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**Standing Committee
on the Interior**

Estimates

Ministry of Mines

**Comité permanent
des affaires intérieures**

Budget des dépenses

Ministère des Mines

1st Session
43rd Parliament

Monday 16 September 2024

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43^e législature

Lundi 16 septembre 2024

Chair: Aris Babikian
Clerk: Thushitha Kobikrishna

Président : Aris Babikian
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CONTENTS

Monday 16 September 2024

Estimates	IN-597
Ministry of Mines.....	IN-597
Hon. George Pirie	
Hon. Stephen Crawford	
Mr. Scott Mantle	
Mr. Shawn Batisé	
Ms. Afsana Qureshi	

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON THE INTERIOR

COMITÉ PERMANENT DES AFFAIRES INTÉRIEURES

Monday 16 September 2024

Lundi 16 septembre 2024

The committee met at 1400 in committee room 1.

ESTIMATES

MINISTRY OF MINES

The Chair (Mr. Aris Babikian): Good afternoon, everyone, members, Minister, staff. The interior committee is about to begin consideration of the 2024-25 estimates of the Ministry of Mines for a total of two hours.

Are there any questions before we start allowing the minister to present his testimony? No?

Seeing none, Minister, the floor is yours. You have 20 minutes. I will remind you one minute before the end so that you are aware.

Hon. George Pirie: Good afternoon. It's an honour to address the Standing Committee on the Interior on the 2024-25 estimates for the Ministry of Mines. I want to thank the committee members for the opportunity to speak today alongside the Associate Minister of Mines, and my good friend, Stephen Crawford. I look forward to sharing the achievements of the Ministry of Mines that are making a real difference in the lives of all Ontarians, and to answering questions from the committee about this important work.

Our government truly understands the importance of mining in this province, not only to our history but for our future. That's why, for the first time in over 50 years, our government took bold action and created a stand-alone Ministry of Mines. We all know that Ontario has a long history of mining as a cornerstone of the economy, especially in the north and my home riding of Timmins, and the ministry continues to build on that proud heritage for this generation and the future generations to come.

I want first to take a moment to thank my ministry staff for their excellence and dedication in both their day-to-day work and in preparing for our appearance here today. Thank you very much. I'd like to thank Deputy Minister Shawn Batise, who recently joined the ministry, for being here today. I'm also joined by Assistant Deputy Ministers Afsana Qureshi, from the mines and minerals division; David McLean, from the strategic policy division; and Scott Mantle, CAO, from the corporate management division. Together, we look forward to responding to any questions you may have about the fantastic work the ministry is doing.

The mining sector has a rich history as an engine of growth for the province's economy. Mining is woven into the fabric of Ontario and has helped build up communities for generations. I grew up in a proud mining family and dedicated my career to working in the industry. Mining is a fundamental part of who I am, and we are working to ensure that this industry provides incredible careers and benefits to the people of our province for generations to come. Since day one as Minister of Mines, I've made it my mission to make Ontario the number one mining jurisdiction in the world. There is always more to do, but thanks to the efforts of our government, this goal is well within our reach.

It's no secret that few places have more potential for mineral exploration and mining than Ontario. We have tremendous mineral wealth right here in our province, which is home to some of the most mineral-rich deposits in the world, like those in the Ring of Fire. On top of the mineral wealth we possess, Ontario has a strong human rights record and world-class environmental and health and safety standards.

But companies aren't just investing here because of our resources. They're also investing in our highly trained and educated workers, who redefine what we think is possible. Another major draw is our world-class manufacturing sector that is ready to anchor the growing supply chain for critical minerals and clean technology in North America and beyond. With all these advantages, it is no surprise that Ontario has become such a desirable place to invest and to do business.

But you don't have to take my word for it. I'm proud to say that Ontario has cracked the number-10 list in the Fraser Institute's 2023 annual survey of the best mining jurisdictions in the world. While this is an amazing achievement and recognition of our continued efforts to make the sector better, we know there is always still more work to be done. Being a top-10 jurisdiction globally is something that everyone in this province can be proud of, but it certainly isn't the only thing.

To provide a bit more perspective, I'd like to share a few statistics with you. Our province's mining sector is one of the nation's largest producers of minerals by value. Mining in Ontario contributes \$13.4 billion annually to Ontario's GDP and provides about 77,000 jobs in mining, mineral processing and mining supply and services. Almost a quarter of all the direct mining jobs in Canada

are found right here in Ontario, and around two thirds of these are in northern Ontario.

