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P-19

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2023 Annual Report, Auditor General:

Ministry of Tourism, Culture and Sport

1st Session 43rd Parliament Monday 22 April 2024

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P-19

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Lundi 22 avril 2024

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Monday 22 April 2024

COMITÉ PERMANENT DES COMPTES PUBLICS

Lundi 22 avril 2024

The committee met at 1345 in room 151, following a closed session.

2023 ANNUAL REPORT, AUDITOR GENERAL MINISTRY OF TOURISM, CULTURE AND SPORT

Consideration of value-for-money audit: tourism support programs.

The Chair (Mr. Tom Rakocevic): I would like to call this meeting of the Standing Committee on Public Accounts to order. We are here to begin consideration of the value-for-money audit on tourism support programs from the 2023 Annual Report of the Office of the Auditor General.

Joining us today are officials from the Ministry of Tourism, Culture and Sport. You will have 20 minutes collectively for an opening presentation to the committee. We will then move into the question-and-answer portion of the meeting, where we will rotate back and forth between the government and official opposition caucuses in 20-minute intervals, with some time for questioning allocated for the independent member.

Before you begin, the Clerk will administer the oath of witness or affirmation.

The Clerk of the Committee (Ms. Tanzima Khan): Good afternoon, everyone. I will do the affirmations individually for each of you, so I will read it out and then I will call your name. If you can kindly just say that you affirm.

Deputy Minister Harrison, do you solemnly affirm that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth?

Ms. Sarah Harrison: I affirm.

The Clerk of the Committee (Ms. Tanzima Khan): Thank you.

ADM Katherine Kelly Gatten, do you also solemnly affirm that the evidence you shall give to this committee touching the subject of the present inquiry shall be the truth, the whole truth and nothing but the truth?

Ms. Katherine Kelly Gatten: I affirm.

The Clerk of the Committee (Ms. Tanzima Khan): Thank you so much. Please go ahead.

The Chair (Mr. Tom Rakocevic): Thank you. I would invite you each to introduce yourselves for Hansard before

you begin speaking. You may begin when ready. Thank you so much for joining us today.

Ms. Sarah Harrison: Thank you, Chair. Good afternoon. Members of the committee, it's an honour to be here to speak to you today. My name is Sarah Harrison, and it's my honour to serve as Ontario's Deputy Minister of Tourism, Culture and Sport. Before I begin, I'd also like to introduce my assistant deputy minister of tourism and culture, Katherine Kelly Gatten, seated beside me.

Today, I'm excited to share the strides our ministry is making to strengthen Ontario's tourism sector, an economic engine that adds billions to the economy and creates hundreds of thousands of good-paying jobs while making our communities great places to live, work, visit and stay.

We are encouraged by strong signs of growth in the tourism sector across the province. Results for 2022 indicate that tourism in Ontario generated \$33 billion of economic activity and over 360,000 jobs. These jobs generated by the tourism industry account for 4% of the total provincial workforce.

Domestic and foreign visitors are travelling in Ontario once again. Visitors from across the country and around the world deserve the opportunity to enjoy the very best this province has to offer. That means a continued, concerted effort to provide the best services available to tourism businesses and their clients. Challenges facing COVID-19 remain, but we have confidence in our approach and we have confidence in our industry partners.

The Auditor General's value-for-money report on tourism support programs provides welcome insight on our ministry's efforts to bolster our already flourishing tourism sector, while offering an opportunity for our ministry to align our strategies with the highest standards of public accountability and service. We appreciate the Auditor General's work on behalf of Ontario taxpayers to ensure that the government is accountable and transparent.

As you were aware, the Auditor General made 17 recommendations to improve service delivery of tourism supports. While it has been only four months since we've received the report, I'm eager to discuss some of the actions taken by our ministry to address those recommendations, starting with our response to the Auditor General's recommendation to establish and clearly communicate a strategy for maximizing the economic impact of tourism and aiding recovery post COVID-19.

We are dedicated to continuing our work to grow the sector every day. The ministry is encouraged by strong signs of growth in tourism across the province and will investigate appropriate performance measures for the sector and publicly report on these measures. We continue to work internally, and with our agencies and industry partners, to gain feedback and explore opportunities to improve support for the tourism sector in Ontario.

In addition, the ministry continuously evaluates reaction from our stakeholders to further identify or refine opportunities for action that could address industry challenges. Although we acknowledge that the road to recovery from COVID-19 is long and won't happen overnight, we are focused on monitoring trends and working with our partners to improve the sector's economic growth.

For example, over the past four years, the ministry has actively engaged with the tourism industry to gather comprehensive feedback aimed at shaping future growth strategies post-pandemic. This feedback was collected through various channels, including 14 ministry advisory councils, an industry task force and extensive stakeholder consultations across all sectors of the industry. This information will help us shape our way forward that addresses the key areas for growth and recovery. We remain dedicated to growing the tourism sector and anticipate having more to share as our exploration progresses and strategies begin to take shape.

We are also aware of the importance of working together to enhance our collaborative efforts, which leads us to the next recommendation and a focus on strengthening partnerships within the industry. I'm pleased that we've made progress on the Auditor General's recommendation for our ministry to maximize the return on marketing investment and avoid duplication of marketing efforts. We agree with this recommendation and have encouraged Destination Ontario and the regional tourism organizations we sometimes refer to as RTOs to work together on marketing promotion both within and outside of Ontario.

To this end, the ministry's regional tourism organization working group, which includes their executive directors, will be expanded to include Destination Ontario where appropriate. The working group will work with Destination Ontario to strengthen partnerships, develop processes and evaluate effective performance measures to ensure value for money. RTO1, otherwise known as the Southwest Ontario Tourism Corp.; Destination Ontario; and destination marketing and management organizations, or DMOs, are currently collaborating on a spring marketing campaign to promote Ontario's southwest to the US market.

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The ministry is continuing to work with Destination Ontario and regional tourism organizations to better coordinate efforts to grow tourism in the province, while looking into future areas of collaboration to market the province to Ontarians and visitors from other provinces and countries. In the coming year, we will be looking for opportunities to enhance partnerships, align strategies, determine effective performance measures, develop a process to better utilize marketing budgets to build tourism in Ontario and report back on the results of this work.

While we bolster our collaborations with our partners, it's also key to enhance the accessibility and effectiveness of our travel information centres. This is where our next set of actions comes into play, right along with the Auditor General's guidance. We are aligned again with the Auditor General's recommendations, and our ministry is working with Destination Ontario to review and enhance the operations of Ontario's travel information centres. This involves assessing their effectiveness in promoting tourism and exploring innovative approaches, including virtual advice and pop-up locations, to optimize service delivery and improve visitor engagement.

I am pleased to report that the ministry and Destination Ontario continued to work together to advance the recommendations set out in the Ontario Travel Information Services' modernization strategy. As outlined in Destination Ontario's 2024-25 business plan, the agency continues to evolve the Ontario Travel Information Services through strategic modernization initiatives and a visitor care approach to enhance the delivery of travel information services to visitors and industry beyond the traditional bricks-and-mortar model.

Evidence-based, cost-effective options will be considered and pursued to modernize the current delivery of travel information services. This will take into account the cost of operations and facilities; the location of centres and the number of visitors; consumer preferences in receiving travel information; data from research and trends, including those from other jurisdictions; and use of current technology. Options, alternatives, plans and implementation will be explored over the coming business planning cycles.

The Auditor General has also called on the ministry to improve how it attracts and leverages private investment in tourism. In accordance with the auditor's recommendations, the ministry is evaluating the past activities of the regional tourism organizations to identify which have been effective in attracting private investments in tourism. The ministry is working with other jurisdictions as part of its federal-provincial-territorial work to share and receive jurisdictional scans and information on successful programs in investment attraction that have been adopted elsewhere.

The ministry will continue to explore partnerships, investment attraction strategies and opportunities with the Economic Developers Council of Ontario. For example, last fall, the ministry partnered with EDCO to host a "meet the tourism investment dragons" event in Toronto, which facilitates investment in municipalities across Ontario. The purpose of the event was to bring together senior economic development officials from communities that have market-ready land sites designated for tourism-related investments and interested operators, investors and influencers.

Throughout 2024 and 2025, we will continue to evaluate the past investment attractions of RTOs, as well as other jurisdictions, to identify activities that would most effectively attract private investment in Ontario. This work will help us in considering potential changes to the

investment attraction priority area for regional tourism organizations.

The ministry will also analyze the programs and investment strategies that other jurisdictions use to help us to attract more private sector investment in Ontario. In addition to working across government and with government agencies such as Invest Ontario, we will continue to focus on evaluating trends with sector partners to consider approaches for improving the sector's economic growth, supporting investment for the tourism sector.

The Auditor General has called on the ministry to enhance destination development and foster continued collaboration between tourism operators across the regions. To support this initiative, the ministry regularly meets with regional tourism organizations to gather different perspectives and intelligence on current issues and strategies within the tourism sector. The findings are shared within the ministry to identify and promote collaboration between regions.

In October 2023, our ministry released an updated program guide to regional tourism organizations that included additional guidance on destination development. Going forward, we will continue to review strategies and approaches to destination development and will incorporate the latest best practices and strategies into future updates of the guide, funding agreements and business plan requirements wherever applicable.

The Auditor General has also recommended that the ministry provide additional research to support tourism organizations in a timely manner, and I'm proud to report that the regional tourism organization working group that was formed in October 2023 provides a standing venue for tourism research information-sharing, capacity building and partnerships. The working group has begun to create a listing of data holdings by organizations to review opportunities for collaboration.

