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**Official Report
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(Hansard)**

Tuesday 18 May 2010

**Journal
des débats
(Hansard)**

Mardi 18 mai 2010

**Standing Committee on
Estimates**

Ministry of Government Services

**Comité permanent des
budgets des dépenses**

Ministère des Services
gouvernementaux

Chair: Garfield Dunlop
Clerk pro tem: William Short

Président : Garfield Dunlop
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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
ESTIMATESCOMITÉ PERMANENT DES
BUDGETS DES DÉPENSES

Tuesday 18 May 2010

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The committee met at 0902 in room 151.

MINISTRY OF GOVERNMENT SERVICES

The Chair (Mr. Garfield Dunlop): Good morning, everyone. We'll call the meeting to order. Welcome, Minister Takhar and all the folks from his ministry here today to take part. We have two and a half hours remaining in estimates for this ministry. We'll complete about an hour and 20 minutes this morning.

We'd like to begin with the official opposition. Mr. O'Toole, you can begin. You have 20 minutes.

Mr. John O'Toole: Thank you and your staff for being here again today. Hopefully, we can get some truth and justice this morning. That's a dramatic start, I thought.

We want to look first at—we have five key questions. They're really all kind of tied to a theme, and it's about exposing the lack of accountability. The direction of these things comes from the government side, not from the staff side. I've looked through pretty much all of the people who are in attendance here, and they're capable professionals.

When you look at the Management Board exemptions and the IBM tendering rules during eHealth, there was a number of untendered contracts during the Management Board exemptions. I would say to you that the Ontario PCs were given a brown envelope which had a spreadsheet that identified 54 sole-sourced contracts over \$25,000 that were exempt from the usual procedural rules.

Does that sound about right to you, the number that got through the Management Board exemptions? Or do you think it was more than that?

Hon. Harinder S. Takhar: I don't know what year you're talking about. If you can give me some period, maybe the deputy minister can give you some answers on this.

Mr. John O'Toole: I think there are about seven or eight of those specifically. We're getting down to the deeper layers. We went to the Courtyard Group, which has been known to be related to the party and to the fundraising and to some of the former staff. How many untendered contracts were handed out to Courtyard during this Management Board exemption period? Do you have that on the top of your head?

Hon. Harinder S. Takhar: Let me ask the DM. Maybe he can answer those questions.

Mr. Ron McKerlie: Ron McKerlie, deputy minister of government services, associate secretary of the cabinet and secretary of Management Board of Cabinet. Thank you for the question. I don't have the specific details in front of me in terms of the number of untendered contracts that would have been given out by eHealth Ontario.

Mr. John O'Toole: Well, we have, in this brown envelope—pardon me for interrupting; I hate to be rude, but there's such limited time here. It revealed that over \$10 million of untendered contracts were handed out over that period, above and beyond the IBM deal. There's no question about that. That was something the auditor discovered.

What is the total amount that was rushed out the door? Do you have any idea of the number of contracts that—before you get into the exemption period, how many contracts were rushed out in the last few days prior to that period?

Hon. Harinder S. Takhar: Nothing is ever rushed out. I think that is the wrong term. Everything is always thought through and goes through a certain—

Mr. John O'Toole: How do you know that they are sent out? Do you have a report daily or weekly? What method is used to control or to monitor these activities with contracts?

Hon. Harinder S. Takhar: I think anything that goes through the management and the treasury boards goes through a certain process. I will ask the deputy minister to lay out that process for you. Nothing is ever rushed out, if that term is being used.

Mr. John O'Toole: If they're given the Management Board exemption classification—this is what our concern is, that there were perhaps some rushed deals that were made. I suppose that's really the term that I think is applied here, because some of this the auditor discovered in eHealth. When there's smoke, there's fire, and at eHealth there's about a billion dollars that was—I think the rules that are in place today were put in place because it's an admission that these were rushed out, poorly monitored, and that there was interference on some of the contracts that were let out.

Hon. Harinder S. Takhar: I'm sure the member wants to get an answer, so I'll ask the DM to provide some answers.

Mr. Ron McKerlie: The process for procurement means that any procurement deal up to \$10 million has to come to the supply chain leadership council, which is an

ADM-level group that would look at the request for the procurement and ensure that it follows the rules. The rules would include either open, competitive tendering of that contract or use of one of the government's 72 vendors of record, where they could pick a number, three or four usually, of suppliers off that and go to a second-stage procurement process, or where there is a need, like an emergency, they can go to a sole source and sole-source that.

Mr. John O'Toole: Okay. That was a very good opening there. I think if there is a supply group, a leadership group of staff, deputies etc. that reviews these things, that's good. Has that always been in place? And is there another process where there's potentially a minister or the leadership within the government side that could intervene and say, "We've got to get this done"? Like ServiceOntario: That was kind of a rushed-out deal, and you were trying to make the pieces fit together as you went through that restructuring. I'm sure there was a lot of government hands-on engagement there, because it was fairly political. Some of these private issuers' networks is a good example, where you're taking some people out of business. It was a pretty dynamic thing. I know in my riding it's very dynamic. There were four or five that were just devastated.

This is a case where these contractual arrangements aren't just as steady and streamlined as you're trying to let on here today. I'll leave it at that. You said the \$10 million are all reviewed by a leadership group. We feel, according to the information we received—now, we're in the process of verifying it. There were 54 sole-sourced contracts over \$25,000. We'd like you to respond to that. This seems to me like it's outside of the definitions that you've provided this morning.

I also want to go into the next part here, which is the public sector expense reporting list. We all know that there's about 600 agencies, boards and commissions, but you only have 22 accountable in our view. How was the number 22 arrived at? What's the criteria?

Hon. Harinder S. Takhar: There are over 600 of what we call agencies, boards and crown corporations. We wanted to make sure that all the large corporations are accountable, and we have a certain process put in place. That's why the largest 22 were picked up: so that we can start with them. They will have to comply with certain processes which are consistent throughout the government. Also, we wanted to make sure that the expenses of the senior officials and the top five claimants go to the Integrity Commissioner and that, once the Integrity Commissioner approves them, they get posted. Also, the Integrity Commissioner has the power, if there are any expenses that don't meet the guidelines, to have those refunded. We picked up the largest 22 agencies from that point of view.

0910

Mr. John O'Toole: So I guess your rationale was size. If I was to verify the list of 600, all of the 22 that are on this would be the 22 largest. There are no exceptions made? Who set the rules up? Was that a cabinet minute?

How did these rules get set up? Who did you consult with? You said they're the largest. Are these agencies still on the sunshine list?

Hon. Harinder S. Takhar: Some of the agencies are very small, and some don't even have staff, so it's very hard to put each and every one on it. The other thing is—I answered this question before—that whenever you put certain internal controls in place, you have to weigh what the cost is versus the benefit that will come out of it.

For some of the recommendations that came out of the private member's bill with regard to improving the accountability, the cost was in the range of \$30 million. We'd have to have \$20 million to set up some of those processes and another \$10 million to go around every year. At the end of the day, you have to say, "Okay, you post all of these expenses, but are you going to save the \$10 million that you're going to spend to do that?" If the answer is no, it doesn't really make a lot of sense.

We are starting with the 22 largest agencies. We want to see how it works. Then we will see if it needs to be expanded on a cost-benefit analysis basis.

Mr. John O'Toole: That's good because you did mention the Truth in Government Act, which your government stood and voted against. I just can't believe it. I mean, I can see it in the election material; it will probably play a fairly important part there.

You just qualified it. You said you did a careful review—I'm going from memory here—and you determined that it would cost \$10 million on an annualized basis to maintain it. How much is a reasonable amount to spend to ensure accountability? Could you give me a number? Is it \$7 million? Is it \$6 million? Is it \$11 million? What number of dollars is a necessary amount to ensure accountability?

Hon. Harinder S. Takhar: I think you need to see where the exposure is. There are a lot of large agencies. We picked 22 of the largest agencies, to deal with this legislation.

You talked about the government voting against your bill. Actually, unfortunately, only six members of your caucus out of the 24 were present at that time. Any accountability measures that we brought in, you voted against them. So I'm not sure, actually.

I have a comment from the member here, and he actually made the same comment that I'm making. He basically said that we were increasing the bureaucracy, when we wanted to bring the ministers and the political aides and 22 of the largest agencies in this. You said, "This is going to increase the workload for the Integrity Commissioner," and that's exactly what we are doing—

Mr. John O'Toole: I guess you're in charge. My real point here is, how much is enough to ensure accountability? You seem to have arrived somehow, in some magic way, at this \$10-million deal. If you did the assessment analysis, and you know what it's going to cost to implement it, how much would it have saved? If you've been able to determine a number, \$10 million, to implement it on an annual basis, how much did you anticipate you could save?

Hon. Harinder S. Takhar: We don't know that.

Mr. John O'Toole: How could you determine what it was going to cost?

Hon. Harinder S. Takhar: Because we need to see what the—

Mr. John O'Toole: It's a completely irresponsible answer, because you've got to be able to say—you tried to explain that there's a cost to accountability. You've assigned a number, \$10 million—you probably made it up—and I want to know how much you could save out of a budget of over \$100 billion. How much do you think you could save with a bit more accountability, \$5 million worth?

Hon. Harinder S. Takhar: We have 22 of the largest agencies covered under this arrangement right now, to improve the accountability. We need to see what the experience is. We will see, out of the 22 largest agencies, how many of the expenses are actually returned, or asked by the Integrity Commissioner to see that the relief—so we should look at that experience. Once that experience is determined, then we will see what—

Mr. John O'Toole: I would just let the auditor—

Hon. Harinder S. Takhar:—could be some of the savings with the other agencies, if there are any.

Mr. John O'Toole: I think you should just let the Auditor General for Ontario loose on all of those agencies because then you'll get value for money and you'll also get—it won't all be about numbers. We would expand that. In fact, I see Mr. Mauro's talking there, so I would like to put that on the record, that he said that he wants to expand the list from 22 to probably 500.

Mr. Bill Mauro: Mr. Chair, I don't know if that's a point of order—

Interjections.

The Chair (Mr. Garfield Dunlop): Mr. Mauro, Mr. O'Toole has the floor right now. You'll get your say.

Interjections.

The Chair (Mr. Garfield Dunlop): Would you clarify what you think he said, Mr. O'Toole?

Mr. John O'Toole: It's on the record.

Interjection.

The Chair (Mr. Garfield Dunlop): Mr. O'Toole has the floor. You'll have yours in 24 minutes' time.

Mr. John O'Toole: If the minister will even give you 10 seconds, Bill. See, accountability—you're silenced. You've been sheeped out. You've been sheared.

Here's the deal: We were asked for \$16,000 from this minister for freedom-of-information inquiries. I have the bills in front of me: \$16,950.40. Would that be enough money to have more accountability?

You charge us so much that it's a barrier. You're creating these artificial barriers for us to actually get to the truth; \$16,000. Then there are delays. It's the same old story. We saw this in eHealth, we saw this inability to be accountable, and that, to me, is the downfall of your government.

Hon. Harinder S. Takhar: The answer to that is—

Mr. John O'Toole: What is an appropriate amount to spend?

The Chair (Mr. Garfield Dunlop): Mr. O'Toole, can the minister just answer that quickly?

Hon. Harinder S. Takhar: The answer to that is, this was the arrangement put together by the previous government in 1996. We haven't changed anything. Now you are living with your own processes and system that you put in place.

Mr. John O'Toole: Well, time changes everything.

Here's the real deal, Minister. Here's an example, and this is why I want it in Hansard: The public should know this. Deep inside the 2010 budget—in fact, on page 164 of the budget—you buried or cancelled an audit or review of the LHINs. I don't know why they buried it surreptitiously in the budget. Page 164—can you imagine that? This review was supposed to have taken place on March 28. In the LHINs, if you look closely at that, you've seen that the top earners—I hope I'm not embarrassing anyone here—were all over \$200,000 and they all got about 15% more—

Mr. Paul Miller: Any bonuses?

Mr. John O'Toole:—and they have a pension on top of that, but that's a whole different debate.

Here's the issue: We've learned in the budget that you cancelled that audit, that review of the LHIN, an agency. It doesn't provide one band-aid to the system, one ounce of patient care.

It sounds good, but there's an example of how you avoid accountability. At the end of the day, this section is about accountability and you've said nothing this morning that would assure me or my constituents that you are pursuing accountability rigorously. You've picked 22 agencies—probably hand-picked by the Premier—out of over 600 agencies. We have no idea what those agencies are doing; it sounds to me like it's basically out of control. That may be a bit overstated.

Hon. Harinder S. Takhar: Mr. Chair, maybe you want me to answer some of those questions?

Mr. John O'Toole: Sure, take a minute. I'm running out of time.

Hon. Harinder S. Takhar: Some of the processes that the previous government put in place—now it seems to me that what was good for us at that point in time is not good for them now.

The other thing is this whole thing about the earners and the pensions and all of that you're talking about at the highest levels—

Mr. John O'Toole: It's only in the last several years that it's gotten out of control.

Hon. Harinder S. Takhar: Hold on. Let me answer this.

The Chair (Mr. Garfield Dunlop): One at a time, guys. Minister, finish up quickly, and then Mr. O'Toole.

Hon. Harinder S. Takhar: Again, this performance-based system was put in place by your government. You should know that and that should be on the record.

The other thing is, I will be more than pleased to answer any questions if they relate to government services. LHINs are part of the Ministry of Health and Long-Term Care. I'm sure they're coming before you and you will be able to answer that.

0920

Mr. John O'Toole: I thought you were in charge of all contracts. Wait a minute here. There's some confusion.

Hon. Harinder S. Takhar: But let me answer one more question.

The Chair (Mr. Garfield Dunlop): Let him finish up quickly, then we'll go—

Hon. Harinder S. Takhar: The other thing I will say is that out of the 22 agencies, can you pinpoint to me which one you would like taken off and not include in this?

Mr. John O'Toole: We want more. We want more agencies. We want complete disclosure. Here's the deal though: Our research people—because of the limited budget we have we try to stay within budget, unlike the government—have found that the LHINs had \$7 million in untendered contracts. Now, would you first be made aware of those contracts? Are you made aware of the LHIN contracts?