Ontario's leading-edge mine supply and services sector produces more than \$10 billion worth of mining supplies and services every year, with an annual direct contribution of \$3.9 billion to our GDP. The supply and service sector alone includes more than 1,400 companies and employs more than 40,000—23,000 right here, in northern Ontario.

Ontario's mining sector also has one of the highest proportions of Indigenous workers among all industries in the province. These statistics emphasize how important mining is to the economies of northern communities and the province.

We are also proud that Toronto is the mining finance capital of the world. Forty per cent of the world's public mining companies are listed on the TSX, more than in any other market in the world. And in 2023, the Toronto Stock Exchange and Toronto Venture Exchange raised \$7.6 billion in new equity capital for mining.

As impressive as these figures are, we know that there is more to do. We must continue our work to build up the mining industry, ensuring that we keep the sector cutting edge and competitive, because unlocking northern Ontario's critical minerals is key to the economy of the future.

That's why we launched our Critical Minerals Strategy, backed by \$55 million in targeted investments in everything from exploration to innovation. This five-year road map is helping Ontario's mining sector realize its true potential by attracting investment, promoting further Indigenous participation in mining and creating more high-paying job opportunities in the critical minerals sector. It is also helping to secure the made-in-Ontario supply chain, expand innovation and increase our exploration capacity. The strategy is all about connecting the resources and workers in northern Ontario to the manufacturing might of southern Ontario.

Earlier this year, we marked the two-year anniversary of the Critical Minerals Strategy, and it's clear that our plan is working. In 2023, Ontario produced about \$6.4 billion worth of critical minerals, and critical mineral exploration investments totalled almost \$350 million. There are 221 critical mineral exploration projects in Ontario, up from 187 the previous year. There are also 124 lithium exploration projects, up from 51. I am also incredibly proud to say that I attended the grand opening of two brand new gold mines in our province this summer. I think that's the first time there's been two new mines announced in Ontario since the days of Hammel. These numbers are no accident. They are the result of hard work.

Despite our success, there is more to do to build up the mining sector, and more to do to support a strong integrated supply chain right here at home. Our Critical Minerals Innovation Fund, CMIF, does just that, helping solve modern mining and supply chain challenges by leveraging Ontario's highly educated and experienced workers.

As announced in Ontario's 2024 budget, we are investing an additional \$15 million over three years in the fund, bringing our total investment to \$20 million. This will support innovative research, development and the com-

mercialization of technologies, processes and solutions for critical minerals. This fund is available to companies and to partnerships between industry and Indigenous communities, academic institutions and not-for-profit organizations.

These Ontario-based companies are leading the development of new mining technologies and helping to build the made-in-Ontario supply chain for the technologies of tomorrow. To date, 12 companies have received funding and completed projects in March 2024. These projects focused on mining and mineral processing and the recovery and recycling of minerals, including developing innovative lithium processing technologies, establishing lithium mining and mineral processing in Ontario for use in battery and EV manufacturing supply chains, and developing bioleaching technologies to extract nickel and cobalt from mine tailings to help increase battery metals supply.

These are the first of many success stories that are shaping the future of this province while leveraging the brilliant minds we have here to change what we think is possible. Our government is using Ontario's expertise to tap into new and growing markets to ensure we capitalize on the growing demand for responsibly and ethically sourced critical minerals.

Our made-in-Ontario supply chain starts with mining, and mining starts with exploration. That's why we launched the Ontario Junior Exploration Program, OJEP, in 2021. This program helps exploration companies fund early-stage projects and supports grassroots mineral exploration in Ontario. Since its launch, Ontario has committed \$35 million over four years to the program. This includes \$23 million for all types of minerals and a \$12-million stream dedicated exclusively to critical minerals exploration.

1410

The first four intakes of this program have been enormously successful. Our government has committed funding to 133 projects, leveraging an additional \$48 million in investment from industry. Thanks to our targeted investments and sound strategy, we have led the entire country in mineral exploration investment for the last two years in a row. This past year, companies invested a total of \$952 million in exploration in Ontario, with nearly \$600 million of that targeting gold and almost \$350 million targeting critical minerals. I am excited to help more companies search for potential mineral deposits, attract further investments in this growing sector and lay the foundations for a more prosperous Ontario.

