to do. In the recent 2011 budget, the Minister of Finance announced that ServiceOntario will be examining other models of service delivery. We are only in the early stages of the review and have not even begun to examine alternatives, let alone make decisions. As I said, we have much more work to do to ensure that Ontario residents are getting the best and most cost-effective services possible.

In conclusion, I would like to thank the committee members for this opportunity to talk about the work being done at the Ministry of Government Services on behalf of all Ontarians.

**The Chair (Mr. Garfield Dunlop):** Thank you, Minister. That's just about perfect. Wow, you must have practised that a few times, eh? Sorry.

*Interjection.*

**The Chair (Mr. Garfield Dunlop):** We now go to the official opposition. You have 30 minutes for comments and/or questions. Mr. O'Toole.

**Mr. John O'Toole:** Thank you very much. I think the Chair is right.

**Mr. Yasir Naqvi:** Point of order: I just want to make sure Mr. O'Toole is using this year's estimates this time around: 2011-12.

**The Chair (Mr. Garfield Dunlop):** Okay. Thank you very much. That's not a point of order.

Mr. O'Toole, you have 30 minutes.

**Mr. John O'Toole:** Yasir will have his turn, I suppose.

I appreciate the staff's time that has gone into the preparation of your remarks. You've read them almost flawlessly, and certainly it's a good story. In that respect, I thank the public service for the hard work they do.

I guess, just dealing with a couple of things in the brief time here at the beginning, it's important to recognize the condition the province is in. You're a minister at the cabinet table and you'd have to take some responsibility for the outcomes as you measure them by the recent budget. You have a huge hole in the ground that mostly shows about a 20% deficit, if you look at all government spending and all government liabilities. You're basically in the same hole as the other Liberal member was, Bob Rae, once the NDP left the province: about 20% of the total spending was deficit. Yet when I look at it, you sort of trump—or at least to characterize your good achievements in such a positive light. But when you examine them closely, you find out that it's riddled with holes.

I don't want to blame the public service for getting the deals they've been able to get, whether it's at the negotiating table or other opportunities, but I blame the government. I blame you and Premier McGuinty for pretty well everything that's not working.

I would say that—

*Interjection.*

**Mr. John O'Toole:** Mr. Naqvi, if you start interrupting, you will have a very miserable time here at this committee, okay? So you stick to your knitting and I'll stick to mine. Okay?

**The Chair (Mr. Garfield Dunlop):** Okay, we'll—

**Mr. John O'Toole:** No, no, I want that cleared up right now. Any interruptions from that little twerp will—

**The Chair (Mr. Garfield Dunlop):** Okay, there will be no heckling at each other. Thank you. Go ahead.

**Mr. John O'Toole:** We'll leave it at that. Thank you very much.

*Interjections.*

**Mr. John O'Toole:** I would suggest to you that—

**Mr. Yasir Naqvi:** I was just called a name that I think is not appropriate.

**Mr. John O'Toole:** Well, that part I withdraw. You withdraw your remarks as well.

**The Chair (Mr. Garfield Dunlop):** Okay, he'll withdraw it. We can start here, and let's go—

**Mr. John O'Toole:** But when I look at this in clearness here, it's issues with respect to—where does one start? I guess today's question period is a good place to start. If you look at the Samsung deal, which was a secret contract, and you're trumpeting your procurement process as being open and transparent, that's just one example. I'll get to the questions with respect to—that's one example.

The next briefing notes I have would be today's clippings in the media: the secret deal with the Ontario Provincial Police as well, which has precipitated public sector outrage now in the city of Toronto to pay its police services. You have to take responsibility as the lead government in the province, setting the tone for wage settlements.

Then, if I drill down further, all I have to look at is the secret deal with the Ontario Public Service Employees Union.

When you say "transparency," you should mean it. I am so disappointed in your ability to be forthright with

this committee that I'm discouraged from asking you any specific questions, because they will be twisted in such a way that they have no relationship to the truth. That's the real issue here. If I was to ask you a question on the secret deal with the Ontario Public Sector Employees Union—I don't blame the union; they actually were victorious over you and your government—then you could say that it's some other ministry or that somebody else is responsible. The same as Premier McGuinty does every day in question period: He blames Stephen Harper or he blames someone else for everything.

You're the government. Ontario's in this condition, you're spending money and taxing people like there's no tomorrow, and you feel so enamoured by it and so celebratory about it. In fact, you have nothing to celebrate except that you've taken Ontario from first to almost last by spending our children's money. That's what you've done. You've doubled the debt and you've doubled your spending. Ask yourself: Is it any better?

If I look at ServiceOntario, as an example, even in my own riding, you haven't got the courtesy to even advertise the one in Port Perry as being open for business or celebrate it in any way. I don't even know where to begin, quite frankly.

You want to talk about the HR stuff, that you're victorious here: the employer of first choice. It should be the employer of first choice. You just open the door, give them a blank cheque and they sign it. That's what's happened with the OPP, that's what's happened with the Ontario public service, and I'm sure AMAPCEO is at the table now saying, "Look, where's our touch-up?"

I don't want this to ever be interpreted as a public service—I think they do a particularly good job, starting with the speech you delivered today. They do the work and you take the credit. Take the credit for the good, but also take the credit and responsibility for the bad.

**1630**

If I go into the Samsung deal—I see Mr. McNeely there; he usually reads what they tell him to read as well. I would say, when you look at the Samsung deal, it's the tip of the iceberg. It's an example—and I might start this, because I'll soon run out of time—

**The Chair (Mr. Garfield Dunlop):** No, you've got 25 minutes yet.

**Mr. John O'Toole:** There's a long way to go here.

I would say that a good place to start is the OPSEU deal. That's been the current thing. I spoke to lots of people in the media because they were concerned about this secret deal that was made. How much is that deal going to cost the people of Ontario? How much is that OPSEU deal, the bonus, going to cost the people of Ontario? Did you know the size of the cheque you were signing?

**The Chair (Mr. Garfield Dunlop):** Is that a question?

**Mr. John O'Toole:** Yes, that's the question.

**Hon. Harinder S. Takhar:** First, let me say that this is not a secret deal. Actually, all the information on this deal was given to the local presidents, who shared it with about 38,000 OPSEU employees. So if you share some-

thing with 38,000 employees, I'm not sure how it can even be termed as "secret."

Rather than me giving you the information, I'm going to ask my deputy minister or the person responsible for negotiating this to tell you the background behind the negotiations, why such side agreements are common in negotiations, because I think it's important for you to hear right from the people who actually negotiated the deal.

**Mr. Ron McKerlie:** For the record, I'm Ron McKerlie, Deputy Minister of Government Services, associate secretary of the cabinet, and secretary of Management Board of Cabinet. Thanks for the question.

This deal was negotiated in the fall of 2008. You may remember the environment at that time. Virtually all of the collective agreements that had been done up till that time and the few years before that were solid 3% deals for multiple years. We went in with a very challenging mandate from the government in terms of reducing the cost of labour rates going forward. We negotiated a deal that was a four-year deal: 1.75% in the first year, 2% in each of the next two years, and 2% in the last year plus an additional 1%, which was paid for with 1.25% of concessions that were given by the union. So the total deal gross was 8.75% over four years; net would be about 7.5% over four years, the cost to the government going forward. That would compare to a four-year deal for 11.45%, which included an eight-week strike, in 2002.

We think, given the time and the circumstances, that's a deal we were incredibly proud of. We continue to be proud of it today. It was one of the first deals that got us off consistent multiple years of 3% increases, so we are very proud of that deal.

We also are pleased with some of the concessions that we managed to get from the bargaining agent. As the minister said, it was ratified by 38,000 members, and we continue to be quite pleased that we got a very good deal that was respectful to the taxpayers of Ontario.

**Mr. John O'Toole:** Very good; thank you very much.

I guess that would lead to the question—again, I don't mean to be assertive or aggressive with the public service. You're doing your job as instructed by cabinet.

This is to the minister: Who was directly responsible for ordering the lawyers of the province of Ontario, representing Premier McGuinty and cabinet, to go to the labour relations board just recently to try to bury this deal, to try to suppress the information? Who ordered the lawyers to go the labour board to suppress this 1% deal, which was not widely understood by the membership, as well?