Hon. Harinder S. Takhar: Do you want an answer to that question?

Mr. John O'Toole: Yes—short, a one-liner.

Hon. Harinder S. Takhar: Let me pass it on to the DM.

Mr. Ron McKerlie: Thank you for that. I think I'll invite Marian Macdonald, who is the ADM of supply chain management. Marian, while she doesn't have oversight for all of the procurement that happens in all the other ministries, does have responsibility for the procurement directive within the Ministry of Government Services, which does apply, through a MOU process, to the agencies.

Mr. John O'Toole: I hate to rush you, because, you know, we just get limited time here. Do you review the LHIN contracts?

Ms. Marian Macdonald: Procurements by LHINs are managed directly by the LHINs themselves, with oversight from the Ministry of Health and Long-Term Care, so questions specifically about any LHIN contracts would be better directed to the Ministry of Health.

Mr. John O'Toole: You see, this raises a whole subset of questions. I guess they'll be taken up in the Ministry of Health because that's about half the budget.

The Chair (Mr. Garfield Dunlop): Two minutes left for Mr. O'Toole.

Mr. John O'Toole: You don't have control of half the budget? Holy smokes, this is even worse than I thought it was. Here's one thing here too: There are 40 contracts to the US cross-border care contract providers. These are preferred providers. Would you know anything about them? There are 40 contracts to the US health care providers. Would you know anything about those contracts?

Ms. Marian Macdonald: We would not consider those, under the procurement directive, to be procurements by the government of Ontario, so they would not come through the oversight of the supply chain leadership council, and again, are better directed to the Ministry of Health and Long-Term Care.

Mr. John O'Toole: I don't blame you, Ms. Macdonald, at all. It sounds, from your previous presentation,

that you're doing the best you can with what you've got. Here's the key, quite honestly: Half the budget—what they're telling me this morning—is not accountable by all these fancy rules they talk about, whether it's \$5 or \$10 million.

The Chair (Mr. Garfield Dunlop): You have one minute, Mr. O'Toole.

Mr. John O'Toole: With the last bit of time I have here, I'm going to try to boil it down to the most appropriate. Here's what we're finding when you look through the government: You're finding exemptions throughout the system. There are Management Board exemptions. We found out there are 54 sole-source contracts over \$25,000 each that no one is looking after. Some of these are going to the Courtyard Group. I've heard from you that there is a supply-paying review for all contracts over \$10 million, but it sounds like a lot of stuff—not just health and those other agencies—are not under your purview at all. They have all the autonomy in the world to go out and waste taxpayers' money. Have you got any plans for the auditor to go in randomly and look at some of these agencies?

Hon. Harinder S. Takhar: Let me ask the DM about this.

The Chair (Mr. Garfield Dunlop): This has to be done very quickly.

Mr. Ron McKerlie: As chair of the corporate audit committee, I can tell you that we put our audit resources into our agencies on a rotating basis, and we have started that over last year. Part of that process is to ensure that they are compliant with our own procurement, travel and meal hospitality directives.

The Chair (Mr. Garfield Dunlop): Thank you very much. We'll now go to the third party. Mr. Miller, you have the next 20 minutes.

Mr. Paul Miller: Good morning, Minister, deputy ministers, and everyone else involved. I guess I want to ducktail upon something the former speaker said about accountability in reference to consultants. As you know, the eHealth scandal last summer hit the pages. We've done some research, and apparently, the information we get is that out of the \$388 million that was spent in five years on eHealth, they got actually \$100 million worth of hardware, programs and software for their costs. The remaining money went to consultants, and we've heard horror stories about lattes, Tim Hortons, car washes, and all the ugly things that have come out.

You mentioned earlier 22 agencies that you've red-flagged, large ones that you would like to have some accountability. I don't even want to begin to think how much money was spent on consultants in the 21 other than eHealth. I'm willing to bet it's hundreds, maybe billions of dollars. You mentioned that you have indirect or direct control over 600 other small agencies, even some small municipalities, if I understand correctly. If that's the case, what are you going to do about the billions?

What I could do with a billion dollars in Hamilton: I could feed all the poor, I could create jobs, I could build

factories. That's one agency out of the 22 that you mentioned—\$200 million to consultants. Can you imagine if we multiplied that to the 600? I'm sure you don't even have a number for that. I'm willing to bet it's billions.

The people of Ontario deserve better. Billions of dollars are going out the door. Whether it's Conservative-friendly consultants or Liberal consultants, it doesn't matter to me: It's money wasted for no productivity or very little productivity. It's a disgrace. What is your ministry going to do to stop this crazy amount of money going out the door to consultants, where we don't get a bang for our buck?

Hon. Harinder S. Takhar: I think it's important for us to realize what the role of this ministry is.

Mr. Paul Miller: Contracts.

Hon. Harinder S. Takhar: Yes, the role of this ministry is to develop policies and procedures that the other ministries or the other government agencies comply with. That is our role. So it's important for us to let you know what we have done in order to improve accountability for the consultants based on some of the not-so-good experiences that we had in the agencies. I'm going to ask the DMs to lay out exactly what we have done with regard to improving accountability for consultants.

Mr. Paul Miller: Can I say one thing? Sorry to interject before you start, Deputy. I want to clarify: You said that your ministry's in charge of contracts. Contracts are consultants—

Hon. Harinder S. Takhar: No, I didn't say that; I said our ministry is responsible for developing the policies and the processes to—

Mr. Paul Miller: Do you enforce your own policies, Minister?

Hon. Harinder S. Takhar: Yes.

Mr. Paul Miller: It doesn't look like it.

Hon. Harinder S. Takhar: Let's just tell you, right? Let the DM take you through before you come to that conclusion.

Mr. Ron McKerlie: First of all, just to set the record straight, there are 255 classified agencies. There are more agencies, boards and commissions, but for other entities, we only appoint to the board, like someone to a police services board, for example. If we're talking about classified agencies, the number we should be talking about is 255.

MGS, as you know, is responsible for the procurement directive for government. In that procurement directive, there are ways to engage consultants—and there are valid uses for consultants. We use them in I and IT to handle peaks in workflows, we use them where specialized skills are required and those skills are not available by employing somebody or adding somebody permanently to the Ontario public service.

Agencies have similar needs, where it doesn't make sense to bring somebody in and augment their head count permanently. Rather, they can use somebody on a temporary basis, i.e., hire a consultant.

In the last year, we've done a couple of things to make sure that the use of consultants is controlled and is done

in a reasonable, measured manner. One is, we've redone the vendor of record for the use of task-based consultants to drive down the per unit cost or the daily rates that consultants would charge the government. In doing that when an agency, a ministry or someone in a ministry has to go out and secure consultant resources, if they use the vendor-of-record process, they can get better rates than they would normally.

Secondly, in our own use of IT consultants, since 2003 we've taken 1,415 positions and are in the process of converting those from consultants to full-time, FTE. Then we've also set up for IT, which is a big user of consultants, a process called IT Source, where we've hired staff, we have trained and we are deploying them like we would deploy consultants, so they will work on multiple projects.

Fourth, for all agencies, boards and commissions that are governed by a memorandum of understanding between the ministry and the agency, we have ensured that they are captured, either directly or as another entity, by the procurement directives of government so that they understand how to secure consultants, that they need to be done either through an open, competitive process or through the vendor of record process.

0930

Mr. Paul Miller: Thank you. I just wanted to ask, how do you—that's great; that's a great program, great oversight, I think.

How many times do you actually send out a directive to any of these agencies and warn them that they're not following your directives or your guidelines? How many have you actually got on file that you've sent out and said, "Smarten up. We don't like what we see"?

Mr. Ron McKerlie: The three that our internal audit group has worked with; for those, two of them, we would have had direct communications—

Mr. Paul Miller: Two?

Mr. Ron McKerlie: —in the last six months—

Mr. Paul Miller: Out of 255?

Mr. Ron McKerlie: In the last six months, we would have had direct communications with those agencies. We would have warned them that they were not in compliance with the procurement directive. We have also put in place mandatory training now, since the challenges we have had around eHealth, to get everybody who is responsible for procurement, either within the government or in our agencies, through an online training program, to help them understand the rules and responsibilities they have to follow around procurement. So we trust that will be helpful, too, in terms of getting people to comply.

Mr. Paul Miller: Okay. My next question is about estimates and government services. Minister, you have the responsibility for ServiceOntario, which is meant to provide information to the public on a wide range of Ontario government services. Not all ServiceOntario centres provide the wide range of services advertised on the first page of your website. For example, the Parry Sound office provides only advice and consultation services for small business and entrepreneurs from 8:30

a.m. to 4:30 p.m., Monday to Friday. The Nipissing office's hours are only during the regular work week; however, the Burk's Falls and Powassan offices are open on Saturdays. You claim that you want consistency in your ministry; you want good service for the people of Ontario. Why are only some of your offices open on Saturdays?

Hon. Harinder S. Takhar: Let me answer this question. I think we are undertaking a major modernization project for ServiceOntario right now, and at the end of this year, hopefully, we will have about 300 permanent locations; two thirds of them will be under what we call the private issuers' network; one third will be under the government offices.

Once all that is complete, there will be some sort of consistency in terms of the services that we provide, which means not only can you get the driver's licence and the vehicle licence, but you will also receive health cards from the same locations. It is going to increase service considerably.

In rural communities, for example, the routine health card services will be extended from two to 163 locations; in northern Ontario, it will go from six to 67; and, 95% of Ontarians will get within the 95%—but all of this modernization project is going to be completed by the end of the year.

As far as the service hours are concerned, it will be based on the needs of the communities and what kind of service hours we need to provide there. In some communities there's a bigger need; in some communities there's a smaller need, so we'll look into the needs of the communities and we will adjust the hours.

Mr. Paul Miller: Well, I'm glad you're doing that, Minister, because you might want to provide telephone numbers of the previous offices because there are none listed. There aren't any open for telephone requests—none for office hours. So that's amazing that you've got service places where they don't even have the numbers listed. I can't believe that—for the ones I mentioned.

Hon. Harinder S. Takhar: Actually, I'm surprised, but if it is, we need to move to some sort of consistency in terms of the services we provide, and also—

Mr. Paul Miller: That's good. So if you're following the Toronto model for ServiceOntario, Toronto's 311 program, I believe it's called, is open 24 hours a day, seven days a week. Are you going to model the rest of Ontario like that or are you just going to use it for the major centres?

Hon. Harinder S. Takhar: Actually, I just said that it will be based on the needs of the community. But I will ask the DM; he has a lot more details to answer this question.

Mr. Bob Stark: Bob Stark, deputy minister and chief executive officer of ServiceOntario.

First of all, in terms of the telephone services that we provide, we have a general inquiry number—

Mr. Paul Miller: Which is useless, by the way; you wait hours.

Mr. Bob Stark: We have a general inquiry number that can provide all of the information with regard to the

office hours. We also have it clearly defined on our website. In fact, you can do a search by community and find out—

Mr. Paul Miller: The hours of operation?

Mr. Bob Stark: —the nearest office and hours of operation. As the minister described, we're going through an evolving process this year where we are integrating services in the 300 locations.

The reality is there will always be differentiation by channel. Our kiosk channel or our online channel, for example, is limited in terms of things like taking photographs and that sort of thing. Obviously, we can't do that through those channels. We'll always have a need for people to go to our public-facing offices for some services. Other services they'll be able to do online.

Mr. Paul Miller: One of the biggest complaints I get is the time period, waiting. You get switched from number to number. It's like the usual thing when you're trying to phone the government, trying to get a hold of something, and you get bounced all over the place and finally—you just want a voice on the other end of it instead of a tape machine all the time. Maybe you might want to look into that too because there's great frustration out in the public about trying to get something out of the government. I'm sure you've had complaints.

How much did it cost for the ministry to provide these information services? How much has it cost so far to implement ServiceOntario? What is the projected cost of the centralized system you've been talking about, both to your ministry and to the parent ministry?

Mr. Bob Stark: First of all, the process that we've been through over the past few years is we have moved services from various ministries to ServiceOntario. In the process, we have transferred the costs associated with those services from other ministries to ServiceOntario, so we've seen a growth in responsibility and a commensurate growth in our budgets to run those services.

In terms of measurement of our business—and our primary focus is around customer satisfaction. We survey independently on a regular basis and we enjoy a satisfaction level that reflects 77% of our customers being very satisfied. That is across all of the channels that we provide service through. Just as the name implies, as I say, our focus is around the customer service elements.

In terms of the financial elements of our business, we run very much on a project basis. If we are redeveloping an application system to provide a new service, we would go forward, get approval for that project, reassign the budget to go with that, and then we track ourselves against the delivery and the financial elements of that. On an ongoing operating basis, we measure ourselves based on the unit cost of providing service to citizens. We would provide in the order of 44 million transactions a year. That cost is reducing over time; our operating costs are reducing over time.

Mr. Paul Miller: Okay, thank you. Issuing drivers' licences, certificates and various documentation is done through ServiceOntario. I've had several complaints about the waiting time for birth certificates and things

like that. I don't know where you get your 77% from, but that's fine. What involvement does the ministry have in the work of ServiceOntario as it represents ministry programs? Do ministries provide guidance for its operations? Do the ministries initiate anything now like directing ServiceOntario to issue new licences, certificates etc.?

Hon. Harinder S. Takhar: Let me just answer the question on birth certificates. I'm actually very surprised that you made that comment that there's a wait time on the birth certificate. It used to be six, seven or eight months, and now you can get it in less than 15 days. There's a money-back guarantee available. You can fill it in online and you will get it within 15 working days. There should be no wait times. There's a money-back guarantee if you don't get it within—

Mr. Paul Miller: It's not that, what I'm talking about. Even though I was interrupted, I'm not talking about that. I'm saying sometimes, people make a small error for various reasons; there could be a language barrier, there could be something. It goes in and, through no fault of the ministry, there's a long period of time trying to correct it, is what I'm trying to say, and you try to get a hold of somebody directly to correct it.

