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Official Report of Debates (Hansard)

Journal des débats (Hansard)

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Standing Committee on Finance and Economic Affairs

Committee business

Pre-budget consultations

Less Red Tape, Stronger Ontario Act, 2023 Comité permanent des finances et des affaires économiques

Travaux du comité

Consultations prébudgétaires

Loi de 2023 visant à réduire les formalités administratives pour un Ontario plus fort

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Chair: Ernie Hardeman Clerk: Vanessa Kattar Président : Ernie Hardeman Greffière : Vanessa Kattar

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Monday 9 January 2023

The committee met at 1001 in the Manidoo Baawaatig Event Centre, Kenora.

The Chair (Mr. Ernie Hardeman): Good morning. Welcome to Kenora. First of all, before we call the meeting to order, I want to thank all Kenorans for the hospitality and all the hard work they've done to provide us with the opportunity to be here today.

We'll call this meeting to order today to commence the public hearings on pre-budget consultation 2023 in Kenora, Ontario. As a reminder, I ask that everyone speak slowly and clearly. Please wait until I recognize you before you start speaking.

COMMITTEE BUSINESS

The Chair (Mr. Ernie Hardeman): Before we begin, there are two items of business I would like to bring before the committee. The motion adopted by committee regarding pre-budget consultations does not include a deadline for prioritizing the list of presenters to be provided to the Clerk for Timmins. As such, is the committee in agreement that the deadline for presenters be January 25, 2023? Hearing no objection, that would be accepted.

Additionally, we have Fred Mota, mayor of the municipality of Red Lake, who has submitted a late request to the committee for a presentation today. Is there agreement that we allow him to present? I want to point out that we have sufficient time for that. Hearing no objection, that is also agreed to.

Are there any questions before we begin? MPP Smith.

Mr. Dave Smith: I move that the Minister of Red Tape Reduction be invited to appear on Monday, January 9, 2023, after the pre-budget consultations, in regard to Bill 46, An Act to enact one Act and amend various other Acts; and that the witness shall have 20 minutes to make an opening statement, followed by 40 minutes for questions and answers, divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition members, and two rounds of five minutes for the independent members of the committee as a group.

The Chair (Mr. Ernie Hardeman): Thank you for the motion. I believe that we are here to start hearing the presentations. Discussion on the motion? I'm going to

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Lundi 9 janvier 2023

suggest that we defer the motion to the end of the meeting, rather than—

Interjections.

The Chair (Mr. Ernie Hardeman): Well, we can do it that way, but then there's no reason to do it that way. I believe that we were gathered together to have the presenters, and I think the time is for presenting. If there's further debate on it, we need to do that after the meeting.

Ms. Catherine Fife: Chair, just a question of clarification.

The Chair (Mr. Ernie Hardeman): Yes?

Ms. Catherine Fife: Is the idea that the minister would follow the presenters here for an additional hour? That's a question of clarification.

The Chair (Mr. Ernie Hardeman): MPP Smith?

Mr. Dave Smith: Actually, in the motion it says that the minister be invited to appear today after the pre-budget consultation, so it would be after we had completed all of what we would be doing today, because we have extra time today. That's why I'm putting forward the motion now, and the reason I'm doing it at the beginning of the meeting, rather than waiting until the very end, is so that the minister has time to prepare. If we were to do this at, say, 3 o'clock, once we completed it, the minister would be spending the entire day not knowing whether or not we would be asking him to come forward today. I think doing it prior to the start of the meeting, giving the motion prior to the start of the meeting, allows for everyone to prepare for it, for whatever time it may be that he does his presentation, whether that be 3 o'clock, 4 o'clock or 5 o'clock today.

The Chair (Mr. Ernie Hardeman): Okay. Further debate on the motion?

Ms. Catherine Fife: Yes, it makes sense for us to make the decision prior, so we have no objection to the minister coming at 3 o'clock.

The Chair (Mr. Ernie Hardeman): Okay. Then no further discussion on the motion. All those in favour? All those opposed? The motion's carried.

Ms. Donna Skelly: Chair?

The Chair (Mr. Ernie Hardeman): Yes? MPP Skelly?

Ms. Donna Skelly: For clarification, please, Chair: Is it at 3 o'clock or 4 o'clock then?

The Chair (Mr. Ernie Hardeman): The motion says that it's directly following the presentation. Hearing no debate, the motion is carried.

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PRE-BUDGET CONSULTATIONS

The Chair (Mr. Ernie Hardeman): Going on: Each presenter today will have seven minutes for their presentation. After we've heard from all the presenters, there will be 39 minutes for questions from members of the committee. This time for questions will be divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition members and two rounds of four and a half minutes for the independent members as a group.

DISTRICT OF KENORA UNINCORPORATED AREAS RATEPAYERS ASSOCIATION

KENORA SENIORS COALITION

CANADIAN MENTAL HEALTH ASSOCIATION, KENORA BRANCH

The Chair (Mr. Ernie Hardeman): I will now call on our first presentation and the first—let me get my papers straight here. District of Kenora Unincorporated Areas Ratepayers Association, Kenora Seniors Coalition and the Canadian Mental Health Association, Kenora branch.

Come forward and have a seat. Each presenter, before they start, if they would give us their name for the Hansard to make sure that it was said properly. If they listen to me, sometimes it may not be registered properly. So for the Hansard, if you would introduce yourself before you start.

Mr. Bob Stewart: Thank you. My name is Bob Stewart. I'm a member of the board of directors on an organization called the District of Kenora Unincorporated Areas Ratepayers Association.

First off, thank you for allowing us the opportunity to make a presentation on provincial pre-budget planning. A written submission providing more detail has been submitted to the committee—

The Clerk of the Committee (Ms. Vanessa Kattar): You can sit down.

Mr. Bob Stewart: Oh, okay.

Our organization, the District of Kenora Unincorporated Areas Ratepayers Association, represents some 25,000 year-round and seasonal residents of the unincorporated areas in the Kenora district. Our presentation today deals with the provincial land tax.

For those not fully aware of the provincial land tax, it is a tax collected by the province to co-fund basic services across the 10 northern Ontario districts. Those services include roads, policing, social programs and health care. While the PLT has undergone significant change and improvement over the past decade, concerns by those paying the tax remain.

Improvements we are suggesting for the PLT are an annual reporter's summary to those paying the provincial land tax, a resumption of the provincial contribution to municipal long-term-care facilities on behalf of unincorporated area residents, increased financial support for local service board administrative costs, a comprehensive review of the Northern Services Boards Act and the Local Roads Boards Act and, finally, assurances that provincial land tax rates will be amended to account for inflationrelated increases in property valuations.

Currently, the only public information detailing amounts collected and allocated to those paying the PLT is through the annual provincial public accounts. The most recent ones detailed some \$38 million collected in fiscal 2020-21—\$30 million from private property and \$8 million from tax-assessable property on leased crown lands.

Coupled with local service board and local roads board levies, property owners now co-fund close to 55% of local service costs. That compares to 45% paid by rural and small municipal property owners. We are asking for an accounting to PLT payers of how much is billed each year and a summary of the allocation of those funds on a service-by-service basis.

1010

Until 2010 revisions to provincial legislation, the province provided a population-based contribution to municipalowned long-term-care facilities on behalf of non-municipal areas. Unincorporated area residents make use of municipalowned long-term-care homes, and the province should resume this support payment. In this district, the support should be extended to the Wiigwas Elders long-term-care facility, as it, too, is a community-based, non-profit entity serving all residents of the district.

Currently, a portion of provincial land tax revenues are directed to local service boards and local roads boards to cover service and administration costs. While local roads boards administration costs are fully covered, only a portion of those costs are covered for service boards. Funding for LSBs should be increased to cover all reasonable administrative costs.

There is also a need for an overall review of the Northern Services Boards Act and the Local Roads Boards Act to address issues such as term of office for the elected board members, services permitted, facilitation of boundary changes and ministry staff support.

Finally, province-wide, due to COVID measures, the provincial reassessment updating property values to January 2020 and to take effect in the 2021 tax year had been deferred and is now to take effect in the 2024 tax year. With the provincial land tax being a fixed rate, any increase in assessed values will result in a property tax increase. The province needs to assure those paying the tax that assessment increases on existing properties will be taken into consideration and the provincial land tax rate amended, and that the rate will be adjusted to keep the provincial land tax contribution by property owners, when coupled with tax levies from local service boards and local roads boards, in line with the average rural municipal property tax co-funding of services.

Again, thank you.

The Chair (Mr. Ernie Hardeman): Is there anyone here from the Kenora Seniors Coalition? Please come forward and, as I mentioned earlier, state your name for the Hansard.

I was also supposed to mention earlier that, at the end of the time, at one minute, I will let you know there's one minute, and at the end of that one minute, the microphone stops.

With that, may we have your name?

Ms. Carolyn Hudson: Good morning. My name is Carolyn Hudson. I'm making the presentation on behalf of the Kenora Seniors Coalition. Many thanks to—I'm not sure, is it Vanessa, who made it possible to have this happen?

First of all, I'd like to acknowledge that I am a settler on Treaty 3 territory, which is the traditional territory of the Ojibway and the Chippewa.

My presentation is entitled Saving Lives, Saving Dollars. Substance use is not an issue we can afford to ignore. In 2017, substance use cost Canadians almost \$46 billion, led to over 275,000 hospitalizations, and contributed to the loss of nearly 75,000 lives.

The following graphs are specifically related to opioid morbidity and mortality. The first one focuses on emergency department visits and shows that in the province of Ontario in 2021, there were 17,073 cases of opioid-related emergency visits, a percentage case increase of 36.3%. Specifically, in our area, for the Northwestern Health Unit, there were 142 visits to the emergency department in 2021, which was an 18.3% increase from 2020.

The opioid crisis has drastically increased health care costs, and emergency department visits involve many other areas of the hospital, from diagnostic imaging and housekeeping to administration, bringing the hospital cost of an emergency department visit to \$304 in 2018-19, not including compensation paid to physicians.

The next two graphs are specifically related to hospitalizations which are opioid-initiated. In 2021, in the province of Ontario: 2,439 cases, an 18.2% increase from 2020. Specifically, again, in the Northwestern Health Unit, our cases totalled 19, which was a 111.1% increase from 2020, all related to opioid use.

The other issue that we need to look at is the explosion of HIV cases recently in the Kenora area. The Northwestern Health Unit says the number of HIV cases reported in the last nine months surpasses the combined total from the previous eight years. As we all know, HIV cases are expensive to treat. HIV three-in-one treatments cost about \$1,600 per month. Dovato costs about \$1,100 per month. You and I are paying for that increase in HIV cases.

The average number of opioid-related deaths per day in Ontario is 20, which is a scary figure, actually. And it's not only lives that we're losing; the next slide focuses on lost productivity costs for our province. In 2017, substance use cost Ontario more than \$17 billion. Tourists and residents alike don't want to see this, which we often do see, or this, which is a picture I took myself behind a building that's pretty much right across the street from where I live.

Looking at the solutions, Alberta seems to have done a lot of work in the area of safe consumption sites, and they are looking at dollars saved for policing costs, the justice system, and emergency medical system costs. Since Calgary's supervised injection site opened in 2018, the province of Alberta has saved over \$2.3 million. Vancouver's safe injection site, Insite, saves the taxpayer in excess of \$6 million per year by preventing HIV infection and death. Insite has saved taxpayers \$18 million over 10 years by reducing disease transmission and needle sharing, and encouraging safer drug-use practices.

The Canadian Association of Chiefs of Police did a report in 2020, which was approved by the Ontario Association of Chiefs of Police, supporting the initiatives primarily of supervised consumption—

The Chair (Mr. Ernie Hardeman): One minute.

Ms. Carolyn Hudson: One minute? Oops. Okay.

My presentations on the need for a safe consumption site in Kenora were received positively by the Rotary Club of Kenora, the Kenora ministerial association, Kenora Moving Forward and the All Nations Health Partners. Citizens of Kenora, young and old alike, are ready for action to be taken to clean up our streets, making them attractive for both visitors and residents. A safe consumption site is the answer to moving our economy forward.

The Chair (Mr. Ernie Hardeman): Thank you very much for your presentation.

Now, do we have someone from the Canadian Mental Health Association?

Ms. Sara Dias: Hi. I'm just online.

The Chair (Mr. Ernie Hardeman): Okay. Very good. Thank you very much. If you would give us your name for the Hansard before you start. We look forward to your presentation. I will let you know when you reach the oneminute mark.

1020

Ms. Sara Dias: My name is Sara Dias. I'm CEO of the Canadian Mental Health Association, Kenora branch. Thank you for the introduction and for allowing CMHA Kenora the opportunity to address the committee.

With 27 CMHAs across Ontario, I hope that you'll hear from a few of my colleagues as you continue your community consultations. One common theme you'll hear is that for all CMHAs, the priority is always to provide the highest quality of care for the individuals we serve, but decades of underfunding, the increased need for service due to the pandemic, and the ongoing impacts of Bill 124 are having devastating impacts on how we can best support people in need. The funding model for our sector has been broken for decades. This needs to change if the province truly wishes to champion community mental health and addictions care.

In terms of funding, CHMA Kenora has received just a single 2% base budget increase over the past 22 years. That was in 2018. When you consider that inflation since 2014 has been about 24%, it is not difficult to imagine our precarious economic position. This lack of appropriate annualized operating funding has a negative ripple effect for our staff and clients. More people need our services than ever before, but funding for our pre-existing programs has not kept up—an increase of cost of operations, cost of living and inflation. As an example, since November alone, we faced a 42% increase in demand for our Assertive Community Treatment Teams, and demand for our court diversion services has shot up more than 80%. Last year, our court diversion and court support service

helped nearly 200 [*inaudible*] given that unimaginable caseload for our court diversion and court support workers should be 40% to 60% of cases. As you can see, it's a challenge. We recognize resources and redeploy staff, but we struggle to meet this increased demand in service with our current budget allocations.

And then there is our dedicated, hard-working and extremely committed staff. As you can imagine, they are burnt out and exhausted. Many are leaving the mental health and addictions sector for jobs that pay significantly more. At one point this year, we had 17 full- and part-time vacancies, which, for a small agency like ours, is quite dramatic. Often, we're losing people to hospitals, public health and other areas of health care that we can't match when it comes to salary and resources to do their jobs. Currently, CHMA Kenora is managing a staff vacancy rate of around 5% to 6%. If you wish to extrapolate across all CMHAs, a 5% vacancy amounts to nearly 200 positions going unfilled. These are crisis counsellors, addiction workers, social workers, nurse practitioners, psychiatrists and others who seek to help some of the most marginalized people in our community.

CMHA Ontario conducted a survey of the branch members a few months ago. This survey came at a time when CMHAs were negotiating with the ministry about the year's budget allocations. Without an increase on the horizon, CMHAs are negotiating a reduction in their targets and managing vacancies. We simply cannot do more or provide even the same level of service when we aren't resourced properly. Two years from now, the challenges may only get worse as we come out from the modernization period from Bill 124. Staff will be expecting and, quite frankly, will deserve greater wage parity with their broader health care colleagues.

I'd also like to take a few moments to talk about the need for infrastructure funding to support data collection across the community mental health and addictions sector. For a multitude of reasons, the community sector lacks a robust data strategy to help measure performance and show value for money, but that's changing. CMHA Kenora and my CMHA colleagues across Ontario are at the forefront of the data strategy for the sector. As a provincial association, we began our own independent data collection initiative in [inaudible] at Ontario Health, which this government tasked with building a comprehensive and connected mental health and addictions system. We're pleased to support this centre as it continues to drive system enhancement through the development of a data strategy. Through data, we'll be able to better share our story, predict where the greatest demand for service will be, and to compare information across the province. This is long overdue, and we thank the government for creating this centre and embedding it within Ontario Health. It's vitally important that funding be allocated to support the CHMAs to implement this data infrastructure moving forward.

In closing, I would like to thank the committee for making time to hear from CHMA Kenora and other stakeholders in the north. The challenges and needs of northern and remote communities deserve dedicated consultations such as these, so I'm very appreciative. I'll be happy to take any questions later.

The Chair (Mr. Ernie Hardeman): Thank you very much for the presentation.

That will conclude the three presentations in the first panel. We now start with our questions and comments, and we start with the official opposition for the first round.

Ms. Catherine Fife: Thank you to all presenters for coming to the committee this morning. You're the first of the first on this journey.

I want to start actually just with the Canadian Mental Health Association. Sara, thanks for your presentation. I hope that you can still hear me; I can't see you. There you are.

You'll be aware, of course, this morning that we learned through an FOI through Global News that the Minister of Health knew that Bill 124 was having a negative impact on staff retention and attraction for the health care workers in our system.

The government lost the case in court, as you're aware really a historic loss, and really a repudiation of this government's move to cap health care workers at 1%. They are now going back to court to fight that court ruling, which found that Bill 124 was unconstitutional and was running counter to collective bargaining rights.

I just wanted to get your feedback, knowing what we know now, that the government knows that Bill 124 is bad for the sector—all public sector, but particularly for health care—knowing that the government is now fighting that court case. Can you give us some sense, please, as to what impact this has on the sector—mental health, obviously, but really people who work in the public service and who serve the people of this province?

Ms. Sara Dias: Thank you very much. I think you can hear me; I hope so.

The impact has been quite significant in our sector, because we know that the majority of people that go into this particular workforce are not drawn in for the money, but they're drawn in for the roles, because they believe in the cause and how important it is to have a strong mental health system.

But because of the historical funding issues that I've mentioned that have contributed to barriers to mental health and addictions care, and then Bill 124 in place, it makes it even more difficult to retain staff, let alone hire. We're losing dedicated staff to the burnout and exhaustion for paying jobs in the health care sector. Without base budget increases to help CMHAs and other community mental health providers and anybody in the public sector around even operating costs that are increasing annually—

Failure of sound system.

The Chair (Mr. Ernie Hardeman): If you want to just ask a different question, MPP Fife?

Ms. Catherine Fife: Yes. If we get her back, maybe we'll give her a chance to—all the more need for broadband, obviously, up here.

Ms. Sara Dias: —the impact in regard to the living standard—

Ms. Catherine Fife: Oh, here she is.

Ms. Sara Dias: Sorry?

Ms. Catherine Fife: Sorry, we lost you for a little bit there.

Ms. Sara Dias: Oh, my apologies.

Ms. Catherine Fife: No, no. It's not your fault at all. Maybe just wrap up your point, if you could.

Ms. Sara Dias: Yes, for sure. So, Bill 124 really has impacted the standards of those working in the mental health and addictions front-line care by worsening issues like staffing crisis, overburdening our health care system, making individuals attend the emergency department to receive first-line [*inaudible*] for first-episode issues. And then of course, like you had mentioned, the argument that Bill 124 is unconstitutional and has not allowed the sector to look at sustainability and not allowed the sector to protect itself.

Ms. Catherine Fife: Thanks so much for that answer.

This is seven minutes—we have seven minutes, is that right? How much time is remaining?

The Chair (Mr. Ernie Hardeman): Three point four. Ms. Catherine Fife: Three? Okay.

Very quickly then, I'm going to ask Carolyn Hudson thank you so much, Carolyn, for coming here today. The presentation you gave every member is very comprehensive and research- and evidenced-based. I really just want to get to the heart of this matter, because when the Ontario Association of Chiefs of Police is in favour of safe injection sites and yet the government has refused to invest in this life-saving—and, as you point out, cost savings from a policing cost, a justice system and an emergency medical system. What do you think is the heart of the problem here? Does it go back to the stigma around addiction, or what do you feel is impacting the resistance to safe injection sites here in Kenora?

Ms. Carolyn Hudson: Oh, dear. It really boils down to people wanting people who are addicted to just disappear, to go away. That's why I was so happy to receive the positive responses from the organizations that I presented to, because if we can get a collective positive response in the community, then that would do a lot towards moving things forward.

1030

Ms. Catherine Fife: Thank you so much for that, Carolyn, and thank you very much again for the research. I'm going to cede the rest of my time over to MPP Kernaghan.

Mr. Terence Kernaghan: Thank you very much to all of our presenters who've gathered here this morning. My first question is for DoKURA. In looking at your 2020 budget presentation, it seems as though you brought many of these concerns forward at that time. Did the government address any of your concerns from 2020?

Mr. Bob Stewart: Yes, many of these concerns have been brought forward in the past, but we have not seen any action on them other than a polite thank you for making a presentation. None of these things have resulted in any action.

Mr. Terence Kernaghan: I see. You know, I think, as well, when we take a look at fostering a culture and a government that respects transparency and accountability, I think many of the measures that you have requested,

whether it's an annual report or a summary of PLTs, is something that seems quite reasonable. It also is curious that administration costs are not covered.

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Terence Kernaghan: I think that is a very big oversight. How much of an impact would you say that that has financially on organizations in your area?

Mr. Bob Stewart: Sorry, I didn't catch the last bit.

Mr. Terence Kernaghan: When you consider the fact that administration costs are not covered for much of this, what financial impact would you think that that would have?

Mr. Bob Stewart: Sorry, that was with regard to the local services boards?

Mr. Terence Kernaghan: Yes.

Mr. Bob Stewart: Yes, their costs—the government requires them to have an annual audit, and they normally have a secretary-treasurer to pay and the cost of sending out information. Generally, it's \$10,000 to \$15,000 a year in administrative costs. The government provides for most of them \$2,500 or so.

Mr. Terence Kernaghan: I see. So it is a-

Mr. Bob Stewart: The costs to the provincial treasury would not be great. There's 43 local services boards; an extra \$10,000 for each of them is less than \$500,000—

The Chair (Mr. Ernie Hardeman): Thank you. We'll have to finish that on the next round.

We now go to the independents. MPP Bowman.

Ms. Stephanie Bowman: Thank you to the presenters—very informative. My question is for Ms. Hudson regarding the safe injection sites. I'm wondering if you could share any history around your request for this. What work has been done in the community to, again, ask the government's support for this and what kind of response have you received to date?

Ms. Carolyn Hudson: Well, a bunch of things pop into my mind. I might go backwards here, but I recently participated in the Northwestern Health Unit's feasibility study, which was four days of talking to people who had experience with addiction, and it was super, really—a super experience and eye-opening and informative. It was just a great chance to meet with people and find out about their situations.

I also, as I said before, took those pictures of the needles across the street. In Kenora, I live behind Safeway and across the street from Safeway was what used to be, I think—I don't know what the terminology is, but where people stayed and did drugs. So a friend of mine called me over and I took these pictures. I was just flabbergasted. Then I've also had two other experiences of walking behind the Safeway building and, first of all, finding someone totally passed out with a needle next to them and then coming back from Safeway and finding the paramedics attending to someone who had overdosed. So it is right on our doorstep.

Ms. Stephanie Bowman: And has the government have you made formal requests other than here today? Have there been discussions with your local representative or the ministers and has there been a response to date? **Ms. Carolyn Hudson:** Personally, I haven't made any requests of our MPP, but I know the health unit has done that feasibility study, which will be coming out in February. So that's one step.

Ms. Stephanie Bowman: Thank you.

The Chair (Mr. Ernie Hardeman): MPP Brady.

Ms. Bobbi Ann Brady: Sure. To our three presenters, thank you for taking time out of your day to come and speak with us.

To Ms. Hudson: The one slide says, "And it's not only the Ontario Association of Chiefs of Police who, back in 2020, saw the need for change in Ontario's approach to the use of illicit substances." Can you tell me what Ontario's perceived approach is? We know what you would like it to look like, but what is the perception right now that Ontario's approach to dealing with illicit substances looks like?

Ms. Carolyn Hudson: Well, it's more of dealing with homelessness rather than the substance use, and there is no place for people to go. Aside from the fact that they want to inject, even taking that out of the picture, they are on the streets with no alternative in terms of housing.

Ms. Bobbi Ann Brady: We heard Sara's presentation as well, and she described an underfunded and broken mental health system. Do you feel that if the government properly funded mental health it would reduce the need for some of the things you're asking for in your presentation?

Ms. Carolyn Hudson: Yes. I think in the previous budget there was \$240,000 allocated for mental health and addiction, and I just don't see that being adequate.

The Chair (Mr. Ernie Hardeman): We'll go to the government. MPP Byers.

Mr. Rick Byers: Good morning, all. Thank you for the presentations that you made. It's great to be here in Kenora in January. It was great to see deer on the streets and side-walks as we came in last night. That's something new for us from the south.

Mr. Stewart, thank you for your presentation. I noted your points on the provincial land tax. Can you give a little bit more background as to how that works—who sets the rates and how it interacts with the municipal tax system? It would be very helpful for us.

Mr. Bob Stewart: The provincial land tax has always been administered by the province. It dates back to, actually, pre-1900, something called the Algoma tax, which was to encourage settlement in the rural areas. The rate is set by the province. They undertook a fairly extensive review between 2013 and 2016, and that increased the total revenues province-wide to about \$40 million. The funds go into the general revenue fund, so there's no direct—the police get so much, the roads boards get so much. It's just generally allocated by the various provincial ministries to the service providers, which are generally other provincial ministries. In many ways, it's similar to a municipal property tax, which goes into a municipality's general revenue fund and then they spend it on the services that are needed.

The Chair (Mr. Ernie Hardeman): MPP Smith.

Mr. Dave Smith: We have a couple of new members who have not been through this process before. There are

people in southern Ontario who really have no idea what we're talking about in this case. Can you very quickly describe the difference between an unincorporated area and a municipality? I think a lot of people who would be tuning into this would have no concept of what it is you actually asked about or why it would make a difference, because you're not a municipality.

Mr. Bob Stewart: Right. We're not a municipality. For instance, in the Kenora district, there are 400,000 square kilometres of land, and there are only nine municipalities and they probably make up 1% or 2% of the land area. The rest is called, in northern Ontario, "unincorporated areas." The provincial government also designates it as "territories without municipal organization." Providing services in those areas is done either by provincial ministries or local roads boards or local services boards, and the services are pretty minimal, as I noted in the presentation: roads, policing, some universal social and health programs like public health and welfare and that sort of thing. I suppose the closest comparison to southern Ontario would be-think of county-level governments or upper-tier governments, except, in this case, the province runs it. They are, by default, our municipal government.



Mr. Dave Smith: So, if I could quickly summarize on that: Basically, all of the services that a municipality would be providing to their citizens, the unincorporated territories are working with the province to provide those. So when you talk about the provincial land tax, that, effectively, is the municipal land tax as a comparison and the services that you're looking for are the same services that a municipality would provide, except that you do not have a municipal government that does those things; you have to work directly with the province on it.

Mr. Bob Stewart: That's right, yes.

Mr. Dave Smith: Thank you.

Mr. Bob Stewart: And primarily two ministries: The Ministry of Northern Affairs, which looks after the *[inaudible]* service boards and the Ministry of Transportation, which handles the local roads boards—because those are two additional property taxes that residents pay if they have those boards in their area.

The Chair (Mr. Ernie Hardeman): Further questions? MPP Skelly.

Ms. Donna Skelly: Good morning to the presenters.

How much time do I have, Mr. Chair?

The Chair (Mr. Ernie Hardeman): Three minutes.

Ms. Donna Skelly: Three minutes? Thank you.

My questions, actually, are for Ms. Hudson. I wanted to just clarify about the amount of money and resources that our government has committed to this community in terms of mental health supports and supports for those with addictions. First of all, we are the first government to create a ministry that is specifically focused on mental health and addictions. Last year, our government invested \$10 million in annualized funding to expand culturally safe and Indigenous-led mental health and addictions services for Indigenous people living both on and off reserves. We have \$90 million in the Addictions Recovery Fund, which made significant investments with Sioux Lookout First Nations Health Authority, Kenora Chiefs Advisory, Sagamok First Nation, Dilico Anishinabek Family Care and others. We've also invested \$1.7 million with the Kenora Chiefs Advisory so that they can offer more landbased care for at-risk youth at their youth camp. Were you aware of that funding?

