

Legislative
Assembly
of Ontario



Assemblée
législative
de l'Ontario

Official Report of Debates (Hansard)

P-21

Journal des débats (Hansard)

P-21

Standing Committee on Public Accounts

2023 Annual Report,
Auditor General:

Value-for-money-audit,
Metropolitan Toronto Convention
Centre and Ottawa Convention
Centre

1st Session
43rd Parliament

Monday 13 May 2024

Comité permanent des comptes publics

Rapport annuel 2023,
vérificatrice générale:

Audit de l'optimisation
des ressources, Palais
des congrès du Toronto
métropolitain et Centre
des congrès d'Ottawa

1^{re} session
43^e législature

Lundi 13 mai 2024

Chair: Tom Rakocevic
Clerk: Tanzima Khan

Président : Tom Rakocevic
Greffière : Tanzima Khan

Hansard on the Internet

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

<https://www.ola.org/>

Index inquiries

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7400.

Le Journal des débats sur Internet

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

Renseignements sur l'index

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7400.

House Publications and Language Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400
Published by the Legislative Assembly of Ontario



Service linguistique et des publications parlementaires
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400
Publié par l'Assemblée législative de l'Ontario

ISSN 1180-4327

CONTENTS

Monday 13 May 2024

| | |
|--|-------|
| 2023 Annual Report, Auditor General..... | P-253 |
| Ministry of Tourism, Culture and Sport; Metro Toronto Convention Centre Corp.; | |
| Ottawa Convention Centre..... | P-253 |
| Ms. Sarah Harrison | |
| Mr. Ron Pellerine | |
| Mr. Dan Young | |
| Committee business | P-261 |

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
PUBLIC ACCOUNTS**

**COMITÉ PERMANENT DES
COMPTES PUBLICS**

Monday 13 May 2024

Lundi 13 mai 2024

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

2023 ANNUAL REPORT,
AUDITOR GENERAL
MINISTRY OF TOURISM, CULTURE
AND SPORT
METRO TORONTO CONVENTION CENTRE
CORP.
OTTAWA CONVENTION CENTRE

Consideration of value-for-money audit: Metropolitan Toronto Convention Centre and Ottawa Convention Centre.

The Chair (Mr. Tom Rakocevic): Good afternoon, everyone. 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, Metropolitan Toronto Convention Centre and Ottawa Convention Centre.

Joining us today are officials from the Ministry of Tourism, Culture and Sport, the Metro Toronto Convention Centre and the Ottawa Convention Centre.

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): I will read out the affirmation, and then I will call out each of your names. When I call out your name, please kindly say that you affirm.

I will start with the deputy minister, Sarah 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.

Lisa LaVecchia?

Ms. Lisa LaVecchia: I affirm.

The Clerk of the Committee (Ms. Tanzima Khan): Ron Pellerine?

Mr. Ron Pellerine: I affirm.

The Clerk of the Committee (Ms. Tanzima Khan): Dan Young?

Mr. Dan Young: I affirm.

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

The Chair (Mr. Tom Rakocevic): Do you anticipate that you may have questions of staff, in addition to those who are at the table? No? Okay.

I would invite you each to introduce yourselves for Hansard the first time before you begin speaking. Please begin.

Ms. Sarah Harrison: Good afternoon, committee. Thank you very much. My name is Sarah Harrison. I proudly serve as Ontario's Deputy Minister of Tourism, Culture and Sport. My assistant deputy minister of agency relations and accountability, Lisa LaVecchia, is seated beside me. Also joining us today are Ron Pellerine, the interim president and chief executive officer of the Metro Toronto Convention Centre, and Dan Young, vice-president and chief operating officer of the Ottawa Convention Centre.

I'm honoured to be here speaking with you today about the Auditor General's value-for-money report on the Metro Toronto Convention Centre and Ottawa Convention Centre. Today I'll focus on the ministry's efforts to improve both convention centres, which serve as vital economic engines for their regions.

Our convention centres generate significant revenue for local businesses, exhibitors and event organizers. Visitors spend money on accommodations, dining, transportation and entertainment, creating a significant economic impact for the tourism sector and provincial economy as a whole.

As noted in the Auditor General's report, over the past decade our two convention centres combined generated, on average, an estimated \$600 million in economic impact per year, and that excludes the two years of the COVID-19 pandemic. Their combined average annual operating profits totalled about \$20 million. And we're pleased to tell you that client satisfaction surveys from the past 10 years showed that almost all respondents rated their overall experience at MTCC and OCC positively.

We appreciate the auditor's findings that despite these challenges, generally both MTCC and OCC satisfied the expectations of their clients and maintained economic efficiency. The ministry is proud of the work that our convention centres do to welcome guests and visitors from around the world, and we are committed to working with the MTCC and the OCC to ensure their continued success.

The Auditor General's value-for-money report on convention centres provides valuable observations on the ministry's efforts to support our convention centres. We thank the Auditor General and team on behalf of Ontario taxpayers for taking a hard look at the services our ministry provides, and we're grateful for this opportunity to highlight the steps we have already taken since the release of the report only four months ago to make our convention centres world-class venues.

As you are aware, the Auditor General made 10 recommendations to improve service delivery at the MTCC and the OCC, and I'll take this opportunity to outline some of the actions that have been taken by the ministry to address the recommendations.