You're saying 15 days under normal circumstances. They may have spelled the street wrong or various things that happen. I'm talking about the correction and the ability to correct something quickly, not so much your 15-day guarantee—it's almost like Midas muffler—but that's not what we're saying here. I'm talking about the imperfections done by the public who, for no fault of their own—

Hon. Harinder S. Takhar: Yes. I mean, if the information is wrong, right?

Mr. Paul Miller: It can happen.

Hon. Harinder S. Takhar: Yes, it can happen. But the point is, then you have to provide the right information to the right person. Then it will get corrected.

Mr. Paul Miller: That's what I'm trying to say. The person will come in, they'll find out they didn't get it in three weeks or 15 days, and my person in my office will say, "What's the problem?" They'll take a look at it, they'll see the error and they'll send it in. It certainly doesn't come back that quickly after there's been an error—

Hon. Harinder S. Takhar: Okay, let the DM—

Mr. Paul Miller: Let me finish—because they move on to the correct ones on their pile of things. The one that was incorrect may go underneath for a while because it wasn't sent in right in the first place, and the person on the other end of the phone is ticked off because the person didn't fill it out right. That happens.

0940

I'm wondering, have you got a special person who deals with incorrect ones that are filled out wrong for whatever reason? As I stated before, it could be a language barrier. Do you have a person who deals with them instead of putting them to the bottom of the list and dealing with all the good ones? Then maybe it takes

longer than your 15-day guarantee, and you can use that—not as an excuse—but say, "Well, you didn't fill it out right."

Hon. Harinder S. Takhar: Okay, let the DM answer that question.

Mr. Bob Stark: Thank you very much. First of all, to be clear on the money-back guarantee, our success rate is over 99.5% of the time that we're delivering it—

Mr. Paul Miller: How much?

Mr. Bob Stark: Ninety-nine and a half per cent of the time we're delivering—

Mr. Paul Miller: Can I get those figures?

Mr. Bob Stark: Absolutely.

Mr. Paul Miller: That's pretty good service.

Mr. Bob Stark: It is very good service.

Mr. Paul Miller: Ninety-nine and a half—I'd like to see that.

Mr. Bob Stark: We'll, I'd be happy to share that information.

In terms of the exception situations, this is where it gets very sensitive. I don't need to tell you that a birth certificate is a foundation document. You cannot have those going to people who shouldn't be receiving them. When somebody fills out an application and doesn't have the relevant information, it raises concerns around whether we have a legitimate request, so it goes through an extra scrutiny process that can take it a bit longer to get processed. We measure all of those exceptions; we monitor them very closely. Our number one objective is to make sure that we don't put a birth certificate in the wrong person's hands.

Mr. Paul Miller: Okay. I guess my last question—

The Chair (Mr. Garfield Dunlop): You have two minutes left.

Mr. Paul Miller: How many ServiceOntario counters, offices and kiosks are staffed by the public service, and how many are privatized?

Hon. Harinder S. Takhar: I'll try to answer that question. Two thirds are private; one third is going to be government by the end of the year.

Mr. Paul Miller: Okay, thank you. The Ministry of Transportation has contracted out, to private owners, driver's licence issuing offices. In the new ServiceOntario world, what will happen to these privatized driver's licence offices that now deliver only driver-related documentation?

Hon. Harinder S. Takhar: All ServiceOntario centres, by the end of the year, once we finish our modernization process, will offer the same standard services everywhere, whether it's private or government.

Mr. Paul Miller: That's good to hear. I hope that happens.

The Chair (Mr. Garfield Dunlop): You've got about a minute and half there.

Mr. Paul Miller: Thank you. That's it.

The Chair (Mr. Garfield Dunlop): Nothing else?

Mr. Paul Miller: That's it.

The Chair (Mr. Garfield Dunlop): Okay, We'll go to the government members, then.

Mr. Bill Mauro: Minister, thank you very much for being here this morning.

I have a question this morning in regard to something that was posed to us last week when the committee first started meeting, something that I don't think, for most people, has an extremely high profile, but it was something that one of the other members of the committee decided that they wanted to focus on a little bit, and that's fine. I'm not sure, perhaps because of the lower profile that the item had, that it was something that you and your staff were fully ready to answer as well as you might have liked. I'm interested this morning if you could provide some clarification on that particular issue. It has to do with this concept of Privacy by Design. I'm wondering if you can provide for us this morning a little bit more information about that.

Hon. Harinder S. Takhar: Thank you very much for the question. Actually, I will let the expert answer this question. We have the information and privacy officer here, Mark Vale, and he should be able to give you a little bit more insight into this issue.

The Chair (Mr. Garfield Dunlop): Name, sir?

Dr. Mark Vale: Good morning. I'm Mark Vale, chief information and privacy officer for the government of Ontario. Thanks for the opportunity to respond to this question.

We want to be clear: We've been in contact with the Office of the Information and Privacy Commissioner, and the commissioner has provided us with further clarification from her point of view. The commissioner has advised us that the Office of the Information and Privacy Commissioner of Ontario has requested an official mark for the term "Privacy by Design." The request was submitted in early May and is presently being processed by the Canadian Intellectual Property Office. The commissioner advises that the request for an official mark is to protect the work of the commissioner, as she has developed Privacy by Design since the mid-1990s. The commissioner has used this concept very successfully to get organizations to be more proactive in protecting privacy in all business applications, and to treat privacy as a core part of their business.

Official marks are similar in principle to trademarks. Under the federal Trade-marks Act, an official mark is "any badge, crest, emblem or mark ... adopted ... by any public authority, in Canada as an official mark for wares or services."

The commissioner has also requested that we clarify that the commissioner does not hold a trademark in Privacy by Design. At the present time, we understand that there is a trademark registered for Privacy by Design with the federal government, with Industry Canada, and that trademark is held by a private Ontario corporation.

Hon. Harinder S. Takhar: Okay?

Mr. Bill Mauro: Yes. Thank you very much. I'm just wondering if you could—a little bit more. It has been around since the mid-1990s? Is that what you said?

Dr. Mark Vale: It has been used generally to describe a process where privacy principles and privacy protection

are built into system design or program design so that we, in a sense, operationalize or make privacy protection operational, whether it be in our information systems or in our administrative procedures.

Mr. Bill Mauro: Okay, so when we say mid-1990s, are you able to pin it down a bit tighter for me in terms of when it actually became part of what we do?

Dr. Mark Vale: Well, I'd be hard-pressed to point to the first usage of it worldwide—

Mr. Bill Mauro: I mean here, within Ontario.

Dr. Mark Vale: The best I could do today is say the mid-1990s. I know the commissioner has been using it very successfully, as I say, since the mid-1990s.

Mr. Bill Mauro: So, Mr. Chairman, I wonder if we could ask staff or somebody to get back to us. I'd really appreciate knowing exactly when we first began using it.

The Chair (Mr. Garfield Dunlop): Sure, you can ask the question.

Mr. Bill Mauro: Thank you very much.

Hon. Harinder S. Takhar: Deputy, do you want to add anything to this?

Mr. Ron McKerlie: No, I think Mark covered it. Thank you.

The Chair (Mr. Garfield Dunlop): Mr. McNeely?

Mr. Phil McNeely: Thank you, Chair, and thank you, Minister, for being here again today.

I was a member of the public accounts committee for about two and a half years, I believe, and certainly working with the Auditor General was something that was very interesting—an interesting committee to be on. I could see the changes as we were going forward, and the good work. The auditor had expanded his purview of what was his duty.

Can you walk me through the changes that we have made to the procurement policy framework—because procurement was a lot of the issues that we dealt with with the auditor—and the changes since 2003 which have helped streamline the process and have brought greater accountability to our government's purchasing practice? That seemed to be the essence of the Auditor General's work and our work on public accounts, so it'll be just interesting to hear your perspective on that.

Hon. Harinder S. Takhar: Okay, thank you very much. Through you, Chair, let me just talk about the broader things that we have done, and then I'm going to ask Marian Macdonald, who's the assistant deputy minister, to walk you through the details.

We have made significant changes to the procurement policy framework, which have indeed brought increased transparency to the process. Let me just take you through some of those changes.

The procurement directive ensures that our OPS buyers respect the policies and laws of Ontario. The procurement directive also reflects best procurement practices in both the private and public sector. This includes requirements for procurement planning, approvals and documentation. The procurement directive applies in its entirety to all government ministries; advisory, adjudicative and regulatory agencies; as well as any other

agency as directed by the Management Board of Cabinet. So basically, it applies to everyone. For the first time, the mandatory section of the procurement directive on procurement principles, planning and approvals now applies to all other agencies, including the Ontario Lottery and Gaming Corp. and eHealth Ontario as well.

A separate procurement directive exists for the acquisition of advertising, public and media relations and creative communications. That directive also adheres to the same obligations as the broader procurement directives.

So I'm going to ask Marian to take you through what it was before, what it is now, how it is different and what kinds of checks and balances are in place.

0950

Ms. Marian Macdonald: Thanks, Minister. I apologize; I didn't identify myself earlier. I'm Marian Macdonald, assistant deputy minister of supply chain.

As the minister said, the procurement directive has gone through some iterations over time. Since 2003, there have been many changes introduced to strengthen transparency and accountability in the procurement process. Starting in 2003, the government established new rules for both the acquisition and management of consulting services, including lowering the threshold value for open competitive procurement and new approval authorities; that is, that those requirements came in at much lower thresholds than previously.

In 2004, the procurement directive on advertising and creative communications was changed to require a competitive process for projects over \$25,000, and in 2005, the directive for public relations companies was changed to require a competitive process for projects also over \$25,000.

You've heard both the minister and the deputy refer to the supply chain leadership council. We established the SCLC, as we call it, in 2006. It is a government-wide executive committee comprised of 10 assistant deputy ministers drawn from across our IT clusters, our line ministries and our program areas to review all procurements valued at over \$1 million and make recommendations on all procurements valued at over \$10 million.

In 2007, we issued a new procurement directive that streamlined, simplified and clarified our procurement policies. This new directive replaced what were then three different procurement directives, one on general goods and services, one on consulting services and one on information and information technology, which could often be confusing to our buyers as to which directive they should be referring to. The one new directive confirmed the requirement for ministries to submit annual procurement plans in required ministries and introduced some new policies, including post-contract award notification and making mandatory vendor debriefing.

Most recently—this committee has heard about a new directive issued in July 2009, which was approved and communicated across government, reflecting a greater commitment to accountability and controllership, particularly in the acquisition of consulting services, and also

ensuring that new rules regarding hospitality, incidental and food expenses from consulting services were introduced into that procurement policy.

Many of the improvements to Ontario procurement policies have focused on the government's use of consulting services. Again, in 2001-02, which I believe was the first fiscal year that data was made available for and collected on procurement expending on consulting services, consulting services were reported at \$656 million. As of March 31, the end of the 2009-10 fiscal year, consulting services spending is reported at \$304 million. This is based on information that we draw from our integrated financial information system, IFIS, and this represents actual invoices that we have paid relative to consulting services.

We believe that these reductions are in part due to measures such as greater controllership that requires ministerial oversight of non-competitive procurements; strengthening the OPS's internal capacity; the deputy talked earlier about 1,415 positions that have been approved for conversion to replace work previously done by consultants; and the creation and implementation of IT Source. All of those changes have been made to our procurement directives since 2003.

Hon. Harinder S. Takhar: Let me just say that I think the government, on a continuous basis, has updated its procurement policy framework to achieve some of the following objectives. One is the economy of scale, the other is effectiveness, and then the efficiency and ethical behaviour of the people who are doing the purchasing.

In the past year, updates requiring environmental certification of commodities like paper and introducing greater accountability in the acquisition of consulting services have been introduced.

But I think the basic concept behind purchasing is value for money, that we need to get value for money. We want to do it by using an open and fair competitive process when we are acquiring goods and services from outside.

Just to give you some idea, one of the main functions is that we have to have vendors of record, right? We have to have people who we are buying from. That is done through a highly competitive process. The vendors are routinely selected through a competitive process.

On average, Ontario does business with 50,000 suppliers every year. Approximately 95% of those are located in Ontario. The government of Ontario is strengthening the Ontario economy through a procurement policy framework that promotes cost-effectiveness alongside environmental and social benefits as well.

We take all those things into account when we are developing our policies and procedures. We need to look at the economy; we need to look at the fair and open process. We also want to make sure that we get the best value for money.

We also constantly update it; at the same time, we train our people, too, so that the whole procurement process takes place in a very open and competitive environment.

Mr. Phil McNeely: I have just a little question; you've mentioned part of it. Strengthening the IT capacity of government purchasing is so important and has presented so many problems to so many governments and so many private industries in the past who have not known that. Can you just go over how you're strengthening the IT that we have? Infrastructure Ontario was developing that expertise. I'd just like to hear a few words on how that IT capacity is being increased. I know you're hiring permanent people rather than having consultants, so you will be retaining that capacity. I think that's so important, and I'm glad that you're going forward with that.

Hon. Harinder S. Takhar: Let me just talk about two of the main items that we are doing. Then maybe the DM can pick it up from there and talk about the other stuff.

One is, we are actually moving towards having more people on staff other than consultants. Our strategy is to convert 1,415 jobs from consultants to full-time employees. It does two things. One is, it keeps the expertise inside. The second thing it does is it actually saves money: It's a \$58-million saving on an annual basis as we move forward with that.

The other thing is sometimes consultants are hired for their special skills. What we are doing is, within the OPS, we are trying to develop a special section where certain people will have certain skills, and they can move from ministry to ministry, from project to project, rather than sitting in one place. What that will ensure is that we will have our own consultants within the government, rather than employing from outside. Wherever the need of their skill is, those people will move there. Again, it is to retain the skills and the expertise inside. Also, it saves money as well.

Our problem has been that there are a lot of legacy systems, which are very old systems. The government is moving, in a very systematic way, to convert those legacy systems to the new systems. The legacy systems require very different types of skills; the new systems require very different types of skills. So you are still retaining people with the expertise on the legacy system, and you're also developing them on the new systems. It's a very different variety of skills that you are talking about.