Ms. Carolyn Hudson: No.

Ms. Donna Skelly: Okay. So, I just wanted to put that on the record, that we are committed to dealing with this issue. And it's unfortunate, when we come to communities and there's such beauty and then we see that this opioid crisis and the fentanyl crisis are taking over so many communities, not just here in Kenora, of course, but right across the province of Ontario.

In terms of your ask for a safe injection site, I have visited some in the city of Hamilton and worked with a number of people who are involved in the addictions sector, working with people who are on the street, homeless and addicted.

The Chair (Mr. Ernie Hardeman): One minute.

Ms. Donna Skelly: But I was really interested in a study that was released—or, actually, an article in the National Post, I think it was about a week ago, by Dr. Julian Somers, a clinical psychologist, distinguished professor at Simon Fraser University, where he directs the Centre for Applied Research in Mental Health and Addiction. He's focused on the safe injection sites in Vancouver and has come up with a theory that they're not working, they are not effective and that people without the wraparound services—they are simply encouraging people to inject and they are not actually helping people get off of the drug of choice. Just your thoughts on that—

Ms. Carolyn Hudson: Well, I think it has to relate to the increase. It's an opioid crisis and it's like a forest fire that they can't put out. More resources and—in all of the research that I've done, safe-consumption sites lead, hopefully, to treatment and a better life.

The Chair (Mr. Ernie Hardeman): Thank you very much. We'll have to get the rest of the answer the next time around.

We'll go back to the official opposition. MPP Kernaghan. **Mr. Terence Kernaghan:** Thank you very much, Bob;

I didn't get an opportunity to thank you after your responses. My next question is to Ms. Hudson from the Kenora Seniors Coalition. Now, we know that health care is a prov-

incial responsibility and yet we've seen a limitation that has been placed by this government—an arbitrary limitation on the number of safe injection sites across the province, of 21. Oftentimes, we will hear this government speaking about wraparound services that they also do not properly fund. Harm reduction, I think you've shown quite effectively, is an effective first step in terms of treating this opioid crisis. I also want to thank you for pointing out not only the human cost of addiction, but also the financial cost of not addressing this social crisis.

In your comments, though, you had mentioned housing, and I specifically wanted to ask, do you think it's wise or fiscally prudent for governments to rely on private, forprofit developers to create truly affordable social housing? **Ms. Carolyn Hudson:** Oh, I wish I had the numbers for our wait-list, but I think it has increased by something like 346%, according to the district services board's latest report on housing.

KDSB, I have to say—our Kenora District Services Board—has many initiatives that are happening right now, and I was particularly happy to see a seniors' project that has got shovels in the ground as of November this past year. But what I would love to see would be something like a co-operative housing project.

Obviously private developers aren't meeting the need if there's a 346% increase in the housing wait-list, and so I think the government has to step in.

Mr. Terence Kernaghan: Thank you very much. I really appreciate your response.

My next question is to Ms. Dias from CMHA. I just wanted to suggest to possibly turn off your camera. I noticed that we had some connectivity issues and there was a little bit of a lag last time.

But, to Ms. Dias, I wanted to ask, what is the social impact of decades of mental health underfunding?

Ms. Sara Dias: Hi. Thank you very much. I will definitely keep the camera off. Some examples I can give you around decades of underfunding of branches—for example, CMHA Thames Valley only received a 2% base increase once over the last 10 years, so that's 2% about every three years. They've been managing vacancy management in order to address that, along with CMHA Ottawa, who only received a 2% increase over the last 10 years, so that's 2% about four years ago—again, vacancy management to assist with operating costs. CMHA Windsor-Essex [*inaudible*]; CMHA Peel Dufferin, no base budget increase in five years; and CMHA York and South Simcoe received a 2.4% increase once in more than five years.

Like I had mentioned, CMHA Kenora's last base budget increase was in 2018, so we have not received a base budget increase for operating costs in over 22 years. We are actually now focused on reducing targets, managing through vacancy management with positions in order to manage increased operating costs.

Mr. Terence Kernaghan: I must thank you for the hard work that you've done despite decades of underfunding and a lot of neglect of the system. It's strangely ironic that we hear discussions of wraparound services and we see a refusal to fund those services, so I just want to thank you for everything that you do.

At this time, I'd like to pass over the remainder of my time to MPP Mamakwa.

The Chair (Mr. Ernie Hardeman): MPP Mamakwa?

Mr. Sol Mamakwa: Meegwetch. *Remarks in Oji-Cree*. Good morning, everyone. Thank you to the presenters, Bob, Carolyn and Sara.

Over the holidays, I know up in the north we dealt with a lot of youth suicides. Two days ago, I was at a funeral for a 27-year-old woman with three kids who the community buried. So mental health is certainly a big issue.

Sara Dias, just a question for you: I think it's important to acknowledge the impacts of Bill 124, because there's such a shortage of workers. There's such a shortage of clinical mental health supports for people in northwestern Ontario. One of the things that I know governments do is they make these announcements and make it look as if they're doing something, without really doing anything, and they will also throw these numbers around and not necessarily have an impact. It's really important. **1050**

Can you talk a little bit again about the impact of Bill 124 and where the real need is when we talk about mental health services for northwestern Ontario?

Ms. Sara Dias: Absolutely. The impact of Bill 124 has a huge impact on the mental health and addictions sectors, specifically from the health human resources lens, which is exactly what you are asking about. Sampling that we've received from multiple branches around these health human resources issues is that most of our resignations are related to stress, burnout and lack of competitive wages. For example, in Toronto, 66% of the resignations there over the last two years have been strictly salary-based. As well, in Toronto, the 33% pay gap for experienced CMHAregistered nurses versus other health providers has been significant, and we are faced with that here as well, through CMHA Kenora. We have a vacancy rate right now of five nurses, specifically nurses who have psychiatric awareness and training, and we cannot compete with our public health sector, as well as our hospital, because the wage disparity is over 33%.

In Simcoe county, there was a 25% salary gap with health care employers for the same [*inaudible*] while in Niagara, they are going to better resource the employers where they can do less work with proper support. Same here: If you look at our organization structure are CMHA, we're very lean in regard to our administration in order to continue our front-line positions. But, unfortunately, that is something that we'll have to be looking at—

The Chair (Mr. Ernie Hardeman): Thank you very much for that. The time for that question has expired.

We will now go to MPP Bowman.

Ms. Stephanie Bowman: I just wanted to come back to Ms. Hudson. I thought your answers to the government's comments about the safe-injection-site research were very sound. Again, notwithstanding that, there is research that might suggest wraparound services are, of course, important, but safe injection sites are widely known and proven around the world to be of benefit to people needing treatment. So I just want to again ask you to keep up the good fight; we certainly will as well. I think we want to make sure that you get what you need here.

I wanted to ask both you and Mr. Stewart, perhaps, about the impact on tourism. Obviously, tourism is a very big part of the economy here in beautiful Kenora and Lake of the Woods. We heard a little bit last night, as my fellow colleague and I were walking around, that it's having an impact on tourism as well, which can, of course, hurt the economy. Can either of you talk a little bit about that?

Ms. Carolyn Hudson: It's tourism and it's residents, and I'm speaking pretty much from the perspective of seniors. It's so often that we come up with the comment or we hear during our little happy hours that seniors—one lady just said flat-out, "I'm afraid to go downtown." It's sad, because all people seem to do is talk about the needles and how that is destroying the harbourfront and the walkway and so on, without realizing that tourists see that, too. They are not going to be coming back to our city if some of that isn't reduced.

Also, people can be at the harbourfront and be approached by people who are homeless, which makes it very uncomfortable. Again, probably the safe consumption site and dealing with the housing issue are really what's desperately needed.

Ms. Stephanie Bowman: I was just asking about tourism and the impact on tourism.

Mr. Bob Stewart: I would imagine it is in some respect—our organization mainly deals more with property tax-related measures, but just personally, as somebody who lives in the area, yes, tourism is impacted because there's a negative connotation. People don't want to come to an area that's having social issues.

Ms. Stephanie Bowman: Thank you.

The Chair (Mr. Ernie Hardeman): MPP Brady.

Ms. Bobbi Ann Brady: My question is to Sara. The 2% is quite common across the province, as you detailed. I've spoken to my local CMHA and the 2% over the past 10 years has been their reality as well, and they've raised their concern about that. At this point in time, Sara, what do you feel would be the appropriate increase in base funding to get priority services back on track?

Ms. Sara Dias: We would be advocating for at least 8%. **Ms. Bobbi Ann Brady:** Thank you.

The Chair (Mr. Ernie Hardeman): Anything further? If not, to the government: MPP Ghamari.

Ms. Goldie Ghamari: Thank you, everyone, for your presentations today. I appreciate it very much. I'm going to focus a little bit on Ms. Hudson, and it's purely for selfish reasons because my mother actually works at a not-forprofit organization dedicated to seniors. She's been there for a very long time. Almost an age ago, when I was much younger, I volunteered there. Through her, I've always been interested in issues affecting seniors and senior communities and healthy aging.

This is my first time this far up north in Ontario, and I couldn't pass on the opportunity to ask you maybe if you could describe some of the challenges or some of the differences in living that seniors experience up north that you might not think of in southern Ontario.

Ms. Carolyn Hudson: Don't get me started. But in a nutshell, the word is "snowbanks."

Ms. Goldie Ghamari: Snowbanks?

Ms. Carolyn Hudson: Oh, yes. I tried to get through a pedestrian walkway. It was fine on one side, but on the other side I almost fell because the other side wasn't cleared. I'm just thinking of the view from my window now— which is beautiful actually because even though I see the top of Safeway, I can see the lake. But there are big snowbanks along the sides of our sidewalks and it almost doesn't leave enough room for two cars to pass side by side, right?

That is the physical part of it, but I have been concerned about the number of seniors—it comes up time after time—being intimidated about going downtown. Personally, I don't feel that way at all, but then I've dealt with people at the Fellowship Centre, which is our drop-in place for homeless people during the day, and having done the feasibility study as well, you just meet people off the street and realize that these are human beings. So I think the fear that seniors have about leaving their apartments and venturing out is not necessarily founded, but that's their impression, and it really has an impact on their health.

Ms. Goldie Ghamari: I know falls prevention is definitely a big thing, and I can only imagine it's definitely more of a concern up north.

How many seniors would you say form the coalition? Would you know the average of how many seniors you represent or serve? I'd be curious to know.

Ms. Carolyn Hudson: I haven't kept track of the number of the mailing list, but I would say about 20. I also belong to the New Horizons Seniors Centre, where I'm going to be going for lunch after this and on Tuesday and Thursday, just to catch up with people and visit.

Ms. Goldie Ghamari: Thank you. I also wanted to know: Some of the programs that we focused on recently, especially when it comes to seniors—there's doubling the GAINS tax for 12 months. We introduced the Seniors' Home Safety Tax Credit. We've introduced a lot of tax credits or benefits specifically targeted towards helping seniors age well and be able to live at home longer and just be more comfortable.

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What are some of the areas that you think our government could support seniors in, aside from some of the things that we have already introduced, especially given the rising cost of living in northern Ontario?

Ms. Carolyn Hudson: Yes, that's really difficult for people. I splurged on a tray of fruit, and it was \$25. I'm fortunate that I can fit that into my budget, but many people can't.

So the first part of your question was about their concerns? No?

Ms. Goldie Ghamari: Given the affordability crisis, some of the things that our government has already done we doubled the GAINS, we've introduced the seniors' home renovation tax credit. There are a number of other tax credits as well. I'm just wondering if there is sort of a unique perspective that you could provide us from seniors in northern Ontario that our government might not have thought of, that we can take back.

Ms. Carolyn Hudson: Well, if you could take back the message that seniors desperately want to get out of their three-bedroom bungalows into affordable housing—such as the one I'm in right now. And within my own building, if we could have—and I think there is going to be an increase in some of the paramedic services that are happening there.

Interjections.

Ms. Goldie Ghamari: Sorry. Could you just repeat that?

Ms. Carolyn Hudson: Yes. Getting out of our houses—

Ms. Goldie Ghamari: Yes.

Ms. Carolyn Hudson: Right? And then in our own building, the paramedics are coming and doing more and more. For example, I had to go to great lengths to get them to come and do the COVID shots and the flu shots within our building, because a lot of people are responding and saying, "Well, I'm not going. I can't get out of my building. I'm just not going to get my flu shot." I think that's sort of false economy, so that if—and our community support service woman finally took over the responsibility of lining up the paramedics for the booster shots and so on, but we shouldn't have to fight for that.

Ms. Goldie Ghamari: Well, thank you very much for that. I appreciate it very much.

I'll pass it along to MPP Smith.

The Chair (Mr. Ernie Hardeman): One and a half minutes.

Mr. Dave Smith: Carolyn, I want to come back to one of the things that you had asked for. I checked while we were sitting here; there currently is not an application to the province for a consumption treatment site for Kenora, so I greatly appreciate that you brought this forward. One of the things that we do at the provincial level, though, is we provide the funding for an application that has been put forward. There has not been one put forward, though, for Kenora for a consumption treatment site. I would highly recommend that you reach out to someone like CMHA, who is behind us on the screen, to put forward an application for it.

Our belief is that a consumption treatment site's greatest value is to build trust with that individual to get them to go to treatment. It's one of the tools to bring someone to treatment. However, the province doesn't run the CTSs. They are run locally by different organizations. No organization for Kenora has put forward an application for one. So the reason that you would not have one right now is, no one in Kenora has taken the initiative to put forward an application to actually run one. I strongly suggest that you reach out to some of the service providers to do that.

Ms. Carolyn Hudson: But how does that work? Because the health unit has done the feasibility study, which I assume is a step in the process—

Mr. Dave Smith: Yes.

Ms. Carolyn Hudson: But, in [*inaudible*], for example, CMHA and the local health unit, I believe, that successfully finally got their approval—

Mr. Dave Smith: They created an application for one, to say, "We want to run one." No one from Kenora has put in an application.

The Chair (Mr. Ernie Hardeman): That concludes the time—

Ms. Carolyn Hudson: I need more help from you.

The Chair (Mr. Ernie Hardeman): The suggestion from the member is to get an application in.

That concludes the first panel. Thank you. MPP Fife?

Ms. Catherine Fife: Just a question: Prior to the delegations, we made a decision about hearing from the minister today, but I'm not sure that we had all the information at that time. I did have a question for the Clerk around, will this impact the four charter flights that we have going back to Toronto later on today? I think we just need to have all the information.

Interjection.

The Chair (Mr. Ernie Hardeman): The Clerk suggests that she can get back to you after lunch as to the impacts of that.

Ms. Catherine Fife: Then a follow-up question: If the decision to have the minister appear at 4 o'clock today impacts travel plans, will that change the motion? Is the government amenable to changing the motion if we have to stay another night, if we have to stay until 11 o'clock tonight? That would be information that I think would have been considerate of the government to share with us prior to putting the motion on the floor.

The Chair (Mr. Ernie Hardeman): The government can speak to that, but it may be inappropriate to ask whether someone is willing to change their mind about a motion that has been passed for a motion that might be passed. But if the MPP—

Mr. Dave Smith: I can speak to that, Chair. The reason we put the motion forward is that we have time available for us today, and it should have no impact on the schedule for the flight.

The Chair (Mr. Ernie Hardeman): Okay. We'll hear the information that you requested right after lunch.

Before we go any further for the next presentation— *Interjection.*

The Chair (Mr. Ernie Hardeman): Oh, yes. This does conclude the first panel, as I said, and I want to thank the members very much for coming forward and helping us and being the first in what we hope is a long list of people to make presentations on what they think we should be doing going forward with our budget coming up, hopefully in March sometime. So thank you very much for being the first and doing such a great job of it.

RESOLUTE FOREST PRODUCTS

WEYERHAEUSER

The Chair (Mr. Ernie Hardeman): For members: A motion was passed by committee that states that witnesses appearing be permitted to participate in person or participate remotely; however, a maximum of one individual may appear in person on behalf of an organization, and any additional representatives of that organization shall participate remotely. We have two representatives in the room from the same organization. As both representatives can be accommodated at the witness table, can we get an agreement to allow both representatives to participate in person? I just want to point out that in the next panel one of the presenters has already withdrawn. They will not be here, so we will only be hearing from two in the panel, so the suggestion is that it would be the same number of people. Without objection, we will allow the second person to also sit at the table and participate in the meeting. Hearing no objection, done.

The second thing: We have three presenters in the next panel. The first presenter will now be Resolute FP Canada. On the list, they are the second one, but we are still waiting for the arrival of the first one. So we have Resolute FP Canada at the table to make the first presentation.

Thank you very much for being here. You will have seven minutes to make your presentation, and at the end of six minutes, I will let you know that one minute is left. At the end of that one minute, I want to assure you, nothing is left.

With that, thank you for coming in, and the floor is yours for your presentation.

Mr. Tom Ratz: Good morning. I am Tom Ratz. I'm the forestry manager and chief forester for Resolute Forest Products in Ontario. With me, I have Marshall Sedgwick, our logistics superintendent. I'd like to thank you for again having these sessions and taking the time to meet with different citizens and companies across Ontario. I think it's a valuable tool to help with informing the budget going forward.

For those who don't know anything about Resolute: Resolute is a major contributor to northwestern Ontario's economy. We have a regional economic impact that's in excess of half a billion dollars. We have over 900 direct employees and 3,000 indirect jobs. We are, by far, the largest forest products company operating in Ontario. We have a pulp and paper mill in Thunder Bay. We have a sawmill in Thunder Bay, a sawmill in Atikokan and a sawmill in Ignace. We also have a pellet plant that produces pellets for the Atikokan generating facility. In Thunder Bay, we also produce over 600 megawatts of power, the majority of which comes from renewable sources.

Resolute is also very proud of—we've been working at this for decades—the relationships we're building with First Nations. Currently, we have contracts—and this is just the contracts we have with First Nations—of over \$52 million a year. We're improving on that every year, and we look forward to actually, in the future, developing more relationships.

We also applaud the current government on the red tape reduction and initiatives so far that have provided opportunities for our sector and reduced a lot of the red tape that we've had to deal with. It's been very welcome going forward.

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For our company, there are three ingredients we need to be successful: The first is we need a competitive environment. That's things like taxation, electricity, regulatory burden and labour. The second is we need an affordable access to wood supply, which comes from crown land, and the third is access to markets. That's primarily for the pulp and paper and sawmill access to the US market. Those are the three things I'm going to focus on in my talk.

For competitiveness, there is a lot here to talk about but I'll go through a little bit of background. Resolute has over 420 trucks per day, every day, on the roads in northern Ontario. For our business, the provincial highways are very critical to how we maintain our business and run our business. Funding to the MTO needs to be efficient and timely so that our highways are maintained. It's paramount these are a safe and economic way of moving our raw materials and our finished products.

I'm not the oldest one in the crowd here, but I'll maybe show my age a little bit. When the MTO itself did the snow removal, they didn't allow snow to build up on the Trans-Canada Highway before removing it. Plows were out and getting rid of the material. Currently, that's not what happens.

For us, a recommendation to the committee is to review critical highways like Highways 11 and 17 and how they're maintained and how they are funded, so that we don't have shutdowns—like we've already had this year—with large stretches of the highways, which definitely affect our business.

Wood fibre, in our business, is one of the highest costs we have. In Ontario, we have the forest access roads that help offset some of those costs. The forest access roads are public assets that are utilized by other industries like mining, tourism and recreation. Forest access roads have been used as critical infrastructure for the province. An example is that when Highways 11 and 17 washed out between Thunder Bay and Nipigon—this is 10 years ago—forest access roads were the only link between western Canada and eastern Canada. The Greyhound buses, highway buses and all the traffic used forest access roads to maintain that link across Canada while Highways 11 and 17 were being repaired.

Our recommendation is to continue the government's strategic investment in the provincial forest access roads program but, in light of the increases of cost-of-living and fuel, they review that to see whether there should be an escalator in that to account for the increases in fuel and cost-of-living.

In all industries, a skilled labour force is critical to a profitable business. The forest industry has a shortage of skilled labour in both our manufacturing facilities and our field operations. We need to increase the skilled labour force coming out of our colleges and universities. This can only be done if we are promoting these high-paying jobs in our schools at lower levels. Resolute currently is actually going into the schools in Thunder Bay, and I know other forest companies are doing it. We're also having teachers' tours to show people that there are these high-paying jobs that are available.

As a province, though, we don't make it easy for immigrants, who can be highly skilled and motivated to get jobs in our industry. To date, our Atikokan sawmill, as an example, has hired over 30 Ukrainians. But when it comes to truck drivers—and I'm going to use an example here: We have one truck driver who applied to us. We've had multiple ones, but one of them had over 20 years of experience in Ukraine driving from Ukraine to Scandinavia. Think about all the countries he had to drive through, all the languages he had to go through, mountain passes he had to go through. He was doing this for 20 years, and he can't get a driver's licence here. It takes him nine months to get a driver's licence in Ontario. He's now working in Manitoba. We are losing a lot of people to Manitoba for jobs.

I'm going to skip ahead, then—

The Chair (Mr. Ernie Hardeman): Skip lightly, and maybe you can get the rest in when we get into questions.

Mr. Tom Ratz: Okay.

In our business, one of the key things is energy, and we need—

The Chair (Mr. Ernie Hardeman): Your time has expired in your presentation.

Mr. Tom Ratz: Okay. I thought you said "one minute." I'm good.

The Chair (Mr. Ernie Hardeman): I was a little lax on the one minute, too.

Mr. Tom Ratz: I've got lots more, but I will be submitting—

The Chair (Mr. Ernie Hardeman): Our next presenter in this panel is Weyerhaeuser and Erik Holmstrom, manager of Ontario timberlands. I think Erik is with us now. He wasn't here for the instructions when we originally started with the panel.

You have seven minutes to make a presentation. If the Chair doesn't forget, he will let you know at one minute left, and then we will go on with the questions. Would you state your name for the record, for Hansard, to make sure it's properly registered?

Mr. Erik Holmstrom: My name is Erik Holmstrom.

The Chair (Mr. Ernie Hardeman): Okay. The floor is yours.

Mr. Erik Holmstrom: Good afternoon. As I mentioned, my name is Erik Holmstrom. I'm a registered professional forester and the timberlands manager with Weyerhaeuser Co. Ltd. in Kenora. I apologize for the attire; suits don't work well at the mill, and I thought I had time to change, but it didn't work out.

For those of you from other regions, I'd like to welcome you to our beautiful city. We're blessed to live in such an alluring and resource-rich region, with endless opportunities for recreation and economic development. I was born and raised in Kenora, and after working for Weyerhaeuser in Saskatchewan, British Columbia, Washington state and Alberta, I was fortunate to have the opportunity to come home 10 years ago.

The forest sector's strength in this region has always been its ability to use our renewable resources sustainably and responsibly. My great-great-grandfather worked at one of the local sawmills in the late 1800s, and since that time several of my ancestors and family members have participated in the forest industry. As a forester and a proud resident of Kenora, it's important to me that we ensure future generations also have the opportunity to reside in this region and participate in the forest community.

In 2001, Weyerhaeuser constructed its most innovative facility to date, and chose Kenora as its location. We are one of Kenora's largest employers and employ 220 people

within our mill, and an equal number of women and men in our forest operations. Through advanced manufacturing, this facility produces an engineered lumber product from underutilized poplar and birch trees that we call TimberStrand. This is the first and only TimberStrand plant in Canada, and it's the most advanced engineered wood products operation in the world.

TimberStrand is used in residential and commercial wall framing, headers, beams and columns, as well as for other industrial uses such as concrete forms, furniture frames and door and window cores, and it is even used as a subfloor for new bowling alleys. Products are produced in lengths of up to 64 feet and widths of up to four feet, with a thickness between an inch to three and a half inches. TimberStrand resists warping, splitting and twisting. It's stiff, strong and straight every time. TimberStrand is a one-of-a-kind product, and it is only produced in Kenora, Ontario.

One of the items I'd like to discuss with the standing committee—and Tom already mentioned it—is public investment into crown road infrastructure. Fifteen years ago, the government introduced a provincial roads funding program. This program helps to support our infrastructure and is critical to the people of northwestern Ontario. Most of the roads in the Kenora Forest and the Whiskey Jack Forest are built by our Indigenous partners and used by the forest industry, the mining industry, First Nation communities, hunters, trappers, fishermen, recreationalists and tourist operators. This program is not a subsidy, but an investment in our northern infrastructure.

We are blessed with the abundance of forests in this region, but for the northwest to truly be open for business, we need the infrastructure to access these resources. Initially, the funding for public access infrastructure was \$75 million; the current government has reduced this funding to \$54 million. Inflationary pressure alone would require increasing the program to \$100 million.

The forest industry has more than matched the province's contributions to critical public multi-use infrastructure while supporting 148,000 direct and indirect jobs in Ontario. I ask that you revisit the funding envelope for this program and increase it to its original amount, adjusted for inflation.

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The next topic I'd like to discuss is forest biomass. With the reduction in the pulp and paper industry, biomass has emerged as a concerning issue. Due to the lack of biomass market, we at our mill in Kenora are forced to send our short strands, small stranded lumber or logs that we can't use in our process—as a result, we have to send it to a landfill site in Winnipeg where it is used in compost material. We also send 10,000 tons of biomass material from other streams within our process to the local landfill site. The combined costs of dealing with both these products is very significant, as there is no revenue, and transportation costs and landfill tipping fees are incredibly expensive.

One of the reasons the sawmill closed in Kenora was the mounting piles of biomass that they could not find a home for. Ontario has made a welcome commitment to strengthening the forest sector and increased the use of biomass through the MNRF forest sector strategy and the biomass action plan. We strongly support initiatives that will maximize the use of wood residuals, reduce the need for carbon-intensive fuels and avoid unnecessary pressures on landfills, which will help sustain the bioeconomy and the integration of Ontario's forest sector.

Lastly, I call upon the government to better communicate the effectiveness of Ontario's sustainable forest management framework to the public, as well as the federal government. I'm obviously passionate about forestry. That's because I've seen how we can take a mature stand of trees and turn it into products that we need and use on a daily basis. I've seen how our silviculture practices can replace that mature forest with a beautiful, healthy young forest to be enjoyed by wildlife and residents of Ontario for generations to come. I've seen how we have created economic prosperity for individuals and communities that rely on forestry. I've also seen what happens when we don't actively manage a forest: the destruction created by insects, wind and wildfires that threaten the lives and livelihood of those in rural and remote committees.

The biggest threat to forestry in Ontario is misinformation. As a sector that is older than Canada, a true pillar in Ontario's foundational economy and a climate change champion, it is imperative that the Ontario government acknowledge the significant role of forestry and of the forestry community, creating a prosperous, sustainable low-carbon economy for the well-being of all Ontarians, but especially those here in Kenora and surrounding communities.

The Chair (Mr. Ernie Hardeman): Thank you very much. Time's up. I thank the panellists for their presentations.

We now will start the questions and answers, and we'll start with the independents. MPP Brady?

Ms. Bobbi Ann Brady: Thank you to both delegations for coming today. With respect to the first: You said that you applaud the government's red tape reduction act and you have seen some benefits to that. I represent a great number of farmers in my riding of Haldimand–Norfolk who tell me they are plagued by red tape and it only gets worse. Can you give me some concrete examples where this piece of legislation has actually worked for you guys?