I've heard from members. Quite honestly, it's amazing how many whistle-blowers are out there, and the media are happy to get it.

Who was responsible? Can you provide some documentation or the documentation of the submission? In the submission, they had, in quotes, a "secret deal," the sidebar, the side table. I was in labour relations for a number of years, not at the main table, and I know there are deals made on local agreements or provisions for benefits and

other deals that tie into the overall contract, but this went to the labour board to suppress the information from the people of Ontario, the taxpayers of Ontario. That's unforgivable. That is not open and not transparent. The lawyers went; who sent them, and why? That's a question to the minister.

**Hon. Harinder S. Takhar:** Let me start by saying that when we enter into collective agreements, all agreements with each of our unions are different in every respect sometimes, because the conditions are different or the agreements that they reached before are different. Side agreements are quite common in these. The member talked about having experience in negotiating these. Actually, I had the opportunity to do it for about nine years at the school board. These side agreements are quite common. As I said before, there's nothing secret about it. This information was given to all the local presidents of OPSEU, who shared it with 38,000 employees, so there's nothing really secret about it. But this issue is before the Ontario Labour Relations Board, so I think I can only comment so much about it. If the deputy has any more information to share, he would be more than pleased to share it with you.

**Mr. Ron McKerlie:** Side agreements, as the minister mentioned, are incredibly common in labour deals done in both the public sector as well as the private sector. It's not unusual at all. If parties in negotiations were required to disclose each and every component of their agreements to other bargaining agents, obviously there would be a significant potential for ideas and discussion and creative solutions that would be restricted.

**Mr. John O'Toole:** I guess I want to get to specifics, though. I asked who authorized the lawyers and why did they go to the labour board. We're talking about the current month of April or May when this occurred. They went to the board. Now, I understand that you're trying to make the case for the side deal, but the specifics are—you said that the agreement was in 2008, yet here we are in court. Why were you there? Submit the documents right here to this committee so we can all see it, even the ones who don't know that they went to court, to the labour board, to suppress information from the people of Ontario. This is not the side deals. You got the extra deal. You were trying to suppress it. Whenever that was signed in that side deal contract, the secret part of it, why were you in court recently, in April and May, and who sent them?

**Hon. Harinder S. Takhar:** There's nothing to suppress. As I indicated before, this information was given to all the presidents of OPSEU locals and they shared it with 38,000 employees. If this information was a so-called secret, it wouldn't get out there, right? This information—

**Mr. John O'Toole:** Karen Howlett in the Globe and Mail is the one who disclosed it. You show me a document that you sent to the 38,000 members of OPSEU. Show me the document that included this provision of a touch-up that shows up after the election on October 6. Minister, I'm looking at you now; it looks like you're

quite surprised at this revelation by Karen Howlett in the *Globe and Mail*. I don't think you even know, honestly. That's my impression, without being personal.

My impression right now is: Who sent the lawyers to the labour board? What were their arguments that were presented? I know the judge ruled against you. This is why Karen Howlett found out about it in the *Globe and Mail*, and this is why we looked into it. We're finding out—you know the FOI part that you're responsible for? We're asking you here, now, in the public forum and on the record, to produce the documents the lawyers used to make the arguments on behalf of Premier McGuinty at the labour board to keep this secret. Just table them, and that line of questioning will end now. If you don't, then I'm not listening to anything else you say, because who can trust somebody who's making one deal here in the public and another deal somewhere else?

Other than that, where are the documents that you sent to the membership? I want those. Some of the members of OPSEU, the Ontario public service, who have called me—and I have the greatest respect for them. They're not party to the misdeeds of the McGuinty government, and neither is Mr. McKerlie or the other members at the table here.

I'm asking you one more time: Table the papers. Forget the words; I want the papers—the papers from the presentation to the labour board and the memo that you sent to the membership. I have memos here dated—this one here is waiting to be mailed. It's dated October 1, 2011. It's to Brian Gould, chief negotiator of OPSEU—because you guys don't actually do the negotiating; you get some legal firm to do it—and it's signed by David Logan. I'll submit my documents if you submit yours. I have the one also from December 8.

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**The Chair (Mr. Garfield Dunlop):** Have you got an actual request that you're asking for?

**Mr. John O'Toole:** Yes. All I want is: Who sent the lawyers? Is there a cabinet minute or something like that?

**The Chair (Mr. Garfield Dunlop):** Does research have this?

**Mr. Avrum Fenson:** Yes.

**The Chair (Mr. Garfield Dunlop):** Okay; sorry. We've got the question.

**Mr. John O'Toole:** Okay. We want that, the cabinet minute.

What were the documents, the submissions, the legal arguments they made with the secret deal, and the memo that you sent to the members? You said that you told the 38,000—where's the memo that told them about the extra sweetheart deal in 2012? They get it in 2012; they get it after the election. How cynical.

He's championing this here, sort of admonishing me, and I'm supposed to represent the people at the most vulnerable level of all, the people who are left in the dark, and he's telling me here that HROntario is an employer of first choice—no wonder, because you can take advantage of the taxpayers. That's the deal here that I see—integrating 67,000 public sector employees, and proud

that none of them got anything less than about 8% or 9%. In 2008, the whole economy went into the ditch; 25% of all the pension funds and everything else was taken off the table.

You've got a tough choice. You're not there to just cut ribbons and smile for the photographs. What you're there for is to make difficult decisions on behalf of the people of Ontario, and you failed to do that. You've lost complete respect from the taxpayers of Ontario. On this file, it's a simple case: Produce the documents.

I'll slow down, because right now, I could easily have a coronary or something. But I do have a different job than yours.

**The Chair (Mr. Garfield Dunlop):** Minister?

**Hon. Harinder S. Takhar:** Mr. Chair, this is interesting. But let me just say this: It's not that I went to the OLRB—the Ontario Labour Relations Board—and neither did the Premier. The staff has been handling it, so I'm now going to ask the deputy minister to answer this question for you.

**Mr. Ron McKerlie:** The member has the documents that were released by order through the Ontario Labour Relations Board. That's what he's referring to. There are two documents there. Essentially, the one letter that is signed is the letter that went out—I think it's dated December 24, 2008. That letter is what went out to the chief negotiator for OPSEU and, further, I understand, to the local presidents. That would be part of the communication that they would have used. We're not privy to the rest of the communication that the bargaining agents would have used to notify their members. Clearly, that happened. They ratified the agreement.

I would remind the member that that 1% in return gave us 1.25% worth of cost reductions. That was a terrific deal. The total cost of the deal, the gross cost of 8.75% over four years, was the best lowest-cost collective agreement done in probably at least a three- or four-year period of time.

We are in front of you discussing this today because, through a normal course of events, we were challenged by a union that's clearly looking for a better deal for its own members.

**Mr. John O'Toole:** It wasn't public, really. AMAPCEO didn't know about it. They found out about it and they got upset. I guess it does set a precipitous tone. That's kind of what I'm talking about, because they'll have other negotiations that will be looking for that, plus more.

In a climate where you have significant challenges, both on the spending side as well as on the debt side—I'm just feeling that you still pretty well stand by the fact that it's a good deal. I guess that's what I'm asking you.

**Hon. Harinder S. Takhar:** The member talks about whether it's a good deal or not. We feel that it's absolutely a good deal.

I want to talk about a couple of concessions that we got. That might put a few things in perspective.

**Mr. John O'Toole:** I'll just put one more proviso on that: The Premier stood—in fact, he did a whole PR

campaign with Dalton's lieutenant, Dwight Duncan, saying "restraint," and there's a freeze. He's even broken the freeze. Again, it comes down to this whole thing of transparency, accountability, trust—all this stuff.

Go ahead; you can give me the explanation. But quite honestly, you're doing quite the opposite: You haven't frozen anything.

**Hon. Harinder S. Takhar:** Let me just give you a couple of examples that might put some things in perspective for you.