We will continue to work with regional tourism organizations on solutions to providing cost-effective and timely research across the province. The RTO working group will evaluate, identify and provide recommendations on research needs, alternative trends, statistics, and will better educate other ministries, RTOs and tourism stakeholders related to research. And we will continue to review opportunities to obtain data at a regional level while considering recommendations made through the RTO working group and tourism stakeholders.

The Auditor General has flagged concerns with confirming the accuracy of applications and data reported by businesses for funding programs and recommended action be taken by the ministry to address this. The ministry continues to evaluate staff training needs on an ongoing basis. Scoring criteria and a robust training program are provided annually to ensure that staff can effectively verify accuracy of reported financial information against supporting documents based on program criteria.

Our ministry is also reviewing the cost-effectiveness of our repayment and default practices and procedures. This work will continue throughout 2024-25 to determine if improvements are needed for a timely follow-up with transfer payment recipients.

For future programs, MTCS is working with partner ministries to explore ways to verify the accuracy of financial data against supporting documents. This includes considering how to use tax data to validate revenue reporting by applicants to next year's festival and event program. In 2024-25, the ministry will continue to work across government to explore options to use tax information for compliance and eligibility analysis for the sole purpose of verifying eligibility under tourism programs. MTCS will continue to explore options, feasibility and appropriate applicant consent to authorize the use of tax information under appropriate federal and provincial statutes.

The Auditor General has asked that we ensure funding decisions for any ongoing or future funding programs align with the program's design and objectives. To ensure our compliance with this recommendation, we've conducted an analysis of both the Experience Ontario 2023 program and the Tourism Economic Development and Recovery Fund 2023 program, and continue to implement service delivery improvements across all tourism support programs.

Based on the results of the 2023-24 program analysis, scoring criteria and program objectives were modified for Experience Ontario 2024 and the Tourism Development Fund 2023 programs to better achieve intended program outcomes. All applications are evaluated in a fair and consistent manner. Each application is carefully reviewed and assessed based on the strength of the current proposal against established program criteria. There is no guarantee of funding based on past funding received by the same applicant.

The ministry continues to provide comprehensive and detailed training to all evaluators to ensure consistency and alignment in scoring to ensure a fair, consistent evaluation of submissions against the stated program priorities. We will continue to review each tourism support program in advance of relaunching it in the next fiscal year. For example, a review of feedback and analysis from Experience Ontario 2024 will occur in summer 2024 to support the redesign of the 2025 program.

The ministry will continue to ensure its evaluation process assessment criteria include a fair and consistent review of the merit of submissions against the stated eligibility requirements so that funding decisions meet program priorities.

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The Auditor General has asked that the ministry ensure funding decisions take into consideration other similar organizations that have already received ministry funding for similar projects and to improve collaboration in the tourism sector. We appreciate this feedback, and the ministry is working to reduce overlap between organizations that have already received ministry funding for similar programs.

We have implemented processes to assess organizations with similar applications to our funding programs. A cross-check validation process is fully implemented for Experience Ontario 2024, and the ministry continues its work to collaborate with similar programs to reduce duplication and inefficiencies. For example, as part of the program guidelines and eligibility criteria for Experience Ontario 2024, applicants that received funding from the Ontario Music Investment Fund or the Ontario Sport Hosting Program are ineligible for Experience Ontario.

We continue to explore options to assess how earlystage tourism projects and business can be more effectively supported to determine if changes are needed to program funding eligibility, and this work continues throughout this next fiscal year.

The Auditor General asked that we improve tracking projects funded through the Tourism Development Fund against their performance measures, outcomes and impacts of tourism on the economy. To this end, the ministry redesigned the Tourism Economic Development and Recovery Fund and relaunched it as the Tourism Development Fund on August 2, 2023.

The redesigned Tourism Development Fund included performance metrics relevant to the projects being funded and outcomes expected. The ministry continues to review the Tourism Development Fund performance measures required from funding recipients to ensure they are reasonable, attainable and aligned with the project outcomes.

We are also working to improve how we track performance metrics, outcomes and impacts through our report-back process. For example, Tourism Development Fund 2023 recipients with projects ending on March 31, 2024, or sooner must report back to the ministry later in 2024 on varying performance metrics achieved. Any variances, inadequate data or inconsistencies from the original project may result in corrective action, such as reduced funding.

The Tourism Development Fund 2023 program includes two- to five-year follow-ups for certain projects along with the feasibility studies. This information is specific in program guide and funding agreements. The ministry remains focused on aligning performance measurements with the program objectives for the Tourism Development Fund and will continue to work to improve processes for recipients and provide more guidance on performance measurements and report-back requirements. Through these improvements, the ministry aims to collect better data to assess the impacts of its funding program.

The Auditor General has made recommendations related to timely delivery and notification related to some other programs, including accepting applications to the Tourism Development Fund early to allow applicants more time to complete their proposed projects; prioritizing the review of Experience Ontario applications based on date of an upcoming event; and informing applicants of when funding decisions are expected to be made as part of the application process and communicating updates when they have not been met.

The ministry agrees with these recommendations and has already taken significant steps to address them. The Tourism Development Fund 2024 program is being finalized and the ministry plans to launch and accept applications in late spring or early summer this year, so that successful applicants will have as much time as possible to complete their projects within the fiscal year.

The ministry launched Experience Ontario 2024 on November 30, 2023, to support the needs of festival and event organizers and allow for timely decisions and payments to applicants. We are also working to prioritize and negotiate transfer payment agreements based on when events are taking place. For example, we'll prioritize Experience Ontario approvals and notifications for events in early spring.

Our ministry continues to communicate updates to applicants through email, phone and a network of ministry staff across the province, and this includes communicating updates when established timelines cannot be met. Through the 2024-25 design of tourism funding programs, the ministry will continue to work toward applicants' funding decisions and provide updates in a timely manner.

As I conclude my remarks, I want to thank you for allowing me time to present on behalf of the Ministry of Tourism, Culture and Sport. I'm proud of the work the ministry does in serving thousands of Ontarians who work in this vital sector of our economy. My ministry will continue working to grow our economy and create jobs by delivering memorable tourism experiences. The success of the tourism, culture and sport sectors is directly linked to the economic success of Ontario. We have confidence in our approach, and we have confidence in our sector partners

Together, we are developing and delivering valued programs and services that Ontarians depend upon. There's still more work to do to help these sectors fully recover, but we are moving forward and in the right direction. We are already committed to getting the work done for the people of Ontario.

And with that, Mr. Chair, I'll conclude.

The Chair (Mr. Tom Rakocevic): Thank you very much. Your timing is impeccable.

We will now move on to the question-and-answer portion of the meeting, beginning with 20 minutes to the government, followed by 20 minutes to the official opposition. Again, that will be conducted in two rounds.

So we'll be beginning with the government side. MPP Skelly. You have 20 minutes in total.

Ms. Donna Skelly: Thank you, ladies, for your presentation this afternoon.

I want to begin with a couple of the findings by the AG, starting with—and correct me if I'm misinterpreting this, but—why we don't have a strategic plan when other provinces were able to provide a strategic plan with a focus on pandemic recovery.

Ms. Sarah Harrison: Thank you, Chair, through you, to the member. Thank you for the question. The ministry has been embarking on, I mentioned in my comments, a few years of extensive stakeholder consultations. We've been having conversations directly with tourism operators across the province. We've had conversations with other

provinces and territories, and we've been collecting that data and using it to analyze the programs within the ministry.

It's our view that the state of tourism in 2019 versus the state of tourism as it looks today is entirely different. And some of the thoughts that we had on an earlier planning on what our strategy would look like were based on kind of an earlier sector. For example, only a couple of years ago, we expected to see almost full recovery by 2024. And while we're close, we know that some parts of this sector continue to struggle. And so we are taking a comprehensive view, working very closely with the Tourism Industry Association of Ontario and the new leadership that has been recently installed there, to make sure that what we do plan for the ministry will actually be very responsive, appropriate and strategic for the sector—

Interjection.

Ms. Sarah Harrison: It is going to be advice that will guide our plan. We would say, member, that the ministry has always had a plan in the form of our programs and the work that we do in our procedures, in the consultations, in the evaluations that we do. And now what we will do with that is take that away and think about how we can strengthen and improve our programs. Whether or not that will culminate in a strategy, I think is a decision that government has yet to take—

Ms. Donna Skelly: Okay. I'm just going to move on to my next—sorry; I apologize.

Destination Ontario and regional tourism organizations didn't work together to market Ontario tourism. Why not? Is this all about jurisdictional territory, turf?

Ms. Sarah Harrison: Thank you again, Chair. I appreciate the member's question.

I think we might pose that in a different manner. I think we would say that Destination Ontario and the regional tourism organizations have had a long and collaborative relationship and have continuously worked together and have made important strides over the last several years to consolidate their efforts and to work more harmoniously.

If there is more room to explore that—we agree with the auditor's finding that we're on a journey and that the work is not complete, but I wouldn't say that the relationship is not currently collaborative or that it is entirely duplicative; I think that there is a lot of work that's complementary.

Destination Ontario collects fees from RTOs to pool them in provincial marketing campaigns. I mentioned the campaign in the southwest of the province that's currently in development. That's an example of where the organizations are not out at cross purposes; they're working collaboratively to deliver the awareness and promotional opportunities to Ontarians, to other provinces and to international potential visitors. And they're doing that with an effort to work more collaboratively, and we're very interested in seeing the progress of the working group that has been recently struck last—

Ms. Donna Skelly: And when will we hear about the progress?

Ms. Sarah Harrison: I expect that there will be opportunities for the ministry to return to this committee and other public channels to report on our progress. We look forward to that. We're in a very early stage, I would say now, in having received the report.

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Ms. Donna Skelly: Another point made that was brought forward: If the ministry had spent an additional \$2 million on advertising internationally, it could have generated \$38 million more in tourism, 86,000 more tourists. Are we reconsidering where we spend advertising dollars, domestic versus international?