I'm sure the DM can talk about this for hours.

Mr. Ron McKerlie: Going back a few years, the government had significant challenges with running large I&IT projects. The government commissioned a report. Denis Desautels was the head of that report on the management of large-scale I&IT projects.

That report generated 16 recommendations, which the Ontario public service has worked hard over the last couple of years to bring into being. One was to set up a project approval committee, which we call the IT project approval committee, or ITPAC, which reviews all projects between \$1 million and \$10 million and also reviews larger projects with the idea that they would then come before treasury board for the ultimate approval. As part of that, we've put in place an IT gateway project, as it's called. There are gates zero to four; zero is an implementation gate.

There's rigour around the process. IT projects have to be developed. They have to have complete plans and resources. They have to have project managers assigned to them. They have to have business and IT leads so that business and IT are working together. That has put a lot more rigour around the management of those large IT projects.

We've also implemented a standardized project management methodology, which requires all large I&IT projects to use that consistent methodology. In one of our clusters, we've created an IT management centre of excellence. That centre of excellence is using project management methodologies, training project managers in those methodologies and then ensuring that, as they get assigned to projects, each project is running with skilled project managers on those projects.

We've also put in place quarterly reporting to treasury board and Management Board of Cabinet. So right now we track 22 large IT projects; about half of those would be government-run projects and about half of those would be eHealth projects. We report on those. We also report back to treasury board and Management Board of Cabinet on all of the other projects under the \$10 million that were approved in the last quarter by ITPAC. So they would have information regularly on those and can take a look at them. We would drill down on ones that are going off track.

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The Chair (Mr. Garfield Dunlop): You have about a minute left on this round.

Mr. Ron McKerlie: Thank you. It's also now required that all IT projects go through a post-mortem process when they're complete. That would look at what went well, what didn't go well, what the opportunities for improvement are, and those learnings, then, are taken back to the project management centre of excellence, and as new projects come on stream, they would use those learnings to improve the next project.

Those would be some of the things that are very helpful. A couple of other things: In procurement, now, for large IT projects, we've started to put in project off ramps so if a project looks like it's not going to meet the needs, there is an exit provision that's available so that we don't have to see a project that isn't delivering the intended results right through to completion. We've contracted for exit opportunities, for example. Those are having good success. Most of the projects run by the government would be green on budget and green on timing, so that's a big improvement over where we were, if we go back five or six years in time. The disciplines are, frankly, helping us a lot in terms of focusing on the best practices, learning what works in delivering large IT projects into government and then making sure that that is relayed out to other projects as they come on board.

The Chair (Mr. Garfield Dunlop): Thank you very much, sir. Okay, we'll now go to the final 20 minutes this morning, to Mr. O'Toole, the official opposition.

Mr. John O'Toole: Yes, time does draw to a close here soon. I just want to follow up on a couple of points

that have been raised today. To the deputy, you were saying that there were only 255 agencies, boards and commissions. Now, I'm not presuming it's right or wrong; I'm questioning it. The information we have, or at least that I've been given, uses the number 600 rather casually. I'd like a list and distinguishing features between some of those that are or are not agencies, called ABCs. I have a research report that was provided by Larry Johnston, one of the research officers, that lists—and there's more than 255 on this. That report was issued on May 27 last year, so it could be out of date. So that's more or less a request. It's not a criticism or—

Hon. Harinder S. Takhar: We can give you some information.

Mr. John O'Toole: We need to have a better handle on that. I am going to be referring from that point on to 255 as the number, and we'll see where that leads.

We were reviewing, in the House yesterday, the bill introduced—now, it's not your ministry; it's your counterpart, the new, young minister who took over the other part of what used to be—

Hon. Harinder S. Takhar: Consumer?

Mr. John O'Toole: Yeah, the consumer part. Bill 65 is reviewing the not-for-profit agencies. It has a significant amount of—I've only just briefly looked at the preamble section and a couple of the clauses. The governance model is changing significantly. What role does your ministry have in these not-for-profit agencies, if any, as mentioned in that bill?

The Chair (Mr. Garfield Dunlop): Minister.

Hon. Harinder S. Takhar: Let me just answer the first question. In total, there are more than 600 agencies, boards and commissions. What the deputy minister was speaking to was the classified agencies, which are 255, like the adjudicative boards, the advisory boards, the crown foundations, the operational enterprise—

Mr. John O'Toole: That's good. If you give us that list, that'd be great. I don't have any specific drill-down questions there. We're using different numbers, so I thought we should all have the same list.

Could you give me some idea of the cost of operating not just the 22 agencies that you're monitoring, which are the biggest, but also a breakdown? Some of them are very small, innocuous little agencies. I'm sure they probably only meet once a year or something like that anyway, so if you could give us a cost. What would the estimated cost to operate these 600 agencies be? Where would that number be found? They wouldn't file themselves, but the revenue basically comes from you.

Hon. Harinder S. Takhar: The agencies have their own operating budgets as well, but certain agencies are under certain ministries, and their budgets are actually in those ministries. For example, we've got some boards, so their budget will be in the Ministry of Government Services. The others will be in their own ministry.

Mr. John O'Toole: It ultimately shows up in the government services, or whatever ministry overlooks it; is that it?

Hon. Harinder S. Takhar: Whatever ministry overlooks.

Mr. John O'Toole: Is that where it shows, though, in their budget, their total expenses?

Mr. Ron McKerlie: It would depend. Some of the operating agencies, like the LCBO for example, would have their own budgets. They're managed by their own board, and they would remit a dividend to the government. There wouldn't be a net expense; there's a net benefit, obviously, that flows back to the government.

Some of the agencies have ministry budgets, so we would have a budget for a couple of the agencies that report to the Ministry of Government Services. That would pay for their staff, their space and any expenses that they would have.

Mr. John O'Toole: Yes, okay. That's good. I would expect, with some research capability, we'd be able to find out that stuff, too. I'd just like to get it on the record.

You did say that it was the 22 large agencies. I just quickly looked through the incomplete list that I have, and I wondered where some of the cultural agencies would be. Some of those are fairly important agencies, if not critical, like AGO—the Art Gallery of Ontario—and the Royal Ontario Museum. They're all part of the agencies. Are they not large? Is it just their board that we'd be overseeing?

Hon. Harinder S. Takhar: What I said was “22 of the largest agencies,” so there are other large agencies as well.

Mr. John O'Toole: Okay. There are a lot of large ones, and I'm wondering why they're not on there. For instance, where are the LHINs? Why aren't they being—are they kind of on a free pass here, a go-past-jail pass?

Hon. Harinder S. Takhar: I think this question was answered in the House as well. The Minister of Health and Long-Term Care has sent directives to the LHINs to post their expenses on their website. As I understand, the LHINs have agreed to do it, so I'm sure the member would be able to find all that information once it's posted on their websites.

Mr. John O'Toole: Yeah, well, there are a lot of these agencies. This is taxpayers' money, and it's a way of just hiding the real thing here.

Under finance there are two or three there that are huge. The Ontario Securities Commission is a serious agency, big time. FSCO is another one. All the pensions are bankrupt; who are you kidding?

Interjection.

Mr. John O'Toole: No, they're all in trouble. I'm not sure they're well-staffed—meaning enough staff. Maybe you have to hire more. I have to understand that.

I would say here the other one is the Ontario Financing Authority. That's the one that raises all the dough. They're all civil servants. They make \$500,000 a year, these guys.

Interjection.

Mr. John O'Toole: I'm serious. I've met a couple of them, and they're capable, too. The LHINs are another one.

I'm surprised at these agencies. Have you got any plan to expand this list of oversight?

Hon. Harinder S. Takhar: What I said was that we need to see what the experience has been. What are the benefits versus the controls we are putting in place? Once we assess that, then we'll see if it needs to be expanded or doesn't need to be expanded—

Mr. John O'Toole: So that's a no?

Hon. Harinder S. Takhar: Some of the questions the honourable member is asking are actually for the Ministry of Finance. I'm sure that they are coming for estimates, and you will have the chance to ask these questions.

Mr. John O'Toole: Yeah, okay. MPAC is another one. All of the members here would have interface with MPAC, a large and growing agency, expanding number of staff. That's my concern. There needs to be more oversight. It's okay to outsource this third party provider, all this stuff, but you are still responsible. You're in charge of the whole ballgame here, and these agencies—you should have direct oversight, and I'm sure you do, legally and legislatively. I'll leave it at that.

1010

You seem to be very proud that you've taken on 1,450 new staff in the last while to replace consultants. Some of your arguments made some sense, like the legacy knowledge that's important to organizations, but there's also specialized knowledge. What were the criteria to determine who came in-house and who didn't?

Hon. Harinder S. Takhar: Let me ask the DM to answer that question.

Mr. Ron McKerlie: The 1,415, specifically, were related to information and information technology consultants who were originally hired to run IT projects to build new builds. Over time, the build gets done, though work is still required to maintain an application or to work in other areas of information and information technology. Those were the positions that were identified to be replaced; in other words, we could hire that knowledge now as an employee and lower our cost to provide that service.

Mr. John O'Toole: Well, I agree. If you just look at a couple of people here, Dave Nicholl—\$286,000—and the other fellow here who spoke this morning is in the \$200,000-plus range as well. How many of these people that you brought in, of 1,450, are actually on the sunshine list to start with?

Mr. Ron McKerlie: I would have—

Mr. John O'Toole: You wanted experts, so obviously, when I'm looking at the list here, a quarter of a million is kind of the executive-level start. That's what I see here in your ministry. It's a significant number. How many of these 1,450 are on the sunshine list to start with? We won't see them this year because—

Mr. Phil McNeely: Very few of them are on minimum wage.

Mr. John O'Toole: We're on minimum wage. Get over it.

Mr. Ron McKerlie: What I would say is, I don't know the answer to your question, but there would be very few that would come in at the executive—

Mr. John O'Toole: Can I get that list, please? You said the number 1,450. I want to know how many and what they make.

Mr. Ron McKerlie: There would be very few that would come in, Chair, at the executive level.

Mr. John O'Toole: Excellent.

Mr. Ron McKerlie: Some would come in, obviously, at a reasonable wage. The average wage in I&IT would be close to \$80,000. Those would be replacing consultants who would make significantly more than that, so there is a cost savings to government every time we bring in an employee who replaces a consultant. We can save significant dollars for the government.

Mr. John O'Toole: I'm getting it. I just want the list. Deputy, I appreciate it, and it's very technical, but I want the list to know how many were over \$100,000.

Hon. Harinder S. Takhar: Mr. Chair, can I make one comment on this?

Mr. John O'Toole: That will be fine. That's all I need.

Now, I know for a fact that some of the people were seconded to these agencies. Some of the people in the eHealth IT portion were former ministry people who got seconded there. In fact, some of them were very competent people; that's not my question at all. It's a matter of the numbers. You see, you're trying to say that you've cut down the consultants. You've increased the payroll and your own liabilities as well, because the problem in the IT part of it is—I should be so presumptive—that you get stale-dated. You're working in a platform, a system—the really leading-edge aren't in some organization. They're not. They're consultants who are their own little companies. How many of those are still on staff indirectly? How many of the specialized consultants are very expensive, probably \$500,000 a year? Could you give us a list of those?

Hon. Harinder S. Takhar: Mr. Chair, I would like to do a little bit of clarification. All the 1,415 jobs have not been converted into consultants. That is not our plan to do it. Dave Nicholl is actually right there.

Mr. John O'Toole: He's nice. A very caring guy.

Hon. Harinder S. Takhar: I know. He actually was my chief information officer when I was in the Ministry of Transportation. He is the chief information officer for the whole government. We need to realize—actually, maybe you realize more than anybody else, because you have a background in IT—we have 67,000 employees. We are in a large government business. We are working on so many major applications that we need people like Dave Nicholl to handle this, and I'm very proud that he's doing an excellent job for the government.

Mr. John O'Toole: All right. The other part—and I don't disagree with some of this. I just like to get the numbers out there. You've got to pay for talent. I get that part.

I'm just going to ask a general question here on a policy level. It may not be directly related to you. With the transfer of the new tax you're bringing in July 1, we see it as a bit of a complicated issue, because on the business side—especially export base business—it's good. I

am saying that on the record. The problem is that the big companies don't qualify. It will be 2018 before they come in. If you have \$10 million—you know the numbers yourself.

Now, the tax collector part—the HST tax collectors who were part of the government service, part of your 5% reduction too: Do you agree that they should have been paid severance? You're a business person. You had your own business—Chalmers. They have the same job; they have a different business card.

Hon. Harinder S. Takhar: Let me let the DM—

Mr. John O'Toole: No, it's pretty simple. Do you agree they should have been severed?

Hon. Harinder S. Takhar: I think it is important, if you enter into a contract with anybody, that you honour that contract. I'm glad that your government honoured that contract before and I'm glad that our government honoured that contract. You can't just shy away from the contracts.

Mr. John O'Toole: You've got the same briefing notes; you haven't thought about it.

Hon. Harinder S. Takhar: I didn't have any briefing notes.

Interjection.

Mr. John O'Toole: I agree; you're reading.

I'm going to go back, unfortunately, to the LHINs. A theme we've established clearly this morning is this: Accountability is what we all want, certainly Tim Hudak, Lisa MacLeod. It has been our main platform. We feel you're very weak on it. You don't agree with the truth-in-government one, and we understand that; it's going to cost too much. You should always do due diligence with the taxpayers' money. But when I look in detail—and of course they won't take any responsibility for this because LHINs are in the health ministry, and they have no control of those LHIN contracts or other contracts.

Here's an example, just a bit of a litany: On June 17, Premier McGuinty issued an edict supposing to ban untendered contracts. June 25 was the first violation. These are public records; I'm not making this up. Only eight days after the edict, the Central LHIN handed out an untendered contract. In October 2009, Waterloo did the same; July 2009, the Erie St. Clair LHIN. There's a whole list here. I'm not going to take up time, but there is a list here and it's accurate.

That verifies—and this isn't personal—that there is no accountability. That's the record when a government stands in front of the people of Ontario and says, "We're not going to raise your taxes," and they've done it three times now.