I'll begin with the Auditor General's recommendation to look into the potential for an incentive-based program or other initiatives to help support the MTCC and the OCC in their post-pandemic recovery, and in growing the economic impact potential for the two centres. We are looking at ways to gather additional intelligence and research to support an analysis of the convention centre incentive-based programs across North America.

Our ministry will continue to evaluate trends and work with sector partners to consider approaches for continuing to improve and help the sector's economic growth, while also continuing to explore tourism investment opportunities. Research and analysis may also be undertaken, such as jurisdictional scans to pursue recommendations for program development. Depending on what is learned from our research, working with our industry partners and the two centres, the ministry will then assess the resources required for program development.

In addition to these steps, we've also taken into account the importance of aligning the strategy of the MTCC and OCC with the primary legislated objectives of the centres. In the fall of 2023, the Honourable Neil Lumsden issued annual letters of direction to the MTCC and OCC for the 2024-25 period. Although this was prior to the release of the Auditor General's report in December 2023, these letters of direction include performance indicators to demonstrate economic impact.

In the summer and fall of 2024, my ministry will also begin to prepare the 2025-26 annual letters of direction for these two agencies and will consult with each agency as part of that process. These letters will outline the objectives for each centre. As part of the business-planning process, both the MTCC and OCC report economic impact targets on an annual basis. The ministry will consider the results of its consultation with the agencies to help inform the ministry's approach to the mandate reviews that are currently scheduled for 2025-26.

I'd like to focus next on the importance of having state-of-the-art facilities to attract major international events. To that end, we are continuing discussions with the MTCC on the potential redevelopment of the centre. The MTCC is refining its business case—which was initially created in 2020—for the redevelopment proposal to better reflect and align with current and post-pandemic conditions. We will continue to work with the MTCC to review its redevel-

opment proposal, to support decision-making over the upcoming business-planning cycle, and we will keep the MTCC informed of timelines for decision-making and any further questions or clarifications that we require.

1350

The Auditor General has also called on my ministry to ensure that the OCC's state of repair does not impact customer experience and result in the loss of future revenue and economic impact.

I'm pleased to report that the ministry, in collaboration with Infrastructure Ontario, has already held a kickoff meeting with the OCC in March of this year to plan for the agency's upcoming condition assessment. The ministry, in collaboration with Infrastructure Ontario, is aiming to complete the OCC's condition assessment by this summer. Once the condition assessments have been completed, IO and their third-party vendor will begin drafting asset condition reports collaboratively with the OCC and the ministry, with a goal of finalizing all reports by the end of the 2024-25 fiscal year. These condition assessment reports will aid the ministry and the OCC in decision-making, including prioritization of capital-asset repairs and funding.

In conclusion, the ministry appreciates the work of the Auditor General and team. We are committed to using the resources to help our convention centres attract more large-scale international events, while maximizing the economic impact generated for the province.

The Metro Toronto Convention Centre and the Ottawa Convention Centre are important economic generators for the cities of Toronto and Ottawa, and for the whole province. We are proud of the work that the convention centres do to greet guests and visitors from around the world.

I want to thank you for allowing me the time today to present on behalf of the Ministry of Tourism, Culture and Sport. I'll conclude by saying that I'm proud of the work that this ministry does in serving Ontarians and the millions of visitors who visit our province every year.

I'll turn it over to my colleague, Chair.

Mr. Ron Pellerine: Thank you.

Good afternoon, Chair, Vice-Chair, members of the committee and guests. My name is Ron Pellerine. I have the privilege of serving as the interim president and chief executive officer of the Metro Toronto Convention Centre. I am honoured to join deputy Sarah Harrison and Dan Young, vice-president and chief operating officer of the Ottawa Convention Centre, in speaking with you here today.

As we welcome the feedback and recommendations from the Auditor General, I'd like to take this opportunity to highlight some of the great work we do at the MTCC and the benefit we provide the province.

As noted in the Auditor General's report, MTCC has hosted an average of about 500 events per year—an estimated contribution, on average, of about \$493 million to the province's economy each year between 2013-14 to 2022-23, excluding 2020-21 and 2021-22, which were impacted by the COVID-19 public health restrictions.

Today, I'm pleased to provide a detailed update on the steps we have taken at the MTCC in response to the Auditor General's recommendations. These recommendations are

invaluable for us to help shape our business and enhance our operational efficiency and strategic impact. Here's how the MTCC has effectively implemented these recommendations:

Following the Auditor General's advice, we have refined our event-attraction strategy, with a clear focus on both the immediate and distant future. Our sales and marketing efforts include:

- enhancing our use of the convention development fund, the CDF, to secure significant city-wide event opportunities for the city and the province;

- ensuring cohesive sales and marketing strategies with our convention and visitor bureau;

- taking an active approach in identifying, securing and participating in critical partnerships that enhance opportunities to win more business;

- initiating an advertising campaign targeted at attracting US and international convention organizers and corporate meeting planners;

- deploying sophisticated lead-generation tools and personalized marketing tactics to stay ahead in a competitive market; and

- emphasizing our commitment to environmental, social and governance, and diversity, equity and inclusion, which reinforces our dedication to responsible, inclusive business operations.