There was something else. Maybe after you answer that I will think of my second question.

Mr. Tom Ratz: I'm with the farmers: There's still a lot of room to go. What my colleague here stated about landfills and that—to get a new landfill, the amount of red tape for us to deal with and organic material coming out of our mills is incredible. It takes years to actually deal with it.

So there are a lot of opportunities for red tape still to be reduced, but there are also cases where the government has changed—the Crown Forest Sustainability Act is one case where they've reduced the burden. Where we used to have to work under two acts, now we're working under one act; it has reduced the time we have to spend to write forest management plans, and they are very, very expensive to write. So there has been reductions in burden for us, but there's still a lot of room to go. I'm with the farmers there. **Ms. Bobbi Ann Brady:** With respect to the skilled trades and trying to fill some of those labour shortages by going into colleges and universities, you mentioned that you guys do go into some of the schools. Are you going into high schools? Because I feel like if we started adding much younger ages—waiting until they're in grade 12 or doing their victory lap is not really the time to approach it. I would suggest that you work your with school boards and try to get into the schools at a much younger age.

Mr. Tom Ratz: At very young ages, there's an Indigenous school system in Thunder Bay that we're going in at the lower levels so that they know these jobs are available to them. We're also going in high schools and we're also talking to guidance counsellors who are not currently promoting our industry. They just don't do it. So they need to be aware of what's available and we do have a lot of high-paying, skilled jobs that are required.

Ms. Bobbi Ann Brady: You've hit the nail on the head. The guidance counsellors don't promote farming either.

Mr. Tom Ratz: No.

Ms. Bobbi Ann Brady: Thank you.

The Chair (Mr. Ernie Hardeman): MPP Bowman.

Ms. Stephanie Bowman: Thank you both for your presentations.

My question is for Mr. Holmstrom. I was really interested in the innovative facility that you talked about and that it's built here in Kenora, which is great. I wondered if you could educate us a little bit about the biomass, and is there opportunity for innovation there? You talked about the decrease in the pulp-and-paper industry. I assume that's just reduction in demand for why we don't have that industry in Ontario anymore. Are there other opportunities or other investments that could be made that either other provinces or other countries are doing that would help us with the biomass issue?

Mr. Erik Holmstrom: Yes. It's a great question. I don't want to portray that pulp-and-paper is dead, because Tom here—there is a pulp-and-paper mill in Thunder Bay that is with Resolute currently. But there has been a significant reduction in them, newsprint being a large part of that. We used to have a pulp mill in Kenora and it shut down about 20 years ago due to lack of demand.

But you are right. If you look at Scandinavia, they're currently ripping up natural gas lines and replacing them with biofuel heaters for communities. There are lots of innovative products: jet fuel made out of cellulose fibre, the residual strands; heating briquettes. There is a ton of opportunity. It's challenging for an individual—

The Chair (Mr. Ernie Hardeman): Thank you very much. We'll finish that on the next question.

MPP Ghamari.

Ms. Goldie Ghamari: Thank you to our presenters.

In a different life, I used to be an international trade lawyer. Softwood lumber is something that I didn't work on myself, but it was definitely a big part of what I did. I'm interested to know, in all the international trade cases, especially the ones that come before CITT, there's always a comparison of what some of the barriers are in the industry in Canada versus the United States, especially when you're looking at subsidies and dumping—which is not relevant here but I guess ties into my question, especially for Resolute. My understanding is that you are a subsidiary of an American company, so you operate in the States as well.

I guess my question is, compared to your US operations, what sort of, let's say, red tape or barriers exist here in Canada and Ontario specifically that you don't have in your US operations that you think could significantly assist in the production of the business here in Ontario?

Mr. Tom Ratz: Thank you for the question. That's a part of what I didn't get to in my presentation.

Ms. Goldie Ghamari: There we go.

Mr. Tom Ratz: It has to do actually directly with NAFTA. There are hundreds of millions of dollars sitting right now at the border with the US because of the trade dispute between Canada and the US. Those are dollars that companies could be investing in facilities in Canada right now, today.

Ms. Goldie Ghamari: Which is a federal thing, unfortunately.

Mr. Tom Ratz: It is.

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Ms. Goldie Ghamari: So as the provincial government, there's not much we can do.

Mr. Tom Ratz: You can put pressure on the federal government.

Laughter.

Ms. Goldie Ghamari: We'll definitely pass that along. Mr. Tom Ratz: But there have also been issues in certain states in the US where there are misinformation campaigns that have made it all the way to their Legislatures, where they were looking at barring boreal wood, which is what we have in Ontario, from access to those markets; New York being one, which is one of our closest markets; California, which is a large market—barring it from there. So for the softwood lumber dispute, it's very, very important that the pressure is put on, because right now—I don't know whether people know—lumber prices are in a slump again. With lumber prices way down, this additional burden of having to put up duties at the border is problematic, and it will probably lead to curtailing of production until prices go back up.

Ms. Goldie Ghamari: What about in terms of provincial red tape or barriers? Is there something that's happening in the States somewhere, let's say, or in another province in Canada? Maybe there's some sort of regulation, or lack of regulation or barrier or red tape—and this question is for both of you. Both of you can answer that.

Mr. Tom Ratz: Then we get to electricity—and we are very close to the Manitoba border. The price of electricity, Erik, in Manitoba is what right now? I think it's like four and a half cents. In Ontario, it's double that. So we do have an issue that we do lose industry to, and we are competing with other sectors which has more profitable power purchase, what they're paying for power, than we do in Ontario.

That's why what Erik brought up about the biomass is important. Some of the biomass facilities we have that produce power are very important. Is the energy, on the surface, maybe a little more expensive? Yes. But when you take in all the jobs, what it means to the forest itself and how we utilize that resource for the citizens of Ontario, then it's very competitive.

Ms. Goldie Ghamari: Thank you. Before I pass it along to my colleague, one final question for maybe both of you—if you'd like to start with this one. With respect to the Ontario foreign nominee program, have you heard about that program? Is that something that your companies can look into or apply through, or are the jobs in the skilled trades that you're looking for not applicable based on that? My understanding is our foreign nominee program is based on the federal immigration program. It's the federal government that lists what those skilled trades are. So I'm wondering, the skilled trades shortage that you've mentioned, do those jobs fit into the Ontario foreign nominee program-which is something that we've introduced recently, which has actually been very successful in bridging that gap in the skilled trades. So is it something you were aware of? Have you looked into it? Any suggestions for us on that?

Mr. Erik Holmstrom: It's not something I'm aware of; it is something I'm going to look into after this. I don't know if, Tom, you're familiar.

Mr. Tom Ratz: I'm also not aware, but as I'm leaving here driving back to Thunder Bay, I'll be calling our HR manager and asking him about the program. But I don't know anything about it; I'm sorry.

Ms. Goldie Ghamari: All right. That's okay. Thank you very much. I appreciate that.

The Chair (Mr. Ernie Hardeman): Anything further? Mr. Cuzzetto.

Mr. Rudy Cuzzetto: Thank you, Chair. I would like to thank the presenters for being here today.

My question is really for Tom or Erik here, on wildfires. During the hot seasons of the province, we lose a lot of lumber due to wildfires in our forests. Have we looked at ways to track those fires much quicker? There's an app out there called FireFringe. It's produced right here in Ontario. To be honest, it's produced right in my riding of Mississauga–Lakeshore. A lot of other provinces are using this type of app. I have it on my phone right now. You can download it for free, and you can track the fires that are occurring right now across the world—never mind just northern Ontario. Have we looked at that to reduce costs and to reduce the loss of lumber?

Mr. Tom Ratz: So in Ontario, the fire service does have an app themselves. Every day, it's updated with where the fires are. There's an app also that tells you where all the lightning strikes have been so that you have an idea of where fires may be. Then the fire service prioritizes those fires. We sit down as an industry with the fire service, and we prioritize areas where we think fire suppression is paramount.

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Tom Ratz: We may have a wood storage yard there, or it's something we're about to cut. So those areas are prioritized in terms of suppression. But, every day,

they have detection and it does show up on an app that the ministry has.

The Chair (Mr. Ernie Hardeman): A very quick comment, MPP Smith.

Mr. David Smith: My name is David Smith. I [*inaudible*] government in the area of labour, immigration, training and skills development.

I kind of like what you said, Tom, about—you pointed out the three areas of concern: competitiveness, affordability, and access to the US market. One was pointed out as a federal decision, of which I'm sure we can use some degree of influence—

The Chair (Mr. Ernie Hardeman): You'll have to finish that in the next round. We're going to the official opposition.

Ms. Catherine Fife: My name is Catherine Fife. I'm from Waterloo.

It's a really interesting discussion. I think the miscommunication piece, Erik, is key. Actually, it has been a consistent theme over the last 10 years from the sector on how to best relay the goals of the forestry sector and share those goals with the rest of the population. So that's a good take-away for us, as legislators.

Tom, I want to thank you for raising the issue of a labour shortage. I think all of us agree that it shouldn't take a qualified driver from Ukraine nine months to get a licence here in Ontario. We will have a chance to talk to the minister responsible for red tape at the end of today, and I'm sure that will be a topic of conversation, so thank you for raising that. The interprovincial trade issue and the competitiveness issue has been a consistent theme from certain sectors as we navigate a changing economy.

I do want to say, Tom, that your comments around road maintenance resonated with me, because this has been an issue that we've been trying to raise with, first, the Liberals and now the Conservative Party of Ontario, particularly in northern communities. Our member MPP Mamakwa has also raised this issue. So far, in northwestern Ontario, we've seen seven deaths this season on highways. So there's obviously a human cost to not clearing highways in a timely manner and a responsible manner, but there's also a productivity issue, because when we have fatalities, those highways are often closed, and it obviously has a direct impact on the sector.

I wanted to give you both an opportunity to—sorry; the pun is not good—drive this point home for all of us, on why it's important for highway clearing to really be on par with southern Ontario. We do have a private member's bill on the docket by MPP Bourgouin for Highways 11 and 17 to have that eight-hour minimum for clearing. As you point out, waiting for the snow to accumulate and then dealing with it is not a progressive or effective way to clear highways. So can you please both talk about the importance of highway maintenance and of having standards that reflect how important it is from a safety and an economic perspective for that road maintenance to be comprehensive?

Mr. Erik Holmstrom: It's critically important. I'm not sure if the decision-makers in the south look at population

levels and suspect that there are not many people on the highways here, but the reality is that the only way to get from Toronto to Vancouver or Calgary is to take Highway 17, the Trans-Canada Highway, which surrounds Kenora. So it's not just rural residents who utilize this. This is the Trans-Canada Highway, and it should be treated as such. Tom is correct that maintenance has dwindled over time. We've seen the number of deaths increase and the number of closures increase, and there's clearly a human element to that and an economic one as well.

Ms. Catherine Fife: Tom?

Mr. Tom Ratz: It should be looked at that when you have the time frame when they can be out to plow the roads, those trucks that are on those roads, particularly, pack the snow down. Then it takes a lot of salt and everything else, because the plows can't remove that stuff. So I think a little bit of economic analysis of the policy to wait before you get the plows out, and the costliness of applying salt and sand to it should be looked at, because I think if you got the snow off sooner, you would use less of those chemicals on our road systems, too, which helps deteriorate our road systems. It's a sort of snowballing thing; we've got to re-plow them and everything else.

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But for us, we don't keep a huge supply of raw material at our mills. When you start shutting down highways, those 420 trucks per day on there can't travel, and it soon looks like we have to shut down our facilities because we're not getting the raw materials in.

Ms. Catherine Fife: That's a good point. There's a trickle-out effect to all of the communities, right?

Mr. Tom Ratz: Yes.

Ms. Catherine Fife: And Erik, your point around the Trans-Canada: When we were flying in, you could see that highway all the way around Kenora. That interconnectivity piece is so key between regions, and obviously between provinces.

One of the issues that has emerged through the Auditor General is her examination of how those maintenance contracts are actually awarded to companies, which has been very problematic for Ontario. The same companies, in some instances, keep getting the contracts, even though they're not meeting the Ministry of Transportation's benchmarks for clearing. Is that something that you think the government should be looking at? A more transparent way of awarding contracts, and then holding the operators to account for actually doing the work that they're being paid for?

Mr. Tom Ratz: It sounds like a red tape reduction program.

Ms. Catherine Fife: Yes, red tape is the theme, I guess.

Mr. Tom Ratz: The current government has been good at doing it. It sounds like transparency. I'm all for transparency on how contracts are awarded so I think that's a good suggestion. You reduce the red tape so that costs are saved.

Ms. Catherine Fife: Okay. Well, based on what the Auditor General has said, there is a lack of transparency,

so we'll also be addressing that later on today when the Minister of Red Tape Reduction is here at 4 o'clock.

Thanks for all the material you're giving us. I really do appreciate it. Those are my questions for today.

The Chair (Mr. Ernie Hardeman): We'll start the second round with the independents. MPP Bowman?

Ms. Stephanie Bowman: I wanted to have a similar question related to the Auditor General's report. There were some findings around the reprioritizing of highways like the 413 in southern Ontario—which is, in our opinion and the experts' opinion, an unnecessary highway in terms of the time it saves—and not expanding Highways 11 and 17 up here. I wonder if you could, again, talk about the impact of that on your industry, on jobs and on the opportunity for growth that you've highlighted here, both presenters, in your comments.

Mr. Tom Ratz: I can comment on the area around Thunder Bay that the twinning of Highways 11 and 17 between Thunder Bay and Nipigon has reduced incidents. If we could finish that, it would help because all of Highway 11 and 17 funnel into that one section of highway, through until when it splits again. The twinning of that highway through that section has reduced incidents. I think it's a positive thing to do.

I think that prioritizing highways is important, but Highways 11 and 17, which is the only link between eastern and western Canada, should be prioritized right through the entire province.

Ms. Stephanie Bowman: Great. Thank you.

Mr. Erik Holmstrom: I wasn't aware that they were looking at reprioritizing the twinning of the highway. It's absolutely critical to us; we're one of the only locations where the highway isn't twinned. We talked about the adverse road conditions due to weather and accidents. The twinning of the highway would (1) reduce the accidents but (2) enable you to keep the highways open. It's incredibly important to the people of Kenora. We're one of the only pinch points.

I understand that there is a small section on the Manitoba side that isn't twinned and, as a result of lobbying due to a fatality, they're going to twin the highway as well. So it would be really unfortunate if the twinning of the highway was reprioritized.

Ms. Stephanie Bowman: Thank you.

The Chair (Mr. Ernie Hardeman): MPP Brady?

Ms. Bobbi Ann Brady: Tom, I'm going to go back to the labour and immigration issue. Recently, I met with some manufacturers who feel that the Ontario government needs to press the federal government to do a better job of screening newcomers to Canada and to Ontario so that we can fill that gap. My colleague across the way, Ms. Ghamari, talked about the Ontario international nominee program that you're going to look up on your way out. I've dealt with that program quite a bit. It does fill a gap. I will warn that it's a bit slow. In 2021, there were only about 1,200 applications received. They cut it off after a certain amount of time.

Have you applied a dollar figure to what the labour shortage is costing your company?

Mr. Tom Ratz: I'm not aware of the labour dollar figure. We have been lucky in our facilities that we haven't had to shut down because of missing people, but it is a struggle.

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Tom Ratz: My partner here, who hasn't spoken up, can talk about the truck drivers and everything else. It is a struggle for us to get the raw products just because we can't get enough people to sit in seats. It's a struggle.

But I was just looking at statistics here right in front of me right now. For Ukrainians, there's been 755,000 applications received, and there's 474,000 that are approved. The problem is that it takes a lot of financial resources and everything else to actually get them to a northern community. We're putting people up in their accommodations because they're coming here with absolutely nothing. They have no resources. So you have to, initially, provide those resources, from housing to feeding them—everything—to get them here. Support there would be very welcome.

Ms. Bobbi Ann Brady: To that point, I have a business that is actually set up like a condo unit to house families coming from the Ukraine. Thank you, Tom.

The Chair (Mr. Ernie Hardeman): Thank you very much. We'll now go to the government. MPP Smith.

Mr. David Smith: I want to go back to Tom. When you speak of competitiveness—and affordability was the word you used—how are you able to work within Ontario or across Canada? Forget the softwood lumber in the United States, which is the third point you had with regard to access to market. What can we do in this province or this government to help in those competitiveness that you're talking about and the affordability?

Mr. Tom Ratz: For us, we are a very, very integrated operation, which helps us in our competitiveness. Erik was speaking about the amount of material he has to take to landfills. We don't have to do that because of how integrated we are. We're taking all of the sawdust from our sawmills and it's being made into pellets for the Atikokan generating station. All of the material Erik was saying had to go to landfills is going to our facility that produces hydro—which is an issue for us. The power purchase agreements are under negotiation right now, and I can't really comment because I was forced to sign an NDA. But ours expires come the end of March. We need to move that along. I see some nods there.

But that is very, very important to us because it does help us be competitive so that when somebody is harvesting an area, they're using all the products. For the citizens of Ontario, it's a good thing. That does not happen everywhere in Ontario. It's not happening for Erik here. It's not happening in northeastern Ontario. We have a facility that can do that, so promoting the biomass program in Ontario, what Erik spoke to, is very, very important to help us be competitive so that we can offset those costs by using that material for something that is going to either break even or be revenue generating.

Mr. David Smith: Great. The next part to my question has to do with the immigration system. Here in Canada, we have a situation that everyone is aware of, that we have

a major labour shortage in Ontario and across Canada. We have removed a number of barriers, for example, in the skilled trades that you guys were talking about—we need those kinds of persons—where new Canadians that are coming in don't require Canadian experience. We've opened up those files so that we can get people right to those sites, based on what the employer needs. **1150**

And the way the program works, we were always being handed out the short end in Ontario. Quebec has 52% of all immigrants who are coming into the province who can go straight into the skilled trades area, whereas we in Ontario only had 4.8%. So I don't know why this disparity was there, but it was impacting our labour force here while they had that amount. I know we are up for new negotiations, and the last I heard of it, our numbers have gone up something like 18%, so there will be more access to the labour force for you to get the kinds of skilled trades people-I heard you mention Ukraine, but it's beyond Ukraine. It's a lot more that are coming in that we didn't have. This year, we are [inaudible] only 9,500 versus now; we're having 40,000 who are going to be coming in, so those numbers are going to help your industry to take off some of the pressures that are coming to it.

Work is in the pipeline, and we are hoping that it's a temporary fix because we'd rather have training and skills development within our colleges and universities to get the people you need, but for the short term, we're hoping that we can get those areas filled so that you can get more drivers in the seats, as you mentioned, and in other skilled trades areas. Thank you.

Mr. Tom Ratz: That's good to hear. Just one quick comment on that is that your normal G-class licence, which everybody has here, other provinces recognize those on par; Ontario does not. So some of those things that would help people even get to work would be useful. It's great that there would be 40,000 people, but they actually need to get to work, so I'm going back to the licensing thing, that some of those things could be-there's some red tape in there that I think—yes, we don't want a person on the road who can't drive or their command of the English language isn't such that they can get around. But if those things can be satisfied, we should be recognizing their licences—and it doesn't matter what it is; whether it's a driver's licence or a welding ticket, we should be recognizing people as quickly as possible for the credentials they have.

The Chair (Mr. Ernie Hardeman): MPP Skelly?

Ms. Donna Skelly: Chair, how much time?

The Chair (Mr. Ernie Hardeman): Just over a minute.

Ms. Donna Skelly: Quickly, Erik: I have a company in my riding that is transitioning from a coal-based fuel to biomass, and the neighbours are upset. They're pushing back, and I see it as a cleaner alternative for fuel. Can you share with me why it is important or how this particular type of energy is actually good for the environment versus something like a coal-based supply?

Mr. Erik Holmstrom: I'm not a complete expert in this, but, clearly, forestry and forests are sustainable.

Coal—you mine it, it's not going to come back for thousands of years, where a tree grows in this region to 60, to 70 years, you harvest it, you regenerate it, it comes back, it captures carbon while it's growing, so it's a sustainable resource, much more highly attractive than coal, and I'm surprised that anybody would have that concern.

One of the few streams we have for our biomass material is—Manitoba recently moved off coal and so now they are taking some of our fibre and creating pellets to use it to generate heat, which displaces coal—

Ms. Donna Skelly: And you would encourage this because it also helps the forest industry?

Mr. Erik Holmstrom: Absolutely. It's a critical part of the forest industry because we do have a biomass problem, and that biomass is good material for fuel.

Ms. Donna Skelly: Thank you so much.

The Chair (Mr. Ernie Hardeman): That concludes the time for that.

We will now go to the official opposition. MPP Mamakwa. **Mr. Sol Mamakwa:** Meegwetch, Chair. Thank you, Erik. Thank you, Tom and Marshall, for the presentation.

First, Erik, perhaps if you can delve into some of the you spoke about public access infrastructure that used to be at \$75 million and that the current government reduced it to \$54 million. For those of us in the north, we have our ways of life, the things that we do on these roads in these forests. Can you kind of delve into it, on some of this infrastructure and what is critical for the north? Can you elaborate or delve a little bit more into what these roads mean to the government?

Mr. Erik Holmstrom: Yes. Honestly, there is no point living in the north if you can't enjoy it and access it. So even if you don't participate in forestry, you still need to utilize those roads to get to your traplines, to go hunting, to go berry-picking. There are a number of reasons why it's just critical to the way of life in the north. That's why we view it as our public infrastructure—because the public uses those roads, and they're just critical to life as we know it in the north.

Mr. Sol Mamakwa: Very quickly as well: I know that some of the First Nations in the area—I'll use Grassy Narrows as an example. I know one of the things that they had said that they want no development in their traditional territories, and the reason being is, their rivers have been damaged. But also, I think we have to understand the ways of life, as First Nations people, the people of Grassy Narrows and others are, I guess, to ensure that the land grows back properly, is getting our language back, our identity, because it comes from the land—and not only just First Nations, but also the residents, and these territories and these areas that use the land.

How are you working with these groups? How are you working with First Nations to be able to ensure that we take care of these lands that is very—that has a component of very environmentally friendly? If you could both answer, that would be great.

Mr. Erik Holmstrom: It's a fantastic question. Around Kenora, there are two main forests. There's the Kenora

Forest and the Whiskey Jack Forest. They're jointly managed by Miitigoog, which is made up of a partnership between industry and seven different First Nations in the area. And the actual management piece of the forest is 100% done by Miisun, which is a wholly First-Nationowned business. So we have specific protocols that have to be met before forest activity can take place. There's additional consultation; there are ceremonies; there are a number of items. Obviously, ensuring that we understand the values or the—prior to the forest activity, we understand the values of the affected communities. So, really, the First Nations are in charge of forestry on those forests.

With respect to Grassy Narrows, there's a lot of discussion with the current chief, with trappers, with elders. There's a high level of engagement to understand the concerns—and as you mentioned, some of those concerns are historic—that have happened because of contamination of waterways back in the 1970s.

So First Nations are incredibly important to forestry in this region. We're fortunate to have strong partnerships with many of the communities, and they have a lot of ownership in the forestry sector here.

Mr. Tom Ratz: I just wanted to make one comment about your first comment that you addressed to Erik, that there are communities that their sole access to their communities, Slate Falls being an example, is forest access roads. They don't have any other access—no other way of getting into the community, except by plane—but the forest access roads. So for a lot of communities in the north, the forest access roads are all very critical for them, for safety, just for going and getting groceries.

When it comes to First Nations, they're—in all our cases, we respect Grassy Narrows tradition. We have partnerships with our First Nations, and every year the amount of business we're doing, contracts—they're the ones who are actually out there cutting the wood now. So \$52 million a year was last year's number for us with First Nations. We're also, in their areas, sitting down with them. It is a partnership now; it didn't used to be. When I started forestry, that was not the case; you well know that. But now it is truly evolving into a partnership. We are managing the land together. We're working together more than ever.

The Chair (Mr. Ernie Hardeman): One minute left.

Mr. Sol Mamakwa: I don't know if you want to ask a quick one?

Mr. Terence Kernaghan: Tom, Erik, Marshall, I want to thank you for your presentations today.

Tom, I want to thank you for speaking to how publicly delivered snow removal had a faster standard than the current privatized model, and also for speaking to the human cost and the financial cost and how waiting to clear the snow is wasteful.

I just want to know, quickly, do you have plans for third-generation or new products in the region?

Mr. Tom Ratz: We do. Some of those are secrets. But there is a lot of work being done. Erik spoke to some of them. There are ways of using parts of our processes to

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replace—using lignin in asphalt. So as opposed to using tar, you're using a renewable resource to put into it—

The Chair (Mr. Ernie Hardeman): And you can keep all the rest a secret, because time's up.

That does conclude the panel. We want to thank everybody on the panel for taking the time to come and talk to us this morning and to help us out with our budget preparation as we go forward.

With that, we'll now recess till 1 o'clock.

I just want to tell the committee that down the hall and upstairs, soup's on.

The committee recessed from 1202 to 1300.

SEVEN GENERATIONS EDUCATION INSTITUTE

KENORA DISTRICT SERVICES BOARD

RED LAKE MARGARET COCHENOUR MEMORIAL HOSPITAL

The Chair (Mr. Ernie Hardeman): Welcome back. We'll resume the public hearings for pre-budget consultation.

As a reminder for each presenter, there will be seven minutes for their presentation, and after we have heard from all the presenters, there will be 39 minutes for questions from the members of the committee. This time for questions will be divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition members, and two rounds of four and a half minutes for the independent members as a group.

Are there any questions as we begin? Seeing none, we will now call on the next group of presenters to begin. The next group of presenters are the Seven Generations Education Institute, the Kenora District Services Board and Red Lake Margaret Cochenour Memorial Hospital. If they are all present and accounted for—

The Clerk of the Committee (Ms. Vanessa Kattar): The rest are online.

The Chair (Mr. Ernie Hardeman): Oh, they're virtual. Okay.

As in the instructions, the first presenter will be Seven Generations Education Institute. With that, we ask you to introduce yourself, to make sure that the name is properly recorded in Hansard. You will have seven minutes to make your presentation. At six minutes, I will let you know that your time is running short, and at seven minutes, I will notify you that there's none left. With that, we will turn the floor over to the presenters from Seven Generations Education Institute.

Mr. Brent Tookenay: Thank you. Boozhoo. *Remarks in Ojibway.* My name is Brent Tookenay, and I'm the CEO of the Seven Generations Education Institute. I'd like to welcome everyone here to our Manidoo Baawaatig campus, and I hope everything has been going well for you guys here and everything is good.

I guess what I'll start off with is just talking about Seven Generations Education Institute. We've been in operation for almost 40 years. We serve the Treaty 3 area and beyond, which is northwestern Ontario. We're the largest Indigenous institute in Ontario. We have over 3,000 students in various programs from elementary and secondary to training and post-secondary, and driver's school. We address education and training needs within our area.

One of the things where we're challenged at Seven Generations Education Institute is in operations. The way that we are funded, and have been funded since our existence, is basically through transfer-payment agreements and through program funding, and what we're really looking for is to be able to access operational funding. This facility that you're in right now is about 80,000 square feet. We pay municipal taxes. Just like any other business in Kenora, we're under the same rules. One of the things we have to do is rent out half of this building in order to make ends meet, and when we can only take 10% of, say, a transfer-payment agreement to put into the operations of our organization, it limits what you can do in terms of program offering, but it's not a great way to operate, as you can imagine.