Ms. Sarah Harrison: I apologize for Hansard; I realize I've not been introducing myself as Sarah Harrison, Deputy Minister of Tourism, Culture and Sport.

Thank you for the question. It would be, I think, inappropriate for me to speculate on what the potential value for money might have been—

Ms. Donna Skelly: Do you have tracking?

Ms. Sarah Harrison: Destination Ontario is very aware of their investments and does comprehensive datagathering of their KPIs that give them certainty about the effective of the investments that are being made. They're also working with our RTOs to improve their KPI tracking so that we have more apples-to-apples comparisons and—

Ms. Donna Skelly: Do you have that information now? You should be looking at that now as we head into summer months. Is that not something we would have already determined?

Ms. Sarah Harrison: I think the member's questions—if I'm not mistaken, Chair—I will try to answer it in the spirit of the findings within the auditor's report, but I think you're asking for speculation of what they have and what they will have.

Destination Ontario is collecting the data. They track user interaction with the website, with purchases. They are gathering information from tourism operators across the province. They use all of that data on a regular basis to evaluate the effectiveness of their campaigns and make pivots, where appropriate, on funding levels and directed campaigns between the domestic market, the US market and the international market.

Ms. Donna Skelly: Okay. I see my friends across the aisle, one in particular from northern Ontario, and I just returned from northern Ontario. There is concern that we operate tourist—what are they called? I'm not sure I have the right word.

MPP Lise Vaugeois: Regions?

Ms. Donna Skelly: Centres, the tourist centres up north. Especially when I see my colleague from the Niagara Falls area, that has to be the number one destination in Ontario. But lost in the landscape, often, are these tourist destination centres, because there are so many other lights and blinking lights. But if you head up north, those tourist destination centres are often a destination centre in and of themselves.

So this is more of a comment, if I may, being from northern Ontario, that we have to just consider the geography, consider the uniqueness of the region before there's any hard and fast rule about what we do with all of our tourism centres. Because I get it; people are going online and gathering their information. But often, in northern Ontario, they're a completely different animal. That's just my two cents for this.

I think that's it for me. Is there anybody else?

The Chair (Mr. Tom Rakocevic): MPP Sabawy, we're at 12 minutes, 40 seconds.

Mr. Sheref Sabawy: Thank you. So 12 left?

The Chair (Mr. Tom Rakocevic): Yes, 12 minutes, 40 seconds remaining.

Mr. Sheref Sabawy: Thank you.

Thank you very much for the detailed presentation. I think you touched on many of the points we would love to hear more about. But I stopped on one of the paragraphs where the Auditor General found allegations that, through the Ontario Tourism Recovery Program, approximately \$1.5 million was paid to 14 businesses that were ineligible for funding or that had potential fraudulent applications submitted on their behalf.

As much as I understand that we try to tighten the system and people might find some loopholes in the system, the question is, how can you explain that? And if that was under the radar, have we found those? What actions have we put in place so that next time, it doesn't happen?

Ms. Sarah Harrison: Chair, through you to the member: If I understand the question—and maybe I'll just ensure that I've got this—you're asking us about the fraudulent activity that was detected in the tourism recovery program? I'm really pleased to have you ask us that question because we're very proud of the ministry's work to actually have detected this and raised this for the auditor.

This speaks, I think, to the ministry's training, the training that we're doing on a regular basis with staff. We are certainly focusing our efforts on trying to ensure that we have the tools to support their ability to assess the financial information that is being provided by applicants against the criteria of the program and to ensure that we do that

I believe the auditor had also suggested there may be some other activity that we could explore and evaluate, and I'm pleased to tell the committee that that is work that is under way already in the ministry. It's not appropriate for me to comment on that while we're actively investigating, but I am pleased to say that I look forward to a future report on our other activity.

This is something that the ministry takes very seriously because it undermines, potentially, the confidence in our programs. We know how important those programs are for the tourism industry and so we have every interest in ensuring that every step and accountability measure is taken to ensure that the applicants are providing the best possible information to us and that we're verifying the accuracy of that information.

I'm pleased to say that we will continue to look forward and apply these lessons across our other grant programs as well, because this is a good opportunity for the ministry to take a more expansive look at some of our lessons from that particular fund, which, as we know, was developed through COVID to support, in very short order, a tourism sector that had been very, very hard hit by the measures that were taken. There are some very good lessons that will guide the future of our program development and the future of our assessment of our scoring and our evaluations.

Mr. Sheref Sabawy: We still have time, right? I would like to touch on another point, where the Auditor General's report was talking about directing some of the funds to international marketing so that we can get international tourism to Ontario. Being part of the discussions during my time in the ministry as a PA, I would like you to touch base on the challenges we are facing to bring in international tourism from outside, when we know for sure that some of the embassies are taking six months and four months and five months to get visas, so those tourists are having challenges to come to Canada to start with. Can you touch base on this and on why we are spending our dollars in the US market, where a majority of our international tourism is coming from?

Ms. Sarah Harrison: Thank you, member, for the question. I'll try my best to answer that from within the context of the auditor's report and say that we do acknowledge that there is work to be done for Destination Ontario and the RTOs to look at how those investments are made, to see where money can be more effectively targeted to key audiences.

We know, for example, that the international market—while we've seen a strong demonstration of the domestic tourism market throughout COVID and beyond, we know that our international tourists have not returned at 2019 levels. There's still some work to be done. So evaluating the effectiveness of the marketing campaign is absolutely a priority of Destination Ontario. They are in that space almost exclusively. I think that is a future look for us on whether or not there's an opportunity to engage with RTOs also in that context.

But in terms of any kind of geopolitical implications, of course there are many, but I think it's outside of the scope of this conversation and I would really be in a speculative mode trying to answer that. However, I appreciate the question and recognize that, like you, we are interested as a ministry in doing whatever we can to support the growth of the tourism sector. If that means reducing red tape or influencing and working with our other levels of government partners to try to do that, the ministry is committed to that. It is the kind of conversation—not that I speak for Minister Lumsden, but I would be very surprised if, when we are at the next federal-provincial-territorial meeting in Banff in the fall of this year, that isn't a topic of conversation for him to raise. But I thank you for that question.

The Chair (Mr. Tom Rakocevic): MPP Wai had her hand up. Six minutes left.

Mrs. Daisy Wai: Okay. I have a quick question to ask, following what MPP Sabawy has said about international marketing. I'm concentrating more on the other side, on the local domestic market. I know that your ministry has

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been working alongside Destination Ontario to improve travel information services, if you could tell us a little bit more about that. But I also want you to let us know: Is there any other additional work being done to support the domestic business here? Because after COVID, we promoted staycations. I don't mean to still give the tax credit to them, but if we market it in a different way to attract them to really go to Ontario instead of travelling outside, will that be a good way to do?

Ms. Sarah Harrison: Sarah Harrison, deputy minister of tourism, sport and culture. Thank you, member, for your question. I'm just trying to think about how best to—Destination Ontario is making investments in the domestic market along with RTOs, and they do that through a common interest in promoting key priorities across that. The promotional aspect of that will continue, and that is an area for Destination Ontario to think about how it calibrates, as we go forward, the division of its funding between domestic and international. I think I would be safe in saying that that is the spirit of what the auditor's recommendation was, trying to guide the ministry to think about how to be effective in the investment of those funds. That is work that Destination Ontario is taking.

I think you are also asking about the tourism information centres, which another member mentioned, their placement and the importance of them. There is a modernization strategy that Destination Ontario has been working through, and also a recommendation from the auditor around ensuring that we have the effective deployment of these bricks-and-mortar-style tourism centres along with the digital promotional work that Destination Ontario does.

I can say that, at the minister's direction, there is work under way, and there will be more to report on in the coming months about what the future of any—not that we are necessarily expecting there to be changes, particularly in scale. But if there are to be changes, that will be something that we have a robust conversation with the tourism sector about and that we would bring that forward in the way of future updates.

I was thinking—

Mrs. Daisy Wai: Thank you very much.

The Chair (Mr. Tom Rakocevic): MPP Skelly, you have three minutes left.

Ms. Donna Skelly: Thank you.

Ms. Sarah Harrison: If I could—sorry, I was just going to add one other comment. Other things that the ministry does to support—because I recognize that we had the staycation tax credit through COVID. That program expired, but there are a number of things that the ministry makes investments in, including our festivals program, Experience Ontario, a \$19.5-million annual investment that we make in festivals across the province.

Our Ontario Cultural Attractions Fund is another organization that makes investments in our cultural institutions to help promote their activities, which also, we think, is a strategic and complementary investment tactic to support alongside the other ministry programs and

Destination Ontario's work to cross-promote the work and market those programs and drive more visitors to Ontario.

Ms. Donna Skelly: I'm going to jump in now. Thank you.

I just wanted to ask you a little bit about something that you said, and it was the report-back on performance objectives. When we're talking about recipients—and that was for the 2023 grant, and you wanted a report-back in 2024. But in general, do we ever audit any of the recipients of larger grants? Because I was a city councillor in Hamilton prior to this, and I remember often a grant for a certain festival or economic development talking about the film industry and how much money it brought in, and we had X amount of dollars to the local economy. And then when you start actually speaking to the filmmakers: "Well, no. We didn't even have a caterer from Hamilton; we brought them in from Toronto. And actually, all of the crew are from Toronto, and they're not staying in Hamilton; they're staying in Toronto. And the makeup artists aren't from Hamilton; they're from Toronto." So there was never any real evidence of how much of a benefit it was when an organization claims something.