Here's another example of your obfuscation of the real facts: You have not, in eight years, closed one coal plant. Elizabeth Witmer closed the Lakeview plant; I was there—

The Chair (Mr. Garfield Dunlop): Try to stay inside this ministry.

Mr. John O'Toole: The point is, on this theme of accountability, I am frustrated on behalf of the taxpayers. You guys just move the numbers around and you call

them contracts or consultants, and it is a large—67,000 people.

Hon. Harinder S. Takhar: Do you want me to answer the question?

Mr. John O'Toole: And I'm not sure that you're capable of running it. I am not either; I'm not saying I am.

We need to get the job done. The spending is up 67% and the quality is down.

Paul asked a question this morning—all you get is a phone message. I looked on to see on these disclosures—it's a blank website. There's nothing on there, and you're telling me May. Trust and accountability go together.

Even to the point of service centres—good idea; a mix of private and public. I want the service to be consistent. I want my constituents who work during the week, 9 to 5, to be able to get their licence at a convenient time. We're paying more and getting less. Spending is up, wages are up, service is down. This isn't a personal attack.

When we take over in 2011—

Interjection.

Mr. John O'Toole: Look, the people are going to throw them out. I was here when Bob Rae got trashed.

The Chair (Mr. Garfield Dunlop): Okay. Do you have a question here?

Mr. John O'Toole: My question is, what's the best idea you have for saving money in the province of Ontario? If I had all your money I could fix my problems.

The Chair (Mr. Garfield Dunlop): Minister, can you answer the question?

Mr. John O'Toole: One idea. I just want one creative idea. You're a manager, a qualified individual—give me one idea that I can take to the Legislature and say, "The minister said he's going to do the following." You create agencies here; this new Bill 65 creates a whole bunch of bureaucrats here as well.

The Chair (Mr. Garfield Dunlop): Minister?

Hon. Harinder S. Takhar: There are too many questions to answer. I think in the first place—

Mr. John O'Toole: Just one. All I want is one. Keep it simple.

Hon. Harinder S. Takhar: Even on the issue of the severances, we have amended the agreement going forward, so there will be savings there as well.

The Chair (Mr. Garfield Dunlop): We're down to three minutes.

Hon. Harinder S. Takhar: But let me tell you, even in ServiceOntario, the service has improved. When we took over, birth certificates were being given in nine months or a year. Now it's within 15 days 99.5% of the time. That is service. We're going to have 300 centres that will provide all services under one roof. That is service. Not only that, we are also going to make sure that we set standards in which the services will be provided. The hours of operation—

Mr. John O'Toole: When are you going to do some of this stuff, the set standards part?

Hon. Harinder S. Takhar: Hours of operation will be consistent with the requirements—

Mr. John O'Toole: That's accountability. I want the promissory—

The Chair (Mr. Garfield Dunlop): Let him finish. Let the minister finish, then we'll get on to your last one.

Mr. John O'Toole: But it ties back to the theme, Chair. The theme is accountability. All these words are quite artistic, creative, blah, blah, blah.

Hon. Harinder S. Takhar: Let me say, I think the hours of operation will suit the needs of the community, and that is service. If you have ever gone into one of these new ServiceOntario centres, you will see what services are being offered and how they are being offered, and then you will actually be impressed and you might have to admit that the service has improved.

The Chair (Mr. Garfield Dunlop): Okay. We've got two minutes left. Mr. O'Toole.

Mr. John O'Toole: I want to be very clear here. I do respect the staff and I know every government has to work closely with them to execute the plan, but the visions and the objectives come from the political side. When it comes to accountability and trust, they're linked together, and if I looked at the outcomes and the general level of frustration and I look to what they point to—the 600,000 jobs from Jack Mintz's report—it's over 10 years. That's phony; that's a stupid number. Do you understand? It's 10 years, 60,000 a year—the population grows by more than that. It means you're actually going to have less employment.

And then all these green jobs, that's all baloney as well. Most of this renewable stuff, once you've got the tower up or the panels up, all the people go somewhere else. We know that all the costs are going up on the HST, and you're probably just in favour of that because you're in cabinet. You know it's going to hook—the people of Ontario are going to be euchred.

This is where I'm concerned. We don't get much face time frequently. I see the agencies that you picked are all kind of cozy with the government, I guess, and none of these hospitality, meal or travel expenses will be up on the website—I am going to be checking it. But it sounds so tokenistic, asking a stupid question about somebody's expense report in the Legislature. We can't get you to just even give us an answer here this morning. I asked you for one idea you have and you didn't have one.

Hon. Harinder S. Takhar: I gave you the answer, but you're not admitting it.

Mr. Chair, I have to say I'm sure the member was very much in favour of us making an investment in General Motors and that has saved the jobs in his area. Otherwise, it wouldn't have when possible. That is creation of jobs, and \$47 million more investment through the HST I'm sure will be good for this province and 600,000 more jobs will be good for this province.

The Chair (Mr. Garfield Dunlop): With that, ladies and gentlemen, we wrap up this morning's session. We'll reconvene this afternoon right after routine proceedings.

The committee recessed from 1022 to 1635.

The Chair (Mr. Garfield Dunlop): We'll call the meeting back to order, everyone. Welcome back, Minister

Takhar, and all the folks from the Ministry of Government Services.

We'll now go to the third party, in rotation. Mr. Miller, you have the floor for the next 20 minutes.

Mr. Paul Miller: This is regarding government service and estimates again: With respect to the Privacy by Design copyright and trademark, what are the names of the officers of the numbered company that holds that copyright? That's what I'd first like to know, when you get a chance. This information is required on documents that the government requires of every corporation, so it would be publicly available and not an offence to their privacy to provide their names.

What benefit are these officers receiving for the use of the trademark? It's our understanding that this trademark has been partially developed by public dollars along the way, and that certain individuals involved in this trademark have been in Europe and other places touting this trademark as their own, and that they offer this service to other organizations throughout the world. I'd be very concerned if taxpayers' dollars were being used to advance a trademark, the Privacy by Design copyright, and then that was being used as the involved individuals' own copyright, which they didn't pay to develop; the taxpayers of Ontario did. So I'm very concerned, and I'd like to have some more information.

Why has this trademark been prominent on the Information and Privacy Commissioner's website without a copyright mark noted, except for the IPC's copyright on the website itself, which could make one believe that Privacy by Design is a copyright of the IPC and therefore the government of Ontario, not a private corporation or person? That's very conflicting and I'd like some information on that, to clarify that.

Has anyone got an answer to this?

Hon. Harinder S. Takhar: I'm going to ask the deputy minister and our information and privacy officer, Mark Vale, to answer that question.

Mr. Ron McKerlie: The trademark is registered to an Ontario corporation, not an individual, as we stated last week. I don't have with us today the names of the individuals who are members of the corporation, but that's perhaps something we can find out through Industry Canada's registered trademarks database.

The commissioner has advised us that they have requested an official mark for Privacy by Design. That was submitted in early May, I believe, and it's presently in the process and is being processed by the Canadian Intellectual Property Office. The commissioner advised us that the request for an official mark is to protect the work the commissioner has developed on Privacy by Design since the mid-1990s. The commissioner has used the concept successfully to get organizations to be proactive in protecting privacy in all business applications and to treat privacy as a core part of their business.

Mark, do you have additional comments?

1640

Mr. Paul Miller: One point: Is the commissioner involved in the trademark herself?

Dr. Mark Vale: No. To the best of my knowledge, no.

Mr. Paul Miller: You're sure about that?

Dr. Mark Vale: I haven't seen the corporation registration—

Mr. Paul Miller: That's what I want to see. Thank you.

Go ahead.

Dr. Mark Vale: Once again, I'm Mark Vale, chief information and privacy officer for the government of Ontario.

Just a couple of points of clarification: After this morning's session, we did do some investigation on when the term first came into use, as was requested. We were able to discover its first use in Ontario, through a joint publication between the Information and Privacy Commissioner of Ontario and the Dutch data privacy commissioner in 1995. That's the earliest use that we've been able to discover.

To the best of our knowledge, public dollars were not used in the development of the concept—or the trademark, anyway—of Privacy by Design. Obviously, the Information and Privacy Commissioner is an officer of the Legislature, separate from government, but there are still public funds there.

I also want to clarify that copyright does not play a role here. Trademark registration with the federal government does, because one registers a trademark relative to specific wares. We would still, even when we use the concept of Privacy by Design, apply a copyright notice, claiming copyright for the crown in right of Ontario.

Mr. Paul Miller: I haven't seen that.

Dr. Mark Vale: Most of our websites would have such a statement. I haven't gone to the Information and Privacy Commissioner's website to look at their copyright notice. Copyright applies to a work that has been published, not to a concept.

To the best of our knowledge, it's registered with Industry Canada as a trademark, but I have not looked at the registration papers.

Mr. Paul Miller: Can you find out who the officers are who own that trademark? That would be nice to know.

Dr. Mark Vale: That would be registered in Ontario.

Mr. Paul Miller: Thank you.

I believe the minister stated that accountability and streamlining are your goals and you want to improve the situation throughout your jurisdiction.

My next question is in reference to the Licence Appeal Tribunal. I believe that falls under your auspices. The board members who were appointed, a lot of them by the government—most boards that I've ever sat on, Mr. Minister, or anything I've been involved with or chaired or vice-chaired, anything I've done, required a vice-chair and maybe an alternate vice-chair, if the vice-chair wasn't available or was on holidays or was sick. Apparently this organization, the Licence Appeal Tribunal of Ontario, has 17 vice-chairs—not what I'd call wise spending—and has 18 members, for a total of 35. The vice-chairs—only the chair is full-time—receive \$491

per diem, and there are 17 of them. That's quite a chunk of money. I don't know why you need 17 vice-chairs—sorry, 18 vice-chairs. The members, who make up the 17 in balance, receive \$664 per diem—some of them—more than the vice-chairs, and some receive \$398.

One of the members—I'm not sure if he is the same Kevin Flynn, if he sits on that board—unless there are two Kevin Flynn's, one in Mississauga and one in Oakville. I don't know; maybe. Anyway, the reason I point him out and a couple of others—there are four others—is that they receive \$664 per diem, which is more than the vice-chair at \$491. There seem to be seven of them appointed by the government who receive the \$664. They're from various cities: Ottawa, Toronto, Woodbridge, Ennismore, Port Colborne.

I guess my question is, if we're looking for accountability and for savings for taxpayers' dollars, maybe you could explain to me why there are 18 vice-chairs for one committee and 17 members on that committee. They're all part-time, but they certainly receive quite a bit of money for a per diem. I don't know how many times they meet; I haven't got those details in front of me. It says that the Lieutenant Governor in Council appoints not fewer than three members and designates one of the members as Chair and may designate one or more other members as vice-chair. The rest can be appointed by the ministry.

Maybe you could explain it to me. That's quite a good gig, I would say, and rather embarrassing. Eighteen vice-chairs: Is it that if you get a bigger title, you get more money? It's like having 14 colonels and three servicemen.

Hon. Harinder S. Takhar: Do you want us to answer the question?

Mr. Paul Miller: Yeah, I'd like to hear about this. This is good.

Hon. Harinder S. Takhar: Actually, I'm going to ask the deputy minister to tell you what this tribunal is all about and why we have the structure that we have in place. I think our ADM Catherine Brown is here as well to answer the question.

Mr. Ron McKerlie: The Licence Appeal Tribunal, or LAT, as we refer to it, provides an independent, impartial, timely and cost-effective means to appeal decisions concerning things like compensation and licensing from a number of different ministries: the Ministry of Consumer Services; the Ministry of Transportation; the Ministry of Children and Youth Services; the Ministry of Training, Colleges and Universities; the Ministry of Municipal Affairs and Housing; and the Ministry of Community Safety and Correctional Services.

They have a significant number of hearings that would be set up across the province every year. In each of the past few years, just in terms of appeals, LAT received over 600 appeals on an annual basis. There was a huge complexity to some of these appeals. That means the number of hearing days scheduled would have gone from 1,200 scheduled hearing days in 2006-07, 1,350 in 2007-08 to over 1,500 in each of the last two years.

Their goal, of course, is to settle issues, to look at issues that are appealed to them. It could be a licence that was revoked or something to that effect. A vice-chair helps them to actually settle that issue without having to try to refer each one of these hearings and each one of these different events to one single individual.

Mr. Paul Miller: Can I ask—

Mr. Ron McKerlie: LAT receives appeals—sorry, Chair—schedules the pre-hearings and hearings. They conduct those proceedings at its premises and all over the province, frankly. The issues and decisions are based on evidence and, obviously, on the law as well.

Mr. Paul Miller: Most of these, other than Ottawa—I think that would be the farthest one, maybe Windsor; there's two or three guys involved there. I could understand that. But most of it is Toronto. You've 12 vice-chairs for Toronto alone.

Hon. Harinder S. Takhar: Yes.

Mr. Paul Miller: Frankly, I don't know how many times they meet a year. You said roughly 600 appeals a year. I'm well aware that appeals can be lengthy, but I really feel this is overkill. I think that this should be looked at very seriously.

Hon. Harinder S. Takhar: As the deputy minister said, these meetings are held throughout the province. The members may be from Toronto, but the appeals can be all over the province. You need somebody to chair the meeting and maybe a member to be underneath so that they can make the decision as it goes on. Otherwise, you'd have to call a meeting of the whole board to make any decision.

Mr. Paul Miller: So nobody in the local area could do this? If it's, say, \$664 a day—and I'm sure if he has to travel, there would be travel expenses on top of that, hotels, food. That gets pretty expensive for the taxpayers. I'm sure that these duties are not rocket science. I'm sure that somebody locally could handle it. There are lots of judicial people who are semi-retired or in the smaller communities who could handle this. Actually, all I'm saying, Minister, is that this is too many vice-chairs, too much expenditure of tax dollars. This is just one appeals tribunal; I'm sure there are other ones.

Hon. Harinder S. Takhar: Okay, just hold on for a minute. I'm going to ask Catherine Brown, our assistant deputy minister, to answer some of your questions.