**Mr. John O'Toole:** Okay.

**Hon. Harinder S. Takhar:** One of the provisions in the OPSEU contract was the severance when you terminate an employee. That was being accrued at the rate of one week per year to a maximum of 26 weeks. So one week, in my mind, translates to about 2% in salary. They have given that up, 2% accrual, to get this 1% increase—that alone.

Then the other is, if the person is terminated when they reach a factor of 80, they could have got the pension without any reduction in their pension plan. Now that 80 factor is also gone.

They have also given us the ability to hire 200 internationally trained professionals to support the OPS diversity programs.

These are three I can give you. There are actually maybe 10 or 15 examples here, but I can give you these three clear-cut examples.

Talking about what has happened since then to the different agreements that have been signed, let me just start with—

**Mr. John O'Toole:** Let's just stop a little bit because you are putting some data out on the table there. You're saying that you get one week per year of service up to a maximum of 26 weeks. That's it?

**Hon. Harinder S. Takhar:** For severance—it used to be.

**Mr. John O'Toole:** What is it now? I don't think that's right. I can only go by the Ron Sapsford severance package. Do you understand? That's the unclassified deputy, the million-dollar man. He's not even here and he's still making \$900,000 a year. Even the way he was—but no, no. To the deputy: What's the maximum severance that an OPS person can get?

**Mr. Ron McKerlie:** Are you talking about an OPSEU member?

**Mr. John O'Toole:** Yeah, an OPSEU member.

**Mr. Ron McKerlie:** Okay. There are several types of severance. There's legislated severance, which we are required to pay. There was also termination pay, which, as the minister said, accrued at the rate of one week for every year of service up to a maximum of 26 weeks. That was payable under previous collective agreements for voluntary resignation. So you could leave and get paid that termination pay.

**Mr. John O'Toole:** Okay. So what's the legislated severance?

**Mr. Ron McKerlie:** Legislated severance is one week per year of service.

**Mr. John O'Toole:** To a maximum of 30 weeks or something like that, or 30 years?

**Mr. Ron McKerlie:** Twenty-six weeks.

**Mr. John O'Toole:** It's still 26, and that was not given up, that portion of that. That's a legislated entitlement.

**Mr. Ron McKerlie:** Yeah, it's legislated severance.

**Mr. John O'Toole:** Again, if you look at it and you're listening, they did give up part of what they had negotiated before for more cash on the barrelhead—cash today in the inflationary times we're in.

Now, the other thing was this 80 factor. There was a grow-in provision, I think, on severances, wasn't there? You could grow in to the 80. Even though you were let go before the 80, you could—how does that work?

**Mr. Ron McKerlie:** I'm not sure I can answer that question, but I could invite somebody to the table who probably could.

**Hon. Harinder S. Takhar:** Why don't you do that?

**Mr. John O'Toole:** Yeah. This is where the little—

**Mr. Ron McKerlie:** None of my staff know what a grow-in factor for factor 80 is. I'm sorry, I can't help you with that. I'm not sure what that—

**Mr. John O'Toole:** Again, there's the other part. I'm not sure what you gave up, and then it only accrues when a person is terminated or leaves. Anyway, that's another part of it.

Even in this whole thing, when I look at it, we're lowering expenses paid, and I'm still not satisfied—I know there was a challenge and it went to this thing. The public service are finding out about it. There's more to that. If you could table the documents around those court proceedings, I'd be very happy with that—otherwise I will have difficulty getting them—on the labour board, with AMAPCEO challenging the OPS.

I guess it's important to put it in context again. Right after the election, in 2012—it's conveniently dated in such a way as it's buying labour peace. Now, I understand that. I know that during the election they'll have all this vilification of the Conservatives, blah, blah, blah. Anyway, conveniently, a lot of the contracts are coming due right after 2011, and that's really what the case is here. It's sort of like the Neville Chamberlain argument: "Peace at any price." That's kind of how I see it.

Right along the line, everything they're doing, quite honestly, is spending money they don't have. I don't care if it's the Ontario benefit that they talk about; you look in these books and they've borrowed \$1.1 billion to pay the Ontario benefit, because they didn't have the cash flow. They floated a loan specifically for that. It's time-dated, too. Right after the election they'll cancel that Ontario benefit.

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I'm going on to one other contract here which is quite shocking, actually. There was a lot of media on it today. You're probably all ginned up on it, Minister; I hope you are, anyway. Some of your staff will answer it for you, anyway. The OPP contracts: The recent OPP agreements are the product of negotiation, not arbitration. The 2011 agreement included the "highest paid" provision. This is

the province of Ontario setting the tone not for Toronto police, but for Durham police and for the police across the province, which is one of the rising costs, as we say, in all of the municipal budgets at the regional level.

OPP will be the highest paid in Ontario on January 1, 2014. In 2010, an OPP first-class constable was paid \$79,000. The new OPP contract gives a first-class constable a 5.07% increase in 2011, which will bring them to the end rate of \$83,400. The total OPP increase from 2011 to 2014 is a minimum 14.6%. Do you think that's okay? Do you think that's a pretty frugal kind of settlement? They have an 80 or 85 factor. The Chair might know. Do you know what they have? What's the factor for OPP?

**The Chair (Mr. Garfield Dunlop):** I'm not sure.

**Mr. John O'Toole:** So, 80 or 85. That means you start when you're about 30, you work for 30—that makes you 60 with 30; that's 90. That's a 90 factor. That's how that works. Is that a good deal for the taxpayers of Ontario?

**Hon. Harinder S. Takhar:** Let me say this: First, we have about 5,600 uniformed Ontario Provincial Police officers and about 2,600 civilians who work there. This is a three-year agreement that, in the beginning, basically puts the salaries of the OPP officers in line with the salaries of York and the Toronto first-class constable. It has been a precedent before as well. I talked to my police officers, and they are having problems with retaining these employees. If one force puts the salaries up, then they leave from there and go somewhere else. So this is basically matching salaries. In the next two years, the salary increase is zero. In 2012, it's zero; 2013, zero. This agreement basically is in line with the government's —

**Mr. John O'Toole:** OPP, by the way, has no retention issue in it. It doesn't. I'm reading the article here.

**Hon. Harinder S. Takhar:** Yes, but when salaries are left behind—

**The Chair (Mr. Garfield Dunlop):** There are another two minutes left in this round.

**Hon. Harinder S. Takhar:** —there's always a retention issue. When your salary falls behind others and you can make the same salary with the same training somewhere else, there's always a retention issue. You want to make sure you pay your employees competitive salaries in the marketplace. So this is what the marketplace dictates at this point in time.

**Mr. John O'Toole:** It's covered in the media today, and that's why I'm saying it. Minister, with all due respect, they also feel that this is not particularly in line with the economy. The economy is in a growth line of about—it's flat and stable, if that. One would wonder even that that's just a stability statement more than anything else. That 14%: Nobody else in Ontario is getting that.

**Hon. Harinder S. Takhar:** Zero increase for 2012, zero increase for 2013—this is exactly what our government asked for, and this is what the government got. Their salaries are the same as the salaries that are paid to the first-class constable in Toronto and York, but their salaries are being frozen for a two-year period.

**Mr. John O'Toole:** Well, right here in the article it says 14%.

**The Chair (Mr. Garfield Dunlop):** You've got about 30 seconds.

**Hon. Harinder S. Takhar:** But the article doesn't mean—

**Mr. John O'Toole:** The article here this morning is that how this implication is—it's like ratchet negotiations. You set the tiered level and then everybody else gears up to it. In fact, they're all fighting for the highest level. It's Toronto fighting for OPP, and then it will be Durham fighting for Toronto—that's ratchet negotiations. It's a very skilful way of driving costs up for labour.

We know that 75% of public spending is wages and benefits. There's no getting around it at all, and you seem to be doing a crummy job on it. That's my final analysis. You can't give people 8% and 10% when the economy is growing at—

**Mr. John O'Toole:** Mr. O'Toole, that brings us to the conclusion of your 30 minutes.

We'll now go to the third party. You have 30 minutes, Mr. Miller.

**Mr. Paul Miller:** Good afternoon, Minister, deputy ministers and the throngs of staff.

I want to clarify a question that I asked before. Would it be safe to say that your ministry would be involved with electronic health cards and the delivery of those cards? Would that be at one of your kiosks?