There are huge risks when you're owning your facilities. We own almost 200,000 square feet of facilities across Treaty 3. We're the only Indigenous institute that owns its own buildings, and we are hubs within Fort Frances, within Kenora, within Sioux Lookout. So I just wanted to bring that up. It's not a specific ask, but it's something to consider in how we're moving forward. We're bigger than Con College in terms of the number of students. Con College is a mainstream college based out of Thunder Bay that has regional campuses. So what we're really asking for is just to help with the growth of our organization. With our organization growing, it will provide numerous opportunities for both Indigenous and non-Indigenous people.

One of the things that I think is maybe a best-kept secret or something that people are unaware of is that Indigenous institutes, specifically Seven Generations—it's open for everyone. It's not just for First Nations communities. It's not just for people who live on a First Nation. It's for everyone, Indigenous and non-Indigenous. I think we bring a lot of strong leadership and strong programming to the area.

Moving past the operations point of it, we are heavily into health care and health sector programming. We run a bachelor of science in nursing, RN, paramedic, personal support worker—and I know you guys are well aware of the challenges that we're facing not only in Ontario but in this country and pretty much worldwide. We are addressing this through our programming and through our asks and working with hospitals. In our buildings, we have simulation labs that are state of the art where doctors come to train. We are focused on what's important for Treaty 3 and northwestern Ontario, which is good for Ontario.

For the capital ask, there's a handout that I think everyone has in front of them. It's around a language lab in Fort Frances. The language lab: That handout is the scaling-out, and the ask for that is around \$6.8 million. That number has obviously grown because it is a few years dated, I guess you could say. But we all know what COVID has done and the increase—and especially in northwestern Ontario here, the cost to build is significant.

That language lab will allow us further programming, not only in language but also in the other areas that Seven Gens provides. It will free up space in our buildings in order to be able to do things in the training sector. We're heavily into the training sector. Since 2013, we have put about 3,000 people through training programs. Probably around 60% of those students have gained full-time employment; another probably 30% has gone on to further their education and further their careers. So that's another huge part of what we do.

One of the barriers that was in the area was the lack of driver training. We started up a driving school in order to address that. It's huge. We have mobile labs that we drive out to the communities, simulation labs so that we can break down the barrier for the students and we can address the driving needs.

I say all of this because we all do this without operational funding, if you can imagine that. As I said, we've been in operation for almost 40 years.

The last thing I would like to touch on is just—I'm just sitting with Henry Wall here—about our shared vision of how to help address a number of issues in northwestern Ontario, in Treaty 3: housing, lack of employment, lack of training, childcare. With this development—

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude your time. Hopefully we can finish it in the round of questioning.

Our next one is the Kenora District Services Board.

Mr. Henry Wall: Hello. Boozhoo. Aanii. My name is Henry Wall, and I'm the CAO of the Kenora District Services Board. I want to say meegwetch. Thank you for coming here so that we don't always have to go there, there being Queen's Park. I think it's important for all of us in our leadership roles, when we make decisions—that context is so important. So I just want to say thank you for coming this way. It means a lot for us here, for many of us who have to get on two different airplanes to get to downtown Toronto and then stay there for a few days to come back. So this is wonderful.

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A little bit about the Kenora District Services Board: We are one of 10 DSSABs created in northern Ontario for the delivery of a number of different services since 1999. We oversee and are a system service manager for early learning and child care, so we oversee the child care system in the district of Kenora. We also oversee the land ambulance system, the paramedic services program for the district. This is a district that is just over 400,000 square kilometres. It includes nine municipalities, four unincorporated territories and 40-some First Nation communities. It is a vast geography, which makes service delivery an opportunity—I don't want to say "challenge," but we have to do things differently to meet the needs of our families and of our communities.

We also receive what used to be known as the welfare programs—now Ontario Works, some pre-employment and training, particularly around life stabilization. The last piece—certainly not least—is the housing system; in particular, affordable housing, community housing, housing for seniors, also housing for—I don't want to call it "long-term care," but the backlog in longterm care has meant that our senior housing has become long-term care. That's not necessarily a bad thing—when housing is purpose-built with supports in place, with the ability for our partners to come in and deliver culturally appropriate supports and services—but it is a struggle when it's housing that was built in the 1970s, when accessibility wasn't really thought of and it was "let's just get homes built." So when we have elders and seniors who are now aging in place, service delivery becomes a bit more challenging.

So that's what we do. We have a staff of just over 400, spread out across this geography, doing amazing work.

Something I want to leave you with is that we've learned that, no matter what, we have to do things in partnership and collaboration. That's why it's actually quite a pleasure that Brent and I are sitting next to one another. We know that through partnerships, through bringing municipal services and what we do, with the services that Brent and his team do, we are going to build a better future and stronger communities.

There are some things about our district that I want to share with you that are important for you to know.

Whether you make intentional decisions to change how the province spends or not, you are spending.

In 2018, one in five individuals experiencing homelessness—especially chronic homelessness—in our district, when we did our study, was in the Kenora Jail, and 95% or more of individuals experiencing chronic homelessness are First Nation.

When we look at communities like the city of Kenora, as an example—and I hope you take the time to drive around—6.9% of the homes that you will see were built after 2001, so less than 7% of homes were built in the last 21 years. Most homes were built well before that. Over half of our homes here were built before 1961. When we add those pieces together and then we consider the fact that we have the second-highest poverty rate in Canada, by electoral district, of children and families living in poverty, it does create a situation where we are busy—but it's to support families in crisis. When we support families in crisis, whether it's through lights and sirens, with EMS—it becomes very costly from a financial standpoint. So we do believe that there is better.

We should be very intentional about building more homes, so that our jails and the child welfare system isn't housing for our young people, or that our health care system isn't—the beds aren't being utilized by young people.

Last year, 2022, the demographic that was most likely to end up in the back of an ambulance were 21-to-30-yearolds in our district. It was the leading demographic of all demographics, when you break it down by 10-year intervals, in our district. They should be in Brent's programs. They should be in post-secondary. Because we do have a labour shortage, but we also have many people who could do those jobs, who could be enrolled in those positions if we bridge the skills gap with wraparound supports. I think that's what has me excited to be able to address this with you today, that there is a very bright potential future for northern Ontario.

But we need to do things differently. The Ministry of Health needs to work with the Ministry of Housing. We should streamline housing so that those on the ground can build. We shouldn't have to worry about finding the money. We should worry about actually building, because that's what we're good at. That's what we do.

The same thing with respect to the shortage of nursing, the shortage of PSWs, the shortage of paramedics: By actually providing wraparound services and giving our people here a fighting chance at those jobs, we don't always have to look to the south to fill our labour needs.

As a final example, just before the holidays—it was a Thursday, about 5 p.m. We wanted to do something different because we need more ECEs. In fact, we need over 100 ECEs just with KDSB alone right now to meet the needs of families who look for child care. So we did something different. We posted on Facebook that we would have an accelerated ECE program, in part funded through the Ministry of Education, whereby we'd pay tuition and all the costs associated with going to school. It would be virtual. The person will have a job with us. They will work while going to school. We released this at 5 p.m. on Thursday. By Friday morning, our communications team wanted us to take it down because we had over 17,000 interested in this way. What I'm saying is I think there is a way—

The Chair (Mr. Ernie Hardeman): Thank you very much. You can finish saying it as we do the first round.

We now have the third presenter, Red Lake Margaret Cochenour Memorial Hospital. I believe it's virtual.

Ms. Allison Church: Thank you. My name is Allison Church. I'm the financial services manager here for the Red Lake Margaret Cochenour Memorial Hospital. I just want to take this time to thank you again for hosting us. As Henry mentioned, having the ability to appear in front of you in northwestern Ontario is a great opportunity for us.

I want to touch on, as I know many of you are probably aware, some of the challenges and pressures that the hospital has been facing throughout this pandemic time. Just to give you a little bit of background, the Red Lake Margaret Cochenour Memorial Hospital is a small hospital, an 18-bed hospital located in northwestern Ontario. We're about two hours north of the Trans-Canada Highway, about two and a half hours away from the next nearest hospital, so we're definitely a rural location. They serve many communities outside of Red Lake, as well as Ear Falls and other neighbouring First Nation communities as well.

Just looking throughout the past couple of years, the partnership between hospitals and the government, we just want to start off by recognizing the government's support throughout the pandemic in terms of funding and operational pressures. We recognize that partnership has been crucial to getting through these times. As many of us are aware, COVID-19 has left a deep mark on the health care system. In particular, it's had a huge impact on Ontario hospitals, and Red Lake has experienced many of the same challenges as many of the other hospitals in Ontario. As we're all aware, the current HHR issues across the province and across the country this is no different for Red Lake. Red Lake has seen an increased number of vacancies, and given their location and the difficulties recruiting, an inability to recruit has actually led to a number of different things. We've actually just had to hire on agency staffing to fill vacant nursing positions. Lots of times, these nurses are hired at four times the cost of what an employed nurse would cost us, so that's definitely a huge financial pressure for the hospital.

With these HHR issues, we're also seeing increased overtime, which is leading to staff burnout and then again leading to vacancies, which is ultimately increasing our labour costs. Because of those pressures that the hospitals are facing, we've had to figure out how we can continue operationally affording these costs. Again, rising costs of supplies and inflation across the board, on medical supplies and utilities and different things like that, put financial pressures on the hospital, as well. **1320**

Pre-pandemic, we were facing a number of challenges and funding challenges. Going into the pandemic, we had those challenges before, and now we are just seeing those escalate. So as we look forward and we're finalizing the 2023-24 budget, all of the issues are coming to light that we had suspected pre-pandemic. Something that we would like to keep in mind and keep at the forefront is just, again, as we've done in the past couple of years—using the 2023-24 and the 2024-25 budget years to determine our hospital's actual baseline costs and baseline funding in this new environment that we're operating in.

In addition to some of the other issues at Red Lake that we've already discussed, there are a number of other operational pressures facing Red Lake, as well. We talked about HHR issues. We've also had a lot of difficulty staffing the emergency department—admits, ED and local primary care shortages. We've seen our emergency department visits escalate; we're roughly 40% higher than what we were pre-pandemic for emerg visits, so this is a significant strain on the hospital and the community, as well.

And then, just looking at operationally overall: Like I mentioned, Red Lake is a small hospital. We provide baseline services, so when it comes to looking at efficiencies for different programs that the hospital offers when we're trying to balance budgets and look for those efficiencies, there's not a whole lot that Red Lake has the ability to do.

The Chair (Mr. Ernie Hardeman): One minute left.

Ms. Allison Church: Like we mentioned, Red Lake is a remote community, so there are specific things that Red Lake faces that other hospitals in Ontario might not. Just the cost of getting things to Red Lake, as far as freight costs and stuff like that—that's one of the big issues we see. We talked about recruitment of staff and recruitment of physicians. Red Lake had to close the ED department because we don't have enough physicians to staff it. There have been numerous risks that—we've averted ED closures, but we're on the brink of not having those physicians to have that ED department open. With the next nearest hospital being two and a half hours away—

The Chair (Mr. Ernie Hardeman): Thank you very much for the presentation, and you, too, can finish it in the next round of questions.

We'll start this round of questions and comments with the government benches. MPP Smith.

Mr. Dave Smith: I want to start off with Henry. You talked a little bit about the size of the area that you service. Most people from southern Ontario truly do not appreciate the size that we're talking about, so I just want to kind of put it in perspective. Germany is 350,000 square kilometres. You service 400,000 square kilometres, so you're slightly larger, geographically, than the country of Germany. Germany has a population of 85 million people. How big is the population that you service?

Mr. Henry Wall: Thank you very much for the question. We could probably take a few zeros off that 80 million and get to about 80,000 documented.

Mr. Dave Smith: About 80,000. So when we come up in southern Ontario with these fantastic programs that do wonderful, wonderful things—I can't speak highly enough of all the good stuff we do, except that we start looking at service delivery in terms of population size and with respect to population density. Toronto is about 120 square kilometres and it's about four million people, so the formula that we would use in Toronto for dollars per person per square kilometre—is it fair to say it probably doesn't work well in your area?

Mr. Henry Wall: It is, because keeping the lights on costs a bit more in the north, and also, when you look at the size of the population, we need to have at least nine different offices so that we can actually help people. It would be unrealistic to have an office in Kenora and expect a family from Pickle Lake to drive seven or eight hours to get here. So yes.

Mr. Dave Smith: What I'm trying to get at is to formalize in Hansard that some of the difficulties that you deal with from a geographic standpoint are things that those who are in southern Ontario don't have to deal with, and that when we look at funding per capita, that model doesn't work either when we talk about northern Ontario, because of the vast distance that has to be travelled, the incongruences with some of those things.

As you pointed out, you need nine offices right now to service at the best that you're able to right now. I could probably put one in Toronto and service all of those people without any issue, with just a single office. Having multiple offices alone is putting an added burden on your administrative costs that perhaps, under a normal viewpoint when we come up with funding formulas, isn't captured. I'm trying to lead you on that, to get you to say that we should treat northern Ontario slightly differently than we do southern Ontario when it comes to those funding programs. Would that be a fair assessment? **Mr. Henry Wall:** Absolutely. We thought that it was just understood, but absolutely it is. And I will say that the model has to reflect the realities of the north. It can't be the same.

But something I do want to say: Take the social services relief fund as an example. There was a fund that told us to deliver. The accountability was on the deliverables, but we got to do it how and with whom it needed to be done. Some of the most incredible work in two years was done, in terms of the number of new housing unit starts, the partnerships-actually supporting families where they needed to be supported was done, and I think it was an accountability framework that made sense for the north, for our communities. It didn't tell us how to do it or where to do it, but it said, "Here is the funding," and there were components that especially gave consideration to the north. But then we were held accountable to what we did at the end of it, and I think that's an example of the power of trusting us in our communities that we will do what needs to be done.

But to your point: A model that tries to treat every community in Ontario the same fails the north every single time.

Mr. Dave Smith: From my perspective, looking at it, when we talk about what's fair, what's equitable and what's equal, we can't necessarily be looking at what is equal. It has to be fair, but in order to be equitable, it has to take into account some of the unique situations.

I'm going to hearken back to how you're the size of Germany, but you have 10% of the population of Germany. We can't treat you in that funding formula in the same way that we do in southern Ontario, because it just does not work.

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I'm in Peterborough–Kawartha. The Canadian Shield starts in my riding. Anyone who lives south of the 401 believes I'm in northern Ontario. I'm not in northern Ontario; I get that.

To your point, very early on you said you thought that it was just obvious. The reality is we have so much turnover in government staff. It is such a large organization. It's essentially a million people who work for the government of Ontario in various ways, shapes or forms. So it may be obvious for you that there are differences. When you're presenting to us and you have that opportunity, definitely point out where those challenges are, because when programs get developed, they get developed based on different formulas, and having someone not recognize that there is a vast difference is very key.

Did you want to ask another question, Dave?

Ms. Goldie Ghamari: I have a quick question. The Chair (Mr. Ernie Hardeman): Forty-five seconds.

Ms. Goldie Ghamari: Thank you.

Very quickly, what would be some of the factors that we should look at differently when we're comparing those formulas between southern Ontario and northern Ontario?

Mr. Henry Wall: I think the first one, too, and this is where—the cost to construct is a whole lot more here then

it is in southern Ontario. But I think there's also a historic piece, as you heard earlier in the presentation from Seven Generations. We have new programs here. We're not asking to be treated special; we're just asking to be treated the same. Where you have, for example, colleges, pretty much all non-Indigenous colleges have operating funding tied to them. Our college—

The Chair (Mr. Ernie Hardeman): Hold that thought till we do the next round.

We'll now go to the official opposition. MPP Fife.

Ms. Catherine Fife: Thanks to all of the presenters. This is a great opportunity for us to learn as legislators.

I am going to go to the Red Lake delegation first, because today—I don't know if you saw the news, but through a freedom-of-information request, we learned that the Minister of Health knew that Bill 124, which is wagesuppression legislation, was impacting the retention and the attraction and the recruitment of new nurses into the health care system. You mentioned in your delegation the impact of now using agency nurses, and I believe you also mentioned that they cost four times what a hired nurse would cost if they were a member of the hospital staffing team.

You will also know that Bill 124 had a constitutional challenge and a collective bargaining and that the government lost this case in court, but they are still fighting it and appealing it in court. So I really wanted to give you an opportunity to talk about the full impact that Bill 124 has on the culture and the morale of your staff in your hospitals and how we now have confirmation that nurses are leaving the front-line sector. Sometimes they're still keeping their licences and they're waiting for better times.

This is a good opportunity for you to directly speak to the negative impact of Bill 124. Please, go ahead.

Ms. Allison Church: I'll touch a little bit, and then, Meghan, feel free to jump in, because you're more direct patient care.

We've seen how Bill 124 has affected the hospital in a number of different ways. Like you've mentioned, we're seeing a lot of our long-time nurses who have been in the career—with the burnout throughout the pandemic and everything that came with those restrictions, they're leaving the profession, which is leading to those vacancies, and at the same time, proving the difficulty in recruiting and replacing those nurses because we can't find staff to fill these positions. Unfortunately, people don't want to come work in health care right now, given the current environment. So we've definitely seen how that has impacted the hospital.

Ms. Catherine Fife: Thank you very much for that.

Meghan, do you want to talk about what it's like to have a staff nurse work alongside an agency nurse who is making four times what that nurse is making?

Ms. Meghan Gilbart: Yes, absolutely. Thank you. I think nurses in general are feeling a bit devalued with Bill 124. It has affected hospital negotiations with the unions. And just with the experience of going through the pandemic and working longer hours, harder hours, they're not feeling as valued as they should be.

Also, with agency nurses—it's just an added layer of fat, specifically. We're also seeing hospital staff nurses leave hospitals and go to agencies because they know that they can make more money doing so, if their lifestyle allows for something like that. It just adds to feeling devalued, because they're working alongside these nurses whom they have to train, they have to mentor, because the agency nurses know less about our organizations. So it's adding to their workload as well.

Ms. Catherine Fife: Can you speak to how it impacts patients? That would also be helpful for the committee and the government members to hear.

Ms. Meghan Gilbart: Sure. I think there's a lot to be said for the knowledge that our staff nurses carry with them—the knowledge of the operations of the hospital, and being able to get to know the patients in our community too. It adds a lot of value to the care that they provide versus the care that agency staff provide. The agency staff get very limited orientation at the hospitals, because we need them to come in quickly and find their way around. It can affect patient satisfaction. It can affect patient safety as well. It just adds to the workloads of everybody, and we definitely have seen real-life examples of the effect it has on care as well.

Ms. Catherine Fife: Those are excellent points.

Hopefully, the government will end their appeal of Bill 124 and we can move forward and start valuing the people who work in the system.

I'm going to pass it off to my colleagues, but just before I do, Henry, I want to say that the example you gave around the ECE program and the interest in that—that's exactly what the province should be doing if we actually want to provide these positions and provide people an opportunity and a pathway to success. It's a supportive model of education and work as well. So thank you for raising that.

Mr. Sol Mamakwa: Good afternoon. *Remarks in Oji-Cree*. Thank you, Brent. Thank you, Henry. From the Red Lake Margaret Cochenour Memorial Hospital, thank you, Allison and Meghan and others who are online.

We all know that northwestern Ontario is a very unique place—but also unique, we are very strong in making things work.

Henry, can you elaborate on the ECE program? You were just starting to talk about it.

Mr. Henry Wall: What we do know is that we have a lot of older potential students who are also parents. So instead of always having our [*inaudible*] leave our communities, it's about keeping them in our communities through a virtual setting, through partnerships with our colleges. We look after tuition, computers and so forth, but also provide hands-on experience—so where they can work before- and after-school programs while completing their education. It is really working out well for us. This is the first term that we're trying this. And we know that this is probably how we can address our paramedic shortage, our PSW shortage, our nursing shortage, moving forward.

Sol?

The Chair (Mr. Ernie Hardeman): That concludes the time.

We'll now go to the independents. MPP Bowman.

Ms. Stephanie Bowman: Thank you to all the presenters. Henry, my first question is for you. Some of us had the opportunity to chat with a local resident yesterday who is living in community housing, on ODSP. She is working and is very happy about the \$1,000 increase in additional income that she can earn through the recent announcements of the government, but she said one of the challenges with that is that it would make her ineligible for the community housing—I don't know if it's your community housing or not.

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I just wonder if you could talk about what steps either your organization or the government—if you could help us understand a little better what it would take for those vulnerable people who we want to be able to remain in housing to do so while also being able to increase their income and increase the quality of their life.

Mr. Henry Wall: Life-stabilization supports are incredibly important. On social assistance, people survive and I think it's well-documented that the intent for social assistance programs wasn't that that was it for people. I think that's in part where, through our unique partnerships, we're looking at how we can make sure that whether you're on ODSP or Ontario Works—especially Ontario Works—it is just a short term; it is just for a period of time while we provide child care. Under CWELCC—moving towards reduced child care fees, towards \$10-a-day child care helps.

With housing, we have a lot of stock to catch up on. In a lot of communities where there is a lack of housingthat's why I mentioned the housing stock, the age of our housing units. It doesn't provide a whole lot of options. In fact, I know of professionals making \$200,000 a year who are couch-surfing here in this community because of a lack of housing. So somebody on social assistance won't have a chance at private sector housing. This is another piece, maybe for a more detailed conversation: The rent scales that tie community housing providers to that, whether somebody is on Ontario Works or ODSP, that are rent-gearedto-income, actually have bottlenecked or have really reduced the ability to use that infrastructure, to build newas an example, our organization sits on close to \$300 million in equity. We could probably leverage some of that to build more housing. But if a significant fraction of our housing units are actually deemed rent-geared-to-incomemeaning the max that we're now tied to the rent scale is more than two decades old—the ability to leverage that equity becomes quite limiting. So, in a way, in making housing affordable, we remove the attainability piece of it.

That's why I'm actually quite excited about the social assistance modernization and transformation work that is taking place right now within government. To the question that was asked by MPP Dave Smith—we need to make sure that is right for the north. That SA modernization and transformation piece has to make sense here, in terms of the supports we provide families. And that income should not be a reason why somebody would not want to or couldn't access full housing benefits. There's also no reason that somebody on ODSP can't be part of the labour force.

The Chair (Mr. Ernie Hardeman): One minute.

Ms. Bobbi Ann Brady: Thank you very much, Brent and Henry.

Henry, my question is for you. I noticed in your report that according to the 2016 census, the population of the Kenora district has increased by nearly 14% from 2011. Is that number continuing to rise? That's a significant increase. Who is coming here, and why are they coming here?

Mr. Henry Wall: Through NOHFC, we were funded to do a regional housing strategy, and that has just concluded. What we're projecting is that over the next decade, the off-reserve population in the nine municipalities is set to grow by about 23%, so it will be even more than what we have experienced, and in part it is—I think our documentation becomes better. Our stats, historically, have been quite poor in terms of capturing people in our community, so it's being caught up—

The Chair (Mr. Ernie Hardeman): Thank you very much for that.

We'll now go back to the government side. MPP Byers. **Mr. Rick Byers:** Thank you to all the presenters. As always, it's very interesting.

Brent and Henry, I'm hearing about your organizations for the first time, and I must say, I'm so impressed by your innovation and energy and the impact you're having in this big community—bigger than Germany, we understand now. Thank you for that.

You both touched on work your organizations are doing in labour and skilled trades—relatedly, two quick questions. Number one, as you know, it's a big focus for our government to expand that sector. Firstly, I wondered if you're seeing some impact from those efforts, but relatedly, are there other things you can suggest we should be doing to further expand the labour availability and accessibility as appropriate?

Mr. Brent Tookenay: For Seven Generations, we've been involved in the training sector since about 2010, 2011, in that area. I'm not sure if you're familiar with New Gold mine. It's near the Fort Frances area, in Rainy River district. We were able to train upwards of 1,500 people who gained—I think there were about 800 or so who gained full-time employment, spinoff employment, from that mine coming in. Others have gone on to train.

It's very much on a labour market focus. We run culinary programs because we have restaurants that can't open or that can only open three days a week because there's no staff. So we focus on the areas to help them improve the economy in—well, not only the Rainy River district but Treaty 3, northwestern Ontario in general.

As far as the skilled trades—you can look at that—there are a number of ways to attack that. Organizations may need people to learn, for example, GIS training. So you look at micro-credentials, and where they're still employed, they come in, four weeks, and that type of thing. But the bigger part of the training sector is that it's easy to say we want more people in skilled trades and that, but there's a pathway that needs to be followed in order to get there. You can't just stick someone in a millwright program who doesn't have, say, the background skills. You're setting them up for failure.

So I think that's where a government can really focus on the literacy and almost like a year-zero or a pre-trades thing so when they go in there, they have the confidence to be able to succeed in that. That's where we see a lot of the work being done, because once a person has the confidence to be able to be successful, the sky is the limit. And again, the untapped market in northwestern Ontario are First Nation communities, are First Nation people. There's an entire workforce there ready to be trained. And working with Henry—so many people are on social assistance or on social housing. How do we get them out of that situation? Training and education: That's the answer to move forward, in our view.

Henry, I don't know if you want to add to that.

Mr. Henry Wall: Yes. Last summer, we had more vacant jobs in our district than we did individuals on social assistance. So I think that's an incredible opportunity to really look and think, how do we get families and individuals, especially young people, into those jobs? What we have found is that we have to be very intentional. Some need a driver's licence, but the means to get it is a bit different than in southern Ontario; we don't have driving test centres everywhere. It's quite a journey for some.

But also, looking at what the immediate steps are, and I think looking at—this is just from a social assistance standpoint—removing some of the rules, keeping service metrics accountable for delivery of results, but let me support somebody with carpooling or letting them buy a car so they can actually get to the job. A couple of years ago, I got a call from one of the mills, from the managers there: "We have money to start another shift. We don't have the people to run the shift." So we were able to support one individual with getting a vehicle so they could carpool. So now they had five people from social assistance who now were carpooling, who now have jobs.

With the employment service transformation piece, I think that's something that, for northern Ontario, really to pay attention to, saying, how do we make sure that we actually fill these jobs? And I think we can, properly structured through unique partnerships.

Mr. Rick Byers: Thank you so much.

The Chair (Mr. Ernie Hardeman): MPP Skelly.

Ms. Donna Skelly: How much time, Mr. Chair?

The Chair (Mr. Ernie Hardeman): Just a touch over two minutes.

Ms. Donna Skelly: Okay, thank you. I want to say, Brent, thank you for lunch today. It was lovely. It was delicious, and I'm hoping it was some of the culinary students who prepared our lunch today. It was great.

My question: Henry, if you could expand a little bit on—MPP Fife was talking about the ECE program. You just were cut off just as you were talking about how many applicants. Where does it go from here? **Mr. Henry Wall:** In part, this was our first go at it, if you will. We have 20 spaces with the college, so we could have easily had 80-plus spaces. They started this week and most of them will be working before and after school. What we're able to do is actually work with the college to actually structure the programming so that it works with the individual being able to be in the program but also working.

1350

The other piece that we noticed with the applications: As I had mentioned, we had a lot of single parents, especially single moms, so that makes it quite difficult. If you have to go and get an ECE, Thunder Bay is a long ways away. And let's say you do go. You have to worry about finding housing in Thunder Bay, you have to worry about finding child care in Thunder Bay, so we look after all that, and that's why this partnership really works.

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Henry Wall: While somebody is enrolled in school, we support that household on that housing piece, on the early-learning piece. And sometimes there are other little things that a family needs to thrive, so that's why we're quite excited on that piece and we're hoping to expand it to other—

Ms. Donna Skelly: We've only got a little bit of time left. We have something similar with the nursing program. For young people who are interested or anyone interested in studying nursing, and PSWs, the government will cover the cost of education, of course, if they are willing to work in remote or northern communities for up to two years. Could you see your model, and perhaps even a modified version of what I just said, expanded so that we can address that absolutely critical shortage in PSWs and nurses?