Do we follow up and verify that, yes, this attendance was accurate, there were 100,000 people at this festival? How do you know that? Furthermore, the money is going to an organization. Does the person who's running the organization benefit beyond that? I've seen this before, where the same person who's running the organization has some other businesses where they're also getting some of the money from the pot. Do you ever ask for audits from the people who are recipients of especially the large grants?

The Chair (Mr. Tom Rakocevic): You have 30 seconds left

Ms. Sarah Harrison: Sarah Harrison, deputy minister of tourism, sport and culture. I'll begin this response and confer with my colleague, who may have more to add to this. I think what we would say is that the ministry evaluates the applications and then requires the applicants who have received funding to report back on the outcomes that have been achieved as a result of those things. And that's where we have seen—over the years, there have at times been organizations that have not delivered on the full intention of the application, and the ministry has pursued—

The Chair (Mr. Tom Rakocevic): Okay, we're at time. You could, perhaps, continue that answer, if the government side is willing, during their next round.

Before we move to the opposition side: Please, you've already introduced yourselves for Hansard, so they know who you are in terms of recording it. You don't have to do it again. Thank you.

We're now moving to the official opposition, beginning with MPP Stevens—20 minutes.

Mrs. Jennifer (Jennie) Stevens: I'm sorry for my hoarse voice, but we had a great wedding last week.

Laughter.

Mrs. Jennifer (Jennie) Stevens: But I do apologize, and I do want to thank Ms. Harrison for coming today—a wonderful presentation. But I do want to dig into some of

the issues that have already come to the floor by the government side. Mostly, I think I'm going to highlight, within this 20 minutes, the strategic planning, or the tourism strategy, in Ontario and what the Auditor General's report found.

The findings that were found highlight critical areas for improvement, including strategic planning, marketing, coordination, finding efficiencies and data collection. And when I go through the Auditor General's report here, it's quite concerning to see, with the implementation status, little or no progress or not provided, like for the ministry's response for recommendation 1 and recommendation 3. It is quite concerning to see that.

I guess my question, starting right off, is, why has the ministry not developed a new long-term strategic plan for tourism since 2016's strategic plan? It expired in 2021, so why has there not been anything since that?

Ms. Sarah Harrison: I thank the member for her question.

The ministry has to understand and revisit the current scenario in Ontario and understand where there are opportunities for us to make investments and to be strategic about our partnerships with the sector. We believe that this is key, that we have a very real and certain understanding of what the actual trends and situation is on the ground, and that's why the feedback that was collected through the 14 ministry advisory councils, the industry task force and then the ongoing conversations that we have with our tourism sector partners are so key for us in calibrating that.

The ministry is always looking at how to improve its programs, and this is very much from a responsive perspective. We've had very good conversations with the tourism association of Ontario and believe that we are in alignment around some of the key factors around skills development and labour force and making investments in the sector and thinking about how we promote and we do that

We think that this work can work alongside any form of a plan, but the ministry is so interested in making sure that, on a real-time basis, we're taking every effort that we can to support the industry now. We're targeting our attention on an evaluation of our programs to test the effectiveness of those programs as they look today, to assess that and evaluate whether or not any future changes are needed to those programs. I'd say that we're seized with that work. The minister is interested in making sure that the ministry is in a position to be effective and strategic with the partners, and that's got to come from what we're seeing as to the returns on those results in real time. There may be opportunities for us to evaluate that and design that as a plan. We have had many conversations with other provinces and territories who have developed plans and strategies.

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The intent is not to have a strategy that becomes a static document but have a real-time plan that reacts and responds to on-the-ground activities as they look today. And so for us, we're making the investment in the program assessment to ensure that the work that we're doing today,

the investments that we're making today are reaching the right audiences and are getting us the indicators and the returns on our objectives.

Mrs. Jennifer (Jennie) Stevens: You've mentioned "plan" several times, and we haven't seen one since 2016.

What were the main factors that contributed to the failure for the ministry to update this strategic plan since 2016? Because obviously it's been four years, and as you mentioned, other provinces, British Columbia is one, have highlighted their strategic plan and have put it forward and showed great responses from it.

So I find it really hard and difficult, maybe for me, to understand why, if we don't have a strategic plan or we don't have a plan since 2016, what contributed to the failure to the update of that plan, as highlighted in the AG's report?

Ms. Sarah Harrison: Thank you, member, for your question. I think the answer, quite simply, is COVID. COVID-19—the full effects and experience of COVID-19 are still being understood by the province and by the sector, and so I disagree with the premise that it was a failure.

I believe that we would say that the plan was appropriately evaluated to not be the priority in the midst of COVID, but rather to think about immediate emergency measures to support the industry, which the auditor acknowledged in the findings that the ministry undertook, like the tourism regional recovery fund.

So the ministry is in a place where it is looking at this sector now, in 2024, a time where we thought the sector would have achieved full recovery, and realizing that the sector continues to look for opportunities to strengthen the international tourism visitor market, and there are other factors—increasing our hotel occupancy rates; there are other places—and we are looking at whether or not, through our own direct work or through the work of our agencies or the work that we can influence through our partners, if there are some immediate measures the province can enact to support the industry in an effective way.

Mrs. Jennifer (Jennie) Stevens: Actually, recommendation 7 from the AG report sets clear long-term visions and goals. I'm also looking here at 4.2.1: approximately \$1.5 million COVID-19 support grants paid to ineligible applicants—I think it was like six ineligible applicants received almost \$460,000 and it's quite concerning.

I guess my question would be, how has the absence of an updated strategic plan directly impacted the tourism sector recovering from post-COVID-19, since you brought that forward. Can you provide specific examples or some data that demonstrates the negative impacts for the tourism growth due to outdated strategic planning?

Ms. Sarah Harrison: Chair, through you to the member: I appreciate the question, but I think I'm unable to answer the question, member, because we don't agree on the premise.

The absence or the presence of a plan is not directly material to the recovery of the sector. I don't believe that that was the spirit of the auditor's recommendation, and so I don't think I can offer anything other than a speculative answer, which I think is outside.

Mrs. Jennifer (Jennie) Stevens: Recommendation 4, the strategic allocation of finance resources—I'm just looking at it. How have the financial resources been allocated towards tourism development in absence of a current strategic plan?

Ms. Sarah Harrison: Sorry, just to clarify, Chair, that this is in response to the auditor's fourth recommendation?

Mrs. Jennifer (Jennie) Stevens: That's correct.

Ms. Sarah Harrison: Could the member repeat the question for me, please?

Mrs. Jennifer (Jennie) Stevens: Sure. So, strategic allocation for financial resources, which recommendation number 4—I'm just wondering—I guess I can reword it. How have financial resources been allocated towards tourism development in absence of a current strategic plan—because we haven't had one since 2016—and maybe what mechanisms are in place to ensure that the financial allocations for tourism are used efficiently in the absence of strategic guidelines?

The Chair (Mr. Tom Rakocevic): Just over 10 minutes left

Ms. Sarah Harrison: Thank you, member, for the question. Maybe what I can do, member, is share with you some of the investments the ministry is making. That would give you that frame that I think you're asking me for of where we're making those investments. So, in 2023-24, we invested \$19.5 million for the festival and events sector through Experience Ontario and the marquee fund, and made other investments in other priority festivals and events like Luminato; a one-time \$3-million increase to the ministry's festival and event budget to support the Global T20 Canada cricket tournament; \$19.3 million in support for regional tourism organizations; \$425,000 in support of Indigenous Tourism Ontario for projects across Ontario; \$300,000 to the Tourism Development Fund to—

Mrs. Jennifer (Jennie) Stevens: Sorry. You know, that's great and you're highlighting so many great things. Maybe, if you wouldn't mind, please share that with my office or send it after to my office. I greatly appreciate that answer because I'd really like to see that.

Ms. Sarah Harrison: Be pleased to.

Mrs. Jennifer (Jennie) Stevens: That's awesome. Thank you. I'm just mindful of our time and I've got a few more other questions that I wanted to get to. I appreciate the list, though.

I guess I'm going to go to the international marketing of the Ontario destination fund. What I've read through the Auditor General's report, which is quite—as I said at the beginning, some of the findings highlight critical areas that definitely do need improvement throughout. So can you please detail which specific recommendations concerning the international market were made in the Auditor General's report?

Ms. Sarah Harrison: Sorry, member. I think—I just want to make sure that I understand the question before I answer it. If you could just help me understand the question.

Mrs. Jennifer (Jennie) Stevens: Sure. So, basically, what I'm asking is—I need details. Which specific recommendations concerning international marketing that were made in the Auditor General's report—according to Statistics Canada data, the level of arrivals in Ontario from the US from January to September 2023 was 77% of what it was in 2019. In the Niagara corridor, a big chunk of tourism dollars come from the US tourists. So basically what I'm asking is, can you maybe detail some of the specific recommendations that were mentioned in the Auditor General's report recommendations concerning the international markets? Does that better clarify it?

Ms. Sarah Harrison: Thank you, member, for that. I just—maybe I'll just do a little summary of the auditor's report.

Yes, I think primarily, that finding is derived from recommendation number 2 and that was about the optimization and rationalization of funding for those markets. I think to some extent we've discussed that. I'm not sure that I can elaborate much further other than to say, again, that the auditor's recommendation was "to provide tourism operators in all regions of Ontario with access to support from a regional tourism organization" and "to foster collaboration between tourism operators across all regions." To do this, they recommended that we "evaluate the role of gateway cities for attracting international tourists to Ontario and how they contribute."

We appreciated the recommendation and accept the recommendation and would say that the ministry recognizes this role that gateway cities have in attracting our visitors. We're exploring ways to support that year-round increased visitation from our international travellers and increasing the length of their stay. We know international travellers spend more and they stay longer, so they are very important travellers for us to lure back to Ontario.