We also appreciate the Auditor General's recommendation regarding ensuring critical infrastructure. We are proactively managing the MTCC's infrastructure needs by regularly communicating our capital repair plan to the ministry, ensuring all maintenance and upgrades are timely and efficient, providing quarterly updates to the ministry on our progress in managing the repair backlog, and developing a business case for retaining surplus funds to address urgent capital projects currently under ministry review for approval.

We also appreciate the Auditor General's call to ensure a high level of safety for delegates and staff, and we are taking the following actions to support this priority: reviewing and adapting security best practices from established convention districts in cities like San Diego, Los Angeles and Philadelphia; working closely with the local business improvement association to form a task force and includes various stakeholders like the Toronto Police Service and the Greater Toronto Hotel Association to implement robust security measures.

In conclusion, I'd like to reiterate our unwavering commitment at the MTCC to adhere to and exceed the standards set by the Auditor General's recommendations. Our focus is to ensure that the MTCC continues to serve as a leading economic driver, attracting global events that spotlight Toronto and Ontario as a premier destination. I appreciate your support and engagement as we continue to elevate the MTCC and contribute significantly to the economic vitality of our region.

Thank you very much for your time and your continued partnership.

Mr. Dan Young: Good afternoon, Chair, Vice-Chair, members of the committee and all those in attendance. My name is Dan Young. I'm vice-president and chief operating

officer for the Ottawa Convention Centre. It's an honour to be here today alongside Deputy Minister Sarah Harrison and Ron Pellerine, interim president and chief executive officer of the Metro Toronto Convention Centre.

I am proud to represent the Ottawa Convention Centre and its contributions to the city of Ottawa as a vital landmark of Ottawa's economic and cultural identity. As noted in the Auditor General's report, the OCC has hosted, on average, about 460 events per year and has contributed, on average, about \$110 million to the provincial economy each year between 2013-14 and 2022-23, excluding 2020-21 and 2021-22, which were severely impacted by the COVID-19 public health restrictions.

We understand the importance of not only maintaining but improving the capabilities of the OCC, ensuring economic stability for the facility and continuing to be a key economic generator for the city of Ottawa. The Auditor General's report provides useful feedback on our business operations and areas of opportunity.

As the Auditor General's report suggested, we are taking steps towards improving the vibrancy of downtown Ottawa and increasing the likelihood that the OCC is selected to host more large-scale events. Taking into consideration the Auditor General's recommendation, the OCC finalized its three-year strategic plan, which was approved by the board of directors this past January.

Nina Kressler, OCC president and CEO, is now a sitting member on the board of directors for the ByWard Market District Authority, BMDA, effective as of June 2023, and actively participates in monthly board and committee meetings. The BMDA was established in 2023 to serve as a steward of vision in the ByWard Market district. Their mandate and strategic priorities include:

- growing and managing the historic public markets;

- maintaining the ByWard Market district streetscape and public spaces to a level of service higher than the city of Ottawa quality standard; and

- enhancing the resident and visitor experience through public space enhancement, installations, animation, branding and pageantry, among other standards and practices.

We are also proud to say that, as of March 28, 2024, the government of Ontario and the city of Ottawa collaborated on an agreement that responds to the unique challenges faced by the city, with supports tailored to continuing to rebuild Ottawa's economy and accelerating the revitalization of our downtown core. In this agreement, the city of Ottawa also committed to prioritizing public safety and will submit a plan within 120 days to improve safety for residents, tourists and businesses in Ottawa's downtown transit system.

We consider these to be significant steps in the right direction that will boost the profile of our city and enhance the area around the OCC. We are enthusiastic about what the future holds.

As I prepare to close my remarks, I'd like to thank the committee for your time today. The OCC has taken a serious approach to your recommendations, and we are actively trying to implement them to improve the vibrancy of our

downtown core and continue to provide an exceptional experience to our guests.

As Ottawa continues to expand in population and commerce, we are excited to grow with it and showcase it to the world. The OCC will continue to be an important economic driver for the city of Ottawa and the province of Ontario.

Thank you.

The Chair (Mr. Tom Rakocevic): Thank you very much.

We are going to begin with the first 20-minute round of the government members, beginning with MPP MacLeod.

Ms. Lisa MacLeod: I want to say thank you to all of you for the great work that you've done on behalf of the ministry and the government and the people of Ontario, trying to attract business and memories to this province.

1400

If you don't mind, Chair, I just wanted to say that when the Chief Medical Officer of Health called us together as a government to declare that Ontario would be in a pandemic, it was with the chairs and the CEOs of our major government agencies, including the MTCC and the Shaw Centre, making very difficult decisions in real time on real business matters. For example, I think of the Metro Toronto Convention Centre, who had to cancel Collision right then and there, with people coming into our province with their hopes and dreams, with staff who were at the ready. This was on, I believe, a Thursday at 11 o'clock in the morning. And that will forever change them. They worked very, very hard over the pandemic to try to keep themselves solvent. Please understand that when you're dealing with multi-million dollar operations with the government of Ontario's logo backing it up—they had to make difficult decisions that sometimes required them to let staff go, that sometimes required them to cancel big events that they were expecting to come in.

I just want to say to all those I do know up there—I'm sorry; I don't know you. You're brand new. You smell like a new car.