1650

The Chair (Mr. Garfield Dunlop): Please state your name.

Ms. Catherine Brown: Hi. Catherine Brown; I'm the assistant deputy minister of corporate policy at MGS. The chair and vice-chair per diems are in line with the per diem rates for all of the public appointments that are chairs and vice-chairs. The additional per diems that you mentioned, the higher level per diems, are for members who have some particular skill or expertise—a medical doctor or lawyer—that is required for the position. Those are also in line with what we would provide to anyone with that level of expertise for those positions. Their expenses are in line with the travel, meal and hospitality expenses directive, as required.

Mr. Paul Miller: Being a humble person, I just think that's an awful lot of coin for people to do these types of jobs. Just because it's in line with the private sector or in line with other things doesn't mean that the line can't be dropped. I think this is overkill. It's too much money, too much waste of taxpayers' dollars. This is just one committee or one tribunal, and they've got 17 vice-chairs. I think this is absolutely absurd. I think it's a waste of money, I'm glad that we brought this out in committee, and I'm sure you'll be hearing more about this. But anyways, moving on.

Okay, let's talk about land registry offices. Can you tell me exactly what your land registry offices do? What are the key services provided by the land registry offices? What are the key issues facing the land registry offices?

Hon. Harinder S. Takhar: Mr. Chair, I'm going to ask the deputy minister of ServiceOntario to answer that question.

Mr. Bob Stark: Sure. Just in general, and if we want to get into more detail, we have the ADM who can speak to it.

Mr. Paul Miller: General response. The first one: Can you tell me exactly what your land offices do?

Mr. Bob Stark: Sure. Their role is to go through the process of reviewing requests for land transfer changes and adjudicating on those to make sure that they follow all of the policies of government. They provide support services to customers who come in to inquire about land registry information that's available in those offices, and they manage on our behalf. About 98% of the business is automated. We have 5.2 million properties across the province that are part of the land registry system.

Mr. Paul Miller: What are the key services provided by the land registry office?

Mr. Bob Stark: Those are the key services. Because so much of the system is automated today, lawyers can input their requests online, and they get distributed out to the offices and get adjudicated on.

Mr. Paul Miller: Can you see any savings with some of the negative issues facing the land registry offices? Can you see any savings there for taxpayer dollars?

Mr. Bob Stark: I'm not sure what you mean.

Mr. Paul Miller: Well, the issues facing—what complications or problems do they have in the land registry office that may be rectified and may be financially beneficial to the taxpayers by reducing their issues?

Hon. Harinder S. Takhar: I think that one of the issues right now is that we used to have a lot of manual records.

Mr. Paul Miller: Manual?

Hon. Harinder S. Takhar: Manual records. We are automating those records. As the DM said, 98% of those records—I think it's about 5.2 million properties—have been automated. So people will be able to access this faster; there will be hopefully more accurate records, although we are basically converting the manual records into the automated records. The service will be faster, and they will be able to access it with more efficiency, and so on.

Mr. Paul Miller: Okay. You got a note passed to you. Was that another response?

Mr. Bob Stark: No, it was just an information piece.

Mr. Paul Miller: Oh, okay. I was just curious. I like to stay on top of things.

The Chair (Mr. Garfield Dunlop): You've got another two and a half minutes, by the way.

Mr. Paul Miller: Okay. Official document service: Can you tell me what the official document service does? Can you tell me about the certificates of authenticity? What are the key issues facing the official document service?

Mr. Bob Stark: I'd like to invite our ADM to come up and speak to that, specifically, Frank D'Onofrio, who is ADM of customer care at ServiceOntario.

The Chair (Mr. Garfield Dunlop): Welcome, Mr. D'Onofrio.

Mr. Frank D'Onofrio: My name is Frank D'Onofrio, ADM of customer care at ServiceOntario.

If I could just go back to the earlier question, there is a legislative requirement to have a land registry office in the locations they're in, so we have 54 offices. As was mentioned, we have a strong history of converting records from paper into electronic copy, but there are always issues locally where landowners would come to the land registry office—

Mr. Paul Miller: Disputes.

Mr. Frank D'Onofrio: Exactly. They could be disputes. They could be clarifications or information they need that they would get from the local land registry office.

Mr. Paul Miller: Okay. Do you feel there are any large issues facing your archives in the land registry office?

Mr. Frank D'Onofrio: We make sure that there's access to the documents, whether they are on-site or whether they are remotely located, and we make a commitment to get any information that is to be made available through land registry offices on a timely basis.

Mr. Paul Miller: So how is your new archive building working out at York University?

The Chair (Mr. Garfield Dunlop): You're down to 30 seconds on this answer, please.

Hon. Harinder S. Takhar: I believe that building is working out very well. It's basically customized to the requirements of the archives. I think I can give you some numbers: 20,000, 30,000 inquiries every day to the archives. So it's working well.

Mr. Paul Miller: Thank you.

The Chair (Mr. Garfield Dunlop): Thank you to the member of the third party. At the very end here, you'll have three minutes to sum up, if you wish. We now go to the government members for the next 20 minutes.

Mr. Bill Mauro: Minister, thank you again for being here this afternoon along with your staff. I want to thank them and congratulate them for a lot of the great news and great work that continues to come out of your ministry.

I get perhaps a bit selfish and parochial—although not just for me; I think all members likely share in this particular example that I want to use before I get to my question, that being the issue of birth certificates. I remember when I was first elected some seven years ago—like all elected members we run constituency offices. In my case, I've got two, and some of the other members may have more than one as well.

I can tell you that when I was first elected in 2003, the amount of time that my staff was spending related to the issuance or lack of an issuance of a birth certificate—the frustrations of the members of the public in dealing with our office, and clearly a hangover from the previous administration, was quite frankly very remarkable. In a very short turnaround time, the Ministry of Government Services has reduced this as an issue in my constituency office, almost to the point of being invisible, I would say. So I think that it's really quite remarkable what has happened in that regard.

It's a foundation document. I've had a number of people who need that to get their passports to make trips, and they're phoning and thanking us all the time now for the quick turnaround times. It has freed up my staff to have the capacity to work on other issues, so I use that as an example for much of the good work that has gone on in your ministry, and I want to thank you and the staff for that and all the other good work that you're doing.

The focus of my question this afternoon is an initiative that has come out of your ministry that was called Taking the Lead. As a northern member—my riding is Thunder Bay—Atikokan. I was listening to you converse earlier with the member of the New Democrats; your ridings by population are certainly larger than my riding of Thunder Bay—Atikokan, but geographically I can tell you that my riding is significantly larger than the ones you service. As a result of that, service delivery can sometimes be a challenge in a variety of measures, whether it's health care and certainly services that come out of the Ministry of Government Services.

Atikokan is in my riding, as I've mentioned. It's about a two-hour drive straight west from my community of Thunder Bay to Atikokan. The border of my riding, westerly, is even a little bit farther than that. For people in Atikokan, the services that they get from your ministry are sometimes difficult to get.

That's why I was very excited when, last fall I believe it was, in Thunder Bay, through ServiceOntario, the Taking the Lead initiative—I believe Thunder Bay was the first place in the province to have accessible to the public full service when it comes to driver's licences, licence plate renewals and health card services, OHIP card services, under one roof.

That event, I can tell you, has been very well received by my constituents in Thunder Bay, but even more so in a community like Atikokan, which is, as I said, fully two hours west of Thunder Bay. Just last week, I think, Atikokan went live in terms of full service provision on that Taking the Lead initiative. We're very, very excited about that.

1700

Previous to that initiative, the constituents that I represent from Atikokan would often have to either drive two hours east into Thunder Bay or, on occasion, as I understand it, the services would be rolled out on an ad hoc basis, where a mobile team would travel to a community perhaps every six months or so. If people were available at that time, they could get in and take advantage of that. But now we have expanded this in such a significant way that it is a huge, huge benefit to certainly my constituents and to those in the far-off regions in large ridings, especially northern ridings.

I'm interested in what ServiceOntario is doing to ensure the consistency of these services and operating hours across their network.

Hon. Harinder S. Takhar: Let me just start by saying that I'm very proud of the TTL, the Taking the Lead project. The idea behind this is to provide one-stop shopping and to modernize and integrate the services that we are providing.

Right now, if you want to go and get your health card done, you have to go to one office; if you want to go to get your driver's licence done and your car sticker done, you have to go to another office. What we are trying to do is provide all government services under one roof, so that you can go in there and get your driver's licence, your car licence or your birth certificate. But more than that, there are other services like fishing and hunting licences, birth and marriage certificates and other provincial services that can all be provided under one roof. We're going to have about 300 offices. As I said, two thirds will be the private issuers' network and one third will be government offices.

In addition to providing all services under one roof, we are also providing people other options. The other options are that people can go to the kiosks and get some of their services. They can go online and get some of their services. We want to make the lives of people easier, so when they're dealing with us, not only will we provide them with friendlier service hours but also provide them the flexibility to use other channels as well.

I just want to read for the record a letter that I just got on May 14. It was just sent to me unsolicited. It says:

"It's not often I take the time to send out compliments and/or feedback but I felt the need to in this case. I wanted to let you know how pleased I was in going through an exercise through your government services.

"I was recently informed of a new service from my wife that I didn't hear of publicly, that being the online sticker renewal for vehicles. Online, I thought? Is it possible? To my surprise once I went through the online steps it was easier than I thought it would be. Outstanding, Mr. Takhar! You have made long lines diminish, giving people back time in their busy schedules as well as assist your own staff at each location where in peak hours hundreds would line up causing anxiety. Way to think out of the box. It's simple upgrade services like these that we enjoy from our government services. Many will appreciate this.

"Your team should be commended for two things, being strategic and tactical. Activities that result in breakthrough improvements and activities that result in incremental improvements in standard operational processes."

This was from Frank Di Muzio and he works for Hewlett-Packard. This came to us.

So what we're really saying is that small improvements or major improvements, all of our focus is on actually making the lives of people easier.

I'm going to ask the deputy minister if he wants to add anything more to this on where the Taking the Lead initiative is heading.

Mr. Bob Stark: I think the minister's done a good job to frame it for us. What I will do is share with you a couple of other customer examples that come to me.

One is from Thunder Bay, where you're quite right: Earlier this year—or last year, actually—I used Thunder Bay as a pilot so that all three offices in Thunder Bay could handle all of the core services. The letter I received—once again unsolicited. It started out with:

"I'm one of those customers who usually complains about things, but I've got to compliment you here." This was an individual who needed to replace his driver's licence, renew it, renew his health card and renew the val tag sticker for his vehicle. He had put it off and put it off because he just had this horrible feeling it was going to take him a day to make it happen. Much to his surprise, he arrived at our office and, according to him, seven minutes later he was done. He said, "It happened so quickly I was able to go get a cup of coffee and I still arrived at work a half an hour early."

The other was published in the Brockville paper this past week. It was an individual who chose to write the paper because he'd had a great experience as well with an integrated office in Brockville. This gentleman's situation was that he had lost his wallet and all of his identification, and I'm sure you can relate to that gut feeling of, "Oh, my word, what's happened here and how long is it going to take to reconstruct things?" He went into our office in Brockville and had his driver's licence and health card replaced, or at least the temporary cards in his hand. So in a very short period of time, he had started to get his identity back together in an appropriate way, and he felt strongly enough about that to write to the local paper. I think that's a great example of the kind of good things that this is bringing out across the province.

Mr. Bill Mauro: Thank you very much.

This morning we heard—I'm not sure if it was just this morning, or it might have been last week as well—some questioning in reference to agencies: the work that they do and our steps that we've taken to enhance transparency and accountability around the expenditure of public funds. Most of us, I think, as elected reps are aware that there are approximately 650 of these agencies. Many of them are at arm's-length and independent of government, but that being the case, at the end of the day the government is always held responsible for the actions and activities of those agencies. We've since learned that

255 of them are classified, so I'm here this week learning a little bit about that as well.

The 22 agencies that we picked to try and enhance and go forward with more transparency and accountability: I have a question related to that, because it was the point of some criticism, surprisingly so, by some of the other questioners earlier this morning or last week.

Before I get to my question, I must make reference to—and I believe it was my colleague across the floor talking about a private member's bill. I forget the name of the legislation that came forward, but it was talking about and criticizing the fact that we'd only listed 22. Of course, that's 22 more than there were before. It's an 100% increase over what was there previously, but of course that's not the characterization coming from the opposition. The point of the private member's bill was that we would invoke measures that would have cost us, as a government, approximately \$20 million to set up a bureaucracy and then, I'm told, another \$10 million on an annual basis to go forward with measures, apparently to try and provide more transparency. I found it a bit surprising, given the party that brought it forward, who likes to tell us on a regular basis that they're not in favour of red tape and that they're against bureaucracy. And here they were, at least in my perception—and I look forward to your comments—going forward through a private member's bill to try and set up exactly that: a bigger bureaucracy with more red tape; in fact, something that would probably provide very little in the way of enhancing accountability and would not provide any cost benefit, I would suggest, in all likelihood, to the taxpayers of the province of Ontario.

I do have some experience with this. In my previous life, I spent about 15 years involved in public tendering. I remember very well that we had three options: We could sole-source contracts under a certain dollar value; then, up to the next level, we could get three quotes, and that would be fine too; beyond that second intermediary level we would then have to go to a public tender. If we were to have gone forward with something like what was put forward in that private member's bill, I can only tell you how much it would have hamstrung us in our small office; how much it would have slowed down our processes, made our work much more expensive than it needed to be and, in fact, oftentimes resulted in worse service than might otherwise have been the case.

So I guess my question would be, in response to what we were hearing this morning—that there were a number of questions regarding agencies. We've heard that there are 255 of these classified agencies. I'm interested in hearing more about the types of agencies that are there, some examples of what it is they do, and perhaps a little bit more on the 22 that we flagged in terms of trying to enhance transparency and accountability around those.

Hon. Harinder S. Takhar: Let me just start by saying that our government has demonstrated a strong commitment to transparency and accountability.