Mr. Henry Wall: I think so, and that's, in part, in the package that we've provided. We also have a proposal, because we do lack housing, and that's a big barrier with getting people into schools, into education. And what we've proposed is, right on this campus here, to actually build housing that will actually empower individuals to be part of those programs.

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes the time.

We now go to the official opposition. MPP Mamakwa.

Mr. Sol Mamakwa: Meegwetch, Mr. Chair. Thank you.

My first question is going to be to Red Lake hospital. I know that over the past couple of years there's been a shortage of physicians in the hospital, and I know there are a couple of closures of the emergency room department. I'm wondering if you can share the background on why that is happening and describe where people have to go when there's an emergency, with no ER department.

Ms. Allison Church: Sure, thank you. Red Lake was in a position where they did have to close the ED and, fortunately, we have also averted numerous other closures which were strictly due to physician shortages. Red Lake has been facing a physician shortage for quite some time now—Meghan, you might be able to speak to the actual number of vacancies—but without those physicians in the community, Red Lake relies a lot on locums, as well. So having those locums come, and want to come, to Red Lake to fill those shifts—we've seen that less and less over the course of the past year, strictly due to having physicians there to be able to staff ED.

Like I mentioned, Red Lake is two and a half hours away from the next hospital, so if there was an emergency, our EMS services would be taking people to Dryden, which is two and a half hours away. Especially during winter, that's not the greatest highway to be travelling on, so it's definitely a scary situation, and it can greatly affect the community services and the health care in the community.

Mr. Sol Mamakwa: Is there anyone else in Red Lake that would want to respond?

Ms. Angela Bishop: Yes, I would. I'm the interim CEO; today is my first day on the job, but I did do the job several years ago, and I've been called back into service.

I think what Allison has said is completely true. Recently on the news, there was a hospital somewhere in eastern Ontario or northeastern Ontario that closed, but the nextclosest hospital was just 20 miles away. And so, we talk about differences between the north and the south—we can't ignore that the distances are so critical here. And I mean no disrespect, but the same reason that the committee did not come to Red Lake, as we once thought that they were going to for this meeting, is the same reason that people don't want to move here. So we can't underscore the distance and how much impact that has.

When we look at funding formulas, in the government, there is some acknowledgement for small and rural hospitals, and I would really stress the importance of keeping that in mind for small, rural hospitals. We need an increase to base funding. We can't continue to operate with the escalating costs and with the difficulty. When there are scarce resources, such as human resources right now, they tend to gravitate to larger centres, so we are even at more disadvantage than we were previously.

Mr. Sol Mamakwa: I'm going to jump over to Henry. You were starting to talk about the solutions. There's a plan here, within the handout, about a proposal and addressing some of the issues we face, which require some investment to be able to come to those solutions. Can you elaborate on that? You were starting to talk about it when the government was asking questions.

Mr. Henry Wall: The proposal in hand is our experience, in that we really struggle with supporting students or young families, because we do lack housing here. We said, "Well, if we lack housing, if that's the barrier, then let's build housing." This would be a partnership with Seven Generations Education Institute. We have 67 housing units. Some would be student dorms, like bachelor units, but also multi-bedroom, because we have single parents who are looking to get an education, who have one, two, three, four, five or more children.

What we also want to end is the generational cycle of poverty, knowing that if we help Mom, we will help the children; if we help Dad, we will help the children as well—and having it right here. As part of that build, there would be a child care lab on-site, meaning ECEs can go to school here and work right next door as part of a lab setting.

That's what we have proposed, knowing that we need to bring the Ministry of Housing, the Ministry of Education, and the Ministry of Labour, Immigration, Training and Skills Development together. It's going to take all of us to make this a reality, but this one-time investment piece is actually going to save all of us long-term.

It's for similar reasons that KDSB bought an old high school in Sioux Lookout, again with Seven Generations, quite frankly, to address the impacts that the residential school systems had in our communities, to address the levels of poverty we have. It is one thing that's going to help us address it and fix it—education. It's that simple. But we need those other pieces around to support people to get that education.

Mr. Terence Kernaghan: Thank you, Brent, Henry, Allison, as well as Meghan and the people online for your presentations.

My question is for Henry. What supports do you need from the government to make the program that you are suggesting—your health care worker program, similar to your ECE program—successful?

Mr. Henry Wall: I think looking at each sector, quite similar to how the Ministry of Education has looked at ECEs in terms of—we were provided a set amount of funding as part of a labour force development strategy, then we got to go back and work with our operators, with our partners, to build it, and that's what we're now implementing. I think something very similar could be done with paramedics, could be done with nurses and so forth.

I think the other piece is that in the north we are missing some important pieces, especially around the—

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes the time, so we'll have to wait to see if the next question is the same one.

MPP Brady.

Ms. Bobbi Ann Brady: I would like to thank you both because it seems that while you're being reactive, you're also being very proactive in your approaches to the issues here.

All the presenters today have driven home the same message: that a cookie-cutter approach doesn't work in the north. I represent a very rural riding, and it's the same thing—things that work in the city don't necessarily work in rural Ontario.

I want to go back to Brent. You were talking about this building. It's a beautiful building—and I know that your staff take pride as well, because our lunch was served by a very nice lady who told us absolutely everything we needed to know about all your programming. So that's a good sign, that there is a lot of pride attached to that. **1400**

But you were talking about the transfer payments and that half this building is rented to make ends meet. I'm sure you would love to add more programming and not rent half of that out. So can we go back and talk about the transfer payments and what operational funding would look like? What are you looking at for operational funds? **Mr. Brent Tookenay:** Thanks for the question. Yes, I mean, like I said, we own our building in Fort Frances, which is 40,000 square feet. We own this one, which is 80,000. We're looking at additional space as well. I guess what I was asking in terms of operational funding is to look at things such as, obviously, keeping the lights on, municipal taxes, land leases that we have with our First Nations in the Fort Frances area—all of the things that a mainstream institute takes for granted, basically.

Back in 2017, there was the Indigenous Institutes Act that went through, and we are an accredited post-secondary institute in the eyes of the province. There are colleges, universities and Indigenous institutes. The difference is that we provide degrees, diplomas, certificates, training etc. We do the whole spectrum. We're not limited to university degrees or to college diplomas or whatever. We do everything. So when I speak about transfer payment agreements, many times those types of things are late to the table; we don't know exactly what we're getting. There are increased costs, as everyone knows, as you go throughout the year. Taxes go up, the cost of electricity goes up etc. If we were able to get those services and those costs accounted for, we would be able to do so much more. We're talking about ECEs and PSWs. We would be able to create more space and be able to basically address the labour market need. Right now, when you don't have spacethat's why this proposal that we're talking about now, additional classroom space and an ECE lab, will address the number of things that will help build a workforce in our area.

In terms of a number, we very easily can get that to you. I don't want to say it's like \$100 million, because it's not, but it's significant in order to help us move forward and grow. With the institutes, and specifically Seven Generations, we have a lot of demands. We have demands from the training sector, from the post-secondary sector, and trying to balance all those needs—because everybody's looking for people, no matter if it's in the health care sector, in the trades sector or everything in between. In order to do that, you have to be thrifty and smart about how you approach things. This would just give us some relief in being able to grow the institute and grow the opportunities, in partnership with Henry and other partners within the area.

We value our partnerships with our mainstream institutes—our bachelor of science in nursing. We have over 80 people in our health care programming: paramedics, personal support, nursing. We've been asked to get into lab tech and other areas. We can't do this if there's no space. So this is—

The Chair (Mr. Ernie Hardeman): Thank you very much. And with that, that does conclude the time and the presentation from this panel.

I do want to, on behalf of the committee, thank you very much for your presentations today and for being so thorough in your answers. I think there wasn't a single question I didn't have to stop, because you were still able to carry on and give us more information. So we very much appreciate your participation and all the work you've done on it. Everyone, including those including those that have been speaking behind my back, thank you.

Now, just before we go on to the next delegation, I would ask the members if we have agreement to allow multiple representatives from the same organization to appear at the witness table at the same time during the duration of this public hearing today. Unanimous consent. Thank you very much for that.

NORTHWEST BUSINESS CENTRE

CITY OF DRYDEN

The Chair (Mr. Ernie Hardeman): Our next delegations panel is the Northwest Business Centre of Kenora and Rainy River and the city of Dryden. It's a good thing we got permission, because I think this may be where we get more people.

We do ask that as we get ready to make the presentation—the first one will be from the Northwest Business Centre, Kenora and Rainy River. As you start your presentation, make sure you introduce yourself with your name, so we can properly identify you in Hansard. You will have seven minutes to make your presentation, and at the end of six minutes I will rudely interrupt you and say, "One minute left." After that, I will not interrupt you; I will stop you at seven minutes.

Thank you for being here. With that, the floor is yours. **Ms. Allyson Pele:** Thank you so much for having me today. I'd like to also introduce my manager, Stace Gander. He's the director of growth and recovery at the city of Kenora.

I'd just like to start today in the spirit of reconciliation. I'd like to acknowledge that Kenora sits within Treaty 3 land, the traditional territory of the Anishinaabe and Métis. I'm committed to learning and building relationships and would like to take a moment to recognize the land we are meeting on today.

I am here today to advocate for additional funding for the Northwest Business Centre and the government of Ontario's Small Business Enterprise Centre program. My main message today is that the support from the ministries is appreciated; however, funding has not increased in 10plus years, and in fact, funding has actually decreased since 2017.

Just a quick overview of the Small Business Enterprise Centres that the government of Ontario supports: We're funded by the Ministry of Economic Development, Job Creation and Trade, and the six northern Small Business Enterprise Centres are funded through the Ministry of Northern Development. There are 54 locations across the province of Ontario, and our mandate is to support entrepreneurs—whether it's exploring entrepreneurship, starting a business, expanding a business, purchasing a business, or even providing resources to help with succession planning. We generally work with businesses from one to 10 employees, and those could be home-based or mainstreet-type businesses in any sector. I work with a lot of main-street businesses, construction-based businesses and home-based businesses.

The Small Business Enterprise Centres are generally the first point of contact in the ecosystem for entrepreneurs and start-ups, and we're also the main referral partner for many other business support organizations. These include the province of Ontario-so for the NOHFC programs, economic development offices in our local regions, libraries, Employment Ontario offices, chambers of commerce, and the government of Canada's Community Futures development corporations. So we get a lot of referrals to us; however, we provide a lot of referrals to other organizations as well. The SBEC network—that's the acronym for the Small Business Enterprise Centres network-wants to build on what we have accomplished, but our capacity to do so is diminished. Currently, resources don't allow us to provide the services that are demanded of us. We really want to be able to provide the framework to support these businesses-and we need that by having our funding increase.

I will just highlight, too, that during the pandemic, the SBEC network served 4,139 businesses through a COVID-19 recovery program that we operated as a joint network for that year of 2021.

Moving along to the Northwest Business Centre—I just want to preface that I've been in this role for nine years, actually, next week. I absolutely love my job and working around the region that I service. I service the Kenora-Rainy River district, so that's from the Manitoba border to just east of Ignace, and everywhere north and south in between. That's 18 municipalities, as well as the unorganized area of Kenora and Rainy River districts, as well as 26 First Nations communities that I provide entrepreneurship services to.

We are the region's leading business resource. I work with not only people who are starting a business but those who are looking to explore entrepreneurship, which includes youth. So I do work in all the high schools around the region to promote entrepreneurship; specifically, our Summer Company program that we see students come from when they're 15, and I'm still working with them 10 years later as their businesses are changing and expanding and they have new life experiences.

1410

I'd like to just highlight some of the funding that we have. Core funding is \$88,000 a year from the Ministry of Northern Development, and then we have additional programs: the Starter Company Plus Program funding and the Summer Company funding that is delivered through MEDJCT. The city of Kenora is also a huge funder and supporter of the Northwest Business Centre. Essentially, the city is supporting a regional program and really highly subsidizing that program for the region.

I'd like to highlight just some numbers for you to see, as well, and you can find this in your slide deck, as well as in the—I've provided everyone with a slide deck, but also just an overview with a little bit more comprehensive information, as well. But just some highlights: I've compared post-pandemic and pre-pandemic numbers. Just in 2022 alone, we had 832 inquiries versus 690 in 2019. I, as the manager of the business centre, provided 216 consultations this last year. Those are working with any type of business for at least 30 minutes, and often I work with those businesses a lot more in-depth to provide them with resources and the assistance that they need. We had 117 jobs created through the Northwest Business Centre in the last year, as well, and we also deliver the digital service squad program that's funded through the Digital Main Street program that is also supported through the government of Ontario and the federal government.

I want to highlight that, last year, we were also one of two small business enterprise centres across the province of Ontario to receive funding to deliver a Starter Company Plus Program Indigenous stream. I am thrilled to say that during January to March, we had 41 applications that applied to be in the program. We worked with about 23 of them halfway through the business training. Seven of those businesses completed the whole business training and we were able to award five \$5,000 grants through that program. For the Starter Company Plus Program, the original stream, we were also able to award 12 \$5,000 grants and we had 53 businesses that completed the training.

The Chair (Mr. Ernie Hardeman): One minute left.

Ms. Allyson Pele: I'm going to just turn it over to Stace here with some final thoughts for you to consider and I thank you for your time.

Mr. Stace Gander: Thank you very much for your time. I'll be quick and I'll speak fast here. Looking into this role and the function that this provides, the numbers speak for themselves. We're here to talk about funding. Right now, we get funded at a level of \$62,000 a year for wages and benefits and that has not increased in the last 10 years. It's just not enough to do the great work that we do going forward.

Statistically, 65% of all employees come from the small business sector. COVID has put a tremendous amount of pressure on these small businesses. A vibrant small business community is critical for small cities like Kenora to continue, so that visitors want to come here and people want to live here. Some 80% of our visitors come back because they want to go to our unique shops and our businesses, so this is what—

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude the time. Hopefully we can finish it in the discussion round.

Now we will go to the city of Dryden.

Mr. Jack Harrison: I'm Mayor Jack Harrison, recently elected. Would like to introduce yourself, Roger?

Mr. Roger Nesbitt: Roger Nesbitt, chief administrative officer for the city of Dryden.

Mr. Jack Harrison: Boozhoo, bonjour and good afternoon. We want to welcome and thank you, members of the Standing Committee on Finance and Economic Affairs, for coming to our part of the world and for allowing us to present to you today.

We want to bring to your attention the extremely high policing costs in northwestern Ontario, particularly in the city of Dryden where we live. Like many small northern Ontario communities, Dryden is continually seeking innovative means to address municipal service and infrastructure requirements while striving to ensure community safety and well-being. Financially, this has been an ongoing challenge with our historically high policing costs. From 2015 to 2021, Dryden has paid approximately \$20 million more in policing costs than the average OPP per property service costs. As you can imagine, this is having a profound effect on our ability to provide other essential services in our community.

What is driving this issue is that the city of Dryden is experiencing an illegal drug epidemic, resulting in significant increases in gang activities and violent crime rates. This has driven policing costs to a point that is far above provincial OPP average costs, making Dryden an extreme outlier and causing financial hardship for the municipality. In your document that we have provided, as shown in figure 1, our costs per property are far above our neighbours. For example, we were projected to be 76% higher from a cost perspective than Kenora and four times higher than the average OPP cost to a municipality.

If you look at figure 2, it illustrates the policing costs per capita for major centres across Canada from 2018 to 2020. With a population of about 7,388, Dryden is the highest-cost municipality over this three-year period, with the trend continuing in the wrong direction in subsequent years. We're a little city with the same big-city problems, compounded by a lack of resources. It's well known to Dryden community stakeholders and residents that the crystal meth and opioid epidemics are the primary driver behind the significant and concerning increase in Dryden's crime rate. The widespread use of these illegal drugs, coupled with Dryden's central location in the district and on the Trans-Canada Highway, has brought an influx of organized crime and a number of gangs into our community.

As illustrated in figure 3, our crime rate continues to be among the highest in Ontario. Over a five-year period, our crime severity index has increased 253%, with a CSI of 298, which, if we were a population of 10,000—in figure 4—would put us in the top cities in Canada.

Since 2018, Dryden and the immediate surrounding area experienced a total of seven homicide occurrences resulting in nine total deaths. Prior to the latest five-year period, dating back to 1998, homicides were virtually unheard of in our area, with the last one occurring in 1999 in the rural area.

A similar and concerning trend has been experienced with overdose incidents and resulting sudden-death occurrences. In the last 10 months alone, in 2022, within the Dryden OPP jurisdiction, there have been 23 overdose incidents and six deaths attributed to these overdoses.

Figure 5 illustrates the spiking crime rate in our Dryden rural population and our rising crime rate in the municipality of Dryden far exceeding the Ontario and Canada averages.

What is also most concerning is that as of September 2022 the OPP Dryden detachment identified that over 1.3% of all Dryden households are known to be locations where illegal drugs are sold; that's one in every 100 households that has a drug dealer. It's very sobering to realize that these locations are throughout our community, within

close proximity to our schools, youth centres, recreational facilities and our regional hospital—and these are only the known locations; unknown locations could be significantly higher.

At the city of Dryden, we are committed to make our community safe and a desirable place to live and raise our families, and we're working very closely with the OPP on this issue. In February 2022, when the OPP began policing our community from our local municipality police force, it was decided that we needed at least a 33% increase in staff to tackle this issue. We are optimistic that as the community works together we can win this battle, but it will take time, effort and a lot of funding. Unfortunately, the other casualty of this drug and crime epidemic is our ability to build adequate levels of funding to maintain our municipal infrastructure, such as our aging sewer and water infrastructure. The municipality is getting near to depleting our reserves, attempting to fund policing services at appropriate levels to allow for adequate enforcement and the prevention required to address this situation. If you look at figure 6, the city is nowhere near the desired levels of reserves, and what reserves we have are being drained. We can't sustainably raise enough taxes to do nearly enough infrastructure maintenance or replacement to keep up with the declining condition. The financial pressures of policing and social services have substantially eroded Dryden's financial position to a point where the municipality cannot undertake any significant infrastructure project without external funding being available to cover the majority of the costs, as illustrated in figure 8.

We want to reassure this committee that the city of Dryden municipal leadership takes the responsibility to ensure the community has adequate and effective policing services very seriously, and this is reflected in our decision to amalgamate the municipal police services with the OPP and disband the municipal force in February 2022. However, adequate and effective policing is coming at an extraordinary cost, due to the crippling effects of illegal drugs, increasing gang activity and increased violent crimes in and around the city of Dryden, and overall increasing crime occurrence and EMS calls for service.

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Jack Harrison: We'd like to ask the standing committee to consider providing funding streams for communities in northwest Ontario, like Dryden, to help offset extremely high policing costs so that we can maintain our municipal services and continue to reinvest in our vital infrastructure. An example for the standing committee could be considering our municipality through the funding streams in place in the Ontario Guns, Gangs and Violence Reduction Strategy, of which the funding seems to be primarily focused in the GTA area. Specifically, Dryden is requesting a provincial government operating grant to the city for a three-year period to help us through this period, starting in January of this year, in the amount of 35% of the annual estimated OPP transition contract billing amount, to be paid to municipalities. This would help us overcome some of the issues that we have with funding our aging infrastructure.

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Dryden is earnestly seeking the province to help take back our community from the grip of gangs, increasing violent crimes and the illegal drug epidemic—

The Chair (Mr. Ernie Hardeman): Thank you very much. From there on, we can get the rest of it in on the discussions.

We'll start the discussions with the official opposition.

Mr. Terence Kernaghan: Thank you very much to our presenters who have joined us this afternoon. Specifically, I'd like to direct my first questions to Allyson and Stace. Small business, as we know, is the lifeblood of our economy, contributing to 80% of our economy. I think it's rather disturbing that your base funding has not increased in over 10 years.

I think, as well, to my understanding, there has been no inflationary or cost-of-living increase in seven or eight years to your organizations. It seems as though you're being asked to do more with a great deal less. When you consider your level of service that you provided during the pandemic, when we know businesses were struggling tremendously, when it took over eight months for this government to provide any supports to small businesses, and then you see your numbers after the pandemic, where you're doing even far more—I just want to thank you for all that.

But I wanted to ask, what specific requests do you have from this government? How can the government directly support you? What would you like specifically?

Mr. Stace Gander: For me, I started by saying that right now, when you look at 2023, the amount of money that we currently have towards salary and benefits is a mere \$62,000. My son just graduated from commerce; his starting salary was \$60,000. It's very important that we are able to attract and retain people at the right level, so if we could see an increase in our current funding by approximately \$120,000 to \$150,000 per year, which is not a tremendous ask when you look at the geographical size of this territory that we have and the fact that we look after 28 First Nations. I think that it's very important and a very worthwhile investment to advance the things that we're doing in these communities.

Mr. Terence Kernaghan: Allyson, would you like to add anything?

Ms. Allyson Pele: I just echo Stace's comments. Additionally, I alluded to the Starter Company Plus Program, as well as the Starter Company Plus Program Indigenous stream. The Indigenous stream program would be a really wonderful program to fully fund and for us to offer in this region. It was a huge success and very much in demand, so even to be able to provide more grants to those start-up businesses—these really change, basically, the layout of the communities with some of the businesses that have been started in our region.

Mr. Terence Kernaghan: Absolutely. One thing that SBECs always do is to not only take care of the businesses that are currently in place, but also, as you say, nurture and foster people who would like to have their own organization and create their own vision for what they'd like in their business.

How would you like the Starter Company Plus Program to be enhanced? What could the government do to make that better?

Ms. Allyson Pele: Well, one of the great things that the program does allow the individual SBEC to do is to decide how we want to deliver it in our own areas. That's wonderful, about the existing program. It would be great to have funding increased so it could actually cover an additional staff person. Right now the funding program operating that's funded through it is \$22,500 a year, just for my SBEC, and that doesn't cover the cost of a staff person or anything. It is such a big program; like I said, 53 people completed the business training last year. They didn't all get grants because we don't have enough for those grants, but many of those folks went on to apply for NOHFC programs, to apply for other funding through commercial banks and things like that.

So to actually support a full-time person in that Starter Company Plus Program would be ideal, and that person could also deliver the starter company plus Indigenousstream program, so there's a really big benefit to that.

Mr. Terence Kernaghan: Absolutely understood.

My next question would be to the city of Dryden. I specifically wanted to ask, how can the government support your requirement for more affordable and supportive housing in the area?

Mr. Jack Harrison: Sorry—for supportive housing?

Mr. Terence Kernaghan: Yes. What supports would you like to see the government provide for supportive and affordable housing?

Mr. Roger Nesbitt: Thank you. And again, a significant thank-you to the committee members for meeting us in our region.

I guess, from an affordable housing standpoint, coming from the policing aspect, housing is an issue and a lack of affordable housing is an issue in Dryden. I think supporting our key partner stakeholder organizations like the KDSB is definitely a big part of that.

From a policing standpoint, there are short-term solutions and then there are long-term solutions, and what we are talking about today is really the short-term solution. We are incurring some of the highest costs, I think, in the country for policing in this region. The short-term solution to that is funding from the provincial government to help the municipality shoulder that burden. The longer-term solutions are around more affordable housing, more community health care services, services for addiction treatment and mental health. Services of that nature would go a long way as a long-term solution to help our current problems around policing costs. But for the short term, it's the funding that is really unsustainable for Dryden and for other communities in the northwest region.

And if you look at our briefing, we've tried to very concisely communicate those numbers and that data, and that data really does speak for itself, I think. So again, there are multiple root causes for the policing costs, but what we really want to focus on right now is that affordability solution, the short-term solution, and we feel that's adequate funding to deal with the burden of the policing costs.

Mr. Terence Kernaghan: How much time left?

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The Chair (Mr. Ernie Hardeman): You have 41 seconds.

Mr. Terence Kernaghan: I have 41 seconds? I just want to thank you all for your presentations today. I'll turn it over to the independents.

The Chair (Mr. Ernie Hardeman): We now go to the independents. MPP Bowman?

Ms. Stephanie Bowman: It's certainly very troubling, the presentation from Dryden. It's eye-opening, I guess I would say. But I kind of want to follow up on MPP Kernaghan's question.

What jumped out to me in your presentation was two things. The compounding of the lack of community services—that that's some of the root cause, perhaps, of the opioid crisis, and therefore the need for more policing etc.—I guess I would just, maybe as a comment more than a question, encourage you to get a start on those things, maybe in a written submission, because they do take a long time to get those requests in, whether it's housing or other kinds of services. I don't think only policing is the answer.

The second thing I just wanted to highlight was you talked about a precedent where this level of funding has been provided to other municipal jurisdictions in the province to offset high policing costs. I certainly don't know what those are. I wonder if you could share a little bit more about those and whether or not the incremental policing costs did help those municipalities in addressing their issues.

Mr. Roger Nesbitt: Thank you for the question. Just to acknowledge your initial comments: Absolutely, there are longer-term solutions, as I alluded to, and we're actively working in partnership with some of those key stake-holders in the community—again, Mr. Henry Wall from the Kenora District Services Board, one of those groups that we're working with on some of those longer-term solutions. But the policing cost to provide that adequate law enforcement is a significant cost, and a significant challenge for our municipality to shoulder those costs and still provide our essential services and non-essential services in the community.

But just around your second question—sorry, can you repeat the question?

Ms. Stephanie Bowman: Your document references that there has been some precedent for this level of funding in other communities. I wonder if you could educate me about that and how it benefited.

1430

Mr. Roger Nesbitt: Oh, yes. Sorry. Thank you. Actually, there are three other communities that I'm aware of that are currently receiving funding to help with those high policing costs or have in the past. The municipality of Sioux Lookout would be one. The municipalities of Pickle Lake and, I believe, Moose Factory have qualified for rebates or funding along these lines. Again, that's part of our request or recommendation, for the government of Ontario to look at budget allocations even through existing funding streams that are in place today to help the northwest region with these high policing costs.

Ms. Bobbi Ann Brady: Chair?

The Chair (Mr. Ernie Hardeman): One minute. MPP Brady.

Ms. Bobbi Ann Brady: One minute. Okay. Thank you.

You've well addressed the issue of policing costs, and I understand that. Many of my questions that I had were already asked. But I think that there's something larger. We see an opioid issue right across Ontario. Yours is drastic, I understand that, but I think there's something bigger going on. I understand helping with policing costs will help, but I think there's more to the ingredient list for this recipe to getting rid of the problem across the province. I speak to police and they tell me there's a problem with catch and release and that happens on a number of criminal fronts, including the drug issue.

I would say, as you're looking at securing more funds for policing, I think we need to all collectively put together our heads to try and figure out how we actually keep drugs out of our small communities. It's just a comment because my question was kind of asked.

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes that.

Now, MPP Triantafilopoulos.

Ms. Effie J. Triantafilopoulos: Good afternoon. Thank you to all the presenters for being here today. It's been a very informative morning and afternoon.

I'd like to direct my questions to Allyson and Stace. As you know, the province does support 54 small business centres across the province, and the Northwest Business Centre in Kenora and Rainy River is, in fact, the most northerly one. As you also know, the province of Ontario is supporting the creation of economic growth and new business creation. It's a key pillar of our government's positions. And I'd say, in the last four-plus years, the province has been able to attract over 500,000 new net jobs, so we're very much on track to be able to have more economic growth in our province.

However, we understand there are unique challenges for you here in order to be able to support entrepreneurs and start-ups. So in order for them to be successful, can you speak to how you help and support their unique challenges, and what are some of those unique challenges so that we can better understand?