Lisa LaVecchia ran Destination Ontario; she was doing a great job there. She's now with the ministry. Of course, Sarah Harrison was my deputy for a time, and she's now back there working very hard to protect these industries—and of course Dan from the Ottawa Convention Centre, which is known as the Shaw Centre, someplace where I still do a lot of my work when I go downtown. They worked really hard, and I just feel like it was very unfair in this report to look at what the government did with SARS, when that was an isolated incident compared to what we were dealing with. The fact that the stabilization funding was there in order to make sure that you would survive the pandemic and then thrive after it—I think it's unfair to compare us to British Columbia or Quebec, and Lisa will know we matched them dollar for dollar per capita, but we chose to do it in different ways.

The work that you're doing now to bring us back to our glory is really important. I don't expect you're ever going to be able to fix the crime issues in Ottawa or Toronto, but certainly I hope you're partners there. I know you're never going to be able to be the person who brings the flights to Pearson or to the Ottawa International Airport, though I

hope you're part of those conversations. I know, for example, you're not going to be able to fix what happened with the pandemic, but you can implement these reports.

I don't have a question, but I'm just somebody who is eternally grateful to be a part of your lives for a very short period of time—whether that's reciprocated or not; you are under oath, so just keep your mouth shut.

Laughter.

Ms. Lisa MacLeod: You can tell me outside.

Thank you all very much, and I do hope that you have a receptive audience here with our committee members. They understand the constraints that you have, both being a crown asset as well as, at the same time, being expected to be competitive.

So I'll be—for the first time in all of our lives—the easy one here today.

Mr. Peter Tabuns: No.

Ms. Lisa MacLeod: Yes. I just did it.

The Chair (Mr. Tom Rakocevic): Thank you. Miracles happen.

We're at the 16-minute mark, and we're going to MPP Martin.

Mrs. Robin Martin: Thank you, everyone, for your presentations.

I just want to start with how I'm probably the only person here who actually worked in the Ministry of Health during SARS and during COVID for the entire time, so I understand the comparison. They're not the same thing, obviously, at all, for what it did to the tourism sector especially, which I know was hit very hard during COVID. It's been a ways to recover.

We have some material here from the Auditor General, and I guess some questions that we can ask.

One of the things I wanted to know, being a Toronto MPP, is: What is the ministry doing to help the Metro Toronto Convention Centre attract more larger events to that centre?

Ms. Sarah Harrison: Thank you, member. I'd like to thank the committee for those very kind comments.

The ministry has an important role to play as a partner with the convention centre, so I very much appreciate that question, recognizing that the convention centres contribute to the tourism sector.

This ministry, at our previous appearance before this committee, was speaking with you about the steps that we are taking to actively support the tourism sector's recovery since the pandemic. The convention centres, I would say, are squarely are the centre of that. We understand the interconnectivity between visitors coming to a convention and staying in hotels and eating in our restaurants and taking our taxis and all of the many things that they will do at our entertainment venues. The convention centre and their attendees are very important to the ministry.

The conversations that we're having with the convention centres continue. We're understanding how we can make a meaningful contribution to their support as part of some of the steps. I think I mentioned the efforts the ministry is undertaking, under the minister's advisement, to think about active roles and how we can be more targeted in some of

our programs—so some of the program reviews that we are doing and some of the looks that we are having.

One of the things that we will do in the upcoming mandate review for the centres is that we'll look at their mandate and we'll think about that in the context of how the province partners with them. We'll think about where there are opportunities potentially for us to do new and different things with them. We're going to look for inspiration and guidance from the success of other jurisdictions. Some were mentioned by the auditor's team in the report but are not exhaustive and exclusive in the world in terms of some of the things that other governments are doing to support their convention centres. That will be a primary consideration for the ministry as we move forward.

I appreciate the member's question, and I will make an endeavour to return to the committee at a future stage with more updates that are more specific on some of the steps that we're taking. They're currently at a stage where we are undertaking considerable conversation and dialogue, but at this point, no direct decisions have been made specifically on these recommendations or on how some of those supports will fit into our future planning.

Mrs. Robin Martin: We did see that the auditor referenced a few other jurisdictions. I didn't think that they were particularly relevant to Toronto—or Ottawa, for that matter—the ones that they did reference as a comparator.

The auditor mentioned that the Metro Toronto Convention Centre is making payments to the Ontario Financing Authority, I think it is. Can you explain why that is?

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

This is in relation to a prior debt that was forgiven by the province when the Metro Toronto Convention Centre undertook its last sizable infrastructure change. An agreement was made at that point for the convention centre to make an annual payment, a progress payment towards the repayment of that loan. I was just trying to remember where they were at that stage in their forgiveness. Maybe I'll leave it there—just to say that I think what we see with the OFA is an effort to have the—

Interjection.

Ms. Sarah Harrison: Thank you. Yes.

The obligation at that time was \$158 million, and so they have made progress payments toward that. The \$2.5 million is a small portion of the overall commitment that the centre would have been paying had it not been forgiven its loan. This was arrived at in an earlier-point government—I believe it was 2003 when that arrangement was made with the province: a release of the obligation, recognizing that there was some obligation to taxpayers to make an effort to repay the loan, but not wanting to penalize the operation of the Metro Toronto Convention Centre, giving them more room within their operating budget and within their potential to derive a surplus and use that surplus towards their own attraction and also addressing their capital projects.