We also know that our government's role is to create the right business conditions to attract investment, optimize competitive advantages and enable Ontario's mining sector to do what it does best: build more mines. Because governments don't build mines; companies do. We have the fuels of the future right here, but we need to build more mines to realize our full potential, and it's happening in northern Ontario, in our backyard. Folks up north ought to be very proud of what they are doing and the industry they are involved with. People up north are excited when

experts and companies come into our towns to talk about the future that they envision in northern Ontario, in Sudbury, in Timmins and in Thunder Bay. It's happening right now. This is our time. This is a pivotal moment in our history, and it all starts with mining.

However, it cannot take 15 to 20 years to permit a mine when countries that do not share our ESG standards already have a start. That's why we passed the Building More Mines Act last year, to improve legislation and cut red tape that is holding our sector back. The act ensures government can operate at the pace of business without sacrificing our world-class environmental protections or our consultation with Indigenous communities. This is an important piece of legislation that will help develop the mineral deposits in our province while bringing prosperity to everyone in Ontario, especially northern and Indigenous communities. The act is about unleashing our potential and ensuring that the world invests in our resources and in our people.

To reduce burden even further, the ministry is continuing to seek opportunities to adopt a leaner approach to how business is done. We believe the mining industry's best days are still ahead and we're creating the conditions for an unprecedented era of prosperity for the north, for Indigenous communities and for all of Ontario. But the bright future we are speaking about will not be possible without mining.

Developing resources like those in the Ring of Fire is central to our vision of becoming the world-leading jurisdiction for mineral development and investment. The Ring of Fire is one of the most promising mineral deposits in Canada and, I would venture to say, around the world. It will play an important role in supporting innovative technologies for high-growth sectors such as batteries, electronics, electric vehicles and clean tech. Most importantly, it will bring multi-generational opportunities to northern and First Nation communities in the region.

To date, much progress has been made that we can all be proud of. Our government has committed close to \$1 billion to support critical minerals infrastructure like all-season roads, broadband connectivity and community supports. We are working collaboratively with Marten Falls First Nation and Webequie First Nation, who have shown extraordinary leadership in advancing our mutual goals.

At the PDAC convention earlier this year, I was pleased to be joined by the chiefs of Marten Falls First Nation and Webequie First Nation to sign a community development agreement with both communities. This agreement supports shovel-ready infrastructure projects like new training facilities to create local jobs and prepare workers with the skills needed for meaningful careers. Most importantly, the agreement is designed to prepare Indigenous partners to participate fully in future economic development opportunities, including infrastructure and mineral development.

All-season, dependable road access is needed to unlock opportunities in the region and will also make a positive difference in the lives of everyone in these communities.

Our government continues to support Marten Falls First Nation and Webequie First Nation as they lead their environmental assessment work for the Marten Falls community access road and the Webequie supply road, respectively. Together, the Webequie supply road, Marten Falls community access road and the northern road link, if built, would connect the two communities to the Ring of Fire mineral deposits and the Ontario highway network.

We will continue to support Marten Falls First Nation and Webequie First Nation as they conduct the required studies, engage and consult their own communities and neighbouring First Nations, and make informed decisions on how best to move forward in their traditional lands. The ministry is also supporting these First Nations-led environmental assessments throughout the consultation process, including capacity support for potentially impacted First Nations' participation in the consultation processes and to ensure the crown's duty-to-consult obligations are met on all proposed road projects.

We are closer than we have ever been to realizing this generational opportunity and creating an era of prosperity unlike anything we have seen before. As we look ahead, it is clear there is a great deal to be excited about. We are forging lasting partnerships with Indigenous communities that want to share in the long-term economic benefits created by the mining sector. Our government will continue to consult on potential impacts, including cumulative impacts, on Aboriginal and treaty rights across all three proposed road projects, and I want to emphasize again that any proposed development in the Ring of Fire will be subject to Ontario's world-class regulatory requirements and environmental standards.

But we cannot forget that even with this strong foundation and progress, Ontario and its First Nation partners cannot unleash the Ring of Fire's full potential alone. We will continue to call on the government of Canada to step up and match Ontario's funding commitments to get the roads to the Ring of Fire built. The job is never finished, and we will continue to ensure this sector that is so vital to our economy and future is strong and flourishing.

The initiatives I spoke of today are some examples of how, together with our industry and Indigenous partners, we are building a strong and vibrant mineral sector. Together, we are keeping the industry competitive and current, and creating real opportunities for people all over Ontario, especially in the north. I'm looking forward to further discussing my ministry's work on behalf of all Ontarians with you today.

Thank you. Merci. Marsi. Meegwetch. I will now hand things over to my colleague the Associate Minister of Mines, Stephen Crawford, to further discuss Ontario's unique advantages.