Ms. Allyson Pele: Like I mentioned at the start, the service area that I work in is about the size of France. It's huge. I'm based in Kenora. I'm a one-person office with an occasional intern that's funded through the NOHFC program. To deliver the amount of inquiries that I get and to support the businesses is overwhelming. And at the same time, you have to keep on top of what current trends are and how we can best support the businesses.

The businesses that I work with are generally homebased businesses or main-street-type businesses, and they're looking for resources like, "How do I get a bank loan? How do I start? How do I navigate the business licence process?" in one of the 18 different municipalities that I do support through the business centre. Some of the other challenges they have currently are the hiring piece, so finding a workforce that's available to them to work, and then a big shift has been to get those businesses online. The Digital Main Street program has been a huge success and support that we've been able to benefit from, too, in the region

But definitely, the capacity is the thing that's lacking. The government has been so supportive in entrepreneurship and things. However, what we have seen, too, at the SBEC level is there have been other business support programs that have been funded kind of into niche markets like, for example, PARO, specifically for women. So they have a really big increase in funding; however, often, their clients are coming to us for Starter Company Plus grants. NOBEEP is another program that was funded. But they're really leaning on the SBECs to provide these entrepreneurship services to people. So in a way our funding is even being diluted by funding these kinds of other organizations to support entrepreneurship, when really the buck, so to speak, stops with the SBECs with all the information and resources.

Ms. Effie J. Triantafilopoulos: That's very helpful.

I noted in your remarks earlier that in 2022 you were able to create 117 jobs, so I want to commend you for that, because those are really important jobs for the community.

Can you share with us some of the specific success stories that you have seen examples of—what has really worked, or a business that didn't exist before but now is actually growing in the community?

Ms. Allyson Pele: In the package that I provided you with, if you look at this one here on the back page, there's actually a student who wrote a letter to MPP Greg Rickford about his experience with the Summer Company program. There are also testimonials that I weaved throughout the presentation, and you can actually see businesses that we've worked with and the assistance that we provided them. Some of the unique businesses—we have a wonderful chocolate shop here in Kenora called Sweet Lake of the Woods. That person is manufacturing their chocolate here in town. They are wholesaling across northwestern Ontario, and we've been able to work with her and watch her grow over the last six or seven years that she has been in business. So it's those types of things.

We also support contractors. We have a unique system here; you can get on the ice road and go build a cabin in the winter. So I'm able to support contractors through how to start their businesses to ensure that they're following government rules and regulations, to help support the construction industry as well.

A really cool business is Metalworx here in Kenora. Jason designs and creates his own handmade, custom knives.

There are so many cool businesses that I've been able to work with over the years.

Ms. Effie J. Triantafilopoulos: They both sound very unique. Certainly, this Sweet Lake of the Woods—it's worth stopping by, perhaps this afternoon?

Ms. Allyson Pele: Yes. Definitely.

Ms. Effie J. Triantafilopoulos: You mentioned, obviously, the issue around funding as it relates specifically to the fact that you've got only one employee and possibly an intern. Are you also speaking about the need for additional program funding, and if so, in what parts of them because we've got several programs that you mentioned.

Ms. Allyson Pele: Definitely, at the business centre, it would be nice to have two full-time staff.

The way that the program funding is structured is good. However, more grants to support those businesses would be great. We're able to do things across the region, through some in-person, virtual, over the phone, to really stretch the dollar—but it's really to have that capacity through staff people. It would be wonderful to have some additional grant funds available to these businesses. Unfortunately, we have to turn away people who don't get the grant every year, and that's really too bad. They went through all the training, and they're ready and set up for success, but they aren't able to get a grant.

Mr. Stace Gander: If I could just add, too, if there was additional money—you talked about what people need to succeed. Capabilities are a big factor. Do they have sales and marketing expertise? Do they have financial management expertise? If you had some additional money for funding, and if we do not—assuming we get the two staff, if we had to bring in somebody who might be a subject matter expert from an accounting firm or a sales and marketing firm, we could bring that in and we could match, even seeking out how to get more employees. We could bring those people in, we could pay them for their services, and we could deliver some sort of consulting-type services in a format like that.

The Chair (Mr. Ernie Hardeman): We'll now go to the second round. MPP Fife.

Ms. Catherine Fife: I'm going to continue with the Northwest Business Centre.

I just want to say that during COVID we had four months of these meetings to hear first-hand from businesses—one of them was, I believe, Anderson's Lodge and they really struggled and were very thankful for the help that they were receiving. The testimonial in your package actually speaks volumes for the support that you did provide. During that very challenging time, many businesses had to pivot, but they needed the support and resources and knowledge, as you just mentioned, Stace, around building up their capacity and "pivoting"—that was the word, I think, of the pandemic.

Your request seems very reasonable given that for 10 years you've been frozen and the return on investment is very clear, and you've made that case. Have you made that case in previous years to the government? Is this your first time coming and asking for a specific grant? **1440**

Ms. Allyson Pele: Yes, this is my first time for the Northwest Business Centre. I know the small business enterprise network has been doing some advocacy to the province in the past, but this is my first time here.

Ms. Catherine Fife: Okay. You've heard that the government is supporting other business centres across Ontario, but can you give us the context that we need? Because I feel like you have a strong case, but the supports that are needed specifically in northern Ontario, northwestern Ontario: Can you make that case for the committee versus the other business centres who have received several investments?

Ms. Allyson Pele: For the Northwest Business Centre, we are the most northerly SBEC. We are the one that services the largest landmass in the province and our backbone of our economy is basically small business and those who are self-employed. We have so many folks that need the support. Stace mentioned the 80% number. That's from our tourism and economic development strategy, I believe that number was pulled from, and that's really what's bringing people to our community, which is a tourist-based community which many communities around the region have.

I operate a Small Business Enterprise Centre that is truly regional. I'm on the road; I'm in other communities. The people that have received the grants and the consultations are truly regional people. I'm not just based in Kenora, servicing Kenora; I'm trying to service the biggest area and have been able to do so on a really tight budget and with the thanks to the city of Kenora for their generous top-up of the program. It has been great, but—Stace, do you want to speak to that? That could change, right?

Mr. Stace Gander: Yes, there's nothing to say that the city would continue to make that top-up commitment. Each year, as our expenses go up and the amount of funding remains the same, that's a direct pressure on tax levies, right? When you look at these things, it's a decision: Do I repair the bridge or do I fund something else? I think it's also important to realize that 28 First Nations are represented within this very large geographic area and only five of them were able to actually work their way through the program, because there were only five funding envelopes for those particular organizations. It touches a very large group across many domains.

Ms. Catherine Fife: Okay.

Ms. Allyson Pele: And another thing—I just want to— Ms. Catherine Fife: Go ahead.

Ms. Allyson Pele: Another thing that is kind of unique to us, too, is we do have an aging demographic in the business sense of the community, so we have a lot of people that are going to be retiring or basically just exiting their business in the future, and what does that leave our tourism industry that we have in the area or services that need to be in communities like grocery stores and things for people to have? So the Northwest Business Centre provides resources and information and, occasionally, grants to those types of businesses that are so crucial that our communities need.

Ms. Catherine Fife: Thank you for that. You essentially are talking about unlocking some of the potential that is here and so it's exciting, that potential, but you need these resources to get there. Stace, you make a very good point. Municipalities, as we've seen, even with the presentation from Dryden—if you look at the municipal reserve funds that are going to be under increasing pressure because of Bill 23, those choices are not going to be there.

Interjection.

Ms. Catherine Fife: Oh, you've got something to say?

Those choices are not going to be there for municipalities, and they are going to be having to make very difficult decisions about what they support in community and what they don't. So I want to say thank you very much for your presentation; I think it's very compelling. And thank you for doing the work that you're doing.

I'm going to move over to Dryden. Following the question set from my colleague here around the short term and the long term, and I think it's also connecting to a previous question around—I mean, you're asking the government to really step in for a three-year period with direct funding to help you specifically around crime and policing costs. But even you, as the CAO, has said that you also need a long-term strategy as a municipality and you talked about the housing piece, you talked about education and retraining.

Do you want to expand on that a little bit? Because I think that the short-term funding ask is also very much connected to the long-term viability for Dryden. I was looking at your municipal reserve funds per capita here that you've outlined. There's not a lot of room there for being creative or being innovative when you're locked in that funding model, so I wanted to give you an opportunity to expand on those two strategies. Mayor Harrison?

Mr. Jack Harrison: Yes, I agree. One of the things that we did start a number of years ago was a community safety and well-being committee that put a plan together just recently. We're trying to look at the whole big picture and bring in different services like KDSB or the hospital, Northwestern Health Unit, and trying to figure out, with the four pillars that we're working on—to try to ground our folks who are needing help and to move them forward. That's our ultimate goal. We want the citizens who are in trouble to get back to taking personal responsibility for their lives and then contributing to their families and our community. So we are looking at that, but we were looking more at the short-term aspects today, as you brought to our attention.

Mental health is a big issue in our area. We don't have a detox centre in Dryden, so people who want to become clean have to travel, and there's not a lot of room in Kenora or Thunder Bay, where they have to go, so there are not opportunities.

Those are the things that we're looking at—how we can increase the services in the Dryden area, as a whole, to help these people get back on their feet.

Ms. Catherine Fife: Those are those stabilization supports that we heard from a previous delegation, where if people decide to make a life change—

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes that one.

To the independents: MPP-

Interjection.

The Chair (Mr. Ernie Hardeman): No questions. Okay.

We'll go to the government side. MPP Ghamari.

Ms. Goldie Ghamari: I want to thank you all for your presentations today. I have a couple of questions.

This question is related to the Northwest Business Centre. What proportion of the entrepreneurs or start-ups that you assist would be composed of, let's say, storefront or small-business type of thing, versus tech entrepreneurs, for example? What would that ratio be, roughly?

Ms. Allyson Pele: The businesses that I support are definitely those main-street, home-based businesses.

We have another resource in the community called the Northwestern Ontario Innovation Centre. They actually have a staff person in this area too, and they're part of the Regional Innovation Centre network that the province also supports. We work very closely together to make sure that the businesses are getting the support that they need. If they are a tech type of business, generally they get referred to the innovation centre; we don't want to duplicate work, so they definitely get referred to that.

I do work with IT companies and things like that to help them with some staffing issues or with different workshops and resources that I do provide, so they are still kind of in my wheelhouse, but I definitely provide them with the correct referral that they need to get the expert advice they want.

Ms. Goldie Ghamari: What was that organization called?

Ms. Allyson Pele: The Northwestern Ontario Innovation Centre. They're based in Thunder Bay, but they do have outreach in this area too.

Ms. Goldie Ghamari: So if there's an entrepreneur, like a tech start-up, that wants to do B2B-SaaS-type stuff, it would go through them?

Ms. Allyson Pele: Yes. I'd definitely do a referral to them.

Ms. Goldie Ghamari: Sorry; I know it's a different organization-and I'll pass it on to MPP Smith after-but how many referrals would you say you have to make to them in a year? Do you get a lot of contact from them? Is there a lot of interest there? I think one of the challenges, especially somewhere as remote as here in Kenora, is that for people who want to get into that kind of start-up or tech industry, it's difficult to know where to go. In a prior life, I was parliamentary assistant to the Minister of Colleges and Universities. One of the things we do is provide a lot of funding to universities to assist with this. I know of several programs where they can provide funding remotely, so you don't even have to be in, let's say, Toronto to be part of that program, to get funding—and that's also funded by the province. So I'm just wondering if there are any sort of referrals there.

Ms. Allyson Pele: For sure. I alluded that some of our funding has been diluted because of other organizations that are maybe duplicating or trying to do our work, basically, but the innovation centre is structured kind of as our sister organization. As I mentioned, the business centre is the first point of contact. So, generally, those people would reach out to me, and I figure out where they can best get assistance. It could be the innovation centre. Also, in Thunder Bay we have the Ingenuity lab with Lakehead University, as well as Confederation College, which has campuses across the region too. So there's definitely

referrals. I've really, in the nine years in my position, got to know the ecosystem really well, and if someone comes to me, I refer them out. I'm not trying to keep those 251 clients that I had. I want them to get those consultations from the best people that can help them too. **1450**

Ms. Goldie Ghamari: Thank you very much. Those are my questions.

The Chair (Mr. Ernie Hardeman): MPP Smith.

Mr. David Smith: First, I want to thank Allyson and Stace for your comments here this evening and giving the inputs that you're giving. But my question is focused on Jack and Roger, with regard to the situation of increasing more police funding. It seems to be one of the larger areas of your concerns. Have you seen a surge of crimes in your community that needs to be looked at a lot more carefully? First comment?

Mr. Jack Harrison: Yes, it's been probably the last, really, five years. It's been looked at carefully. It was one of the reasons why we decided to disband our municipal police force, because we didn't feel we really had the expertise to tackle what was changing in our community. So we went to the OPP model, which increased the staffing levels quite significantly—like I said, 33% in additional uniformed officers. Plus the resources they have across Ontario can come to bear on homicides that had happened. That was one of the moves: "Listen, we need to have a more effective police force in our community."

Mr. David Smith: Great. And I can tell you that crimes within communities drive away residents in those communities, and as a result, you have a lesser tax base to do many programs and activities in your community, which is of concern to me and I'm sure it is to you and all of us here. Do you see a direct correlation between crimes and housing in your community?

Mr. Jack Harrison: I'm not so clear on that. I know with the gangs moving in, it's more of an opportunity with the drug situation. The type of drugs they have are much more powerful and captivating of our people. And so we see that they're using Dryden as a bit of a hub, too, to reach out to the First Nation communities and other smaller communities. Even Treaty 3 has partners with us and provided part of our crime unit, so they see that Dryden needs to get a handle on the situation. I think homelessness is a part of it, the housing. Folks who get into situations with crime and drugs, it's because you don't have a house, they don't have that stability. So they do go to crime to get what they need to survive.

Mr. David Smith: Anything further you can add to that, Mr. CAO?

Mr. Roger Nesbitt: I can jump in on that. I think there are correlations between housing. I mentioned already a lack of in-service, in-community services from a health and social services standpoint. Dryden has a homeless issue, just like many other communities in the northwest here, and we don't have an emergency shelter for those in need. It's compounded by the lack of in-community services, absolutely. There are multiple root causes here, and there are short-term and long-term solutions. I agree with MPP

Brady's comment about the justice system. I think police officers are struggling to keep the criminals off the street. We see that in our community, just like many others see it in their communities—

The Chair (Mr. Ernie Hardeman): Thank you very much for your time. It has expired. So with that, that concludes this panel. We want to thank you very much for taking the time to prepare and to come here and talk to us today. It will be of great assistance as we move forward with the provincial budget planning.

CITY OF KENORA

MUNICIPALITY OF RED LAKE

The Chair (Mr. Ernie Hardeman): Our next panel is the Kenora Chiefs Advisory Inc., the city of Kenora, and the municipality of Red Lake. I think we're not all present yet, but I believe that the mayor of the city of Kenora is here—if he would come forward and make the presentation.

Obviously, the instructions are the same as—I believe you were here for the previous ones. There will be seven minutes to make your presentation, and at the end of six minutes, hopefully, if I don't forget, I will remind you that there's one minute left. Don't let that bother you. Finish what you have, until it gets to seven minutes, and then we'll mention it again.

With that, we'll turn the floor over to you to make your presentation.

Mr. Andrew Poirier: Thank you very much. Good afternoon to the committee members. As the mayor of Kenora, I'd like to welcome you here to our beautiful community. I can tell you, though, you need to come in the summer.

To my right—he's kind of pinch-hitting for our chief administrative officer—is Stace Gander, again. He's one of our directors, part of our senior leadership team. Thank you, Stace. He'll say I didn't give him an out. Anyway, I appreciate him being here. He may be able to add a little bit of insight.

Just a bit about myself: I'm a newly elected mayor. I was a councillor for three terms, not consecutively, but over the span of a couple of decades. For some reason, municipal politics gravitated me back to this point. I love it—and people say I'm lying, but I do.

We do have challenges, like everybody else. I know my colleague from Dryden, the mayor, talked about policing costs, and I'm going to touch on that a bit. Just to set a bit of context, policing costs for our community—we have the distinction of having the third-highest per-household cost in the province of Ontario. We were over \$800 in 2022—we're at \$796, so we're going in the right direction. But I have to tell you, that's a \$6.7-million hit on a \$31.5-million operating budget. That's a lot to swallow. That's a lot of money spent in one area, and it continues to grow. What we're doing about it is—and I won't speak too much about the policing end—we partnered with the municipalities of Sioux Lookout and Pickle Lake, which are north of here. I

know the sitting member for that area is here today. We created a consortium, and we're actually in the process of dealing with the Solicitor General and his office and political staff to come up with some solutions. That is not sustainable for a community of 15,000 people, with a tax base of about \$28.5 million, considering all the other issues we have to deal with and where that money has to go. That's all I'm going to say about policing.

I'm here today to talk more about infrastructure, and it's something that I think goes back two mayors previous two of my predecessors. Every year, we talk about infrastructure, and we also understand the limitations of a provincial government and how much money they have to spend—because we're not the only part of the province. Having said that, one of the challenges we have as a municipality is our high cost of construction. When we go and change out a kilometre of pipe underground, sewer and water pipes, the cost here in comparing it to Ottawa, Sault Ste. Marie, whatever, is night and day in that our costs are substantially higher, and we have data to prove that.

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Having said that, we have—and I have it right here; this is the bible I walk around with, because I love numbers our asset management plan. What I can say is, whatever benchmarks the government has required municipalities to be at, we either have met those benchmarks, as far as where the plan should be, or we've exceeded them. So we have our management tool here that we go around and put our budgets together and link it to our strategic plan.

But just to set a bit of context: The other thing that I advocate all the time is we have 21 bridges in a municipality of 15,000 people. That's a lot. We're not that large of a city; geographically we are. Nine of those were downloaded by the province going back to 1998-99, when they had the amalgamations and that—and I apologize. I'm just trying to get over a bad cold.

So we have these downloaded bridges, and if you went back out on the secondary highway, four of those bridges and I use this analogy in that one of your colleagues, our local MPP, I always remind him: I say, "When you come from your house to your office in downtown Kenora, of those nine, you pass over four." They're critical bridges. One is right near the hospital; the other one links two islands, from mainland to an island; and the other one, again, goes across a body of water. It's about \$180 million to replace that bridge. Now, again, going back to the context of this municipality, how can a municipality that raises \$28 million a year in taxes or tax levies afford to pay for a \$150-million bridge? And there will be a day when that has to be replaced.

What we've done is we've gone out and done bridge audits, I think, every four years or so. We have data to show that we've spent an awful lot of money on bridges, even though we feel some of them should be dealt with by other levels of government. And it's not just the provincial government; the federal government could step up, also. They're basically on the old Trans-Canada Highway, so if they're not operational and our bypass—people know, in the winter, our highways are closed down here on a regular basis, every week once or twice.

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Andrew Poirier: Yes. So, having said that, I want to congratulate the government, the province of Ontario. We've had stabilized funding, whether it's through gas tax, OCIF funding, the infrastructure funding. Ours increased for 2023. Thank you very much.

What we need is a consistent stream of money to come to a municipality this size in order to deal with our infrastructure deficit, which is probably in the—our backlog is about \$78 million; our annual deficit is \$13 million. We chip away at it by about \$6 or \$7 million. As you can see, the numbers do not add up for a municipality of this size. We want to do it—

The Chair (Mr. Ernie Hardeman): Thank you very much—

Mr. Andrew Poirier: Okay. Thank you very much, Mr. Chair.

The Chair (Mr. Ernie Hardeman): We'll give you time to reassess to see if you can get them to add up, but that does conclude the time. Thank you very much, Mr. Mayor.

The next presenter will be Fred Mota, mayor of the municipality of Red Lake, and I think he's going to be virtually.

Mr. Fred Mota: I am. Good afternoon. Can you hear me fine?

The Chair (Mr. Ernie Hardeman): Yes, we can.

Mr. Fred Mota: Good. So, I'll take a couple of minutes and then the chief administration officer, Mark Vermette, will also be speaking, as well.

The Chair (Mr. Ernie Hardeman): Okay.

Mr. Fred Mota: Again, thank you very much. Just to give you a brief background: The municipality of Red Lake has a population of approximately 4,400 people. We are 176 kilometres north of the Trans-Canada Highway, on Highway 17 at the end of Highway 105, our closest major centres being Kenora, 268 kilometres from here; Thunder Bay, 566 kilometres; and, of course, Toronto, 1,944 kilometres away.

We're here today to bring up a couple of points, and point in spec is regarding what Red Lake is and the needs for Red Lake. For example, mining is a major part of the Red Lake economy, generating over 1,500 direct jobs, and that's outside of our forestry and tourism sector. Money spent locally on housing, food—our mining employees over the last nine years have contributed \$429 million in provincial and federal income tax, and earnings from these mines over the same period was US\$3.1 billion.

So today, we wanted to bring the committee up to speed on one of our asks for the pre-budgetary consultants: a new arena and how it's warranted in the Red Lake area. The Cochenour Arena, which is the only arena in the Red Lake area, was actually built by volunteers in 1962, making it 61 years old. This facility is considered backlog in our municipal asset management plan and has been in operation beyond its useful life for fifty years. This arena has lost all of its recreation and social value due to its continued deterioration. The problem we face from the province is that there are no programs currently available to support our asset management plans for projects such as this. Red Lake is willing to make the contribution, but we need provincial support in order to move projects such as this to an area where we're ready to dig.

And speaking of being ready to dig, we are. We have been. We've been working on this for 11-plus years. We have strong support from our region's Indigenous communities, a 95% approval rate from residents polled within the Red Lake area, and we have very many thriving sports and aspects here in Red Lake. And to our neighbours to the north—with the federal government approval of the funding of the Berens River Bridge, there are seven First Nation communities to the north of us, from Sandy Lake and Pikangikum, which will be linked to Red Lake, which is going to be increasing our population and having access to population of well over 10,000 people.

I'm going to turn it over now, realizing we only have a few moments left. I'll be turning it over to our CAO, Mr. Mark Vermette. Thank you.

Mr. Mark Vermette: Perfect. Thank you, Mr. Mayor. Thank you, everyone.

Just real quick—I know time is short for us today. I just want to speak, as did the honourable mayor from Kenora, about needs as it pertains to infrastructure. We have an \$80-million deficit over 10 years here in Red Lake. We're unable to maintain our current infrastructure as it is, let alone—we're seeking organic growth opportunities. We have the same amount of residents, property owners, paying more each year to sustain our service levels here in Red Lake. That's just not sustainable.

We're looking for organic growth opportunities, support from the government to support initiatives like natural gas expansion. Red Lake currently has natural gas, for example, but it came off the backs of a mining company that invested \$29 million towards this project. We have many pockets throughout our municipality that do not have natural gas. This will help us with this organic growth.

Hopefully, obtain crown land—there are about 58,000 hectares of vacant land within our municipality. Red Lake owns 2,100 of that vacant land.

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So we're really seeking support not only to address our infrastructure needs of today and yesterday, but moving forward, so we can expand our communities and have more people paying into the pot and, therefore, making us a sustainable economy and continued contributor to the province of Ontario.

The Chair (Mr. Ernie Hardeman): Thank you very much. That's the end of the presentation?

Mr. Mark Vermette: Yes, sir.

The Chair (Mr. Ernie Hardeman): Very good. That's the first one today where we have time left over from the presentation, so thank you very much.

With that, we will start the discussion. That's the end of the presentations. The third one cancelled. We'll start with the independents. MPP Brady. **Ms. Bobbi Ann Brady:** My question for Mr. Mota—I have a few questions, actually. I understand that there have been no Ontario government funds put to use in the current arena. Am I correct?

Mr. Fred Mota: Sorry, can you hear me?

Ms. Bobbi Ann Brady: Now we can.

Mr. Fred Mota: Fabulous. We've had different pockets of funding to help with an ice machine and smaller venues, but we recently did an assessment on our arena, and to refurbish it would be in excess of over \$14 million—just to refurbish it, a 61-year-old building. We're looking for support for a more centralized area that we have. We have a class-A engineer design completed, and if we receive funding today, we are ready to dig tomorrow. That's how ready this project is. And again, as I stated earlier, we have all sorts of support from our surrounding First Nation friends and neighbours as well.

Ms. Bobbi Ann Brady: Great. Being shovel-ready is very important in the event that funding does pop up, and I hope it does for you. What is the price tag that you're looking at right now? Single pad, I assume?

Mr. Fred Mota: Yes, it's a one-pad arena. The approximate build is \$24 million. As Mayor Poirier pointed out, the cost of construction and everything in the north is much more expensive than in southern Ontario. We are not looking for \$24 million, though; we are looking for a third of support. We realize the municipality needs to move forward, and we have our residents and large industry, but we're missing that third of funding for us in order to move this project forward.

The Chair (Mr. Ernie Hardeman): Any further questions? If not, to the government: MPP Smith.

Mr. Dave Smith: Thanks, Chair. I appreciate that. I'm going to start with Andrew from Kenora. Good to see you again.

One of the things that we do differently in the north than we do in southern Ontario—and we try to pick up some of the intricacies, I'll call it, of the differences in northern Ontario—is with NOHFC. I was hoping that you could talk a little bit about some of the changes that we made to NOHFC and how that has helped a municipality of your size versus the formula that was used previously with NOHFC.

Mr. Andrew Poirier: Well, I'm going to start. This is our resident expert. He's the one who writes the very successful applications. And again, we've been very successful with the new approach to NOHFC.

I think that was something that was long overdue, and it helps municipalities this size, which most of them are, in the north where it operates. But it would always be where there were larger projects, and there always had to be this spin on economic development. Well, economic development can be defined in many ways. Sometimes it's not direct; it might be indirect. So that's the one thing that stuck out for me when there were changes. We have been successful under the new program.

Just giving you an idea, on our recreation side—the soft service side—over about an 18-month period we can account for about \$9.7 million in a variety of grants through NOHFC. I believe there was a couple of other programs in there, but a bulk of it was NOHFC. We're going to leverage that, probably into the \$13-million-to-\$15-million range, over the next two years. So we have two years of projects to complete, based on a majority of funding through that new program. I can't speak for other municipalities, but for us, so far, it has worked very well—very positive.

Mr. Dave Smith: When we look at some of the funding formulas that we have, a lot of it is designed for the southern Ontario areas. NOHFC is supposed to, in the new design, pick up some of those intricacies that are lost. Do you think that we should be expanding NOHFC and actually putting more money into it to allow municipalities such as yourself to get access to it and perhaps fix some of that infrastructure deficit that you might have?

Mr. Andrew Poirier: Well, one of the things I was going to talk about if I had time was a northern Ontario approach to infrastructure, because we are different than southern Ontario just because of topography, geography and many other things—a shorter construction season. So if there was an arm of the NOHFC that could operate strictly on the infrastructure side, that would be great. That would solve a lot of problems for not only Kenora but for my colleagues in Red Lake, Dryden and many other northern communities. It would be easier to access; we don't get lost. Because when we put an application in, we're in there with 400 and some municipalities. When we shave it down under the NOHFC model, it's a fraction of that, as far as municipalities go. So it would be more beneficial for a city in northwestern Ontario to access infrastructure funding if it was developed in conjunction with the NOHFC. I think that's a great idea—2024, 2025?

Mr. Dave Smith: Chair, how much time do I have left? The Chair (Mr. Ernie Hardeman): You have 3.2 minutes.