The Chair (Mr. Tom Rakocevic): We have 10 minutes remaining. MPP Wai.

Mrs. Daisy Wai: I just want to say thank you very much; I understand how COVID can impact the business and what you have been doing.

I also realize the recommendations given to us by the Auditor General.

Has the ministry thought of having our government mandate the agency to lower the prices in order to generate more business during this difficult time? And what have we done?

1410

Ms. Sarah Harrison: I appreciate, member, your question and recognize that there are a number of considerations that a convention centre needs to make in managing their operations. I would be pleased to have my colleagues who are experts in this speak to some of those considerations.

Pricing is a factor, but they price it in the context of many things, including the ability to maintain and be long-term sustainable. They have staff they pay. They have operations that they need to maintain. They're making capital repairs. As organizations that are required to manage their expenses within their revenue stream, we expect that they price accordingly. I think we've seen that with the convention centres that have continued to be very successful.

We are seeing convention centres that are contributing \$600 million to Ontario's economy. The auditor's own recommendations noted that the two centres are being run quite efficiently on an economic basis.

So we'd say that the pricing is something that convention centres are doing within a competitive market, and we defer to the convention centres to understand how their pricing compares.

Some of the assets, some of the draws that Toronto and Ottawa have compared to their international competitors—to use those advantages that our two large cities have in Ontario and to use those effectively to attract conventions—that's not exclusive to pricing. Sometimes that means partnerships that they may have struck with other organizations—with hotels, with restaurants etc.

Our representatives from the convention centres may speak to that as part of their—I know in their opening comments, they both spoke to that. I think that may be something that they speak to at a later point in our session.

Thank you for the question.

Mrs. Daisy Wai: Do you have any additional comments on this, Ron?

Mr. Ron Pellerine: Just to add to that, one of the tools that we do have at our disposal is that we work with our visitor bureau or the convention visitor bureau in a convention development fund. That's where we are able to offset and be competitive in our pricing when we go to market.

Mrs. Daisy Wai: I'm sure you have done a lot of marketing analysis and strategies when you make all those decisions.

I also realize you are doing different kinds of ads, and also advertising campaigns into the States as well. When I go through the auditor's recommendations, I'm not seeing any plan or timeline that we have derived on that as yet. Do you have any plans? What are we doing now—the progress of that planning and schedule?

Mr. Ron Pellerine: Yes, we do have a plan in place as part of our yearly business plan. It's dated and quarterly—and action plans related to that as well. That's how we will be able to show our progress in those areas.

Mrs. Daisy Wai: I'm sure, and I'm glad you say this. Please make sure the Auditor General knows what you are planning to do and how you're going to achieve that. That would be great.

I'll pass my time to my colleague.

The Chair (Mr. Tom Rakocevic): MPP Bouma, you have five minutes and 45 seconds.

Mr. Will Bouma: Thank you very much, Chair. I appreciate that. Through you, I'd like to start with the ministry—and indeed all of our guests: Thank you so much for joining us today.

It's such a delicate balancing act—between supporting crown assets but also other private convention centres and everything else.

Do you have any accurate numbers—because we saw the numbers from back in SARS, but that's old data now, that \$1 put into convention centres back then spurred \$60 of economic activity. Do you have current—or how close are you to having current data on what the return on investment for supportive dollars going into any convention centres looks like right now? If you don't have that yet, that's fine. But when do you think that would happen?

Ms. Sarah Harrison: Thank you, member, for the question. Just in conferring with my colleagues, I don't believe we have that information available today. I think that it's an excellent question and it speaks to what the impact and value of that is. I think in our conversations, we'll endeavour to understand how that compares to what you were referring to in that pre-COVID period. I don't know if I could put a specific date on that, but I think that is something we will work toward to better understand as we make those decisions, and be informed by that as we think about ministry contributions to, potentially, program changes and development over time.

Mr. Will Bouma: Again, back to the balancing act of dollars going in and how those dollars are spent in order to help support convention centres through recovery from COVID: How do you feel Ontario has done in comparison to other jurisdictions—British Columbia, Saskatchewan, Quebec, other places—and if you could then talk a little bit about why you feel how we've done?

Ms. Sarah Harrison: I'll begin, and then I think I might ask if my colleagues have anything that they might like to contribute to this answer from your vantage point.

We're very proud of the work that our tourism sector has done to recover since the pandemic. As the member earlier noted, this was a considerable time of upset and turmoil in the tourism sector. The entire sector was closed for the better part of two years, which was devastating. And yet, we see the convention centres have emerged strong. We are very proud that we are looking at convention centres that are well-positioned to be offering—in the MTCC's case, they're looking, on average, at about 500 events a year and \$493 million worth of economic activity as a result. It's very impressive.

The challenge with comparing to other provinces is that it's not a straight apples-to-apples comparison because of the way the corporations are set up between provinces. But we're very proud, and we believe that the Toronto and Ottawa convention centres compete toe to toe with all of the convention centres in Canada and fully with the best convention centres internationally, which is why we see them with as many as 500 events in a year and looking ahead at the activity that we are expecting them to have.

I'll just take a pause and see if my colleagues would like to contribute—from their expert point of view, on some of the work that they're doing.