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Just to give you a few examples, just for freedom of information, we brought Cancer Care Ontario under that

for the publicly funded agencies. Universities, Hydro One, Ontario Power Generation and local utilities were brought under freedom of information, and the Audit Statute Law Amendment Act, 2004, brought in the powers of the Auditor General to review public sector organizations and implemented the Personal Health Information Protection Act, 2004.

But in addition to that one, we also changed the rules and regulations. We said 22 of the largest agencies would also require that their senior management and the top five claimants report their expenditures to the Integrity Commissioner, and if the Integrity Commission doesn't think it's right, they can ask that they be reimbursed.

One of the issues that we had with the opposition bill was this: the cost. It was a \$20-million cost to actually have the system set up through a three-year period to do the reporting. It was a \$10-million cost every year to actually have this process going on and on; right? The bureaucracy around that was another issue that we had as well. So at the end of the day, what we said was we need to make sure that the systems that we have currently in place are working effectively and we need to see what are the benefits versus the expenses that we are incurring on them, whether they make any sense or not. We said that we needed to start with 22 of the largest agencies to do that.

Let me just give you some idea of who the 22 largest agencies are. They're OLG, OPG, Hydro One, Independent Electricity System Operator, OPA, WSIB, LCBO, eHealth, Cancer Care Ontario, Infrastructure Ontario, the Ontario Energy Board, the Alcohol and Gaming Commission, Ontario Financing Authority, Ontario Realty Corp., Ontario Public Service Pension Board, Metrolinx, Ontario Human Rights Commission, Metro Toronto Convention Centre, Ontario Educational Communications Authority, Ontario Racing Commission, the Ontario Clean Water Agency, and—I think this is in French—office de télécommunications. I think there's the education commission as well.

These were the 22 agencies. If you look at the list, it basically tells you that most of the well-known agencies are covered under this. This is where most of the expenditures are incurred.

Now I'm going to ask Catherine Brown and the DM to take it from there and explain to you how the agencies are classified under different categories.

Mr. Ron McKerlie: Thank you very much. I'll ask Catherine to come up as well, but just to start, as mentioned this morning, the government has oversight responsibility for 255 classified agencies. A classified agency is one that has some or all of the following characteristics: It would be established by government, but it's not part of the ministry; it's accountable to the government through the minister responsible for the agency; it has a majority of appointees chosen by the government; it has been delegated or assigned authority or responsibility for a particular area of government business, public service or service delivery; and it means that the agency has been established and classified under the agency establishment and accountability directive.

There are seven different classifications of agencies. What I'll ask Catherine to do is take you through examples of the classifications and well-known examples of a type of agency that would fall within that classification.

Ms. Catherine Brown: Thank you. As the deputy mentioned, there are seven different classifications. The first is an operational enterprise. There are 37 operational enterprises. An example of that would be the LCBO, one that most people are familiar with. An operational enterprise is one that sells goods or services to the public in a commercial manner, including, but not necessarily in competition with, the private sector. As I mentioned, there are about 37 of those. Typically, they would have a board that was appointed and, as the deputy mentioned, the majority of those appointees would be from the government.

The second type would be a regulatory agency. We have 21 regulatory agencies currently of those 255. An example of that would be the Financial Services Commission of Ontario. Regulatory agencies make independent decisions, including inspections, investigations, prosecutions, certifications, licensing and rate-setting. Their decisions may limit or promote conduct, practice, obligations, rights and responsibilities of an individual, a business or a corporate body. They are exactly as you would think they would be. As a regulatory agency, they oversee regulations.

Operational service is the third type. There are 39 operational service agencies. An example of that would be Legal Aid Ontario. Operational service agencies deliver goods or services to the public, usually with no fee or only minimal fees—different from an operational agency, which I mentioned earlier.

The fourth type would be adjudicative agencies. There are 40 adjudicative agencies in the province currently, an example of that being the Ontario Municipal Board. Adjudicative agencies make independent or quasi-judicial decisions.

The Chair (Mr. Garfield Dunlop): You have about a minute left, by the way.

Ms. Catherine Brown: They resolve disputes on the obligations, rights and responsibilities of an individual, a business or a corporate body against existing policies, regulations and statutes. They may also hear appeals against previous decisions.

The fifth is advisory agencies. There are 110 advisory agencies currently. An example would be the provincial Advisory Committee on Francophone Affairs. They are more temporary and provide information and advice to assist ministers and ministries in the development of policy or the delivery of programs.

The sixth type is a trust. There are five trusts in the province. They administer funds or other assets for beneficiaries named under statutes.

The seventh type is crown foundations. There are three crown foundations. They solicit, manage and distribute donations of money or other assets donated for a named organization in the interests of the foundation for which it was established.

There was a question this morning about the listing of the 255 agencies. I can table this with the clerk. We have copies of the list of classified agencies, all 255. I have copies I'll leave here.

The Chair (Mr. Garfield Dunlop): Okay. Thank you so much, Minister. Now we go to the official opposition. You have the next 20 minutes.

Mr. John O'Toole: Good.

The Chair (Mr. Garfield Dunlop): Okay.

Mr. Robert Bailey: I've got a couple of questions I'd like to ask. Thank you, Minister, for being here today, and your staff as well. These are from my office. My staff in my office asked these questions for me to table today, because obviously they're in the office every day dealing with the real world, and I'm down here.

One was about birth certificates. A number of people present at our office from time to time and the issue is, in custody cases etc., where children have been placed in the care of the grandparents by the CAS, either temporarily or permanently. Obtaining birth certificates for these children apparently is a very difficult process.

My staff—and I would agree with them—think this is an issue that needs to be addressed. They're saying—and I'd like the opinion of the ministry or some of your deputy ministers—that if a court order shows that the grandparent has full custody of the child, that should be good enough to process the application.

She says here: "Note: Almost all of the children have expired health care cards and need to be registered for school." You need a health care card to register for school. Neither of these things can happen until they have a valid birth certificate. I'd like somebody to comment on if that's true, if you see that situation arising, and how we could expedite that.

Hon. Harinder S. Takhar: I have to say, this is the best question I got from the PC Party. So I'm going to ask—

Mr. John O'Toole: It's the only one he's going to try to answer.

Interjections.

Mr. John O'Toole: Let's see how he does.

Hon. Harinder S. Takhar: I said the PC Party, not you. I'm going to ask the experts to answer this question.

Mr. Kim Craitor: Sorry, John.

Mr. John O'Toole: Hey, what goes around comes around; okay? I've sat over there.

Mr. Bob Stark: I don't have the detailed information with me today to answer that question, but—

Mr. Robert Bailey: No, but you'll commit to getting the answer for that.

Mr. Bob Stark: Absolutely.

Mr. Robert Bailey: Do you have an opinion on that? Have you seen that as an issue?

Mr. Bob Stark: I'll share with you that we're very proud of our Office of the Registrar General up in Thunder Bay, in terms of their ability to deal with unique situations.

I'll share with you a similar situation to what you just described, in the aboriginal community, where people

were having difficulty getting birth certificates and they needed them to be able to get the status card from the federal level and, in so doing, be funded on reserve.

We launched a task force with Service Canada, because this spanned both levels of government. Last summer, we did a tour of a number of aboriginal communities in the north and helped mothers get the registrations for births into line, and got birth certificates into their hands. We worked out streamlined processes with the federal level of government so that they could more easily get the status card to the individuals on reserve. That's what the office in Thunder Bay is particularly good at: taking on these challenges. You've given me one which I will get some answers for, and I'll share them with you later.

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Mr. Robert Bailey: I've got another question.

Mr. John O'Toole: Go ahead.

Mr. Robert Bailey: I've got another question here I'd like to ask, too. This is another issue that apparently is presented a number of times in my office. This scenario is about, for example, a father who has sole custody of a child, and he cannot change the child's name or request a new birth certificate without the mother's signature. In many cases, according to my staff, the father has sole custody because the mom, for whatever reason, is no longer in the picture to obtain that signature from. Our opinion—her opinion—is that the Superior Court order should be recognized by the Registrar General. Now, is that true? Are they? Are they not? Maybe we're misinformed; you tell me.

Mr. Bob Stark: Once again, we're into a level of detail which I don't have information on today.

Mr. Robert Bailey: But if you'll commit to getting me an answer on this, that will help my staff a lot.

Mr. Bob Stark: Absolutely.

Mr. Robert Bailey: The other thing is we've had a number of constituents, and I'm sure the other members here have had this happen—I'm told it happens quite often—who have paid twice for services, I guess for a driver's licence or a birth certificate. Don't ask me how, but they've sent a money order in, and then for some reason, they give their credit card number as well. They've told me that the ministry's response to them is, "Well, that's too bad. We're not in the business of sending money back to you." Has anyone else heard that issue? Someone's been charged twice for a service—it's obviously their error; I'm not saying it's not. It's the constituent's error, but is there any provision to reimburse a constituent, a client, who has paid twice inadvertently?

Hon. Harinder S. Takhar: I would like the member to actually give me the details. We will look into that.

Mr. Robert Bailey: Okay, I'll do that.

Hon. Harinder S. Takhar: The constituent should not be paying twice. They should be paying once for the service.

Mr. Robert Bailey: Well, that was the answer that was given to us, "Tough luck." I didn't think that was—

Hon. Harinder S. Takhar: We will look into it.

Mr. Robert Bailey: Thank you. John?

Mr. John O'Toole: Bob's questions were excellent. We'll try a couple of the ones here. Although he didn't get any answers; we're still hung out there waiting.

Hon. Harinder S. Takhar: See, because they were good.

Mr. John O'Toole: This is the customer service that we're speaking of, no disrespect.

Minister, on April 14 in question period—I have a letter saying, and I quote the letter: "take the proactive step of posting the expenses of their board and senior management online on a go-forward basis" with respect to the LHINs. You said, "They have agreed to do it." I'm quoting you here, that you spoke to them, and they had agreed to post them. These are the LHINs.

Hon. Harinder S. Takhar: I think what I said is that the minister has written to the LHINs, that they should post their expenditures on their own websites, and my understanding, from the minister's response, even in the House, was that they have agreed to do that.

Mr. John O'Toole: It's been a month since you made the statement. You said that the LHINs have agreed to post them online, and the Minister of Health said that they should do this. When is it going to happen? We've checked, and there's nothing being posted.

Hon. Harinder S. Takhar: I think two things: One is they need to have a system in place so that they can post it. The second question is, even if they are effective from, I think it's April 1—so once the expenditures are approved and paid for—

Mr. John O'Toole: That's April Fools Day, but anyway.

Hon. Harinder S. Takhar: Yes—and paid for, then it should be posted. But they have to have a system in place.

Mr. John O'Toole: That's good. Could we get you to commit to a date? There are a lot of promises made around here. I'm looking for accountability. The theme here is you say these things, and nothing happens. We go to the website, and it's blank. What we're saying here is I would like you to commit today so that, by the end of May, or some date that you provide, the LHINs will have complied with your request. Even though you said it a month ago, it's still not happening.

What's your process to follow up on these promises you're making? Premier McGuinty promised in 2003; he still never committed to the promise. We've got one here; we're going to track this one. What's the date that this is going to happen?

Hon. Harinder S. Takhar: Chair—

Mr. John O'Toole: Simple, one line: What's the date? June? May? August?

Hon. Harinder S. Takhar: Mr. Chair—

Mr. John O'Toole: September?

Hon. Harinder S. Takhar: I'm not sure that there are ever one-line answers to these questions.

Mr. John O'Toole: I know. It's all talk.

Hon. Harinder S. Takhar: The answer is, first, the LHINs are under the responsibility of the Ministry of Health and Long-Term Care. My understanding is that they will start posting these expenditures this summer. The Ministry of Health, most probably, is going to be before the estimates committee and you can pin them down on what the answer will be.

Mr. John O'Toole: Well, I take that as no answer there. You shouldn't say these things in question period. This is the problem. I lose trust in the operation here, because you're saying all the right things, but they're not doing anything. It's just like moving the chairs on the Titanic.

Anyway, here's another question: You said something on March 9 when I asked you about the 40 contracts of US health care providers, and you referred it to the Minister of Health. I'm going to quote your opening statement. I went back and checked, because I had to get it exactly from the Hansard. This is your response in your introductory remarks, your maiden speech: "All I want to say is that the MGS is sort of the corporate services function for the government of Ontario." Sounds good. "This is where we develop policies and procedures which the other ministries or agencies follow." I'm pretty sure you have the same script I have. "All of our services are dedicated so that we can provide the best service possible to Ontarians." I agree with all of it, every single word of that.

"This is like a centralized function where most of the centralized functions take place. This ministry is pretty big in size." It certainly is, and growing. "It looks after all the information systems and, from the policy point of view, all the HR and procurement functions."

You said this morning that you don't have all procurement functions—none of the health care functions, all of the LHIN stuff. These are incomplete and inconsistent answers, Minister. You're in charge of a large company. It's not clear to me after two or three days; we need another seven and a half hours here to drill down to the real questions. I'm saying that this morning I asked you about these procurements outside of Canada. Do you have anything at all to do with those, with the US?

I think your staff gave you a note there.

Hon. Harinder S. Takhar: No, staff hasn't given me any note.

What I said in my opening note was this: This ministry is responsible for developing policies and procedures that the other ministries follow. These questions that you're asking me actually relate to the Ministry of Health and Long-Term Care, so I am going to suggest to you again that when the Ministry of Health and Long-Term Care comes in front of the estimates committee, you ask them those questions and they will have better answers than I will be able to give you. I never said we do the procurement for them; I said we develop the policies that the other ministries follow. That's what our function is in the MGS.

Mr. John O'Toole: It's certainly the big picture. We're going to have to get Deb Matthews in here to get

some of these answers because half the spending in the province is health care. We've established that. You're giving the people of Ontario watching this thing—this is being televised, I think—across the province the wrong idea. I once called your ministry a junior ministry, just between you and I. My job is different than yours, obviously.

So you're going to get Deb Matthews to give me an answer on this?

Hon. Harinder S. Takhar: I said most probably you should ask these questions to the Minister of Health and Long-Term Care.

Mr. John O'Toole: That's not very good customer service.

Hon. Harinder S. Takhar: Mr. Chair, I have to thank the member for asking these excellent questions today.