Mr. Dave Smith: Thanks. Fred, forgive me if my back is to you. The mike is in front of me, but the screen is behind me. I'd say it's good to see you, but it's the back of my head that would be looking at the screen right now.

Refresh my memory—I don't recall—on that arena project. Did you apply under the ICIP program for that arena? I still can't hear you. No, you just muted yourself again. You unmuted, then re-muted. There, you're good.

Mr. Fred Mota: There. How's that?

Mr. Dave Smith: That's perfect.

Mr. Fred Mota: Yes, to answer your question, we did apply for the ICIP program, which was a one-time recreational infrastructure funding for things such as an arena. Unfortunately, we were told that the program was oversubscribed and our project was not nominated from the province, moving forward to the federal government.

Mr. Dave Smith: Yes, if memory serves me correctly, I think that we had about \$10 billion in total that we could spend under ICIP, and I think there was around \$106 billion in actual requests for it. So yes, we were significantly oversubscribed. If memory serves me correctly, as well, I don't think that any projects over about \$5 million ended up getting picked up on that one. I've seen the arena proposal; you've presented it to me before, under AMO. I think it's a great proposal.

I'm going to hearken back to NOHFC. I think this is one of those tools that we have where, now that we've made the change, it allows for municipalities to have a lot more flexibility in what they're using it for. I'm going to pose the same question to you that I did for Andrew on it: Is NOHFC something that you think we should be expanding on, allowing municipalities in the north to have access to it for other programs that perhaps somebody in the south wouldn't get access to, simply to address those unique situations that you find yourself in?

The Chair (Mr. Ernie Hardeman): One minute. 1520

Mr. Fred Mota: No, I would wholeheartedly agree with that statement, and more funding for our northern communities would definitely be better. If I'm coming selfishly from a Red Lake perspective, which I shared earlier on: We are here, pre-budget-wise, asking for assistance, for a third, to build an arena for our residents, our tourism and our northern communities, because we are all here together.

We supply over \$429 million in provincial and federal government income tax, and I would challenge the province to find any community of 5,000 or less people that contributes the way that Red Lake does to the economy. That being said—

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude the time for that answer.

We'll now go to the official opposition: MPP Kernaghan.

Mr. Terence Kernaghan: I'd like to thank Mayor Poirier for hosting us here in the beautiful city of Kenora. We do look forward to visiting it in summertime when there is no snow. My question, Mayor Poirier, is—well, first I wanted to congratulate you, as well, for your asset management plan and how you were able to exceed targets that have been set by the benchmarks that have been set by the provincial government. I wonder if you could tell the committee about the homelessness situation that Kenora is currently facing?

Mr. Andrew Poirier: Homelessness?

Mr. Terence Kernaghan: Homelessness, yes.

Mr. Andrew Poirier: Well, actually, at noon, I had the opportunity to take three committee members out for a ride in the community, and it wasn't necessarily to show them all the homeless people that we have on the streets. It could be 150 or 175 people, depending on who you ask; it's significant for our community. But what I wanted to show them is through coordinated efforts with—Henry Wall from the Kenora District Services Board is here, which is the organization that we've helped fund as a municipality to look after social housing.

Not far from here, in the downtown core—and they're putting the roof on now—is a 20-unit transitional housing build. The great thing about that is the government provided funding last July, and usually you don't do construction in the winter and they're going full bore right now. That'll be done in April, so that's 20 transitional houses. Is it everything we need? No, but it's a start. If we can keep going in that direction, I think it's great. The other one I showed some committee members was a 30-unit supportive housing build. That particular one is framed up now; they're doing the roof. It's supposed to be operational in August or September. But the key to that one is, it will have wraparound services. So people will go in there, they'll have a place to stay and they'll have a roof over their head. But if they require assistance—and it could be anything; I mean, I've heard stories about people who have gone in there who needed to upgrade their education. So they went back to school, and guess what? They went out and got a job. We helped them get a leg up.

So there are success stories. But there are also people, if it's mental health or addictions—like Dryden, it's huge in Kenora. We have a major drug problem here, like many other places in the province.

So we have that. We also have, which is coming out of the ground right now a little bit slower, a seniors' build. I saw on the agenda you had the Seniors Coalition here this morning. That was a two-year project to secure funding, and it came from CMHC and a variety of other municipal housing—there was a great number of funding partners. There was also some debt that was going to be incurred, which is part of it. But with that particular one, and I'm proud to say, and I shared that with the committee, longterm care—and I guarantee it; no one has heard of longterm care funding seniors' homes in the province of Ontario. We are the first. So we applied for a small amount of the \$30-million project for capital to build areas and that where, again, we look at wraparound services. So what we're doing is working.

If your question is, do we need more, we absolutely do. But we have a good jump-off point here, and if we can continue down those lines and start building some of these houses—we have lots of property here; we have lots of ideas, lots of projects through the KDSB—we can begin to put a dent in the homelessness issue. I believe, with those projects, that will help. That's a starting point to helping the issue that we have.

Mr. Terence Kernaghan: That's excellent work. I want to congratulate you on that. That's fantastic to hear, because we've frequently heard the Ford government blaming municipalities, saying that municipal red tape is actually standing in the way of creating that affordable housing. So it's great to hear about the successes that you've been able to have here.

Another concern, I would say, is that in the 2022-23 budget, we've seen \$85 million cut from homelessness programs. What you're saying is that you'd like to see yet more so that the city of Kenora is able to achieve and make sure those people are safely housed.

My next question is for Stace. I specifically want to ask about the importance of rural broadband for Kenora.

Mr. Stace Gander: You're speaking to a guy who comes from the telecom world in my old career, so I think rural broadband is critical.

I think COVID proved to us that people can work remotely and still contribute, whether they be getting an education, whether they be operating a business, or maybe they're just working remotely—which, as you look at the STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

way the recruiting is going on right now, it's happening to more and more people.

Nowadays, you need to have a 10-meg connection that's almost symmetrical at your home to be able to do most things—and radiologists, for example, to be remotely in Red Lake and transferring data to somewhere in Toronto so that somebody there can be looking at X-rays and they can collaborate. Broadband capacity at all rooftops is very, very important.

Mr. Terence Kernaghan: When you don't have that signal strength anymore, it's almost like you're being strangled of oxygen. It's absolutely terrible. It is so incredibly vital to business as well as personal life.

We've seen, in terms of the targets for broadband expansion, that the government only spent \$3.6 million of the \$4.56 million it budgeted in 2020-21. And as well, they only spent 1.37% of their broadband budget—pardon me, the last was for 2021-22, and they spent 1.37% for their broadband budget in 2020-21.

Would you like to see the government fulfill its promises of expanding broadband?

Mr. Stace Gander: Well, I'll start by saying I'm not aware of the promises. I just think that the more people who have broadband—I think it will create a stronger economy, and it will give families more opportunity—

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes the time for that question.

We'll now go the independent. MPP Bowman.

Ms. Stephanie Bowman: Thank you to both mayors and your teams for your presentations. It seems that one of the common threads is the challenge of the tax base; whether it's levelling off, it's not growing.

Could you talk a little bit about what you see—broadband, as an example—what kind of long-term investments you would like to see the government make or industry make to grow your tax base so that we're not still having this conversation in five years, in 10 years?

Mr. Andrew Poirier: Well, one of the things I ran on was "new assessment, not reassessment," and I have my own opinions about where assessment has been frozen and that. I'm not a big believer in that. However, that's the way it is right now. So we look for new opportunities.

Again, bringing some of the committee members around, I drove them by our paper mill and I said, "This is going here; this is going there." They're all planned. Now that we're out of the pandemic, things are going to start to move. There's a housing piece to it. There's a casino, whether I support it or not. There's another hotel, which we need desperately. There's possibly another grocery store. There's general commercial. There are several lots on this property that have been sold.

1530

So I said, "When I drive by here, do you know what I see? Dollar signs—I see tax dollars," which spreads the pain out. The more assessment you have, you spread the pain out among all taxpayers, because that's how we're going to continue to flourish and we're going to continue to be able to provide not only just core services but, like I spoke about, soft services.

I'm a big believer: You want to attract young families to this region? Guess how you do that. When my wife and I were thinking of moving, the first thing we looked at wasn't if the sewer and water pipes were fine. It was libraries, museums, beaches—if that was an area that had beaches—recreation. All those services, they cost money. Increasing your tax base helps to provide for those.

So I look at it as a good challenge. I think we have the ability to do it here. Not all regions are growing, but this one is, just because of the outlying areas, and I think we have an opportunity here to grow that without increasing the tax burden on the existing taxpayers.

Ms. Stephanie Bowman: Thank you. I have one other question. This morning we heard a lot about the opioid problem. We heard about it from a policing context, of course, in the north broadly, here in your community. And we heard about a potential pending or new request that might get developed for a safe-injection site. Would you support that request?

The Chair (Mr. Ernie Hardeman): One minute.

Mr. Andrew Poirier: This is how I'm going to answer that. People can go back in the record of the campaign. I make decisions based on good information, not because this person and that person tells me I should do that. So I am awaiting a survey and some other information that our local Northwestern Health Unit has commissioned. That is not public yet. I would like to see that first. Then I will make my decision based on that.

I can tell you I have concerns about where it might go. I'm not going to dispute how valid it is or isn't, because I'm not an expert in public health, and I don't claim to be—

Ms. Stephanie Bowman: There was a good presentation from this morning; we'll make sure you get it. That might help you.

Mr. Andrew Poirier: Okay. But again, if we're not getting the information we're supposed to, we can't make decisions as a council.

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes that time. We'll now go to the government side. MPP Byers.

Mr. Rick Byers: Thank you both, Mayors, for being here this afternoon. It's excellent to hear directly from you and much appreciated. I'm sorry we can't get to Red Lake in person, but maybe another time—during the summer.

I want to have a follow-up discussion on infrastructure briefly. You may have both mentioned the community infrastructure fund. Those grants have increased over the past years, and I'm just curious whether you've seen that in your community. And relatedly: Does that program take into account the northern characteristics of increased cost and maybe even increased number of structures in your community? I'm just curious whether you think the program is tailored well enough to the north or not.

Mr. Andrew Poirier: Well, I can say for 2023, over 2022, ours went from \$874,000 to \$2.055 million, so it was like—I think I used the analogy when it was announced—"Merry Christmas. Thank you very much, Santa Claus." Because that amount of money doesn't sound like

a lot, but for the size of our community, we can take that money and leverage it in so many different ways.

So it was welcome, but what we would like to see is that on a sustained level. When we talk about infrastructure deficits, chipping away a million here and a million there on—we have \$1.2 billion worth of infrastructure. It's not going to work, because for every million we take off, we might have \$2 million coming up because of lifespans or age of infrastructure. So those are the types of programs that help us, and that has set the stage now for our fiveyear capital plan, that announcement, because I believe it's a similar nature for the next four years after this year. I think it's a five-year commitment, so at least we know, for planning, how to move forward. But those are the types of programs that help us, so kudos to the government of Ontario for providing that. We will use it and spend it well.

We've also indicated to our local MPP that once we've determined where it's going to be spent, we will make that announcement. We're working through the budget right now, but it will go a long way to putting a dent in our infrastructure deficit. It's those programs that help, but it's the sustainability of the funding so we can plan on a fiveor seven-year basis—that's what helps us.

Mr. Rick Byers: Great. Thank you.

The Chair (Mr. Ernie Hardeman): MPP Skelly?

Ms. Donna Skelly: Thank you. Chair, how much time do we have?

The Chair (Mr. Ernie Hardeman): You have 4.3 minutes.

Ms. Donna Skelly: Okay. I have a couple of questions. First of all, I wanted to say thank you for your hospitality. We enjoyed a beautiful meal at one of the local restaurants last night, each and every one of us. I hadn't had bannock before, and it was deep-fried. I want to have it delivered to southern Ontario; I think they should be bringing it back. It was fabulous. The walleye was great.

Of course, for the tour today—and you're right, you brought us to parts of the city that you're so proud of. One of the things I noticed when we were chatting about all of the development that's taking place in Kenora was that you are very proud of the relationship with First Nations communities and how you're working together to get things done. Can you just expand a bit on that?

Mr. Andrew Poirier: Well, I can give you an example of one large partnership. I mean, we have many discussions, but we also have disagreements. We're trying to work on programs and advocacy that help both of us, because we're all interconnected in the community. We have a large Indigenous population; they're residents of the community and they have certain needs, like seniors have certain needs. We try and balance that off and work together.

I'll give you one example. There's a First Nations community that literally abuts right up to the city limits, and it's to the south. They've had an issue with water, as people know. There are a lot of communities that have an issue with clean water and waste water systems. It took about four years, but we partnered with that particular First Nations community and we had them tie into our service. We have the capacity to do that, and we still have the capacity to do it even more. They have a system they don't have to look after. They have infrastructure that runs into their community. Everything ties back into ours. They pay whatever the going rate is that any other citizen would pay for a particular home or business and—bingo—it works.

There are a couple of things to take from there. One of them is cost and efficiency. Depending on what level of government it was—I can't remember if the provincial government had anything to do with this, but it was a fraction of the cost of building their own infrastructure.

Secondly, there are certain things that they have to do in their community, but we look after the water treatment plant, the sewage treatment plant, and it's paid for with the monies that are paid each month by these particular residents on that particular First Nation. So it's the best of both worlds in that they didn't need to have their own system because they can tie into a neighbouring community, and I think that bodes well. That's one of many things that could happen, now and into the future. We look for all kinds of opportunities. Here's an example of this facility, and we're so proud of it in our community. You got a bit of the background on how this started and how it went, or how it's come to fruition.

1540

The Kenora Chiefs Advisory—we meet with them on a regular basis. We've looked to do things on the planning side with some of the areas they're developing within the community, and they're very active. So we have ongoing partnerships all the time. Can we do better? You bet. Can we increase that level of co-operation? You bet, and we will.

Ms. Donna Skelly: That's great. Thanks again for your hospitality.

Mr. Andrew Poirier: You're welcome.

The Chair (Mr. Ernie Hardeman): Thank you very much for that.

We'll now go to the official opposition: MPP Mamakwa.

Mr. Sol Mamakwa: *Remarks in Oji-Cree*. Good afternoon, everyone. Meegwetch, Mayor Mota. Meegwetch, Mayor Poirier.

Mayor Mota, I know that, from the number of times that we've spoken, but also the number of times that you met with members of the government and the presentations that you've done on the work that you're doing with trying to get the province to resource a third of the project of the arena, even with the income tax that you speak about, how much both levels of government—because of the mining work that happens in Red Lake, but you don't see anything back from the government. How long have you been at this? Why do you think there's no support for this project? Can you expand a bit on that?

Mr. Fred Mota: Certainly, and thank you, MPP Mamakwa. We've been on this project since early 2011, started up by residents in this community realizing the dire need of new infrastructure that's required for our community. This is also not just about a gathering place, which is a central focus for communities, but it's also for mining, forestry, tourism. For example, Kinross Gold is opening

up a brand new mine in the Red Lake district, which is going to be employing well over 1,000 new people to the community.

We have, as you're very well aware, our First Nations friends to the north from Pikangikum and Sandy Lake First Nation, as well. They fully support our project, and we have all sorts of letters and attestation to it. Why the province is not supporting us with those dollars, I'm not sure. But we have to remember, in Red Lake, there are a number of people—and when I say "a number," I'm talking hundreds of people—that fly in and fly out of Red Lake to work. They would stay here for two or three weeks, they would make \$150,000 or more as underground miners and take those Red Lake dollars back to their home communities.

We have a saying here in Red Lake. We've built a lot of nice homes out on the east coast and we're looking to expand, and we want people to stay here. With the new mining that is forthcoming, our current mining operations, expansion of our hospital and everything that is happening in Red Lake, this is a very—it's not a need, it's not a want; it's something that we have to have. Otherwise, we're going to continue to come to the government for funding for band-aid solutions that are only going to look after us temporarily.

Mr. Sol Mamakwa: Thank you for that. I know that there are quite a few First Nations just north of you and that you work with some of the projects in the spirit, of course, of reconciliation. And I know that, over the past weeks—one of the things in the riding of Kiiwetinoong—there were a lot of youth that died by suicide, and five or six in which I had to support First Nation leadership families to address that. I share that because, since 1986, in the riding of Kiiwetinoong—that general area of Red Lake, Sioux Lookout and the First Nations—there have been 582 suicides in that region, First Nations suicides in these reserves. I think an arena, a centre like that, would be a prevention measure, so I wanted to share that. I will continue to work with you.

I want to go to the mayor of Kenora. I know that Kenora pays about \$832 per property owner, and I know that Sioux Lookout pays \$934, and I know that Pickle Lake pays \$950. By comparison, the median cost for OPP services in Ontario is \$300 per property. I know that everyone—you, with the other municipalities, started this coalition. The resources could have been spent on something else, such as shelter, such as housing, such as roads, bridges that you spoke about, and other needs. Can you elaborate on that need?

Mr. Andrew Poirier: Well, I think the whole idea of doing this was to reinvest. Whatever comes about this and I don't want to jinx it, because I think we're getting close to maybe where we can come up with some kind of beneficial agreement for everybody. That money is going to be reinvested in the community, and it's going to be invested in some of the items you mentioned. Those are the areas it's going to go to. Specifically—we haven't determined that, because we don't want to start getting too many people excited about the fact that we might have this many dollars when we don't have them yet. But there will be a thorough discussion about where that money can be reinvested.

I'll give you an example. The other day—we haven't passed our budget for 2023. We're revamping our community safety and well-being plan, because we've been, as you know, in the news over the last little while about some incidents that occurred in our downtown core with businesses. It's an ongoing problem. It's not going to be solved overnight. Council has decided, before we pass a budget, to allocate funds for redevelopment of this plan, to make it a little more reflective of our community. But we're also going to have to put our money where our mouth is. We're going to hire someone full-time to see it through.

The Chair (Mr. Ernie Hardeman): Thank you very much, Mr. Mayor. We'll let you get right back to getting that job done, because your time here has run out. We do thank you for that presentation.

And we thank everybody on this panel and all the people who have been so gracious to come here and be part of our pre-budget consultations here in Kenora. This was the last presentation on this part of our program, and we want to thank everybody who was involved for the great job done. I think you've been quite helpful in moving the province's budget forward when the time comes.

LESS RED TAPE, STRONGER ONTARIO ACT, 2023

LOI DE 2023 VISANT À RÉDUIRE LES FORMALITÉS ADMINISTRATIVES POUR UN ONTARIO PLUS FORT

Consideration of the following bill:

Bill 46, An Act to enact one Act and amend various other Acts / Projet de loi 46, Loi visant à édicter une loi et à modifier diverses autres lois.

MINISTRY OF RED TAPE REDUCTION

The Chair (Mr. Ernie Hardeman): We will now leave this meeting and we will begin hearings on Bill 46, An Act to enact one Act and amend various other Acts. The Honourable Parm Gill, Minister of Red Tape Reduction, is the first witness. We also have ministry staff appearing with the minister.

Minister, you will have 20 minutes for your presentation, followed by 40 minutes of questions from the members of the committee. The questions will be divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition, and four and a half minutes for the independent members of the committee as a group.

I believe the minister is on the phone for the virtual meeting. I see him on the screen. Welcome, Minister. **1550**

Hon. Parm Gill: Thank you very much, Chair, and thank you to all of the committee members, obviously, for allowing me the opportunity to appear before you. It's great

to be here at the Standing Committee on Finance and Economic Affairs to speak about our latest red tape reduction bill, the Less Red Tape, Stronger Ontario Act.

One of our priorities since 2018, of course, has been to remove unnecessary and outdated regulations that hold people and businesses back in our great province. When we formed government in 2018, we inherited a province that was drowning in red tape, the largest regulatory burden of any province in the country, according to the CFIB.

Thankfully, we've made significant progress to reverse that trend. The Legislature has passed eight high-impact red tape reduction bills that, when combined with other policy and regulatory changes across government, have led to the implementation of more than 400 individual actions to reduce red tape and cut the burden. This has resulted in a reduction of Ontario's total regulatory compliance requirements by 6.5%. It's progress that Ontarians can be proud of, but, as members are all aware, people and businesses continue to face challenges.

Two thirds of Ontario businesses reported last year that there were supply challenges. More than one third of businesses say that labour-related obstacles will continue to limit their growth. That's why we have brought forward this important legislation, which includes proposals from across government to strengthen Ontario's supply chain, support farmers and agri-businesses, grow our labour force and make life easier for people and businesses, by making it faster and easier to access government and ensure people stay competitive in the global market.

When it comes to our work at the Ministry of Red Tape Reduction, there are several principles that guide our efforts. The first is to always protect public health, safety and the environment. We always keep that in mind, first and foremost. We do this by easing regulatory burdens in a smart and careful way that maintains or enhances health, safety and environmental protections.

The second principle is to prioritize what is most important. We do this by assessing which regulations cost the most time and money, while looking for innovative ways to ensure rules stay effective and efficient.

The third is to harmonize rules with other jurisdictions, including the federal government, wherever we can. This is one of the most efficient ways to reduce compliance costs across the board.

The fourth principle is to listen to the people and businesses of Ontario. By hearing from them on an ongoing basis, we can learn what we can do to remove obstacles standing in their way.

The fifth is to make a whole-of-government approach, coordinated to make sure everyone is on the same page. This is key to delivering better service for people and businesses, making it easier for them to access the information, programs and services they need to succeed. The initiatives that the committee will be reviewing as part of Bill 46 reflect on these principles.

I'm going to spend a little bit of my time now discussing the individual items in the Less Red Tape, Stronger Ontario Act. In our bill, we have proposed to amend the Ministry of Agriculture, Food and Rural Affairs Act to permit co-op members who are part of the Feeder Cattle Loan Guarantee Program to custom-feed each other's cattle. This change would give beef farmers more flexibility and improve the competitiveness and profitability of their businesses, helping to ensure a stronger and more resilient food supply for the people of this great province.

We have also proposed to amend the Animal Health Act to provide authority for the minister to take temporary action to protect the health and well-being of the public and animals when faced with a potential animal health crisis. This would help clarify an existing authority within the act's suite of response powers and better enable Ontario to prevent, detect, manage and recover from hazards such as animal disease outbreak. The new authorities are intended to be used when there is an immediate risk to animal health, human health or both. They aim to enhance animal disease emergency preparedness, help mitigate risks to animal health and human health, and boost the competitiveness and resiliency of Ontario's livestock and poultry sector.

We have also proposed changes to the Workplace Safety and Insurance Act which support our ongoing effort to streamline and modernize outdated practices within government to make life easier for all Ontarians. The changes would improve the Workplace Safety and Insurance Board's operational efficiency and reduce undue administrative burden to allow the WSIB to focus on key functions, including their work to support injured workers. The proposed changes would also ensure injured or ill apprentices receive loss-of-earning benefits at the same amount that a journeyperson employed in the same trade would receive. They would provide more flexibility regarding how often the WSIB board of directors must meet, by changing the requirements that they meet every two months to a required minimum of four times per year. We are also working to update the requirements of the WSIB governance document to ensure they are consistent with and do not duplicate other government directives. This includes streamlining the requirements for WSIB office lease transactions by excluding them from the requirement of LGIC approval. The proposed changes in Bill 46 will also provide further clarity by ensuring the Workplace Safety and Insurance Act is updated to remove references to laws that have previously been repealed by the Legislature.

The Less Red Tape, Stronger Ontario Act also includes an amendment to the Oil, Gas and Salt Resources Act. That is the first step forward in removing barriers to the adoption of carbon-capture-and-storage technology in Ontario. It would allow our colleagues at the Ministry of Natural Resources and Forestry to begin establishing a clear framework to regulate this activity as part of the phased approach to implementation. An important part of this work is to align this future regulatory framework with Ontario and federal initiatives that currently exist to encourage the adoption of low-carbon and carbon-reducing technologies. Doing so will ensure Ontario businesses are able to take advantage of these incentives and funding opportunities as they look to reduce their carbon emissions. We have also put forward amendments that will make it easier to build new electricity transmission lines, paid for by industrial customers, by exempting these projects from the Ontario Energy Board's leave-to-construct process. With the proposed amendments to the Ontario Energy Board Act, proponents of these projects will continue to have the right to apply to the OEB to cross a highway, railway or utility line in circumstances where agreement cannot be obtained. This amendment would also harmonize requirements with other sections of the Ontario Energy Board Act to reduce unnecessary red tape for customer-funded transmission projects.

Our bill also includes a proposed amendment to the Provincial Offences Act to help reduce the backlog at provincial offences courts by allowing court clerks instead of justices to reopen certain convictions if they are satisfied that certain conditions have been met. While these powers would only be used in specific circumstances, this change would help ensure court resources are used more efficiently, and free up judicial time for other serious matters.

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This bill also contains a proposal to create more capacity and alleviate backlog in criminal cases at the Ontario Court of Justice by temporarily raising the limit on the number of days that retired judges can work, creating more per diem judicial capacity—a simple measure that will enhance the scheduling capacity and efficiency of the courts.

We are also proposing to reduce administrative costs and make it easier for prospective jurors to participate in the court system through updates to the Juries Act. If passed, the Ministry of the Attorney General would introduce a pilot program that makes the jury questionnaire available online by default, allowing the ministry to assess the impact on response rates in different communities. Under all circumstances, the government will continue to ensure all recipients of jury duty questionnaires are able to request and receive a paper version should they require it.

Finally, the Less Red Tape, Stronger Ontario Act proposes new legislation that would confirm the continuation of the Ontario Society for the Prevention of Cruelty to Animals, enabling the charity to continue their important work, which benefits both animals and the public. The OSPCA was first established through legislation back in 1990. This new proposed act is an important step to confirm the OSPCA's corporate status and associated regulation-making authorities and support the charity to continue its delivery of vital community support services across this great province.

With that, I will discuss the legislative measures that the committee will be reviewing, but I also want to take just a moment to address some of the other policy and regulatory items we have brought forward to complement the proposals in this bill.

I recently joined Minister Thompson at the Ontario Food Terminal for the release of the Grow Ontario Strategy, which is our government's plan to build consumer confidence and support farmers and Ontario's food supply. This strategy focuses on how to grow a strong workforce and strengthen the supply chain, from farm to fork. It includes an important emphasis on agri-food innovation and technology.

Our colleagues at OMAFRA will also be consulting on a proposal to modernize the Veterinarians Act and the Agricultural Research Institute of Ontario Act. The Veterinarians Act governs the practice of veterinarian medicine in Ontario. It has not changed in a substantive way in 33 years and no longer reflects the realities of modern veterinary practice. This consultation will open the door to new standards of veterinary medicine in Ontario. Similarly, consulting on updates to the Agricultural Research Institute of Ontario Act will allow the ministry to explore and broaden the scope of research at the institute to ensure it accurately reflects the innovative and evolving nature of agri-food research today and into the future.

The Ministry of Transportation has also put forward several policy measures in support of our goal to improve Ontario's supply chain. This, of course, includes announcing improvements to Ontario's highway corridor management system that will provide a seamless and integrated online platform for approvals and permits along provincial highways. Work is ongoing to allow applicants, including home builders and municipalities, to submit, track and receive all of their Ministry of Transportation approvals online, saving time and money. The highway corridor management system has already significantly reduced the burden on Ontario businesses and individuals by streamlining the permit application, review and approval process.

The ministry has also announced the reduction of weight given to MTO's corporate performance rating when the Ministry of Transportation evaluates bids for engineering services, for example. This will improve the fairness and efficiency of the procurement process, ensure value for taxpayer dollars and make the bidding process more competitive for all participants. Recent reviews of the corporate performance rating system have found that the criteria for evaluating service providers' past performance have become somewhat subjective, resulting in little distinction in ratings between the high-performing and low-performing firms. Focusing more on the price and technical proposal when evaluating bids for engineering services will make the procurement process more objective, simpler to administer and fairer for all participants.