Hon. Stephen Crawford: Thank you very much, Minister Pirie. I really appreciate that. Good afternoon, everybody of the committee and Chair. It's great to be here today. It's an honour to address the Standing Committee on the Interior for the first time, alongside my cabinet colleague Minister Pirie.

Back in June, Premier Ford appointed me as Associate Minister of Mines, clearly demonstrating his commitment to making Ontario the best place in the world to do the business of mining. Both Minister Pirie and myself are focused on realizing that goal so everyone across the province can benefit from the natural resources we have, especially in the north. My background in the investment community is an asset because we need to raise money to build mines.

Mining has always been an important part of Ontario's economy and now we have the opportunity to power the EV future right here in Ontario. We have an opportunity to make this province the one-stop shop for auto production. We have the ability to bring together environmentally friendly mining with our fantastic auto assembly industry, creating bigger paycheques for all Ontarians all over the province, particularly in the north.

In the current economic environment, it is taking too long for the formation of capital that can finance mining projects. That is why myself and my team are focusing on removing barriers to capital formation, so that companies can raise funds more efficiently and we can encourage more people to invest in the mining space. Ontario has been a strong jurisdiction for mining investment, but there's still more we can do to support the sector. In 2023, Site Selection magazine named Ontario the most competitive province in Canada for companies to invest in for the fifth time in the last six years.

The Chair (Mr. Aris Babikian): One minute.

Hon. Stephen Crawford: The Mining Journal's world risk report of 2023 ranked Ontario as the fourth-best jurisdiction out of 121 in which it operates for low investment risk.

That said, we need to do more than be the best in Canada; we need to be the best in the world. That is what the Premier expects, and that is what Minister Pirie and myself are working on.

1420

There is no better time to stake our claim as a global leader than now, as the world races to secure minerals we need for electric vehicles, batteries and other technologies that will be imperative for the economy of the future. We know critical minerals are some of the most sought-after commodities in the global economy. In Ontario, specifically northern Ontario, we have the resources that the world wants and needs. Our allies in the US are particularly interested in minerals from a national security perspective, because critical minerals are being controlled by countries that do not share our commitment to human rights and environmental protection. It is not—

The Chair (Mr. Aris Babikian): Thank you very much, Associate Minister, and thank you, Minister, for your presentations.

Now, we will move to the question-and-answer period. The official opposition has 20 minutes, the government side has 20 minutes and the independent member has 10 minutes. We will start with the official opposition, but before we start, please, as always, wait until you are recognized by me. The deputy minister, assistant deputy

ministers and staff: Please state your name and title before you answer any questions.

We'll now start with the official opposition. The floor is yours, MPP Shaw.

Ms. Sandy Shaw: Thank you, Minister and Associate Minister, for being here today.

I just want to start by acknowledging that we, the official opposition NDP, recognize the critical importance of this industry to our GDP, for jobs. We understand the importance of that. But some of the questions I would like to ask today particularly pertain to making sure that, as we move to open up mines and develop mines, particularly in the Ring of Fire—I want to say on the record that this is no slam dunk. This is going to be a mile of mud, if I could use a road analogy. We want to hear a little bit further on how you are actually planning to navigate some of the challenges that you're going to face when it comes to this huge, huge undertaking that you're talking about.

I'm going to first address my question, if you will, to MPP Crawford. We have heard from the minister that Ontario has world-class environmental protections. I would like to say that this government has really watered down those environmental protections. They've introduced shortcuts when it comes to environmental protections, and that applies also to development and the operations of mines in the province.

There's a legacy of unfortunate situations when it comes to development that didn't go well. It's a legacy; it's not under your government, although your government now is responsible for that. I would like to mention very clearly that Grassy Narrows and the Wabigoon River are still suffering from mercury poisoning that goes on and on today, and this government has not made a significant commitment—maybe, perhaps, any commitment—to addressing this multi-generational unfolding tragedy of people being poisoned by the water, which is a legacy of industry.

The other thing that I want to say—and this is why I wanted to address my question to MPP Crawford: You talked about how difficult it is to raise money. Really, it's my sense that there's nothing that capital hates more than risk and uncertainty. So my question to you is, with this unknown certainty of negotiating with all First Nations that operate in that area, and with these legacy issues of the kinds of environmental degradation and environmental poisoning, really, that have been the result of industry, can you assure us and can you tell us where in the estimates it shows that you will be investing in repairing and preventing those tragedies that have happened from industry in the past?