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The ministry is going to continue to evaluate the role of these gateway cities in attracting international tourists and impact. Some of that conversation is happening with the RTOs. That was the intent of some of the discussion at the RTO working group level that Destination Ontario now sits at, to make sure they're having an integrated and comprehensive conversation about those investments, and they're looking to rationalize those dollars.

Advertising is a very expensive business and international advertising is a very expensive endeavour, and making sure that Destination Ontario uses the investment dollars it has with the greatest value for money is what will drive future decisions about Destination Ontario's investments.

Mrs. Jennifer (Jennie) Stevens: Great. What partner-ships has the ministry formed to bolster its international marketing efforts, if you have any—I'm sure you do—and is that work comprised without having a tourism strategy?

Ms. Sarah Harrison: Member, I thank you for the question. I think the focus of the question is outside of the spirit of recommendation number 2, in that it's a more expansive question for us. We would look forward to a future opportunity to have some discussion with Destina-

tion Ontario and to think about some of those more granular examples that you would be asking us of the coming year's activities and investments that they're making.

I think for the purpose of the second recommendation, which is more focusing on looking at the roles of the organizations and thinking about a bit of mindfulness around what investments Destination Ontario makes, perhaps, in a domestic market alongside RTOs, while also what investments it makes in an international market, that is work that is currently under way with Destination Ontario, to be looking and working with RTOs to improve the KPIs on the domestic tourism investments to ensure that we have the best available data to make those decisions, which will inform future decisions around what those investments horizons and thresholds should be.

Mrs. Jennifer (Jennie) Stevens: Right. I guess Ontario's base core funding for Destination Ontario in 2010 was something like \$38 million, I believe; in 2021, I believe it was \$32 million. I imagine advertising costs more than that. It costs more than it did a decade ago and it appears we are spending less, from what I'm reading and what I've dug into. Can you elaborate on the inflationary costs of advertising over the last decade, and do we get the same or do we get less bang for our dollar when we spend today compared to 10 years ago?

Ms. Sarah Harrison: Member, thank you for the question. Again, I appreciate your enthusiasm for a discussion on marketing dollars. I think, again, that's a more expansive read of the recommendation and not something for today's purpose I would speak to. But I would say that, more in general, there have been changes in how advertising investments are made, so there has been a shift. We see this even within the domestic market between broadcast to digital. The use of social media advertising can be a very effective medium, and the cost of advertising between broadcasting—

The Chair (Mr. Tom Rakocevic): Two minutes left.

Ms. Sarah Harrison: —and a digital campaign is considerable. So, over time, the organizations need to look not to so much at the percentage change of the funding but

the outcome of the funding and whether or not they are

driving the intended objectives of the funding.

Destination Ontario's work, as encouraged by the auditor to look more carefully at that rationalization, will be inspired by how we drive value for money out of those investments and looking for opportunities. Whether or not that amounts to a real-dollar increase or decrease over time is to be determined. It's really more about the market and the channel that they will invest in per se than the budget itself.

Mrs. Jennifer (Jennie) Stevens: Can you highlight how much Destination Ontario's base core funding was in the last fiscal? Do you have that?

Ms. Sarah Harrison: I'll endeavour to have that question, if we can, before the close of committee.

Mrs. Jennifer (Jennie) Stevens: Perfect. That's great. Because it just follows up. We've got another 20 minutes of follow-up, so I have follow-up to go with that.

Time, Chair?

The Chair (Mr. Tom Rakocevic): Thirty seconds.

Mrs. Jennifer (Jennie) Stevens: I thank you for your answers, and I look forward to the next 20 minutes. I'll pass it off to my colleague as well.

The Chair (Mr. Tom Rakocevic): Okay. We'll now move to the second and final round for the government, 20 minutes. Who will we begin with? MPP Dixon, you have the floor.

Ms. Jess Dixon: Thank you for coming to present today. I'll begin by characterizing—I mean, the report is not particularly encouraging. However, I realize that there have been fairly significant shakeups at the ministry, so I would love to talk about the going forward versus the looking backward, as far as the report is concerned.

I'm curious: Will the ministry be able to present some of the work on the recommendations in more of a project framework, rather than an ongoing task? Because when I'm reading this, I see a lot of "We will continue to do" and "We will continue to work on," but there isn't a "and we will get to this point and deliver it by such and such a time." How is the ministry approaching it from that perspective at the moment?

The Chair (Mr. Tom Rakocevic): Sorry, if we can make sure to speak as close to the mike as possible. That way it's properly heard. Thanks.

Please proceed.

Ms. Sarah Harrison: Thank you, member, for the question. It is true that a number of the recommendations speak on what we might describe as being continuous improvement. We've had that report for four months now and we received it with enthusiasm. Earlier, I thanked the auditor for the work that the team had done with my ministry, a very collaborative partnership. We had a respectful relationship and many good conversations along the way in collecting the data.

The ministry was very forthcoming with information and making suggestions because we wanted to have the best possible report, because we want our work to be informed by how we can drive more value for Ontarians, how we can improve the sector and drive economic growth. So we very much appreciate the auditor's work.

I don't think there will be an end date per se to all of those things because I think we'll be charged on behalf of taxpayers and Ontarians to think about whether or not we are continuously seeking value for money, whether we are continuously making the right decisions, whether there are opportunities for us to be collaborative in new and different ways and use innovation in those relationships.

We will, of course, in the spirit of this cycle of audit reports, make more specific updates as we've had a chance within the ministry to achieve and define more work against the 17 recommendations. But there will likely be some that will say that while we have achievements and we've made significant progress, it will continue to be an area of interest for the ministry that we take note of and think about

The investments of Destination Ontario, given the committee's enthusiasm for the marketing and promotion-

al side of the business, will always be core and germane to the work of Destination Ontario, to be making sure that they do value-for-money audits, to be making sure that their KPIs are giving them the best possible feedback in data.

I say that in the spirit of, the ministry would like to hold itself accountable in the long term to make sure that we continue to be a strategic partner with our tourism association partners and agencies, to make sure that we are at the table and doing what we can to effectively promote tourism in Ontario.

Ms. Jess Dixon: It seems a bit problematic, though, to have it just be sort of a—you know, while there's obviously a very general and laudable intent to continue moving forward and continue improving and continue engaging, to have no waypoints along the journey to say, "We have arrived here." For example, one of the things that we were curious about was the bricks-and-mortar Destination Ontario travel centres and the significant decrease in visitors there and whether or not we're getting value for money on that, if there's a geographic difference between their utility, that type of thing. That's something that I think there is merit in—we would have an updated report on what the ministry intends to do with those locations by such-and-such a date. Has the ministry considered that at all?

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Ms. Sarah Harrison: I thank the member for the question. I think I will take that under advisement in conversation with the minister around the direction that the minister would like to see in what the future reporting cadence and horizon will look like.

It is the intention of the ministry to make those decisions in a transparent way with the tourism industry. So when the minister has reached any determinations on what the future steps will look like based on the advice of the ministry, we will look forward to sharing that. But I'm not in a position today to be able to give you the certainty of the date.

Ms. Jess Dixon: Is that something that the ministry would be working toward? Because, again, I go back to that idea of having targets. Obviously, a government ministry is under a continuous obligation to provide services, value for money, that type of thing. But I am wondering if the ministry is considering working toward, "These are some of the things that we plan on being able to demonstrate," and a more specific timeline, rather than just 2025 or 2026, that type of thing. As I said, I know that this is a moving-forward question versus a looking-back question, because I know that there are changes in leadership, that type of thing. But that is what concerns me when I look at the report: How are we going to measure improvement or a different direction going forward?

Ms. Sarah Harrison: Thank you, member, for the question. I appreciate the spirit with which you're asking. For the purpose of today's committee, I can't speculate about the future reporting cadence. Understanding your enthusiasm for wanting to have more certainty, I'm happy to share that back to the minister and have him consider

that when he's informing the ministry on next steps. But there will be future opportunities, if none other than on the anniversary dates of reporting on the auditor's progress, on the 17 recommendations, for which we will continue to provide updates to the committee.

Ms. Jess Dixon: Then, in a similar vein, from an accountability perspective, again, when I'm looking at the Auditor General report, it seems that there were, in some ways, tasks and responsibilities that were a little bit free-floating. I'm wondering if there is work within the ministry to very clearly delineate responsibilities for following up on some of these ongoing improvement tasks.

Ms. Sarah Harrison: Thank you for the question. There is very clear certainty in the ministry which divisions of the ministry or which agency partners we're working on for those specific recommendations. I would offer that there is clarity within the ministry and role identification around who is leading what work, and I'm not concerned about there being confusion about some of that or unassigned roles.

I think the recommendations are quite clear and specific and speak to where they are ministry-based as opposed to Destination Ontario—for example, it's very clear the division of the ministry that will be undertaking that and the teams within the division, and we have confidence that the teams will be deployed appropriately to get that work completed.

Ms. Jess Dixon: There will be guidelines in place for potential hand-off of responsibilities if people move on or transfer responsibilities?

Ms. Sarah Harrison: Absolutely. In accordance with everything we do, that's part of what I might discover and describe as being kind of our operational management within the ministry. Unfortunately, within the OPS, there are a number of fantastic employment opportunities across ministries, and sometimes we gain and lose staff to other opportunities in government. But the constant for that is the information hand-off, the training, the onboarding as new staff join us and the departure of other staff, so I would have no concerns about there being an operational miss in the event that there are any other future changes in staff

Ms. Jess Dixon: All right. I'll hand it off to my colleague MPP Sabawy, but I'll just sort of leave you with—as far as this being public accounts, value for money, I very much encourage the ministry to continue the work of trying to come up with some waypoints so that we can actually see where we're progressing, versus simply the general "we will continue to operate as we do." I would really like to see that.