**Hon. Harinder S. Takhar:** My understanding is, my ministry is not involved, but—

**Mr. Paul Miller:** Not involved?

**Hon. Harinder S. Takhar:** Not involved in the electronic—

**Mr. Bob Stark:** We issue the plastic cards.

**Mr. Paul Miller:** Yes, the plastic cards. The electronic cards will not be part of your auspice?

*Interjection.*

**Mr. Paul Miller:** Not at all? It's under health strictly, and you don't have any influence or coverage on that?

**Hon. Harinder S. Takhar:** What electronic health card are you talking about?

**Mr. Paul Miller:** The e-cards.

**Hon. Harinder S. Takhar:** But those are the electronic records, not cards.

**Mr. Paul Miller:** Right, so the electronic records have nothing to do with your ministry? It's strictly health?

**Hon. Harinder S. Takhar:** Yes, that's right.

**Mr. Bob Stark:** Oh, eHealth.

**Mr. Paul Miller:** Yes, eHealth. Okay. I just wanted to clarify that.

I guess my first question would be under the category of vote 1808, "Human Resources Service Program" in your documents here, under item 09, "OPS Workplace Safety and Insurance Board Centralized Services," on page 53. Could the minister explain to me what these services are and with what office at the WSIB they are paired? What portion is duplicated at each of these offices, if there is a staffer at the WSIB who provides

information, records or work on the same file at the ministry? Is this a duplication, and why is it necessary?

**Hon. Harinder S. Takhar:** I'm going to ask the deputy to answer that question.

**Mr. Ron McKerlie:** I'm not sure I can answer the question, so I will ask our chief administrative officer, Karen Hughes, if she could join me. Perhaps Karen's got some detail.

**Ms. Karen Hughes:** Hi, I'm Karen Hughes, the assistant deputy minister of the corporate services division and chief administrative officer for the ministry. The \$56 million that you're referring to on that page is payments that are made to the WSIB on behalf of all OPS employees. The ministry has centralized that to ensure that we can make payments on time in accordance with what's required from the WSIB.

**Mr. Paul Miller:** My question is about staffing. There's only one person? There's no duplication in staffing to provide that service?

**Ms. Karen Hughes:** No. It's actually more efficient for us to be able to provide it in that way centrally on behalf of all ministries.

**Mr. Paul Miller:** Okay. My next question would be on 1811, "Enterprise Business Services Program," item 07, "Information, Privacy and Archives." Could the minister explain to me his position on political staff having anything to do with freedom-of-information requests, let alone labelling them as contentious or anything else? Why would a freedom-of-information officer in any ministry accept that political interference?

**Hon. Harinder S. Takhar:** I think we have a very set process to deal with freedom-of-information requests. As the minister responsible for MGS, I don't see those requests. I don't interfere in those requests. I don't even know when they came or when they got delivered. There's a process that the deputy minister can outline for you.

**Mr. Paul Miller:** But apparently your staff has labelled some of them contentious. Could you explain that to me?

**Hon. Harinder S. Takhar:** The contentious issues are sometimes the issues that you need to manage for public policy reasons, and they flag it for us, but this has nothing to do with freedom-of-information requests.

**Mr. Paul Miller:** Public policy flagging it: Would that not be something that the public should know, if it's under public policy?

**Hon. Harinder S. Takhar:** But it is being flagged because of that reason. Every day in the morning, you get issues, and this is no different from flagging this issue than the others.

By the way, this whole process started in 1990, so it's not a new process. It's just to let the minister know about some of the contentious issues he might have to deal with.

**Mr. Paul Miller:** With all due respect, Minister, it could have started in 1990, but that doesn't mean it's efficient.

My next question: Would the minister please provide his opinion on the freedom-of-information exemptions recently given to hospitals on any requests that are deferred to the hospital committee set out in schedule 18.1 to Bill 173, the Better Tomorrow for Ontario Act (Budget Measures), 2011? Could you explain that to me?

**Hon. Harinder S. Takhar:** My ministry can only tell you what the FOI process is in the government. I can't tell you anything about the hospitals. This is an issue that you need to take up with the Ministry of Health.

**Mr. Paul Miller:** Well, Minister, wouldn't some of the services that you provide interact with the hospitals indirectly?

**Hon. Harinder S. Takhar:** The services that we provide?

**Mr. Paul Miller:** Yes.

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**Hon. Harinder S. Takhar:** Like what?

**Mr. Paul Miller:** Health cards that you issue.

**Hon. Harinder S. Takhar:** But that has nothing to do with the—

**Mr. Paul Miller:** What if there's a privacy problem or an information problem with the card itself or it's been issued wrongly under a wrong name? That was one of the biggest problems in the health situation: people getting cards that were not theirs or deceased people and all that. So how are you handling that issue?

**Hon. Harinder S. Takhar:** I will not be interacting with the hospitals on that issue. I think that if there's a privacy issue, we will deal with it and see why it happened, what some of the reasons are and how we can address them. Maybe Bob can tell you a little bit more. He's my deputy minister for ServiceOntario. He can tell you a little bit about how we deal with the privacy issues if that happens.

**Mr. Bob Stark:** I'm Bob Stark, deputy minister and chief executive officer at ServiceOntario.

First of all, I should say that privacy and security is foremost in our minds in any piece of business that we do. We clearly handle a good deal of sensitive information on behalf of citizens, and privacy and security is a fundamental of our business. So we're very, very conscious of it.

We do occasionally have fraud issues or a card that's been issued inappropriately, and we follow up on 100% of those cases. We inform the privacy commissioner and her staff to ensure that we're completely transparent in what has taken place. It's a very rare occurrence.

**Mr. Paul Miller:** Well, that's interesting. You have a new situation, I believe, and maybe you could explain to me the new position that merged the Office of the Chief Information and Privacy Officer and the Archives of Ontario. Under major functions, particularly point 2, they seem to duplicate the functions of the Information and Privacy Commissioner. Why do we need that position?

**Hon. Harinder S. Takhar:** Okay, let me refer this to the deputy minister responsible for that position.

**Mr. Ron McKerlie:** For a number of years, we've had an Information and Privacy Office within the Ontario

government, which has also had oversight for the freedom-of-information officers that are located in the different ministries, to help train and support them. We've merged it with the Archives of Ontario. We think there are some synergies there. We also are looking to move to more electronic records within government from paper-based records, and merging those two functions is, we believe, going to help us move down that path.

**Mr. Paul Miller:** So you don't feel that it's a duplication of functions that the Information and Privacy Commissioner could handle?

**Mr. Ron McKerlie:** No, not at all. It does work with that office, though, and we do support her requests into government and help facilitate that.

**Mr. Paul Miller:** I can't find the breakdown for the information and privacy commission, so I guess I'm requesting a detailed report of all functions of the commissioner's office and the whole commission. Additionally, I request a detailed breakdown of the expenditures for the commissioner's office and of any office that reports directly to her or through the assistant commissioner. That's what I'm requesting.

On the information and privacy commission webpage, the commissioner's remarks include the statement, "Also discover the commissioner's core concept of Privacy by Design."

Based on "seven foundational principles, PbD was first developed by Ontario's Information and Privacy Commissioner, Dr. Ann Cavoukian, in the 1990s. This made-in-Ontario solution has gained widespread international recognition, and was recently recognized as a new global privacy standard."

Based on that information that you provided me last year, the trademark for Privacy by Design is not held by the commissioner or the government of Ontario. So if you could provide me all the information about who owns this trademark, how much the government of Ontario is paying for the use of this trademark and the logo on the website, and why the commissioner is claiming that it is her concept, but neither she nor the government owns it.

How can we be using someone else's trademark? Why is it another person's if the concept was developed by the commissioner? And why is the government of Ontario spending any money on this concept without clearly establishing ownership and financial return for promoting this privately held privacy design concept?

**Hon. Harinder S. Takhar:** I know the member asked this question last time too, and I am sure the deputy is willing to answer most of the questions right now.