Mr. Ron Pellerine: Some of the work since the pandemic—and, certainly, with the help of the ministry, we've worked extremely hard in making sure that we have had a lot of the support in terms of some capital programs that we had in place. One of them happened to be actually securing the marshalling yard, which is part of the Auditor General's report, and helping us, getting us on that piece of land and securing future business. If we weren't able to do that, we wouldn't be able to bid on future business. So there has been a lot of help in that aspect of it.

And then comparing us to other jurisdictions—as Sarah said, a lot of it has to do with the fact that every facility is operated differently, in how they fund each other.

The Chair (Mr. Tom Rakocevic): A minute remaining.

Mr. Will Bouma: Very good.

Very quickly, to Ron—and I apologize for not asking Ottawa the same question. PDAC was just in town, and 40,000 people came into the city for that?

Mr. Ron Pellerine: Yes. We had 26,000 attendees in the building.

Mr. Will Bouma: If you had to guess, what economic impact did that one conference over those days have on the city?

Mr. Ron Pellerine: I don't have the exact number off the top of my head.

Mr. Will Bouma: Guess.

Mr. Ron Pellerine: It's close to \$40 million.

Mr. Will Bouma: I will end with that.

The Chair (Mr. Tom Rakocevic): We'll now move to the official opposition, beginning with MPP Harden. You have 20 minutes in total.

Mr. Joel Harden: Thank you to those who came this afternoon to depute. It's much appreciated.

Beginning on a positive note, I want to echo my colleagues who are also thankful for the work of our convention centres in Ontario. I'll leave Ottawa, where I serve, for last because it's closest to my heart. But I recently took my son to Comicon at the MTCC, and I can attest to a very full house.

Ms. Lisa MacLeod: You could have just taken him here.

Mr. Joel Harden: I probably could have done that too—but a very full house on hand. And what I heard—I am not my son; I am not a comic expert. But what I heard is, you attracted some international celebrities to also be there signing autographs, and that was a spinoff effect. I'm sure there was some marketing and forethought put into

that—not an easy client to land, as I understand, so congratulations.

1420

I was recently at the Ottawa Convention Centre with a number of my elected colleagues for the 30th anniversary of the Rwandan genocide, which was a very powerful event, very well done. It was great to see not only the Rwandan community and human rights organizations, but all of the ambassadors, all of the various consular officials there—extremely well done, and I think in keeping with our obligations as the seat of federal government. I very much appreciate the work of the Ottawa Convention Centre.

Mr. Young, I did want to ask you a few questions.

Knocking on wood, now we have the benefit of COVID being in the rear-view mirror, and we can start from planning decisions and think about what we would do in the event of future massive disruptions like that. I take the point that MPP Martin and MPP McLeod have said about that being truly a once-in-a-lifetime disruptive moment, but who knows?

I would like you to explain, for my benefit, because I've had a fair amount of correspondence—I'll just be straight—with the staff of the convention centre, who were disappointed that during the pandemic, because they didn't qualify for some of the federal programs, because they were employees of a public institution, many of them had to suffer through protracted unemployment. They weren't on their own; there were a lot of small businesses that closed, a lot of people who had serious financial hardship in the pandemic. By my accounting of the media coverage, at least—confirm or correct the record for me—220 part-time staff and 400 full-time staff were laid off for about 14 months. You'll correct the record for me in a second. But that was what we were told when employees were speaking to the media and making appeals through us to help them.

I know the work you do and the work the president does—important—in landing major clients. You were continuing to be employed in the pandemic.

I also note that there was an important overture from the government—\$3.8 million in core funding—to help stabilize the centre.

Do you have any reflections after the fact on how we can make sure that some of the staff who work for our convention centres—all of them, all of the functions of the house—that we can hold on to them? Is this a dialogue you're having internally right now as we're starting to ramp back up?

Mr. Dan Young: Thank you very much for your question.

The Ottawa Convention Centre actually outsources its food and beverage operations, so the employees in question are paid for by the third-party food and beverage provider, not by the Shaw Centre proper. So it was their decision.

Mr. Joel Harden: Could you just confirm for the record, who is that operator?

Mr. Dan Young: Aramark.

Mr. Joel Harden: What I hear from every single business operator I speak to in the greater Ottawa area is that they're thinking about staff recruitment and staff retention.

Finding people, particularly talented people with those developed skills, is not an easy thing, and holding on to them, particularly in our town, with the federal government always there being able to pay more and compensate better.

I want to read for the record, just so the committee has it, into Hansard—I remember reading this when it happened. Lynne Villeneuve—maybe you know Lynne—was a banquet server at the facility since 1989. When that unemployment happened, she lost her housing—she lost her condo—and her prescription medications ended; her coverage ended. I guess this isn't anyone's fault, per se; we were all thrown into a tailspin.

Looking forward, do you have any advice for this committee or for the government, particularly when we think about how we want to hold on to people like Lynne, who are the front-facing client-service people, when we try to attract these big clients?

Mr. Dan Young: What I can say to the committee is that when we went through the COVID pandemic, there was actually no work for them to do. They worked in our food and beverage service provider, so there was nothing for them to do. So it wouldn't be prudent for a crown agency to be requesting the government for additional funds to employ people who actually had nothing to do.