But I'll hand it off to my colleague, through the Chair. **The Chair (Mr. Tom Rakocevic):** MPP Sabawy, you have 10 minutes.

Mr. Sheref Sabawy: Thank you very much for the detailed answers. As much as we can see, actually, the Minister of Tourism, Culture and Sport has a very vast variety of programs, grants, festivities, tourism, Destination Ontario—many of the venues and channels to fund different aspects. Overall, how are you making potential

applicants aware of your programs and getting decisions out to them earlier?

And also, I commend that some of the programs now have some sessions—like briefing sessions, training sessions—to make the applicants aware of what's requested, what the requirements are. That helps many of them to achieve being able to apply and successfully get that. Can you elaborate a little bit more about what the ministry plans to make sure that there's outreach to more potential applicants to make use of those programs?

Ms. Sarah Harrison: Thank you, member, for your question. I think this is really, for me, a situation that's in the auditor's recommendations. I think you're speaking to recommendation number 17. Is that correct?

In that regard, the ministry continues to work towards informing our applicants when funding decisions are expected to be made as part of that process. That's a commitment that we've made. We're very proud this year that the Experience Ontario program, the festival program, was launched earlier. That's in direct response to feedback that we heard from the festivals and events sector that told us that the application dates and the delivery of decisions on those ran too close against the actual delivery of festivals. This year, we anticipate having decisions out to festival organizers in the very near future, and we're very encouraged by that feedback and our ability to react positively to that feedback.

Using Experience Ontario as an example, we informed applicants ahead of the window being opened. We went back to, I believe, three years of applicants, who were notified when the application window would be open. We wanted to make sure that there was broad awareness of that. We created a video to ensure that our applicants were in the best possible position to create a strong application. The ministry is always at the ready to provide advice directly to applicants who have questions, and we continue to make that commitment throughout the season.

And our commitment to notify the festival organizers at the soonest date: That is kind of the tranche of time that we're in now, where we have been receiving—this is using Experience Ontario, such a popular festival program, such a popular program writ large in our ministry. It is oversubscribed every year. We get, some years, an average of 700 to 800 applications that need to be evaluated. It takes a considerable amount of staff time to assess the applications around their eligibility, and then, with those that are eligible to go through, to weigh them very carefully and fairly in a consistent way against the criteria, come up with an evaluation of the programs and then be able to determine what the next steps are in terms of who we'll be able to fund based on the envelope available to us.

This year, we're really enthusiastic that all of that work—the work was no lighter this year. It's great news for Ontarians for the year to come. The program was very well subscribed again this year. We will see a robust number of festivals and events get funded across Ontario, and we expect to do that in the coming weeks.

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Mr. Sheref Sabawy: Thank you very much for explaining the process of the application, going through with the process and giving the money. What are the metrics after that to make sure that this money was achieving the goals of what the fund is for?

Ms. Sarah Harrison: Thank you for the question. That speaks to, again, the veracity of the program, our ability to ensure that the right funding has been used appropriately by our applicants based on what they were evaluated for and approved.

When we provide funding to a festival, in every case we create what's known as a transfer payment agreement. Essentially, it's a contract with the festival organizer that says that they are going to deliver the very specifics of how their application was evaluated by us. We ask our recipients—we make those payments not as one instalment to the festival, but we hold back and we expect the festivals to provide a report to us against their TPAs, as we shorten them to, and we evaluate that. Then we make determinations on whether or not the festival organizer delivered against the program's criteria and what they were awarded the funding for.

We think that those measures give us the ability to have an eye of certainty that the festival organizers are using the funds for the intended purposes. It's also used for us, because if an event were not in good standing, it would disqualify them in future years for funding from us, so it is a collective memory process for the ministry, as well, that we learn. As we are part of Transfer Payment Ontario, that information is also known to other ministries, so that's something that's a bit of a one-government approach on how we are modernizing transfer payments across ministries.

Mr. Sheref Sabawy: Final question, last question: Is there any mechanism in those programs to get some feedback to help improve the program in the next years, either by the applicants, by researchers or by organizers, to make sure that the program is tuned every year to meet the needs, which can change from year to year?

Ms. Sarah Harrison: I agree completely with your question, member. Thank you for asking. That's exactly why we've responded with the changes we made to Experience Ontario 2024. We made some changes to the criteria this year to consider regional distribution of festivals, recognizing that larger cities tend to have more numerous festivals. We wanted to make sure that we were not missing opportunities to make investments in other parts of the province and that we were doing that in an appropriate way.

We continue to make changes to the criteria, based directly on feedback that we're receiving and on what we see as the success of some of those festivals. We invite the recipients, the applicants, to give us feedback along the way, and we do. I think we receive a lot of feedback, especially about Experience Ontario, and it is dutifully listened to and has been themed, and that is what has guided the ministry's work on some of that criteria improvement that we have made.

Mr. Sheref Sabawy: Thank you very much.

The Chair (Mr. Tom Rakocevic): We have two minutes and 30 seconds remaining. We go to MPP Smith.

Mr. Dave Smith: Katherine, Sarah, it's good to see you. I'll be relatively short on this. The Auditor General's report primarily has focused on things like festival funding. Forty per cent of Ontario's festivals occur during the summer, and you've made some adjustments to the funds moving forward.

Sarah, you haven't been the deputy minister that long, have you?

Ms. Sarah Harrison: I'm not sure how to answer that question. I have actually been in the ministry twice since December 2021, but it is correct to say that in both installments, I have not been in the ministry for a long period of time.

Mr. Dave Smith: So would it be fair to say—and I don't want to sound like I'm throwing anyone previously under the bus—that the vast majority of the recommendations are based on things that occurred prior to you being the deputy minister and that really, when you started in late August or early September, you started reviewing things? Would that be fair to say?

Ms. Sarah Harrison: I appreciate the member's generosity of spirit with that question. Thank you.

The ministry has been evaluating the program—we took a very active interest in making sure that we could improve it. We knew there were opportunities to improve the timing of the application process. We knew that that would be something.

Minister Lumsden was very clear in his direction to the ministry that that was a priority for the ministry, to make that improvement, and that on a go-forward basis, we would continue to challenge ourselves to even perhaps improve that. So that is something the ministry will continue to consider: how we can evaluate applications in the future using technology tools as they may be available.

But I think that the collective experience from Experience Ontario is also drawn from COVID and from the experience that our festival organizers lived through through the COVID years, so I wouldn't like to assign it to any of the owners of the ministry prior to my keeping, but rather say that I think the sector has learned a lot about festivals.

We are also very pleased in the ministry to be prioritizing these contracts, these TPAs, with the festivals in appearance of festival. So we will of course put all energies on ensuring—

The Chair (Mr. Tom Rakocevic): Thank you. We're out of time.

We are now moving into the final quarter of the hearing, and we're moving on to the last 20-minute portion for the official opposition, beginning with MPP Vaugeois.

MPP Lise Vaugeois: What I'm understanding is, right now, your focus is testing the effectiveness of existing programs, as opposed to creating a new strategic plan; first, you're assessing, if I'm understanding correctly.

I don't have the entire, full report, so it may be in the report, and you can point me to that. I'm interested in what

the performance metrics will be for assessing the different programs. You mentioned performance metrics, so I'm hoping that there's some way that we can actually look at those.

Ms. Sarah Harrison: Member, I'm just ensuring that I understand the question. You're asking what is guiding our assessment of the programs, whether or not those criteria are in the auditor's report?

MPP Lise Vaugeois: Yes.

Ms. Sarah Harrison: The criteria for that assessment is not the direction in the agreement, that there needs to be an evaluation and that that should also inform the future work of the ministry. The strategy is, I think, about as comprehensive—I know that the auditor's team is here, who I'm sure would like to correct me, but I don't have the criteria per se as you're asking. Given the nature of the auditor's report, we're focused more on ensuring that we are making strides to do the assessments and to think about what that will look like in informing the ministry's work, and whether or not that will be guided by a plan in future.

MPP Lise Vaugeois: Okay. Then I would just like to say I think that's useful information to have a sense of—if I'm assessing whether something is working, then I will try to create some metrics and criteria, and then sometimes getting a second or third view on those criteria is useful. I'm thinking in terms of as we build our report—that interested me, but I'll go on.

You talked about 14 industry panels. Is it possible to know where those panels were and what the criteria was for being on those panels? Is that somewhere in the report, or is it something we can get later?

Ms. Sarah Harrison: Again, I think that level of detail was not in the report because that was more about the work that the ministry had done to gather information. I'm in a place where I would need to confirm, but I believe we could provide the information on panels at a future time. I would need to confirm that there was no intention for any of those conversations to be more proprietary in nature, but I believe that that is something we could provide.

MPP Lise Vaugeois: I mean, I'm always coming from the north, so I'm just wanting to see who was asked, who's there, who's not there. Those are always key questions.

Thinking about gateway cities and international advertising, I'm hoping that Thunder Bay is perceived as a gateway city. Again, you don't have to answer that today, but it would be useful to know.

Mr. Dave Smith: No, it's a destination city now that Viking is going there.

MPP Lise Vaugeois: Yes, good. Because hopefully there's international advertising that will be taking place in Minnesota, in Duluth, just south of the border. We're only an hour away from the American border, but you might not think of it as that kind of destination unless somebody was going, "And don't you forget that we are actually close to the border there."

1510

It's going to get better in Thunder Bay because we've got a fantastic art gallery being built that should be ready in 2026. So if we're not at the top of the list right now, maybe we should be by 2026.

Maybe this is too granular: I'm just wondering whether operating funds exist for some of the festivals, or whether it's always project-based? I think of something like the Elora Festival, which is annual. That's part 1 of that question.