**Mr. Paul Miller:** Frankly, I didn't get an answer last time, but go ahead. Let's hear it again.

**Mr. Ron McKerlie:** Let's see if we can help you out this year. First of all, in terms of the budget, the privacy commissioner of Ontario—that office is an independent office of the Legislature. Their budget is set by the Board of Internal Economy. It's part II of the estimates, so that information would be available there. It's not part of

MGS, and we wouldn't have access to her budget or her office's budget.

In terms of Privacy by Design and the trademark, it's not a product; it's a concept developed and promoted by the Information and Privacy Commissioner of Ontario. It's shorthand for the process of identifying and addressing privacy issues from the beginning of any government project, and proactively building privacy into the design of systems and processes.

MGS recommends that government institutions consider and design privacy protections into new programs or projects that involve collection or use or disclosure of personal information.

Privacy by Design has been registered as an official mark with the Registrar of Trade-marks, Industry Canada, by the Office of the Information and Privacy Commissioner. Under the federal Trade-marks Act, any government public authority in Canada can register an official mark for use in association with goods and services provided by the authority—an official mark similar to a trademark in that it prevents others from using the mark, obviously, and an official mark is only available to a government authority.

Prior to the registration of the IPC's Privacy by Design official mark in 2010, a private company registered a trademark for Privacy by Design in 2003. We understand that Ontario government resources were not used to register this trademark. The ministry doesn't own the Privacy by Design trademark.

**Mr. Paul Miller:** That's an interesting response. Also, on the commissioner's Privacy by Design portion of the website, it states that the commissioner is entering into partnerships with, for example, the University of Arizona. Where does it state in her mandate that she takes this Privacy by Design concept, that this government doesn't own, and promotes it in foreign countries, presumably at our government's expense—I don't think she's promoting it out of her own pocket. What other foreign consultations is the commissioner involved in, how is this part of her mandate, and how does this benefit the people of Ontario when she's using taxpayers' money? She seems to have some kind of involvement in this—I can't quite put my finger on it. Do you feel, in your professional opinion, that there's any conflict here by the commissioner?

**Mr. Ron McKerlie:** I couldn't answer that question. She reports to the Legislature, so I assume that she could answer directly for herself.

**Mr. Paul Miller:** So that is a yes, or a no?

**Mr. Ron McKerlie:** It is an "I don't know"—

**Mr. Paul Miller:** It's a maybe. Okay.

On the "Information, Privacy and Archives—Capital," page 81: The description of "Major Functions" states that the new facility leased from York University provides greater access for its customers. Perhaps this facility is newer, bigger and has more rooms than the previous facility, but how can it really provide greater access when it's so far out of the city, not on a major subway line, and located in the north end of the campus, where public

transit is even less frequent? You've been talking about what great responses you've been getting in the community. I'm not quite sure that people in this area would be rolling over about this, so maybe you can clarify that for me.

**Hon. Harinder S. Takhar:** I had the privilege of visiting the archives when it opened up. I think it's a very modern facility. We have extended the hours of the archives. The feedback that we have been getting from all over is that it is very well received. I think the records have been automated to a certain extent. The staff there is extremely friendly. The only information that you want to get from there is actually—

**Mr. Paul Miller:** Minister, with all due respect, it's great that the staff are nice, and it's nice that it's a big facility and it's new. But I think access is an important part of this. The bus service is infrequent at best. People are complaining that they can't utilize this brand new facility the way they'd like to.

In your strategic planning, do you take into consideration demographics, geographical locations, as well as transportation when you open these new facilities?

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**Hon. Harinder S. Takhar:** All those things were considered. But let me give you—

**Mr. Paul Miller:** Well, they obviously weren't, because it's not working.

**Hon. Harinder S. Takhar:** I guess we can agree to disagree on that point, because it is working, and all the information that I have obtained—actually, it is working, and the feedback has been quite positive.

I'll let the deputy minister give you the history behind why it was moved there and why it is working.

**Mr. Paul Miller:** I don't know who you're talking to, but I'm not getting those messages.

**Mr. Ron McKerlie:** We're getting very positive feedback from customers. We've extended our hours on Tuesday and Thursday evenings until 8 p.m. We've now opened hours on Saturdays from 10 a.m. to 4 p.m. The extended hours have helped a lot.

It's not in the downtown location. We had to move out of that building because of mould in the building. It was not a purpose-built building for an archive, so it was putting, or had the potential to put, our collections at risk.

The new facility is a ground-level facility in a very modern location. There is bus service to it. There's convenient parking available there. And we now have Saturday hours with full service, including everything from customer registration to the exhibit gallery, which is open. We have assistance from reference archivists who are available during that time. We have general customer service inquiries available through the phone. We can take requests—

**Mr. Paul Miller:** Okay, thank you. It sounds great. I'm not quite sure what the volume of traffic would be, but I'd be interested to find out—

**Hon. Harinder S. Takhar:** Let me give you some—

**Mr. Paul Miller:** —in our next session.

My next question would be number 1812, "Agencies, Boards, Commissions and Tribunals," item 02, Licence Appeal Tribunal. Minister, would you explain to me what types of appeals and what the issues are for the Ministry of Training, Colleges and Universities? I'd be particularly interested in the private career colleges and if and how they would fall within the purview of the tribunal.

**Hon. Harinder S. Takhar:** I will refer it to the deputy minister.

**Mr. Ron McKerlie:** The Licence Appeal Tribunal hears appeals for people who may have had infractions and lost their licences, or their licence is under suspension. They would adjudicate that appeal and determine whether the licence comes back or not.

I don't know about the career colleges. I'm not sure that they look at suspensions for career college licences. I didn't believe that was part of their mandate, but we can look into that for you and get back to you on that one.

**Mr. Paul Miller:** Okay. Vote 1814, "ServiceOntario," item 01: Could you please elaborate for me on any plans to privatize any portion of the ServiceOntario network, existing and new? And is there anything on the books right now to privatize?

**Hon. Harinder S. Takhar:** I want to thank the member for asking this question. I think we have about 300 offices through which we provide the ServiceOntario services. Out of that, two thirds are actually already private. I think the number is maybe 205 out of 300. The other 95 are the government offices. This is no secret. It was in the budget.

This year, we are looking at alternative service delivery models, if we can improve the service for Ontarians. We have not made any decisions around that at this point in time. We are doing consultations and we are meeting with people and seeing if we can work with the municipalities, if we can work with the other levels of government and if we can work with other organizations to improve the service and make it more effective and provide more services.

Because people, at the end of the day—there's one taxpayer. All they are concerned about is how the services are provided, how effectively they are provided, what the wait times are like and how well service is being provided.

So we are looking at it, but maybe the deputy minister—

**Mr. Paul Miller:** Thank you. I think I'll just jump in for a minute, if you don't mind.

What kind of reaction are you getting from the public service unions about privatization? Obviously, they would have concerns about their declining membership and declining jobs. What kind of dialogue—have you sat down with the public service sector to discuss the future of ServiceOntario and the possible negative impact on those organizations?

**Hon. Harinder S. Takhar:** First, let me say that nothing has been decided yet. We are just at the very exploratory stages. But let me refer it to the DM, who might have had some conversation with our bargaining groups.

**Mr. Bob Stark:** First of all, as the minister said, no decisions have been made. We're looking at what the optimal organization structure is for the future for ServiceOntario. We have an ongoing dialogue with the various unions who are represented in our organization, and the message, or the discussion, that we've had has been very much along those lines, that we're simply starting a study to look objectively at what the options are for how the organization is structured in the future. We're also looking at whether there's opportunity, as the minister touched upon, to use the one-stop ServiceOntario kind of structure for other services, other levels of government and across the Ontario public service.

**Mr. Paul Miller:** That's a good answer. I'd like to ask a further question. If you are looking into privatization in the future, or the near future, and discussions with the unions—I don't know what role they play or how much discussion they have on the decisions, but whenever you go ahead, do you honestly think that privatizing all of ServiceOntario is going to—what you're doing by privatizing is basically monopolizing, indirectly, and what you're going to do is cost the taxpayers of Ontario a lot more money down the road.