Hon. Stephen Crawford: Thank you, MPP Shaw. There were a lot of questions in there; I could probably talk for quite a while, but I'll give, certainly, a comment and then pass it over to my colleagues.

You talked about the Ring of Fire. You talked about some of the issues of raising capital. You talked about, from the environmental point of view, what our government has done. What I can say is that the province of Ontario has some of the strictest regulations for environ-

mental safety anywhere in the world. When we look around, as we have done, at other jurisdictions, in terms of safety standards for various commodities and the mining sector, Ontario constantly ranks at the top. When we look at commodities, for example, like nickel, which are so critical to electric vehicles—we all know what an important piece of the vehicle those are. When we look at the countries where the majority of the nickel is being produced today for electric vehicles—for example, in Indonesia—we have horrendous human rights records; we have rainforests being ripped down; we have significant problems with respect to safety and health. So I think Ontario is at the forefront of health and safety standards.

I know you've got a lot of questions here, so I'll pass it over to my colleague, who would like to perhaps expand on one of the questions that you have here—to Minister Pirie.

Hon. George Pirie: Yes. Thank you very much for that, Stephen.

Obviously, it's known that the ministry is totally committed to rehabilitation of legacy sites. As a matter of fact, they spent over \$224 million rehabilitating over 221 of the province's highest-priority abandoned mine sites, which includes physical hazards and environmental contamination.

When you talk about attracting capital, capital is attracted, first and foremost, with good projects. When you focus on the Ring of Fire, we've got two: It's Noront, or Wyloo now, and certainly Juno. The exploration results of Juno are world-class; it's probably going to transform mining globally.

You know, we passed the new mines act and we didn't change a word from the old act to the new act in relation to environmental standards and duty to consult. But as an industry, we are the best. Our discharge water is cleaner than the intake water. Every single mine that operates in northern Ontario, the discharge water is cleaner than the intake water. This is how good we are.

In fact, there's a nickel deposit in Sudbury—and you'd be very familiar with that, Jamie—where they're so good that, in fact, the ministry has said, "Well, will you add a couple of elements in the discharge," because effectively, it was distilled water they were discharging. This is how good we are in managing the environmental risk. So we know what we're doing, and we're well positioned to ensure that the mining will never be a threat to the environment.

Because of the people who we are, we firmly believe in sustainable development, and you know what that is. We meet the obligations of the current generation without sacrificing the needs of the next generation. It's a tremendous responsibility that, in fact, we carry out because this is where we came from. We came from Timmins. We came from Sudbury. We've learned those lessons, and the world knows that. That's why we're building new mines. That's why we're attracting the investment. It's not just the fact that the minerals are here; it's who we are and how we do it. That's what makes mining work in Ontario, and

I'll say it again: We really are the best. We really are the best.

Ms. Sandy Shaw: Thanks, Minister. Yes, absolutely, Ontario has a lot to be proud of, particularly for the workers, the people that work those mines day in and day out. I think we need to make sure that they're acknowledged for the hard work that they do.

You referenced—I think that's what you just referenced now—that the liability fund—is that what you were talking about?—is \$224 million. I understand from what you said that that's for the abandoned oil and gas mines, the rehabilitation. Last year, it was \$189 million. Now you're referencing \$224 million. Last year, the ADM at that point said that that increase then was due to inflation and economic conditions, and that there would need to be another adjustment.

Can you just explain to me why that amount is there? And in addition to this amount, which I'm assuming is for remediation of those mines, is there anything in there that will be liability for the future, or are you banking—like a loan loss provision. Are you looking for monies to be put into a liability fund, if you will, for future mistakes of this province, if such should be there, rather than having to have abandoned mines and gas wells all over the province and really only taking a hard look at them when there was a tragic explosion in Wheatley, Ontario?

So again, my question is, what is this \$224 million? Is that an increase from the liability fund of \$189 million in 2021, and does that include strictly remediation, or is there built into that a provision for future needs to rehabilitate and remediate the environment and lands once you have done the mining project that you're discussing?

1430

Hon. George Pirie: I'll answer the question about the natural gas situation and wells in southwestern Ontario. That's separate from the Ministry of Mines. Please correct me if I'm wrong, but I believe that's the Ministry of Natural Resources. It's not included in those dollars. So that's—

Ms. Sandy Shaw: That's helpful. So then can you explain what those dollars are for?

Hon. George Pirie: Pardon me?

Ms. Sandy Shaw: Can you then explain what that \$224 million that you referenced is for?