The other part is, sometimes there are very large pots of money that go and smaller grants, but sometimes the reporting process is exactly the same for a large organization and a small organization, but it's a very large burden on a smaller organization. I'm just wondering if you make that differentiation and, if not, if that can be considered. I think that will be it for me.

Ms. Sarah Harrison: The member will forgive me; the first part of your question—

MPP Lise Vaugeois: You lost it already? Sorry.
Ms. Sarah Harrison: If you could just refresh my—
MPP Lise Vaugeois: Sure. Project-based versus operating.

Ms. Sarah Harrison: Talking specifically about Experience Ontario as a fund, it is a project-based program. It's intended to help elevate a festival, to drive more tourism attendance at it. That's something that we evaluate as part of the criteria, so we're looking for how a festival organizer would use the funding to enhance and promote that and drive even more longer-term visits.

That's why for us, we look at festivals that are at least two days in duration, other than ones that happen on Canada Day, because we are trying to make investments in festivals that are more likely going to be tourism draws and attract the international visitor—whether they be from United States or from abroad—who typically will spend more and stay longer.

MPP Lise Vaugeois: Okay. And again, it's more of a suggestion, but if there's a differentiation in the size of the grants in the burden of reporting?

Ms. Sarah Harrison: Thank you for your question. You will notice that in this year's Experience Ontario programming fund, we took that into consideration in tiers, so rather than having one application evaluation, there were three steps to it, depending on the size of the festival.

There was tier 1, the signature festivals, where the expenses of an event will exceed \$1 million. There is the second tier of emerging festivals, where we expected their expenses to be somewhere between a quarter of a million and \$1 million. Then the third level is more those smaller community festivals which you might be referring to in your question, member, where we would expect that a festival organizer would be looking at expenses that are collectively less than \$250,000.

In that evaluation, it allows us to appropriately streamline them through the evaluation. So while we would say that they are held to the same integrity in the certainty that they are delivering against the program requirements and against their TPA agreement, it is not the same burden, perhaps, that there might be at tier 3, our highest level for

the highest amount of funding. There is a difference in that appropriation.

MPP Lise Vaugeois: Thank you.

MPP Stevens?

The Chair (Mr. Tom Rakocevic): MPP Stevens, you have the floor.

Mrs. Jennifer (Jennie) Stevens: Thank you again to Ms. Harrison, the deputy minister, for answering all the questions in detail. Did you get the answer for my last question? That's great.

Ms. Sarah Harrison: If the member will allow me— Mrs. Jennifer (Jennie) Stevens: Yes, please, thank you.

Ms. Sarah Harrison: I'm pleased to tell you that since 2020, the funding has been consistent for Destination Ontario, at \$32.8 million—that's slightly rounded up—from the ministry. So those are operating dollars to Destination Ontario.

Mrs. Jennifer (Jennie) Stevens: Okay.

Ms. Sarah Harrison: I think you had asked us—thank you for the ministry support—in 2023-24 and 2024-25, the budget for international, which includes US, that's advertising for Destination Ontario, is intended to be \$15.9 million. Again, there's a minor rounding.

Mrs. Jennifer (Jennie) Stevens: Was that 15 or 50?

Ms. Sarah Harrison: One five point nine. And then, domestic, which is Ontario and across Canada, is approximately \$8.9 million.

Mrs. Jennifer (Jennie) Stevens: Thank you for that.

Overlapping market efforts between Destination Ontario and the regional tourism organizations, the RTOs, have diluted the effectiveness of funds allocated for markets. Destination Ontario seems to be underfunded and without a plan to attract the right tourism audience, in my opinion.

I'm just wondering what the ministry is going to do to help Destination Ontario, which is underfunded, and how they're going to plan to attract the right tourism audience to that?

Ms. Sarah Harrison: I thank the member for her question.

The Chair (Mr. Tom Rakocevic): Ten minutes remaining.

Ms. Sarah Harrison: Destination Ontario's funding, as I just provided, has been consistent funding. The ministry will continue to work with Destination Ontario on their annual reporting.

Every agency that reports to the ministry provides us with a business plan at the start of the fiscal and an annual report to give us the certainty of how they have governed their operating dollars over the course of the year. We will continue to work with Destination Ontario to ensure that their business plan is appropriate and is focused on maximizing the effectiveness of the investments, but I can't comment on whether or not the level of funding is appropriate or not appropriate.

Mrs. Jennifer (Jennie) Stevens: So the ministry will report on the use of outcomes of the Destination Ontario

fund—particularly in relation to international marketing, I guess I'm trying to lead to.

Ms. Sarah Harrison: I'm pleased to tell the member that Destination Ontario's annual report is a public document. I believe we table it in the Legislature, and so that is very transparent information.

Mrs. Jennifer (Jennie) Stevens: Thank you.

Chair, did you say that—

The Chair (Mr. Tom Rakocevic): It's up to you. I believe MPP Gélinas was asking a question.

Mrs. Jennifer (Jennie) Stevens: Perfect. Thank you.

M^{me} France Gélinas: Festival Boréal in Sudbury was one of the festivals that only found out about their funding at the very last minute last year, and I was just trying to better understand what happened. This is the longestrunning summer festival in all of Ontario. They've had the request to your ministry for many, many years. What happened that it got so delayed to find out if they had money or not coming from you?

Ms. Sarah Harrison: I thank the member for her question. The prior year's application window was late and there were a very significant number of applications—my colleague is sharing with me 680 applications that we received, which was a considerable undertaking for the ministry to have to evaluate. That is what has shaped and informed the commitment to this year having opened our application window much sooner, in our commitment to let festival organizers know much sooner.

The festival that you're referring to, if they applied for this year's funding, will be aware much sooner than they were in the prior year. We fully acknowledge that there is more work that the ministry can do to ensure that we are communicating those results to the applicants at the soonest available date.

M^{me} **France Gélinas:** Could you give us an idea as to when they will find out this year?

Ms. Sarah Harrison: I'm pleased to tell the committee that we expect that that decision will be taken in very short order.

M^{me} France Gélinas: I'm a politician. Short order for a politician—three, four years; less than a decade? Is this what you mean?

1520

Ms. Sarah Harrison: I'm pleased to share with the committee that our understanding, the horizon on short order is much more immediate. So I think we would say more in the coming weeks.

M^{me} France Gélinas: The other one that was really puzzling is the changes that have to do with recommendation number 11 from the Auditor General, where the ministry added new eligibility criteria to limit one application per organization for the Experience Ontario 2024 tourist development fund. Are you sure that this is the right way to go? I don't want all of the money to go to one corporation that has a whole bunch of different organizations, but at the same time, for a small one, who could be one owner that has two—that means that they would be limited. How did you come to that decision, where the

ministry has added new eligibility criteria to limit one application per organization?

Ms. Sarah Harrison: Thank you for the question, member. This is very much in response to the oversubscription that the program is subject to every year. With so many applicants, it's very difficult to ensure that we—the ministry wants to fund as many individual events and festivals as possible. There was some discussion about this within the ministry, certainly with the minister, and with some elements of the sector that gave us the certainty that this was a step toward being able to provide more organizations, potentially, with funding and see more festivals get awards.

M^{me} France Gélinas: So you feel pretty confident that in organizations that would run more than one—

Ms. Sarah Harrison: Member, if I could add: This is the kind of feedback that we expect to also receive from our applicants through this year. I mentioned earlier that we will take the feedback that we receive from the 2024-25 year and consider that in the way of any application changes that we make for next year.

So if perhaps this was not a change that was well received by festival organizers and we have not achieved the purpose of being able to extend funding to more festivals, that's something that the ministry would take under consideration and re-evaluate that change in criteria.

M^{me} France Gélinas: The Auditor General also told us that seven of the RTOs paid for access to more timely data than what you were giving them and made a recommendation. Recommendation number 8 in her report talks directly to this. I'm just curious to know: You did say in your response that the ministry established an RTO working group to provide a standing venue for tourist research information-sharing, capacity building and partnership. Did you know that RTOs were paying to get that kind of information and data?

Ms. Sarah Harrison: Thank you for your question. I believe that that would be something that would be articulated in their business plan and so the ministry would be aware. But that is a learning for the ministry in terms of sharing the data and ensuring that we achieve more, that we support RTOs and, in turn, we also benefit, with Destination Ontario, from improved data collection and data-sharing, and that we're optimizing the information and the analysis that we're collecting. And so the working group will be instrumental in making sure that there's a forum and a sharing venue for some of that information.

The Chair (Mr. Tom Rakocevic): Just over a minute and a half left.

M^{me} France Gélinas: Do you feel like you have the resources within your ministry to be able to collect that data and then share it with the RTO, or does the RTO budget continue to be used in order to collect the data and share it with the group? Where would the resources come from, your ministry or the 11 provincially funded RTOs?

Ms. Sarah Harrison: I think that's advice that we will hope to receive from the RTO working group around how best to manage the information-sharing and flow going

forward, and one of the things that we will look forward to as a recommendation.

M^{me} France Gélinas: Okay. And just as you look to which ones you will keep going and which ones you may look at closing, I want to remind you that there's a big part of northern Ontario that has no cell service. Although a lot of people do their searching online, the RTOs are still very much used in northern Ontario, where you actually have an opportunity to have your question asked and answered by a real person, because cell service does not exist through most of my riding—and, I'm guessing, most of hers also.

MPP Lise Vaugeois: Yes.

M^{me} France Gélinas: Just kind of keep that at the back of your mind. Thank you.

Mr. Dave Smith: Even in my riding—

M^{me} France Gélinas: Sorry, Dave. I didn't hear.

Mr. Dave Smith: I'll tell you after.

MPP Lise Vaugeois: He says sometimes in his riding too.