It looks good at the start. Anything I've seen privatized looks wonderful at the start, but then some people out there want to go back to service unions and things because it was cheaper, because of some of the negotiated contracts. As you know, in the private sector—and I can witness that with what's happened at US Steel in Hamilton—they break unions' backs, and then they go in and want everyone to work for \$10 an hour. They privatize, and then they come back and say, "Oh, we're going to have to raise the cost to the government," which indirectly affects the taxpayer of this province, who has to dole out more money for the privatized companies. It doesn't matter if it's hospitals—we've seen the disaster there in the two private hospitals. We've seen the disaster in some of the companies.

I think that your government is moving in the wrong direction, and I think by privatizing, in the long run, you're going to end up costing the taxpayers of Ontario billions of dollars. And how do you get rid of them once they're entrenched? They may be the only provider. What privatization does is, they set it up so that they're the only game in town, and the government has to run around if they're not playing ball. The government has to fight with them, and they can't provide the service to the public because these guys have got a monopoly.

In our whole country, frankly, the erosion of our base industries, the erosion of our public sector, is going on day in and day out. And I know for a fact that some of the governments in southern states right now cannot pay their pensions to ex-police chiefs, ex-firefighters, city clerks. There are places in Georgia and Tennessee right now that are suing the municipality and the state government because their pensions are gone.

All I can say, Minister, is to be extremely careful with your privatization, because it's destroying North America.

Thank you. I'm done.

**The Chair (Mr. Garfield Dunlop):** You've got nothing else today?

**Mr. Paul Miller:** No. I have a lot to say, but I haven't got time.

**The Chair (Mr. Garfield Dunlop):** Okay. So that's your time.

We'll move to the minister. You now have up to 30 minutes to respond.

**Mr. Yasir Naqvi:** I think I'll be asking the minister a question.

**The Chair (Mr. Garfield Dunlop):** No. At this stage, the minister has to respond for up to 30 minutes or we go directly over to the official opposition.

**Mr. Yasir Naqvi:** Okay.

**The Chair (Mr. Garfield Dunlop):** You have up to 30 minutes to respond.

**Hon. Harinder S. Takhar:** That's fine.

**The Chair (Mr. Garfield Dunlop):** The minister has to actually make the response, and then we go into rotations. You'll be in the next round, Mr. Naqvi.

**Mr. John O'Toole:** He gets a second speech.

**Hon. Harinder S. Takhar:** Well, you know, it's just like you.

**The Chair (Mr. Garfield Dunlop):** Okay.

**Hon. Harinder S. Takhar:** First, I want to thank both of the members for asking the questions. I think sometimes these are tough questions, but it's important for us to hear those questions and take those views into consideration, and we will do that.

As you know, the Ministry of Government Services plays an important role in the delivery of government services to the people of Ontario. As I said, the ministry supports and delivers front-line public services to the public and is responsible for the government's workforce, transaction processing, procurement and technology resources.

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Through ServiceOntario, MGS provides the gateway to the government's interaction with Ontario families and the internal supports and mechanisms to help all ministries deliver on their business goals.

The ministry is committed to driving change across the OPS to create a modern, diverse, inclusive public service by providing friendly, quality services to meet the needs of clients and the public. I hear there are some cautions being raised, and we will be very careful about those.

The ministry's vision is to deliver services to the public and line ministry clients that are simpler, faster and more connected. For Ontario families and businesses, these improvements should be experienced as simple, seamless and personalized services.

The ministry delivers an integrated suite of services to Ontario families and businesses through multiple channels, and we want to provide people with more options. The aim is to provide a customized customer experience, when and where needed, whether online, by telephone or in person. ServiceOntario is a leader in service delivery

and intends to continue improving its provision of high-quality service to the public.

The Ministry of Government Services will focus on three priority elements: One is the people. We want to make sure that the people are more engaged people, to provide greater service through strong leadership. The second is, we want to look at the processes, so that the processes are more dynamic processes to help us work smarter, simpler and greener. The third is technology, so that we have technology which is more enabling technology to innovate, deliver and transform.

These priorities will be addressed within the context of the ministry's core values, including a commitment to diversity, accessibility and a greener OPS. To this end, the ministry is committed to attracting and retaining diverse talent and finding innovative methods of delivering a better customer experience.

MGS also provides essential services OPS-wide and supports other ministries in achieving their objectives. These services include recruiting and management of human resources; procurement support; transactional processing, including payroll processing; and information technology. The ministry is also committed to the responsible management of information.

There were some questions raised about information, privacy and archives, and let me just address those.

Through information, privacy and archives, the ministry is ensuring that private information is secure and that records, including digital information, are properly stored to ensure that Ontario's rich history is adequately preserved.

Ensuring that the OPS is reducing its environmental impact is a key responsibility. The OPS green office works with ministries to ensure that there is a coordinated government-wide approach to developing green practices and reducing the OPS's environmental footprint.

The 2011-12 results base builds on the ministry's achievements. The Ministry of Government Services is committed to playing its part in building the public services in the world and to delivering on the government's commitment to be a responsive and innovative world leader in customer service.

The human resources services program supports the government's commitment to be a responsive and innovative world leader in customer service by having a skilled and innovative workforce. HROntario delivers integrated HR and business transformation services that support ministries' business objectives, and develops and implements strategies and policies that make the OPS an employer of first choice.

The program also coordinates internal security in the OPS.

The diversity office supports the OPS vision of being an inclusive, diverse, equitable and accessible organization that delivers excellent public service and supports all employees in achieving their full potential. As a centre of excellence, the diversity office has the lead for assisting the OPS to become compliant with the Accessibility for Ontarians with Disabilities Act. The office is also

responsible for providing innovative and strategic OPS-wide programs and services to help the ministries achieve their inclusion and accessibility goals.

MGS also effectively manages labour relations on behalf of the OPS by successfully negotiating a number of frameworks and agreements with the OPS bargaining agents. These agreements contributed to employee engagement, improved services to the public, supported the diversity agenda, and represented a fair and reasonable settlement to employees and the taxpayers of Ontario.

One of the key agreements was the settlement reached by the two years of no wage increases by the three Ontario public service bargaining agents, including the Association of Law Officers of the Crown, the Ontario Crown Attorneys' Association and the Ontario Provincial Police Association, and that is consistent with the government's policy. In addition, the government froze compensation structures in the OPS and BPS for two years for all non-bargaining employees.

The Labour Relations Secretariat has the capacity to analyze internal and external factors that drive collective bargaining outcomes to develop comprehensive strategies and provide guidance and advice related to bargaining. It provides oversight and strategic advice on OPS and broader public sector collective bargaining. The Labour Relations Secretariat was established in May 2010 and is playing a role in the effective management of resources by determining the factors that drive bargaining outcomes.

The enterprise business services program is responsible for improving the delivery of internal and external government-wide services to meet the needs of Ontarians and the OPS. All service delivery programs focus on transforming and improving government services. The corporate information and information technology program provides leadership on information technology in government. This includes policy, implementation of common infrastructure, governance and accountability. It also includes the delivery of OPS-wide common services such as computer processing and network facilities.

Ontario Shared Services is the Ontario government's business and employee service provider for back office administration and supply chain management services. It provides strategic advice, controllership and cost-effective service delivery in financial processing, payroll and benefit processing, benefit administration, supply chain management and enterprise business services. Use of shared services enables cost savings through leveraging of scale and uniformity across programs.

Ontario Shared Services provides enterprise-wide employee and business support services to the OPS, including financial processing and collections, supply chain management, payroll management and processing, and benefits administration. OSS's goal is to continually innovate in the delivery of government services in order to increase efficiency and provide enhanced services to internal clients.

The human resources services program ensures that the organization delivers world-leading customer service

by employing and retaining a skilled and innovative workforce. I want to say that we are very proud of our OPS employees. The progress that OPS is making toward these goals is determined through the OPS employee survey. The results of the 2009 OPS employee survey indicate that the level of job satisfaction and commitment to OPS and its goals has increased almost 10% since 2007. These results are a good indicator that OPS's HR program and policies are having a positive effect on the current workforce. The survey is now conducted bi-annually; the results of the 2011 employee survey are expected in June. That will provide another opportunity to gauge ministry progress.

HROntario's goal is to support the Ontario public service in becoming an employer of choice, an organization able to attract, engage and retain highly competent, diverse employees who can deliver on their government's priorities for Ontarians.