And finally, we've announced a new partnership between MTO and the Ontario Good Roads Association to improve cross-depth prediction models that will allow municipalities to optimize the timing of reduced load periods on our roads. During the spring thaw, some Ontario roads are designed and fined to limit the weight a truck can use on them. This reduced-load period helps to limit the damage that might otherwise occur to a roadway weakened by the spring thaw. This modelling will allow municipalities to optimize the timing of these reducedload periods, which will help improve competitiveness while protecting Ontario's road infrastructure. This could include shortening the period, when conditions permit, allowing more goods to reach more places in the spring weather. There are many other policies and regulatory changes that are part of this overall red tape reduction package, but as I'm running out of time, let me just say this, Chair: Through the initiatives that stretch across government in this, our ninth red tape reduction bill, our government is creating the conditions that let businesses thrive and people prosper. We are helping develop a strong supply chain right across our great province. We are making government services easier to access. We are supporting Ontario's farmers and agri-businesses, growing our labour force and increasing Ontarians' competitiveness in the global market.

With that, I want to thank you, Chair, and all of the committee members for allowing me to come and make a presentation. I look forward to answering any questions. As you mentioned in the opening, I am joined by officials from different ministries. Should there be a question of technical nature, I'd be happy to bring them in on this, as well.

Mr. Ernie Hardeman: Thank you very much for the presentation, Minister. And with that, we will start the questions round with the government. MPP Cuzzetto.

Mr. Rudy Cuzzetto: Thank you to the minister for presenting Bill 46 here today. Does this package have benefits that would address climate change?

Hon. Parm Gill: Yes. Thank you for that question. Obviously that's something that is top of mind, I think, in any piece of legislation that we're introducing. We all have a responsibility in terms of reducing greenhouse emissions, and we take that, as part of our government's mandate, very, very seriously.

Some of the proposals we've included in this piece of legislation, to give you examples: There's carbon capture, which is obviously going to be huge, which will help a lot of businesses that want to make a difference, that want to do their part to make sure they're playing a role in sort of a broader picture of reducing greenhouse gas emissions. And I know it's very, very welcomed, of course, by the industry and the stakeholders. We have received very, very positive feedback, and that's just one example in this piece of legislation that's included.

The Chair (Mr. Ernie Hardeman): MPP Skelly. 1610

Ms. Donna Skelly: Good afternoon, Minister; it's nice to see you, although I wish you were here with us in Kenora. We've had a fabulous day today. Minister, can you please share with us some of the details from the fall 2022 red tape reduction package?

Hon. Parm Gill: Yes. Thank you for that question, first of all. I wish I could be there with you guys in person, but I unfortunately could not; maybe at another time.

Excellent question, Ms. Skelly. As I mentioned in my remarks, this is a very broad and comprehensive package that includes a lot of different initiatives in various different ministries. Mainly the focus was, of course, put on how we can make Ontario businesses more competitive and how we can protect and strengthen our supply chain, especially when it comes to items such as agri-food, making sure that we're supporting our agri-food industry, that we're supporting our farmers, making sure that they have all of the resources necessary and the know-how and the investments.

I've had the honour of working, of course, with Minister Thompson. Just to give you an example, I mentioned in my remarks the announcement that we made at the Ontario Food Terminal. It was such welcome news received by the stakeholders.

But we also understand there's a lot of work that we've still got to do. I mentioned in my remarks that when we formed the government back in 2018, Ontario had the largest regulatory burden of any province in our country, and it was costing tens of thousands of dollars unnecessarily. We've been working hard. This is our ninth red tape reduction bill that we've recently introduced, that's going before the House. We've obviously relaunched our online portal as well, so we're constantly consulting and welcoming feedback from consumers, from businesses, from different industries, to let us know: What can the government do to get out of your way? How can we help you become more competitive? How can we help our province become more competitive, not just here, nationally, but also on the global stage?

Thank you for all of the hard work that you guys are also doing to play a role in this.

The Chair (Mr. Ernie Hardeman): Thank you. MPP—

Mr. Rick Byers: Byers.

The Chair (Mr. Ernie Hardeman): Byers. It's getting late in the day.

Mr. Rick Byers: Yes, I know. It's been a long day.

The Chair (Mr. Ernie Hardeman): Go for it.

Mr. Rick Byers: I may be wearing on you, Mr. Chair.

Ms. Donna Skelly: You are on me.

Mr. Rick Byers: Understood.

Anyway, Minister, it's great to see you. Thank you for your presentation and thank you for your leadership of this important initiative. Nine bills on red tape reduction for a government is quite substantial, and it shows the government's commitment to economic development and the efficiency of the process that all businesses in Ontario and those working with those in Ontario are facing.

A question for you on the supply chain: As we've all seen over the last few years, the constraints of the supply chain globally have impacted businesses all over the world, but certainly here in Ontario. Can you give a sense of how this important bill that you're leading will impact on the supply chain pressures that are faced by Ontario businesses?

Hon. Parm Gill: Thank you again, MPP Byers, for that excellent question. It's something that, obviously, we hear regularly from businesses, as I mentioned in my remarks. That's probably one of the top concerns that businesses are facing and sharing with us. Part of the reason why we have introduced a suite of different initiatives in this piece of legislation is to make sure that we are doing our part to help Ontario businesses succeed and become more competitive.

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We saw it during COVID. The last two and a half to three years haven't been easy for anybody. That includes consumers. That includes businesses. Anytime we're out there and consulting, the number one item that we continue to hear from businesses is about the supply chain, and also how we can help them become more competitive—not just, obviously, here in the province of Ontario, as I mentioned. Now everything is so interconnected, everything is global, and we recognize that we have a role to play.

That's why my role as the minister responsible for red tape reduction is to work with every single one of my colleagues across ministries and caucus to look at ways and look at finding efficiencies and that's what we've been doing, and we have a lot of work ahead of us.

The Chair (Mr. Ernie Hardeman): One minute. MPP Smith.

Mr. David Smith: Thank you, Minister. Happy new year to you. We haven't seen each other since before the new year.

My question to you is, what will be the economic impact of this package?

Hon. Parm Gill: Excellent question, MPP Smith. My answer to that question would be, what would be the impact, let's say, if we didn't take some of these steps for our economy? I mentioned earlier that the different pieces of legislation we have produced over the last four and a half years, this being the ninth, have so far helped businesses save over half a billion dollars, to the tune of—

The Chair (Mr. Ernie Hardeman): I'm sorry, Minister; the rest will have to wait till the next answer.

We'll now go to the official opposition. MPP Fife.

Ms. Catherine Fife: Thank you, Minister, for appearing before the committee.

We heard a lot of deputations today that referenced the need to streamline some bureaucracy and some red tape, and one of them was this morning, from Resolute Canada. Tom Ratz told us the story of trying to find drivers up north, because there is a labour shortage. There was a licensed, qualified driver from Ukraine with 20 years' experience. He approached Resolute but then found out that it would take nine months for him to secure his professional driver qualifications to drive a rig, so he in turn went to Manitoba and was hired immediately.

So my question to you directly is, does the ministry have any plans to address and streamline some of these barriers to affect the labour shortage?

Hon. Parm Gill: Absolutely. I always ask individuals or businesses, any time they're running into any sort of aggravation that's causing them grief or holding them back, to share some substantive and tangible examples. What you've shared today is a tangible example of items that we're looking for, of what we can do. Of course, I'd be happy to work with Minister McNaughton and some of my other colleagues to address some of those concerns.

We recognize there are a lot of different areas that require improvements. I mentioned in my remarks earlier that we have a lot of work ahead of us to help Ontario businesses, to help Ontario consumers, and we're going to continue to do that—

Ms. Catherine Fife: Thank you very much. I look forward to seeing a piece of legislation that specifically addresses some of those barriers, to address the labour shortage in Ontario. I appreciate that answer.

The rest of my questions pertain to schedule 8 of the legislation, specifically around the Provincial Offences Act. Minister, I see that you have a great number of staff with you today. Our lead for this is MPP Kernaghan, and we did request on several occasions to get a briefing on Bill 46. Briefings are valuable for all members so that we can come to the table and have a clear sense of what the legislation will mean for our constituents. On schedule 8, specifically, we did request a briefing, and I want you to know that we never even received a reply to that. Going forward, I hope that when the official opposition requests clarification or even a quick briefing on a particular schedule, that request is honoured.

Around schedule 8: Of course, you'll know that this reverses the amendments to the Provincial Offences Act that passed in 2018 under the former Liberal government. The changes were never implemented. The changes were intended to increase and expedite the early resolution of matters to start clearing the backlog and provide better service to the public in our court system. It's interesting that this bill purports to cut red tape, but by removing these amendments instead of moving forward with them actually we have concerns that more red tape will be caused by some of these changes. **1620**

They are specifically these:

(a) The early resolution discussions will no longer be able to happen through email;

(b) The prosecutor will not be able to withdraw certain charges without a court appearance; and

(c) It will continue to require that the defendant appear before a judge in all cases where a plea agreement is reached.

We've actually heard several cases here in the Far North that transportation and access is a big issue. So, we obviously understand that there could be reasons that these solutions are not practical, but that's why we actually wanted a briefing. But it certainly doesn't look to us like cutting red tape.

I wanted to get some clarification from you, and I see that you have a number of folks from counsel—Jennifer Anderson, Jaimie Lee, Nicole Bailey and Debbie Middlebrook—with you. I was also very curious as to who you consulted when you made these changes, or when you addressed these amendments, because repealing these measures and what they have suggested as alternative solutions for getting our provincial offences system working—so, there are two: There's the main body of the question, around why these amendments are being made, and then, who did you consult as you drafted this legislation, please?

Hon. Parm Gill: Thank you, MPP Fife, for that question. First of all, I just want to touch on, I guess, your

questions that you made for a briefing. I'd be happy to go back and talk to my folks at the ministry to make sure that we find a reason why you did not receive a response, which you should have—

Ms. Catherine Fife: Thank you very much. I would really appreciate that.

Hon. Parm Gill: No problem.

The second part of the question: Obviously, the government is proposing, in terms of the amendment to the Provincial Offences Act, to allow court clerks to open certain convictions, obviously saving time for justices to be able to do that. In some cases, notifications are missed and so on.

As you mentioned, I do have very capable and competent officials with me to provide some of the technical answers, so I'm going to maybe go to Jonathan. Jonathan can do some of the traffic-directing [*inaudible*] to answer the question, the technical details.

Ms. Catherine Fife: Okay, thanks.

Mr. Jonathan Kates: Thanks, Minister; thanks, committee.

Is Jaimie Lee or Debbie Middlebrook available to help the minister out here?

Ms. Jaimie Lee: Yes, we're both here. It's Jaimie Lee. I'm the director of program management in our chief court services division, and Debbie Middlebrook is the counsel who also works on POA.

I think there were two parts of the question. I can explain some and then—

The Chair (Mr. Ernie Hardeman): Excuse me. Could we have the speaker address themselves and give the names for Hansard before they speak?

Ms. Jaimie Lee: Sorry; I thought I did say my name is Jaimie Lee and I'm the director of the program management branch.

The Chair (Mr. Ernie Hardeman): Thank you.

Ms. Jaimie Lee: The piece about the consultations: We did consult municipal partners, as well as AMO, and the request—I think the first piece you're talking about is on early resolution—

The Chair (Mr. Ernie Hardeman): We'll have to stop it there and finish that answer in the next question. The time is up on this one.

We'll now go to the independent. MPP Brady.

Ms. Bobbi Ann Brady: Thank you, Minister. I guess I'm a bit disappointed; I would have appreciated a bit more time to prepare my notes on Bill 46. I have a long list of red tape suggestions that I would have loved to have brought with me to Kenora. I'm a big fan of red tape reduction, and I'm hoping farmers in Ontario will see further steps by this government to reduce the paperwork that they face on a daily basis. Our farmers would rather be in the fields than pushing paper at a desk, and many of my farmers tell me that they've gotten to the point where they really consider whether or not they will continue producing food for this province due to the increased paperwork and the red tape.

Myself, I have the same concerns that MPP Fife brought forward with respect to section 8, section 11, and

I won't ask the same question, but I would appreciate that same briefing that MPP Fife has asked for.

Hon. Parm Gill: Absolutely. I can assure you that we're always open to and welcome any sort of request from any member that's interested in a briefing. We have our officials ready and available to provide those, and I will make sure that happens.

Ms. Bobbi Ann Brady: Thank you.

The Chair (Mr. Ernie Hardeman): Any further questions? MPP Bowman.

Ms. Stephanie Bowman: We've heard recently about the amount of paperwork that doctors do, and I wonder whether or not—I think there was a report out recently that they spend maybe 36 hours seeing patients and nine hours on paperwork, or 16 hours on paperwork. It was a big number. I'm wondering if there are measures like that that you are looking at that would help alleviate the current health care crisis that we're in and the shortage of doctors etc.

Hon. Parm Gill: Yes, 100%. As I mentioned earlier, we're constantly consulting industry by industry, sector by sector, and speaking to various different stakeholders. We also recently relaunched our online portal to get the requests in or ideas from all Ontarians that are interested. We do regularly receive great feedback, and then our responsibility at the ministry is described as to sift through and to try to address as many of those concerns as possible. And obviously, if you have an issue or a concern, please—or maybe a constituent—direct them to the portal or to our ministry. We'd be happy to take a look at any idea.

As I mentioned, my sole responsibility as the minister responsible at the ministry is to look at ways of making life easier for Ontarians and businesses. And we're committed to doing that. That's why—originally, this used to be an associate ministry; it's now a full-fledged ministry with all of the resources—

Ms. Stephanie Bowman: Okay, that's good. Thank you. So nothing specific right now on the red tape and the paperwork that doctors are doing.

I wanted to also move on to—you talked about specific issues that constituents face. I hear a lot about the challenges applying for or accessing service around ODSP and OW, and again, these are obviously people facing some kind of crisis or health-related situation. Is that within your scope? Do you have any upcoming announcements for us on that front?

Hon. Parm Gill: Our scope is as broad as you want it to be, so absolutely. If I did, I couldn't discuss those at this committee anyway, but they would be in future bills, potentially, and the announcements would be both made at the appropriate time. But at this point in time, as I mentioned, what we're doing is preparing for the next piece of legislation already. We're taking in requests. So any ideas, any input, by all means, send it our way. We'll look at it. We'll consult with the relevant ministries and do the due diligence. If it makes sense, it potentially could be included in future legislation.

Ms. Stephanie Bowman: Okay. Thank you.

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The Chair (Mr. Ernie Hardeman): Any further? Okay. We'll go to the government. MPP—

Ms. Goldie Ghamari: Ghamari. Thank you, Chair.

Before I ask my question, sir, I just wanted to just give you an opportunity to finish answering MPP Smith's question. You didn't get an opportunity to. And MPP Smith's question was, what will be the economic impact of this package? And then I'll ask my question after you're done responding.

Hon. Parm Gill: Thank you very much, MPP Ghamari. I appreciate the opportunity. So as I started to answer that question, I always ask people, imagine what the economic cost would be if we didn't take some of these initiatives and we didn't introduce these measures. Through our nine editions—this obviously being the ninth—the eight previous bills that have passed have helped save Ontario businesses over half a billion dollars, to the tune of \$576 million, and roughly a 6.5% reduction in compliance.

We recognize there's a lot more work that we need to do, and this is why this is the latest package that we've introduced in the Legislature. We're committed to introducing two pieces of legislation, at least, in our spring and fall package. And this is where we also need the help of all of our colleagues in the Legislature to help us help, obviously, their constituents and businesses. We have a lot of work to do, but we're not afraid. We're committed and we will not rest until it's done.

1630

Ms. Goldie Ghamari: Thank you very much, Minister. Back in 2018, I recall, when we were running and our government was first elected, one of the things that I kept on hearing a lot during the run-up to that 2018 election was that Ontario was one of the most overly regulated provinces. At that point, I believe there were over 380,000 regulations that the previous Liberal government had put in, which was obviously bolstered and supported by the NDP. That was one of the things I was hearing, that there were so many regulations that it was just difficult to even get anything done. That actually caused a huge impact in terms of the economy, in terms of business, in terms of hiring, in terms of training. You name it, there was a regulation for it.

I know that one of the things our government is committed to is just making it easier to actually live and work in Ontario. I'm actually really, really pleased that we do have a Minister of Red Tape Reduction, because it just goes to show how important this is, and obviously it's something that we have to consider very seriously.

My question for you, Minister, is, what are some of the regulations that are being reduced that are currently a burden to business and industry, and what have you heard in particular from business and industry? Thank you.

Hon. Parm Gill: Thank you for that question, MPP Ghamari. I hear the same things that you just highlighted, that you were hearing back in 2018 and that I think we all heard. That's part of the reason why we saw that obviously Ontarians wanted a change of government. We got that.

It was a CFIB study that was done across the country which highlighted that the regulatory compliance, the burdens put on Ontario businesses, were the highest—not among the highest; the highest—costing Ontario businesses tens of thousands of dollars in unnecessary red tape burden. You mentioned that most businesses would much rather be doing something else to increase their sales or find innovative ways to do their business rather than pushing paper or filling out forms that are completely unnecessary, that are completely outdated.

You mentioned initially that when we formed the government, we made this one of our top priorities. That's part of the reason why—previously, we had an associate ministry to address this, and especially after this last election, the government and the Premier saw fit to turn this into a stand-alone, fully functional ministry dedicated solely to removing red tape.

Moving forward, one of the commitments that we made is—of course we're going to help Ontario businesses compete and succeed and eliminate red tape, but we are now, for the first time, also putting emphasis on consumers. We are also looking at ways of helping eliminate red tape that is completely unnecessary and duplicative when it comes to consumers.

One of the main highlights—I'm sure you saw it, just before the election—was when we eliminated licence plate stickers. That was obviously very welcome news right across the province that benefited millions and millions of individuals, saving them, in some cases, hundreds of dollars a year. Those are sort of the tangible examples I can share in terms of how we're helping not just businesses but also consumers, and we'll continue to do more.

Ms. Goldie Ghamari: Thank you.

The Chair (Mr. Ernie Hardeman): MPP Triantafilopoulos.

Ms. Effie J. Triantafilopoulos: Thank you, Minister, for joining us today. My question is specifically on these proposed changes that you are introducing. I'd like to ask you, what measures have you taken so that these proposed changes will not pose a risk to protecting the environment, public health and safety?

Hon. Parm Gill: Excellent question. I thank you for that. One of the things that we take very, very seriously, not just at the Ministry of Red Tape Reduction but in the government, is the fact that with any changes, any ideas, any initiative that we bring forward, first and foremost we've got to make sure that we're protecting our environment, that we're protecting the health and safety of every single Ontarian. That is by far the first item that we look at when we're looking to eliminate or streamline any sort of processes. We take it very, very seriously, and I think Ontarians expect us to do that.

We will continue to consult with relevant stakeholders. There are some wonderful individuals and organizations that do tremendous, tremendous work when it comes to protecting our environment, protecting our health and well-being. We do a very, very comprehensive consultation each step of the way to make sure that we have looked at a particular initiative or an item from every different—

The Chair (Mr. Ernie Hardeman): Thank you very much, Minister, for that answer.

We'll now go to the official opposition. MPP Kernaghan.

Mr. Terence Kernaghan: Thank you, Minister, for appearing at committee today. My apologies if these questions would have been better suited to a briefing, but as you've acknowledged, the official opposition's request for a briefing went unanswered.

My question is, where did the idea for the government lifting the original prohibition on oil and gas extraction as part of the carbon sequestration process originate?

Hon. Parm Gill: Excellent question.

First of all, just to answer your first question: I did message my staff, and I can confirm that my officials tell me that they have not, unfortunately, received a request. If you want to request a briefing, I'd be happy to provide a briefing to the official opposition, any independent member, any caucus member who wants to have one. I just wanted to put that on the record—

Mr. Terence Kernaghan: Yes, we will certainly forward the original request so that it will be top of the inbox for your staff and for the ministry.

Hon. Parm Gill: I would love that. You can send that to my personal email if you'd like, MPP.

In terms of your question on the carbon sequestration could I just request the officials to come in from the relevant ministry to make sure that you get a fulsome answer?

Ms. Jennifer Keyes: My name is Jennifer Keyes. I'm the director of the resource planning and development policy branch of the Ministry of Natural Resources and Forestry.

The idea of underground carbon sequestration is not new in Canada. We have been following jurisdictions across the globe, actually, at this technology. As of late, the federal government has provided incentives—

Mr. Terence Kernaghan: Absolutely, and that's great. I just wanted to know, where did the idea originate?

Ms. Jennifer Keyes: The idea originated from our ministry, as well as to ensure that companies within Ontario can be competitive and stay in Ontario and take advantage of those federal incentives—

Mr. Terence Kernaghan: So this was not a request by the oil and gas industry, is what you're saying to this committee?

Ms. Jennifer Keyes: The oil and gas industry has expressed interest in the technology, but because of our prohibition, they have not been able to explore the technology any further.

Mr. Terence Kernaghan: So it's your assertion that you came up with the idea and then the oil and gas industry came up with this idea later.

I also wanted to ask why lifting the prohibition on oil and gas recovery as it relates to carbon sequestration is necessary.

Ms. Jennifer Keyes: Right now, there's a prohibition that you can't sequester carbon as an additional by-product of enhanced oil and gas, so we're removing that prohibition to allow companies to sequester carbon.

Mr. Terence Kernaghan: What will this process of oil and gas recovery look like?

Ms. Jennifer Keyes: Well, you can recover CO_2 from either the atmosphere or at stack, and then you can permanently store it underground to reduce our greenhouse gas emissions.

Mr. Terence Kernaghan: What other methods of carbon capture has the Ford government explored?

Ms. Jennifer Keyes: My ministry is only exploring underground geological carbon storage.

Mr. Terence Kernaghan: Just given the location of our committee today—there's significant carbon capture potential in the boreal forest, through reforestation, through tree-planting, and also through increasingly imperiled wetlands.

I also wanted to ask, how much carbon does the Ford government anticipate will be captured through this process?

Ms. Jennifer Keyes: We don't know exactly how many companies will pursue the activity, so it's really a proponent-driven process. Right now, we don't have any applications before us, so we don't know exactly how many projects companies will bring forward.

1640 Mr. T

Mr. Terence Kernaghan: I see. And so I guess my next question would be, how much oil and gas will be recovered or produced? It will probably have the same answer.

My last round of questions is in concern to section 2 as well as section 8. In section 2, it's to allow retired former provincial judges serving on a part-time basis from 50% of full-time service to 75% of full-time service. As well, just to build upon the comments from MPP Fife, my colleague from the official opposition, I trust that these are not the only avenues this ministry and this government are going to take in terms of dealing with the current backlogs that we are facing in the court system. We also need to make sure that the Attorney General is going to be hiring more judges. Can you please comment on that? Will the Attorney General be seeking more justices to serve on a full-time basis, new judges?

Hon. Parm Gill: Well, if I may, Chair, absolutely. The Attorney General works hard each and every day to look at ways and modernize our justice system. And I think he has done a tremendous job. This is only one of the initiatives that we've introduced, to increase that time that the retired judges are able to work to help eliminate some of the backlogs. But the AG has been working hard each and every day in terms of hiring new judges, in terms of looking at efficiencies, modernizing our justice system. And I think we're leading the way, especially in that, understanding that when we did form a government in 2018, we did inherit a mess, but we've been hard at work to clean some of those messes up and I think we're made tremendous progress.

Mr. Terence Kernaghan: I do look forward to the Attorney General hiring more full-time new judges, and also appointing more adjudicators in tribunals, because I think that is very much red tape that landlords and tenants are facing with a system that is really not functioning whatsoever.

I also wanted to turn to schedule 9. I wanted to ask, why will there be no strategic plan from WSIB? You've indicated in the schedule that there will be meetings with the minister. Will these meetings be made public, the minutes of these meetings?

Hon. Parm Gill: So what we're basically eliminating is the five-year plan. The three-year plan is still in place, of course, so that will continue to be in place.

Mr. Terence Kernaghan: Will the minutes of those meetings be made public?

Hon. Parm Gill: Well, you probably have to check with the relevant ministry. I couldn't speak to what the other minister may or may not do. You can ask any question relevant to my ministry. I'd be happy to provide those answers. But maybe I can put you in touch with the minister—

The Chair (Mr. Ernie Hardeman): That concludes the time. We now go to the independents. MPP Brady.

Ms. Bobbi Ann Brady: Again, this is a comment following up on modernizing-the-justice-system comment that the minister made. I was recently speaking to a few retired OPP officers and a retired justice of the peace. And I don't know that this is red tape, but Zoom calls are still occurring across Ontario with respect to bail hearings. I think that is not a red tape issue. The bail hearing has to occur, whether it's in person or by Zoom. And they are suggesting to me that the Zoom process is not effective when it comes to establishing sureties and that we need to return to in-person bail hearings so that we understand and get a sense of the context or a sense of someone's personality as they're sitting there in the courtroom, not on a Zoom call.

So I just thought I would throw that out there, with respect to your comment about modernizing the justice system.

Hon. Parm Gill: Absolutely. I'm happy to take that back and share with the Attorney General.

The Chair (Mr. Ernie Hardeman): Any further? MPP Bowman.

Ms. Stephanie Bowman: I'm wondering how much work and time you're spending on looking at things that cross ministries. So, for example, we sometimes hear about people who might have an issue with a subsidized housing project and then they have to talk to the Ministry of Community and Social Services because other regulations also govern that. So I'm wondering how much effort is going on in your ministry that is looking to enhance the co-operation of ministries within your government.

Hon. Parm Gill: Excellent question.

I can assure you that the whole of the ministry work very, very closely, especially when it comes to red tape reduction. To give you an example, any sort of new regulation, new piece of legislation that's introduced, that's brought forward—our ministry has a role to play; we are absolutely consulted on that, and we have the opportunity to provide our input.

When it comes to looking at—whether it's ideas that are submitted by Ontarians, whether it's by a particular sector or a group, we, of course, go to the relevant ministry and we speak to them. Or if an idea comes directly to them, then they share those ideas with us in terms of, "Here's an idea. How can we make this fruitful for Ontarians?" So I—

Ms. Stephanie Bowman: Thank you. One specific example that came to light that I requested—and it recently came up in the media—is that the Ministry of Agriculture does an assessment of impacts on rezoning of land for the Ministry of Municipal Affairs and Housing. So we requested that, as it relates to the recent greenbelt changes. I understand some media have also requested it. That's an example where those ministries need to work together and the public is not seeing the outcome of that. Can you make any comment on that?

Hon. Parm Gill: The only comment I can make is, I can show you that each one of my colleagues in every single ministry works very, very closely with one another. We do talk to each other.

Ms. Stephanie Bowman: To be continued, then. We'll keep asking. Thank you.

The Chair (Mr. Ernie Hardeman): Is that the last question? Well, then I don't have to say there's one minute left; there are no minutes left.

We want to thank you, Minister, for your participation this afternoon. We very much appreciate it. And thank you to all the staff who are with you to help answer the questions.

Hon. Parm Gill: Thank you, Chair.

The Chair (Mr. Ernie Hardeman): It was a great way to start the hearings on Bill 46. Thank you all for your participation today.

We look forward to a nice ride back to the sunny south. The meeting now will stand adjourned until January 23,

2023, in the great city of Windsor. *The committee adjourned at 1649.*

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