M^{me} France Gélinas: Oh, okay.

Mr. Dave Smith: My constit office doesn't have cellphone service.

M^{me} France Gélinas: Ah, yes. I feel your pain.

The Chair (Mr. Tom Rakocevic): All right, that's time. I want to thank the deputy minister, the ADM and their team for joining us today, their presentation, and for answering the questions of the committee.

We will now be moving to a short five-minute recess to allow everyone to clear the room who will be leaving, as well for a short break for committee members. The moment we return, we'll be moving directly to a motion by MPP Gélinas.

The committee recessed from 1528 to 1533.

COMMITTEE BUSINESS

The Chair (Mr. Tom Rakocevic): We are now resuming committee. We're beginning with a motion filed by MPP Gélinas.

M^{me} France Gélinas: I move that the Standing Committee on Public Accounts requests that the Auditor General conduct a special audit into provincial schools to assess whether student experiences in these schools are consistent with the objectives of the Education Act, including the ministry's responsibility for enhancing student achievement and well-being; closing gaps in student achievement and maintaining confidence in the province's publicly funded education system; and whether the standards in provincial and demonstration schools are consistent with the Accessibility for Ontarians with Disabilities Act and the Ontario Human Rights Code.

The Chair (Mr. Tom Rakocevic): Further debate?

M^{me} France Gélinas: I'm assuming that everybody knows about these schools. Ontario is very fortunate that we have special schools for kids with certain disabilities. If your child is blind, if your child is deaf and other disabilities, there are special schools that exist that have, over the years, allowed some of these kids to just blossom.

They were able to learn, were able to achieve their dreams, were able to become the person they wanted to be, be productive members of society and really, really progress.

Lately, there have been more and more past students and some of the parents as well as some of the people who worked in those schools that are talking about changes—not for the better. For kids and families, they don't have a big voice. There aren't very many of them. When your child is deaf or blind, it's really hard to know, "What are my rights and how do I assume those rights?" etc.

So the idea with the value-for-money audit of those schools is that they exist, they use resources, they have very strict ministry responsibilities that they have to meet, and the Auditor General would be a good place to start to make sure that the money that we spend, that the province spends, in those schools gives us the outcomes that are expected of them.

I don't know if I can ask, but through the Chair: My colleague knows some specific examples of some of the failings that we have seen. She had written to the Auditor General to request such an audit be done. The Auditor General is open to it. It would be something that is within her mandate to do, but we would need to ask her to look at the needs of those kids, to make sure that they have an opportunity to grow up to be all that they can be.

The Chair (Mr. Tom Rakocevic): Further debate?

Ms. Chandra Pasma: As my colleague MPP Gélinas was saying, there have been really significant concerns raised by students at these schools, parents, alumni, teachers and advocates for these schools, and these concerns aren't brand new. There have been two lawsuits against the government about discrimination and abuse that have taken place in these schools going back decades. In fact, the Ontario government has paid out \$26 million to settle these lawsuits.

But there are some very specific concerns that these students, parents and teachers have been raising in recent years that really highlight the need to take a closer look at whether we are actually respecting the human rights and the dignity of the students who study at these schools; whether we are really setting them up with the best education, so that they have a fair chance in life and so that they are getting the equal chance at an education that every child in Ontario deserves, despite their disabilities.

One of those significant challenges is a serious staff shortage. They are short 17% of their teaching workforce, so students are frequently arriving at their classroom to find a note on the door saying that there will be no class today and they're just supposed to go to the library, so no learning takes place that day. Some of the students are even leaving school grounds, because what's the point of hanging out in the library all day? And teachers who are intended to provide really specific supports like special education or oral language are being pulled from those assignments to just cover general classroom assignments. Students are being forced into larger classrooms because of the shortages—some classes that exceed safety concerns—and there are not enough supply teachers when these teachers are sick or on leave.

And so, this is causing some pretty significant security concerns. There was a very violent incident in December 2022, and the Ministry of Labour actually came in to inspect the school and flagged that student safety plans had not been updated for years. One of the reasons was because the special education resource teacher was being called on to repeatedly fill in for the staff shortages, instead of actually being able to do their job and provide assessments.

We also know that the former chief psychologist resigned in 2022, saying in his resignation letter that senior management had actually prevented him from fulfilling his clinical duties and did not allow him to explain to parents why their children weren't receiving assessments at the school. The only children who received assessments were children whose parents filed a lawsuit or complained to their MPP.

And as they're experiencing this greater number of violent incidents, the emergency response is completely inadequate. It was also criticized by the Ministry of Labour because it required the teacher to actually leave the classroom to hand a card to somebody else, and at least one of the schools responded to that criticism by implementing a system where the teacher in the classroom who needs assistance is supposed to ring a cowbell. But this is a school with deaf teachers, deaf staff, deaf students. How are they supposed to hear a cowbell?

1540

There are similar concerns about the safety of the buildings: crumbling infrastructure that's not being maintained; a boiler problem, which means that students who are blind and require their hands to communicate and to read Braille were having class in the bathroom because it was the only place that was warm enough in the school building for them to take their mittens off and actually be able to use their hands. There are students being locked outside the school building in the morning because there's nobody to supervise them. Some of these students, when they have to use the bathroom, have had to resort to using the bathroom outside. That's a situation that none of us would accept for our children at school in Ontario.

There are also concerns about children just being behind in their education. When we had a press conference in February, Julien Abraham, who has son in one of these provincial schools, said his son is a number of years behind in literacy where he should be. His frustration is that there is nowhere else for his son to go. There's nowhere he could send his son where they would provide ASL instruction in reading.

These parents are completely frustrated with the staff shortages, with the allegations of abuse and harassment, with the conditions in the schools, which I think those of us here who are parents would never accept for our own children. We would all demand better. These parents have been asking for a review for years, and I hope that we will listen to them and call on the Auditor General to conduct this audit.

The Chair (Mr. Tom Rakocevic): Further debate?

Mrs. Jennifer (Jennie) Stevens: I just want to thank my colleague MPP Gélinas for bringing this forward. It's asking the Standing Committee on Public Accounts to request that the Auditor General conduct a special audit into provincial schools.

If you think about it, we are all here as MPPs to be the voice of everyone across Ontario. Putting aside the disabilities that these children have and the harm that can be put upon them in an educational space, I feel that no matter what you feel about the way this is being brought forward, we have to put our differences aside. I think that, as my colleague had stated, we are parents. If you're not a parent, I'm sure you know small little people, and children have rights too. They just don't have that voice.

When the parents came forward to my colleague MPP Gélinas and said that there are grave concerns within the educational system, we just wanted to make sure that the well-being of these children within these schools are consistent with what is humane, may I say. A lot of these children are living with disabilities, severe disabilities. Deaf and blind children don't have the gift that other children have in Ontario, and their parents are calling out, and they're calling out with grave concerns. I think that, as MPPs, we should listen, and we should bring that forward and bring their voices forward.

This is a wonderful way to get the ball started, may I say. It's just asking the Auditor General to conduct a special audit, to get to some part of the educational system and to improve it. I hope that we can all join together and see the need for this to happen.

Like I said, as leaders, let's look out for children with disabilities. Let's be their voice and let's move this forward so that they can have a good education, instead of trying to do sign language with mittens on or coming to school and you don't have an educator. That's detrimental to all of our society.

Let's be the voices. Let's join together and let's go forward with this. That's all I'm going to say. Thank you to my colleague for bringing this forward for the voices of the people that can't.

The Chair (Mr. Tom Rakocevic): Further debate?

M^{me} France Gélinas: Again, Ontario spends quite a bit of money on these special schools because those kids are worth it. If you give them the education they need, they will flourish. They will amaze you as to what they are able to do. When the Auditor General goes in and does an audit, we can see if we get value for the money that we spend. Ontario spends quite a bit of money on those special schools. Are the children getting the benefit of those investments, and if they're not, then it would be good to know where that money is going if it is not going to teach special-needs children the skills they need to succeed in life and achieve their full potential, and this is what the Auditor General does. She will show us, for the significant amount of money that we invest in our schools, if we are getting the best value possible, and if not, where is the money going and why is it not going towards making sure that the kids that need this special education get it.

The Chair (Mr. Tom Rakocevic): Further debate? MPP Pasma.

Ms. Chandra Pasma: MPP Gélinas raises a very important point about value for money here, not only whether we're getting value for the money that's currently being spent on these provincial schools but the expense of not getting it right. Ontario has already paid out \$26 million for not getting it right at provincial schools in the past.

There are currently no less than three lawsuits that I'm aware of that have already been filed or that are being prepared about the current conditions in these provincial schools, which the province has to pay to defend even if the province does not end up having to pay out a settlement. Then there's the costs when these children don't receive the education they deserve, when they don't gain the independence, the capacity for employment that they would gain if they were well educated at these schools. We end up paying costs through additional people being on ODSP, people requiring residential care because they're not able to be independent, and that's not even to speak about the cost to individual families who end up needing to provide support and care for a loved one who could have had greater independence if they had had a high-quality education.

So there's many costs to the province if we do not get the provincial schools right, and so I would urge the government members to keep that in mind, that not only do we want to make sure that we are spending money well, but we want to make sure that we're not wasting money by refusing to look at things that are not going well.

The Chair (Mr. Tom Rakocevic): Further debate? Are members ready to vote?

M^{me} France Gélinas: Recorded vote.

Aves

Gélinas.

Nays

Bouma, Dixon, Leardi, Skelly, Dave Smith.

The Chair (Mr. Tom Rakocevic): The motion is lost. We will now pause briefly as we go into closed session so that the committee may commence report writing on the tourism support programs audit.

The committee recessed at 1549 and later continued in closed session.

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