The information, privacy and archives division promotes good record-keeping practices across the government and provides strategic leadership for freedom of information and privacy protection, information security and privacy classification, and intellectual property. It collects, manages and preserves the archival records of Ontario, promotes public access to Ontario's historic documents and records, and delivers responsible stewardship of the government of Ontario's art collection.

The Ontario public service's green office provides strategic leadership to ministries in the greening of government operations. Its mandate is to ensure that actions are in place to reduce the government's carbon footprint and other environmental impacts, help create sustainable business practices and build a green organization culture. The green office is leading the implementation of the government-approved multi-year OPS green transformation strategy, which commits the government to greenhouse gas reduction targets arising from government operations and business improvements that support and align with the broader mission targets set out in the province's climate change action plan.

Agencies, boards, commissions and tribunals associated with the Ministry of Government Services provide oversight to ensure effective governance, accountability and relationship management.

The Licence Appeal Tribunal hears appeals about compensation claims and licensing activities regulated under various ministry statutes.

The Advertising Review Board is designated as a mandatory central service for the procurement of advertising, public and media relations, and creative communication services for the OPS.

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This helps ensure that ministries and government agencies acquire these services in a manner that is fair, open, transparent and accessible to qualified suppliers. The conflict-of-interest commissioner has responsibility for certain conflict-of-interest and political activity matters as they apply to employees of ministries and public bodies as well as to individuals appointed to

public bodies. The commissioner handles requests for advice or rulings from deputy ministers, chairs of public bodies and other designated individuals on specific conflict-of-interest or political activity matters and commissions.

Performance measures: The ministry's performance measures help the ministry assess its progress towards becoming a modern, efficient public service. Some of these measures include:

Service standard achievements: measures the percentage of transactions delivered within established service standards and indicates the effectiveness of service delivery processes. The money-back service guarantee has had an average 99.8% achievement rate in fiscal year 2010-11. The goal for 2011-12 is to maintain the service standard achievement rate above a 99% rate through strict process control and continuous improvement. The benefit to the public is high satisfaction and increased confidence in government.

ServiceOntario continued to improve its accessibility to business under its Open for Business initiatives. A new online service called ONE-Source for Business was launched as a part of the government's overall Open Ontario strategy. It is an electronic one-stop shop for Ontarians thinking about starting a business or those already established. The portal will evolve over the next few years, eventually allowing business owners to track their accounts online.

ServiceOntario launched a new electronic service enabling extraprovincial foreign corporations to file an annual return electronically.

The telephone channel was also enhanced with the launch of the 1-888 business info line in collaboration with Industry Canada. The line provides a single point of access and saves businesses time in searching and/or calling multiple numbers to access information or services.

ServiceOntario also continued to enhance its services to families. Ontario families can now apply online for the Canada child benefit, including the Ontario child benefit, in addition to the previously available online newborn registration services. Using the newborn registration services, parents can now register their newborn, apply for a birth certificate, a social insurance number card and Canada child benefits in one easy-to-use online service.

ServiceOntario expanded its trendsetting online services guarantee to include government publications ordered online through ServiceOntario. Documents are guaranteed to be delivered to Ontarians within six business days, or customers may be eligible for a refund of up to \$100. ServiceOntario fulfills more than 225 requests for publications every business day.

ServiceOntario was the first in North America to offer money-back guarantees on the timely offering of public services. With the addition of the government publication service, Ontario currently offers eight online service guarantees: (1) regular and premium birth certificates, 15 and five days respectively; (2) regular and premium marriage certificates, 15 and five days respectively; (3) regular and premium death certificates, 15 and five

days respectively; (4) master business licence, two days, (5) publications, six business days—and so on.

ServiceOntario has also launched an online multiple tag renewal service, enabling customers to renew more than one licence plate validation sticker at a time.

ServiceOntario continued to pursue its aboriginal registration initiative to assist families in northern communities to register their babies.

Additional delivery methods were implemented in 2010 with the creation of local ambassador networks, where a network of local volunteer representatives were trained to assist new parents in their community. As of December 2010, local volunteer representatives were active in 23 communities.

Other improvements to service delivery include:

Archives of Ontario expanded its hours of service to better serve the public. Hours of service were expanded on Tuesdays, Thursdays and Saturdays. An educational program was expanded to more efficiently provide services to citizens across the province.

New technologies were also used by the archives to disseminate information, including Twitter and YouTube.

The archives is also expanding its holdings with the acquisition of private collections. Donations of more than 50 private archival collections from individuals, organizations, corporations and community and professional groups were acquired by the archives in 2010-11 to complement its holdings of government records.

The OPS continues to achieve recognition as one of Canada's best employers in a wide variety of categories. As I mentioned in my opening remarks, the OPS has been chosen as one of Canada's top 100 employers for the third year in a row, one of Canada's best diversity employers for the fourth year in a row, one of Canada's greenest employers for the second year in a row, a top employer for Canadians over 50, a top employer for Canadians over 40, and one of the greater Toronto area's top employers for the third year in a row, and was recently acknowledged as one of the best employers for new Canadians.

MGS continued to act on its commitment to hiring top talent from diverse communities. A number of initiatives were implemented to modernize the Ontario public service recruitment process by reducing unintentional barriers in the hiring process: use of plain language in OPS job advertisements and job alert services to candidates; development of a managers' guide to barrier-free recruiting, covering job ads and selection processes; and implementation of a dedicated TTY service for job applicants who are deaf or hard-of-hearing.

The Ministry of Government Services continued to pursue excellence in human resources management. The youth and new professionals secretariat and HROntario offered 230 internships to newcomers and coordinated approximately 5,000 summer employment opportunities through the summer experience program. The OPS learning and work program provided work experience for 130 youth in Toronto, Windsor, Thunder Bay and Hamilton, with a focus on encouraging high school students to

earn credits towards their high school diploma. Secretariat staff attended approximately 90 outreach events over the course of the year, with the intent of increasing awareness of the OPS as the employer of first choice.

The Ministry of Government Services successfully managed OPS labour relations by negotiating a framework agreement that reflected an awareness of the economic climate and was respectful of taxpayers. One of the key settlements was the agreement reached for two years of no wage increase with three OPS bargaining units, consistent with the government's policy statement.

In 2010, HROntario launched the ontario.ca site for the public disclosure of political and ministry expense information and also coordinated the development of this capacity in agencies' websites. The launch was part of the continued effort to fulfil the Premier's commitment to the public disclosure of expenses by the agencies in the Ontario public service.

Guided by the diversity office, the OPS continued to be a leader in workplace diversity and inclusion. To date, more than 54,000 public servants have received accessibility training to increase awareness of barriers and improve customer service for persons with disabilities. Business units across the OPS are also embedding tools such as Inclusion Lens, an innovative online tool enabling decision-makers and policy developers to better incorporate diversity, accessibility and inclusion into policies, programs and services for Ontarians.

The Ministry of Government Services continues to modernize its IT structure with a view to optimizing energy performance, increasing efficiency, sustaining critical operations and managing future growth. The green office implemented phase 2 of the electronic waste disposal program. This phase expands the list of items eligible for disposal to include photocopiers, faxes and scanners. The OPS has successfully recycled over 1,000 tonnes of e-waste since April 2009, with approximately 400 tonnes being recycled in 2010-11. Approximately 9,500 print devices have also been identified for disposal.

In 2010-11, the government reduced its number of computer services by 30% to 3,975, down from 5,718, saving approximately \$3.5 million annually in computer hardware costs and another \$1.5 million in power facilities costs.

Through the major applications portfolio strategy, MAPS, the government continues to modernize key government IT applications which are near technological obsolescence. As of January 2011, 44 such applications have been addressed through upgrades or remediation.

Addressing these requirements in a timely manner ensures the continued delivery of critical public services.

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In December 2010, the government launched a new information access and privacy website, providing improved access to Ontario government information and better support for the institutions governed by provincial and municipal freedom-of-information and protection-of-privacy legislation.