Mr. John O'Toole: Well, Bob may have a comment.

Hon. Harinder S. Takhar: I know his job is different. He said this is a junior ministry, and I said he's a junior critic.

Mr. John O'Toole: I want to compliment your staff. I really mean this quite genuinely and sincerely.

Hon. Harinder S. Takhar: It's good you should say that.

Mr. John O'Toole: I've looked through the book at their resumés and accomplishments and achievements. Their assistance to you and your deputies here today is commendable. I would like to leave that on the record as a statement.

Hon. Harinder S. Takhar: That's good.

Mr. John O'Toole: More recently, the responsiveness to the 255 agencies—thank you very much. That very clear six-point or five-point plan is quite explanatory. You said you had a follow-up note on that? That's helpful information.

Hon. Harinder S. Takhar: Mr. Chair, I'm sure the member now agrees that they are worth every penny that they get.

Mr. John O'Toole: That's good. I'll leave that to you, and that's probably true.

When we're dealing with these questions here today—it is a large ministry; it's a reasonably large budget. We're concerned that a lot of the questions that we posed—the first couple of days, there was a bit of a script that we were following, so we had them isolated. When can I expect those answers? This is all about customer service and accountability. They're straightforward, they're written and if they're off-base, tell us. That's the answer. This is an incomplete question.

Hon. Harinder S. Takhar: Actually, we can table some of those answers today.

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Mr. John O'Toole: Good. The other part is several questions that were presented today in the earlier session. Would we get the written answers on those?

Hon. Harinder S. Takhar: We will give all the answers that are due as soon as we compile them, but I would even make another offer to the member: We

already gave two briefings to my critic, but we'll be more than pleased to give another one.

Mr. John O'Toole: Well, it's clear. I'm hoping that Bob is in training here, that he might take this over. It's a very glamorous ministry. No, in fact, it's an administrative ministry, which makes it hard to get any headlines on this thing.

One of the things you could improve, quite honestly, is the FOIs. Your ministry handles and approves—as you say, procedurally—all the systems and the systems implementation. You must have measurements in management there for tracking these projects. You must have some method of tracking these projects. Do you? It's a major project management, really. That's a serious question.

Hon. Harinder S. Takhar: Yes. Actually—you're talking about the FOIs or the major projects?

Mr. John O'Toole: No, the major projects.

Hon. Harinder S. Takhar: We track all major projects, and most of the major projects are reported to the treasury board and the Management Board on a quarterly basis.

Mr. John O'Toole: And they're reported to you?

Hon. Harinder S. Takhar: They're reported to me, and I'm actually very pleased to tell you that most of the projects are on time, on-budget and on-step.

Mr. Robert Bailey: I've got a question. ServiceOntario in my riding of Sarnia-Lambton—I think in a number of the ridings around southwestern Ontario they've taken the drivers' licence issuing away from the chambers of commerce, for example in my riding. What success rate do you see? When will that all be implemented? Do you see any job losses locally or will they try to absorb those people back into the new form?

Hon. Harinder S. Takhar: We are undertaking a major modernization and integration of the ServiceOntario centres. Some service centres will be closed and there will be some job losses in those centres, but wherever the services are being combined, there might be some job openings available there. It's not that we can give them preference, but those people can apply in an open, competitive environment. Most will probably have the right experience and will get selected for those jobs. They have the opportunity to apply, like anybody else will have the opportunity to apply.

Mr. Robert Bailey: How many communities across Ontario altogether would have been affected by these ServiceOntario amalgamations? Do you have an idea?

Hon. Harinder S. Takhar: I'm not sure. I don't know the communities—maybe the deputy can answer that—but I think the offices we were closing are in the range of about 60, right?

Mr. Bob Stark: That's correct.

Mr. Robert Bailey: Do you know how many people were affected, if the deputy can answer that? How many jobs in these different communities might have been affected overall or do you see, at the end of the day, having been affected by this move?

Mr. Bob Stark: Sure. Just a little bit of history on this: ServiceOntario over the past few years has brought services from various ministries into ServiceOntario, and as we have done that, we've inherited delivery channels for health that are specific for health, driver and vehicle licensing specific for driver and vehicle licensing and so on. What we're doing this year by providing a one-stop shop and integrating these services is we've looked at the overall capacity of our network, and we quite frankly have more capacity than we need to serve our customers. As the minister mentioned, we are closing about 59 privately run offices and about 11 government-run offices. That's reflective of being in an over-capacity kind of situation. What we end up with at the end are multi-channels, so we have the online capability, telephone capability, kiosk capability and in-person capability, a modern delivery network that's designed for the capacity of what we need. We end up with approximately 300 locations. For 95% of our population, they're within 10 kilometres of a ServiceOntario centre—pretty impressive access.

As the minister has mentioned, for health card services, we will have moved from 27 permanent health offices to 300 offices across the province, and for driver and vehicle licensing, from about 265 offices to 300 offices.

Hon. Harinder S. Takhar: Mr. Chair, can I just make one comment? I know we're going to run out of time. I really want to thank all the members of the committee for asking their questions, getting into MGS issues and understanding them. I think that, over the last seven and a half hours, they have done a tremendous job, and I really want to thank them and all the staff as well for putting this together.

Mr. John O'Toole: Just a last—

The Chair (Mr. Garfield Dunlop): You've got about a minute and a half left.

Mr. John O'Toole: Within this whole thing, I have seen—and again, this is reasonably complimentary. Since the times I said to Art Daniels, who was quite a visionary assistant deputy minister, or whatever his title was, and I do recall that because much of what you said today and the transitional programming that's going on—birth certificates are a good example. Post 9/11, this was a huge issue—the security around these issues. At one time, the inconsistencies—because they used to be registered at the municipal level and there was a problem of who got paid for what transactional stuff. There were a lot of things to be administered.

This isn't something that has magically happened out of some political motive, but I think it's important to recognize that the ministry is moving in a direction where it's service-orientated or platform-oriented. I think there was one—your lost wallet. There was a website you could log onto with all of those documents. So it's good to see that these things, after several years, are moving along, and there are efficiencies built into that.

The downside to that is, what do you do in remote parts of Ontario? It's the same with having a template

that fits large urban but does not fit small-town Ontario. You see it in education, the footprint for school size, and you see it in your 10 minutes from every kiosk—except if you live in Timmins; you have to have an airplane to get to the kiosk.

These are important connections, and connectivity in this—it's all based on connectivity, really, whether it's by phone, Internet or some other form of access.

The Chair (Mr. Garfield Dunlop): Your time is actually up.

Mr. John O'Toole: So we understand that, and it's moving along. These interim reports are extremely important, Minister. Sometimes on these ministerial statements you should take a bit of time and spread some of the good news if there is any.

The Chair (Mr. Garfield Dunlop): Okay. Now we have 10 minutes remaining in the seven and a half hours. Mr. Miller, you have three minutes to sum up. If you'd like, you can ask a further question, and so could the Liberals.

Mr. Paul Miller: Okay, I've actually got one question and then I'll sum it up. You've said that you have cut consultants' retention and that the cost is down 35% to 40%—this is your ministry. It's my understanding that you work in conjunction with other ministries when you send out policy rules for retaining consultants. Would that be a fair statement?

Mr. Ron McKerlie: Yes.

Mr. Paul Miller: Okay. What would be your estimates for savings that can be achieved by other ministries which comply with your directives? Do you have access to these potential savings that can and should be available to the public? Also, what action does your ministry take other than sending a notification letter that the ministry in question is in violation of the directives? Do you take strong and effective action other than sending them a letter?

Hon. Harinder S. Takhar: Let me start by saying that I think every ministry has developed their results-based plan. The budgets have been set, and the budgets are not going up, so every ministry is expected to stay within their budget and also identify savings wherever those savings are.

My overall expectation is that the consultant expenditures should stay relatively stable or should marginally go down, because at certain times you have to acquire certain specialized skills to do the jobs. That's my expectation going forward, but I will ask the deputy minister to answer the other issues.

Mr. Ron McKerlie: We've also provided training for the different ministries so that they can, obviously, follow the rules and take advantage of the guidelines that are in place. IT Source is available to all ministries, so it reduces their use of IT consultants. These are staff that we've hired. The target is 275 of these individuals. They're consultants, and they'd work wherever the work is in any of the ministries. So those would be other opportunities where we can save money for other ministries.

Mr. Paul Miller: Thank you. In closing, I'd just like to thank the minister and the deputy ministers. You've surrounded yourself with very competent individuals who managed to even stretch the answers out so I couldn't get any more questions in. You guys are really good. Also, the remainder of your staff have done a good job.

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It's a huge ministry. It can be cumbersome at times with the amount of geographical challenges and all the things that go with it. I think you're doing okay. Of course, we have to ask the tough questions in opposition to keep you tuned up so that you don't slip, but I'd just like to end by thanking you. I think you did one of the better jobs I've seen in estimates.

Hon. Harinder S. Takhar: I just want to say thanks to everyone, especially the members. I know they put in a lot of their time and effort as well—and my staff. I also want to say they recognize the kind of work we are doing. I think one of the purposes of estimates is to do that as well.

I know one of my colleagues here is in a little bit of an emergency situation, so—

The Chair (Mr. Garfield Dunlop): Do you have any—

Mr. Bill Mauro: Sure. As we wrap up our seven-and-a-half hours, just a quick comment. Thank you again, Minister and staff, for what you do. And to the other members of the committee, I know as provincially elected members how hard all of us have to work, primarily, I think, because the services we provide to the constituents we represent are very tangible services, when you think about health care, transportation and education. Sometimes, I'm not sure what our federal friends are spending their time on, but I do know that everybody we represent uses all the stuff that we are responsible for and that we work on. As a result of that, it can be a very busy kind of work that we do.

The services that are provided directly through the Ministry of Government Services, like health cards, birth certificates, drivers' licences, hunting and fishing licences and business licences—I can tell you that the litmus test I use to see if you're doing a good job in your ministry, the barometer, so to speak, is my beachhead, which for all of us is our constituency offices. I can tell you, in the almost seven years that I've been there, the amount of time that my staff is required to spend on issues related to services provided by the Ministry of Government Services has significantly declined. For me, that's the truest test and a testament to the work that you and your staff are doing. I want to thank you for that and all the members for being here. Thank you.

Hon. Harinder S. Takhar: Mr. Chair, I have to table a couple of these answers as well. We will give them to the clerk.

The Chair (Mr. Garfield Dunlop): Thank you very much, Minister.

The official opposition will finish this off as well.

Mr. John O'Toole: Again, we're kind of repeating here, but I want to thank you, Minister. As straight-

forward as it can be, when you were being questioned—it is our job to be as prepared as possible; it may not be as good as it should have been.

Also, to explain to the staff, we have different functions. They know that; they've been here longer than us and probably will be here longer than us, which is another issue. But I think the excuse for the procedural rules today as well—there were some delays where all the staff were sitting here. They're highly qualified people, prepared to answer difficult questions. I do respect that, even though a lot of times it may not sound like I have that kind of respect; I do. I have a different function, but I do get along with the minister who I'm critic of well enough that we have a bit of humour in what we do.

I still think there was some time that could have been spent on the discussion earlier on the Truth in Government Act. I think it's penny-wise and pound-foolish in terms of what you invest in accountability. I'd be saying here on my own behalf that certainly the Auditor General—although they'd like to expand their bureaucracies as well, I'd give them free reign. I think André Marin is probably one of the best ombudsmen we've had. He sticks his nose in, perhaps where he shouldn't, on clarity of mandates. But some of the agencies—the Human Rights Commission—are empowered to make difficult inquiries.

It's the same with the opposition. Often, we don't get the media attention in this ministry, which is a pretty important ministry for providing the infrastructure, human and technical, for services. It really is. It's connecting the dots, as you said in your preamble going into it.

But you know, this is all in the climate of a budget deficit, a \$21-billion operating deficit. It reminds me of when I was a regional councillor in Durham. My part-time job or my old timer's hockey time—I had a job with General Motors. After I left, they went off the cliff—

Laughter.

Mr. John O'Toole: I'm only kidding. No, it's a tragedy, because I did work in personnel and areas like that, in systems for a while. They're a company. That's the whole issue here.

When I met Floyd Laughren in 1993—this was called the expenditure reduction plan.

The Chair (Mr. Garfield Dunlop): You have 20 seconds left.

Mr. John O'Toole: They ran into revenue problems, which ended up in the whole social contract business at the end of the day. It was a three-step phase. I see the government, unless revenue picks up in the next quarter—good luck. There are difficult decisions to be made. Plans are good and I know staff can only work with the direction of government. I've enjoyed the learning experience. Perhaps I'll take you up on a couple of these pieces—

Hon. Harinder S. Takhar: Yes, absolutely.

The Chair (Mr. Garfield Dunlop): Thank you very much, Mr. O'Toole. I'm now going to call the votes.

Shall vote 1801 carry?

Mr. John O'Toole: Chair, I just want to make sure that there are six votes: 1801, 1807, 1808, 1811, 1812 and 1814.

The Chair (Mr. Garfield Dunlop): Yes, there are.

Mr. John O'Toole: I'd like to make sure we divide those six votes because—

The Chair (Mr. Garfield Dunlop): They are already divided.

Mr. John O'Toole: They are divided?

The Chair (Mr. Garfield Dunlop): Yes.

Mr. John O'Toole: Great.

The Chair (Mr. Garfield Dunlop): I'm going to ask for the votes now.

Mr. Robert Bailey: Chair, I'd like to ask for a 20-minute recess so that we can caucus before the vote.

The Chair (Mr. Garfield Dunlop): I'm going to ask for a vote first. Shall vote 1801 carry?

Mr. John O'Toole: No.

Mr. Robert Bailey: Chair, I'd like to ask for a 20-minute recess.

The Chair (Mr. Garfield Dunlop): Okay. That means, ladies and gentlemen, that with the timing of the day and the recess being called, the meeting will be adjourned until tomorrow at 3:45, or until after routine proceedings. That's under standing order 129(a). Meeting adjourned.

The committee adjourned at 1745.

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