Mr. Joel Harden: I take your point, sir. My only concern is, with the program we fought hard for across the country, the Canada economic recovery benefit; it covered nine million Canadians—a lot of individuals, a lot of small businesses. It was a lifeline for them. These folks were not eligible for that. They were not eligible for the federal programs that preceded it.

I feel like there's a tendency in tourism to sometimes forget about these folks who build—and I'm not saying it's your fault, sir. I'm just saying, from an industry perspective, there is a risk of squandering some of this talent that we have.

If I could rewind the clock back to that tumultuous time—and the \$3.8 million that was on the table from the government. Do you think a reasonable case could be made, if this ever happens again and employees like the ones you worked with, your colleagues—through an agency; I take your point—are thrown into the situation again where they don't qualify for the public program—should it be incumbent on the government of Ontario to make sure that some of that money goes into staff? The reflections I heard—and their compensation, despite the fact that there's no work. But you want to hold on to these people somehow. What do you think?

Mr. Dan Young: I believe that would be speculation on my part, and I have no further comments on it.

Mr. Joel Harden: Chair, through you, for the committee's benefit: I think there's a strong case to be made. We saw it at the downtown Sheraton hotel in our city—that the hotel was bought by an offshore management group who quickly disposed of all the workers in that particular facility. That was, as you know, I'm sure, an award-winning facility from Ottawa Tourism in our community.

I'm a child of a small business owner. My parents always drummed into me that business is only going to be

as good as the staff, and if we have to spend all our time retraining people and having that constant wheel of having to bring new people on, we're going to be less effective in selling our products and reaching clients.

So I would invite the organization—I wholeheartedly support the Shaw Centre—to think about a strategy to the province for when we're—let's hope we're never in this again, but when something like this happens again and we do have a situation in which a whole lot of people don't qualify for the public assistance that's available, how do we hold onto them? Otherwise, they're going to move somewhere else.

How much time do I have left, Chair?

The Chair (Mr. Tom Rakocevic): You have just under 12 minutes.

Mr. Joel Harden: Okay.

I want to move on to the discussion of security and safety.

You made the point, Mr. Young, and I think you're absolutely right to do it, that when we walk around downtown Ottawa, downtown Toronto—any of our major urban cities—we see a lot of neighbours struggling with mental health and addictions crises. When I talk to the Ottawa police or any of the street outreach agencies in the downtown, they all tell me the same thing. The rate of overdoses is through the roof. The toxicity of the illicit drug supply is punishing, and it's leading to some very, very concerning behaviours from people outside all of our downtown cores. I would imagine that's the case at the Ottawa Convention Centre and—I certainly saw it in the Auditor General's report, from some of the numbers—the Toronto downtown convention centre.

You mentioned—and I'm also happy that we're talking about it—that the province has offered a new deal for our city and that part of that new deal, the \$197 million, is that we think about measures so that we can help those neighbours. I think about them as neighbours. I don't think about them as—I think every one of our families, if we were to ask over a meal in this place—we've all encountered mental health issues between people we love, right? When I think about these neighbours who are in distress, creating critical incidents, interacting with clients, with paramedics, with police, part of the discussion that I would love, from your perspective as tourist destinations—that we're having in Ottawa with the city manager, with the mayor, with the province—is, how do we allocate the money that we are about to get to make sure that we have multiple ways in which to respond to critical incidents?

One way that we respond to a critical incident that's important, where life is at risk, is through the police. No doubt about it; that's what they're there for, and we're appreciative of them. But the other thing that's being modelled this summer in our city, which, just for the record, is what Toronto has done—the capacity of a non-armed response unit from the Centretown Community Health Centre and Somerset West Community Health Centre, that can try to reach someone who is in mental health crisis to divert them from corrections, to divert them from paramedic and police interactions, to hopefully settle people down and ideally put them, with consent, into treatment.

Do you have any comments for this committee on that front? I've talked to neighbours who have had interactions of this kind. Do you have any advice for the committee or reflections on how important that is—that the money that we're about to get is used so your facility and Toronto's as well can be vibrant institutions that will hopefully not have these uncomfortable situations, disagreeable situations going forward?

1430

Mr. Dan Young: Thank you very much for that important question.

As I mentioned in my opening remarks, we do now have a seat at the table for the ByWard Market District Authority. Our CEO and president will actually be bringing our concerns and our issues forward to the committee to try to develop a plan for the ByWard Market.

Mr. Joel Harden: Any thoughts on this from the MTCC's perspective?

Mr. Ron Pellerine: Yes, I concur with working with our local business recruitment association. That's going to be a key factor for us moving forward, and that is what we attested to in a completed undertaking right now with the Auditor General. Another one is looking at other cities in North America that are currently best practices in terms of setting up a convention district and what that looks like—and again, researching and seeing what they're doing there and pulling those best practices from them as well.

Mr. Joel Harden: Well, I will say just for the record, in this similar vein, what I'm excited about in our city—as one can be excited about a difficult topic like this—is that we do have expertise in Ottawa to help neighbours in distress. When it's a lethal situation, we know what that support is: It's the Ottawa police. But when it's a difficult situation that might not have an element of lethality to it, we do have crisis care workers who can help our businesses divert, reach, redirect.