Future direction: The long-term vision of the ministry is to deliver modern government services to both the public and line ministries that are simpler, faster and easier to use. MGS is also working to ensure that it has a more connected, diverse and inclusive workforce. As we move forward with the work of this ministry, as a force for both enterprise-wide and public service delivery, we will focus on our strategic priorities and outcome. We are moving forward together on a stronger foundation. I am confident that we will continue to bring Ontarians change and progress that they can be proud of.

So those are my remarks, Mr. Chair.

**The Chair (Mr. Garfield Dunlop):** Thank you very much, Minister. We can now go over, for the next little while, to the official opposition. We're probably not going to get all your time in on this 20-minute rotation.

**Mr. John O'Toole:** I won't lose any of it, I hope.

**The Chair (Mr. Garfield Dunlop):** No. You'll have to come back next Tuesday morning.

**Mr. John O'Toole:** Oh, good. The minister has to come back as well?

**The Chair (Mr. Garfield Dunlop):** No. The minister has done his time.

**Mr. John O'Toole:** No, but he has to be back. He needs—

**The Chair (Mr. Garfield Dunlop):** He'll be here, yes.

**Mr. John O'Toole:** He needs to get a spanking.

**The Chair (Mr. Garfield Dunlop):** So you'll have 20 minutes, but when they call for the vote in the Legislature, we'll adjourn the meeting.

**Mr. John O'Toole:** Yes, we'll have to go up. There's a vote; that's kind of what I'm paying attention to. There's a vote, and I'm the whip too.

I'm trying to sort of get down to some of the stuff dealing with the cost of these inordinate settlements on wages and benefits across the public sector. Do you have any numbers on that? I'm looking at your HR function and trying to make some sense out of it. Do you have numbers? Do you know what the projected costs of these public sector settlements are, right across the board? Do you have any numbers on that?

**Hon. Harinder S. Takhar:** I will ask the deputy if he can address that issue.

**Mr. Ron McKerlie:** I don't have costs for—are you talking about what a 1% increase would cost? What specifically are you looking for?

**Mr. John O'Toole:** Yes. That's kind of what they do in here: the risk assessments. They're in the budget; so much per percentage of change. The price of gas is like \$3 million, for instance. There are all kinds of assumptions built in here, and 1% for a certain sector is what the increase is?

**Mr. Ron McKerlie:** Where?

**Mr. John O'Toole:** On the bottom line. I can find out for you. Some of the assumptions are in—they're called the risks, and they're in the budget. Health sector: A 1% change in health spending costs \$476 million. There's a whole list of them here. Long-term care: Every bed is

\$48,000. What's the 1% across-the-board increase going to mean to the bottom line?

**Mr. Ron McKerlie:** I don't know. I don't have that number with me.

**Mr. John O'Toole:** You don't, eh?

A 1% change in the cost of an inmate in prison is \$5.8 million. So I think they'd be standard measures. If you don't measure, you can't manage. What is it you measure in the ministry? You know, the minister is crowing about all these wonderful achievements. The only thing I see here is significant increases.

If I had all the money in the world, I'd have the nicest house, the nicest car—there'd be no money left for anything—the nice Rolex, all that stuff, but we aren't in those times. We're in times of flat, perhaps decreasing, growth. Most of the jobs are kind of one-time jobs. The green renewable jobs are basically one-time jobs. They're crowing about all these jobs. They'll put the solar panels up. They don't have somebody there with a hose, washing them down. Once they get them up, pour the concrete pad and put the trackers on—I'm concerned.

These aren't in your responsibility, but you should know what it costs for a 1% increase for the 67,000 employees, lawyers, engineers—I respect them. I think we have a nice province—if Premier McGuinty would quit spending all the money on eHealth and things like that.

**Mr. Ron McKerlie:** So, first of all, there wasn't a 1% increase to 67,000 employees. The compensation for those that aren't bargained collectively has been frozen and is frozen for a period of two years.

**Mr. John O'Toole:** Is it frozen for everyone? Really? Honestly?

**Mr. Ron McKerlie:** It's frozen for everybody who isn't covered by a collective agreement. The other request is that we go back to the bargaining table and bargain with our bargaining agents. In the next round, we'll be looking for two years at zero.

**Mr. John O'Toole:** Deputy, I respect what you're saying, but I'm sure the Ron Sapsford deal, the exit deal for the former deputy of health—probably a really good guy; it's not the deal. But he was smart enough to negotiate two years at \$900,000-a-year income. He wouldn't be covered by any contract except sort of a—I don't know who would be—he wasn't frozen. He wasn't even here, actually.

This is a question I want to table with you. Try and table that for me, if you can figure out—you should. You ran a company at one time. You know very much what an hour of productivity is worth.

If I look at your own ministry, I can tell you there—in vote 1811, there's a good example right there. That's page 62 I'm looking at. There are a couple of numbers in there that are a bit scary.

What's the Ontario shared services, the Financial Administration Act? Your spending is estimated to go up by \$166 million, a 124% increase. What am I getting for that? That's vote 1811, page 62. The estimates change is up \$166 million. What am I buying there?

**Hon. Harinder S. Takhar:** I think some of these expense increases have been because the services have been transferred from other ministries to our ministry as we are trying to consolidate all services under MGS so that we can provide effective services in a more efficient and reliable manner. I'm sure the deputy minister can answer you about what the increases have been and what you're getting for those.

**Mr. Ron McKerlie:** I'll ask our chief administrative officer if she'd talk to that particular detailed question.

**Mr. John O'Toole:** Let's just leave it there. We'll be back next week.

I have one other on page 46, vote 1807; you might flip your book over to that one. It's an interesting one, too. These are indicators to me. This one here is "Employee and Pensioner Benefits" in that vote. Employee benefits are up 10.5% or \$136 million. That's a significant amount. What is that, actually? It's a lot of money there. I guess in the overall scheme of a \$125-billion budget, it's peanuts, really. But it's a lot of money that comes right out of the taxpayer's pocket, and about 30% of them haven't got that kind of income. We're hearing all the time about people who can't afford their electricity bill. But anyway, that's one of them.

**Hon. Harinder S. Takhar:** If you can give us a minute, we can answer those questions.

**Mr. John O'Toole:** All right.

**Mr. Ron McKerlie:** In total, this expense reflects the change in pension and other benefit liabilities and assets. This is a valuation that gets done on a regular basis. In 2011-12, the increase is primarily driven by using updated assumptions and data in the most recent valuation of retiree benefits. Additional funding is required to offset the 2008 decline in the value of pension assets and improvement in pension benefits for the OPP Association. That would drive the bulk of the change in the numbers.

**Mr. John O'Toole:** If I go on to the vote section on page 23, I'm looking at another one: "Employee and

Pensioner Benefits." This is the estimates going up \$134 million, 20.3% of prior spending. This is the implication I was getting at earlier. When you create a base increase across the scale and you amortize that actuarially, it's a significant amount of money that's going into your base, and you can't discharge that. It's not capital spending.

Even Don Drummond, in his latest remarks, has said you have a structural deficit because you're increasing your expenditures and operating faster than the growth in the revenue of the province, which has kind of flatlined. Don Drummond is going to do a review because nobody in the government can seem to figure it out. Honestly, that's why they're calling Don Drummond in. It's like panic mode. They don't know how to deal with it. All these things are negotiated. You've signed the contracts and you're spending money faster than the rate of inflation. You've done it with the secret deal with Samsung and with the OPP. In the ones we can find out, it's a serious problem. It undermines everything you're saying at the table.

Anyway, I think I've run out of time.

**The Chair (Mr. Garfield Dunlop):** Okay, ladies and gentlemen, we have a vote coming up in a few minutes, so we'll adjourn the committee today.

Mr. O'Toole, you'll have 20 minutes when we come back—sorry, you'll have 10 minutes left in this rotation when we come back.

With that, I'd like—

**Mr. John O'Toole:** Ten? I'd like the record to show it's 20 minutes.

**The Chair (Mr. Garfield Dunlop):** Okay. Minister, I want to thank you for being here this afternoon, and all the staff of the Ministry of Government Services.

With that, we'll adjourn until next Tuesday morning, which I believe is May 17, at 9 a.m. Thank you very much, everyone.

*The committee adjourned at 1750.*





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