I'll recount one anecdote for the committee's benefit before I end my time. I remember once campaigning on Somerset Street in Chinatown, which is a great area in our city. There was a gentleman who was going into one of our local markets, a Persian food market, Shiraz Food Market, half-clothed, yelling and screaming, causing all kinds of incidents. The owner of the Shiraz Food Market called me. Like the Premier, I like giving out my number to constituents so they can reach me if they need me. He said, "Joel, I don't know what to do. I know that if I were to call the police, it's likely this gentleman is going to end up incarcerated. He may come back out of an act of revenge and harm my store or do something worse. What do I do?" I asked him to call the Somerset West Community Health Centre and gave him the street outreach number, before we had this program that's coming onstream this summer. Not only was the gentleman de-escalated by a harm reduction worker he knew, but when he came to from the substance he was using, he helped clean up around the store. He was part of the needle pickup, sharps pickup, program that Somerset ran. I'm happy to report that this gentleman is now on his way to recovery.

This is a year and a half of work. But I think if Chief Eric Stubbs were here, he would say that's money well invested.

That was a situation in which his officers could attend to something far more lethal and urgent, and this gentleman has gotten a new lease on life.

I will say, again, for the record that this is the drug overdose prevention and education program out of the Summerset West Community Health Centre. This can be dispatched to the Shaw Centre. It's mobile across the entire downtown. A lot of the outreach workers are people who have used drugs themselves, have that lived experience; as a consequence, they can really reach that person in distress who may not respond as well to a police officer or a paramedic.

Again, tricky rows to hoe—I don't want to suggest anything otherwise. But I did want to say for the record that I'm excited for the opportunity for us to have a nuanced strategy of working with people in distress so we can continue to have the great events that we have at the Shaw Centre, at the Metro Toronto Convention Centre.

I don't know if the member from Toronto—Danforth has anything that he wanted to add further in the first round.

Mr. Peter Tabuns: I don't.

Mr. Joel Harden: That's it for me, Chair.

The Chair (Mr. Tom Rakocevic): We'll now move to the government side. You have 20 minutes, if you so wish.

Mr. Stephen Crawford: We have no further questions, Chair.

The Chair (Mr. Tom Rakocevic): Hearing that the official opposition are seeking no further questions, then that concludes this hearing for today.

I want to thank those who have attended. You are now dismissed. Thank you very much for your presence and answering questions.

COMMITTEE BUSINESS

The Chair (Mr. Tom Rakocevic): Next on the agenda, we have a motion filed by MPP Peter Tabuns.

I will turn the floor to the member to move his motion.

Mr. Peter Tabuns: I move that the Standing Committee on Public Accounts request that the Auditor General conduct a special audit into the environmental impact and the financial risk to Enbridge customers of the government's decision to override the Ontario Energy Board and reinstate the subsidy for natural gas connections.

Chair, if I have the opportunity, I'd like to speak to the motion, and when you call a vote, I'd like it to be recorded.

The Chair (Mr. Tom Rakocevic): Please proceed.

Mr. Peter Tabuns: Very simply, the override of a OEB decision that is in line with the mandate of the OEB is highly irregular, poses substantial financial risks to those in Ontario who use gas, poses profound problems to the government's stated goals of meeting greenhouse gas reduction targets and, I think, deserves a review and audit by the Auditor General, as she has done in the past on the gas plant decisions by the Liberal government and the greenbelt decisions by this government.

With that, Chair, I'm happy to turn things back to you.

The Chair (Mr. Tom Rakocevic): Any further debate on the motion? Seeing none, I will now move to the vote.

Ayes

Tabuns.

Nays

Bouma, Dixon, Martin, Skelly, Wai.

The Chair (Mr. Tom Rakocevic): The motion is lost. We will now go into closed session so that the committee may commence report-writing.

The committee recessed at 1439 and later continued in closed session.

STANDING COMMITTEE ON PUBLIC ACCOUNTS

Chair / Président

Mr. Tom Rakocevic (Humber River–Black Creek ND)

Vice-Chair / Vice-Présidente

Ms. Donna Skelly (Flamborough–Glanbrook PC)

Mr. Will Bouma (Brantford–Brant PC)

M^{me} Lucille Collard (Ottawa–Vanier L)

Mr. Stephen Crawford (Oakville PC)

Ms. Jess Dixon (Kitchener South–Hespeler / Kitchener-Sud–Hespeler PC)

M^{me} France Gélinas (Nickel Belt ND)

Ms. Lisa MacLeod (Nepean PC)

Mrs. Robin Martin (Eglinton–Lawrence PC)

Mr. Tom Rakocevic (Humber River–Black Creek ND)

Ms. Donna Skelly (Flamborough–Glanbrook PC)

Mrs. Daisy Wai (Richmond Hill PC)

Substitutions / Membres remplaçants

Mr. Joel Harden (Ottawa Centre / Ottawa-Centre ND)

Mr. Peter Tabuns (Toronto–Danforth ND)

Also taking part / Autres participants et participantes

Ms. Bhutla Karpoche (Parkdale–High Park ND)

Clerk / Greffière

Ms. Tanzima Khan

Staff / Personnel

Ms. Erica Simmons, research officer,
Research Services

Ms. Lauren Warner, research officer,
Research Services