Hon. George Pirie: Well, it's projects like Long Lake in Sudbury.

Ms. Sandy Shaw: Pardon me? Sorry; I just didn't hear you.

Hon. George Pirie: It's projects like Long Lake in Sudbury. That's a mine that we're rehabbing right now. It's a legacy site that we're cleaning up. I'm, quite frankly, very, very proud, because you know my background. You know the background of mining. The fact that this ministry, with these people right here, have set up those reserves of that size makes me very proud. We are cleaning up the legacy sites.

Now, to answer your—you talked about the future. The liability for that is handled exclusively with the mining companies. The closure plans, the liability associated with

that, is handed and is the responsibility of the mining companies. So that's how we address any future liabilities.

Ms. Sandy Shaw: Can you just clarify—just a straight-up question: I thought your government took away the requirement of mines to provide a closure plan when they were issued a licence. Is that correct?

Hon. George Pirie: No, not at all. Not at all.

Ms. Sandy Shaw: That's fine. I just wanted to know that.

This will be my last question—how much time is there, Chair? Because I want to share some with—

The Chair (Mr. Aris Babikian): Nine and a half minutes.

Ms. Sandy Shaw: Okay. You're good. But I'm going to finish this one question, so get ready.

Under the operating expenses in your estimates, it talks about mining sector competitiveness. The 2023 estimate was \$155 million, and now it has jumped to \$190 million, almost \$191 million. That's a big increase. Can you explain exactly what mining sector competitiveness means as an operating expense, and why the increase?

Hon. George Pirie: If you want the specific details on the dollars, I'll pass it over to the—Scott probably would be the better person to handle it. But obviously we've got the innovation fund in there. We've got the Ontario Junior Exploration Program. We've got a number of initiatives to ensure that Ontario is competitive. We want Ontario to be the number one mining jurisdiction not only in Canada but in the world, because I think, again, because of the type of mining companies there and the type of people we are, the ministry we have, we don't want the nickel from Indonesia. It's powered by coal; it's financed by the Chinese and the tailings go directly to the tailings. We don't want that. We want it right here from Sudbury and northern Ontario.

But if you want the specifics, I'll ask Scott—

Ms. Sandy Shaw: But I will also add to that, what was the actual expenditure for 2023-24?

Hon. George Pirie: Have you got the actuals handy, Scott, or are you going to have to get back to you on the actuals?

The Chair (Mr. Aris Babikian): Please identify your name and title.

Mr. Scott Mantle: Scott Mantle, CAO for the Ministry of Mines, also from Sudbury. Good to see you, sir.

The Chair (Mr. Aris Babikian): Go ahead.

Mr. Scott Mantle: So, just to clarify, the line item that is called "mineral sector competitiveness" is a summary of all of the activity of the Ministry of Mines under the operating category. The reason it fluctuates fairly substantially is a lot of that are transfer payments, the biggest ones being resource revenue sharing, for example, which is a derivative of the mining tax that's collected over the course of the year. So it is subject to a lot of fluctuation that is outside of the control of the ministry. Does that help?

Ms. Sandy Shaw: Okay, that's great. While I have you here: Under capital expenses—maybe you can answer this—it talks about Indigenous partnerships – environ-

mental remediation for abandoned mines, with a placeholder. What is that about?

Hon. George Pirie: What was the last part of that question?

Ms. Sandy Shaw: It's Indigenous partnerships – environmental remediation for abandoned mines, and it has a placeholder amount of \$1,000. It's page 295.

Hon. George Pirie: I think it's a line item in the budget.

Scott, you've probably got the actual figures that we've got available to us to rehab the mines.

Ms. Sandy Shaw: But it specifically says "Indigenous partnerships."

Hon. George Pirie: Indigenous partners could be the revenue-sharing agreements, the Aboriginal Participation Fund, the other various investments that we have with the Indigenous communities to build participation. We have, as you said—

Ms. Sandy Shaw: But there's \$1,000 on that line, Minister.

Hon. George Pirie: Well, why is it there from an accounting point of view? Scott, can you explain that?

Mr. Scott Mantle: It's for the purposes of carrying—

The Chair (Mr. Aris Babikian): Can you introduce yourself, please?

Mr. Scott Mantle: Sorry. Again, Scott Mantle, CAO.

So, as we start to undertake projects, often they involve some degree of consultation with a neighbouring community. A lot of that is unforeseen at the time, so for the purposes of the structure of the estimates, we have to include a line item that has a program with a standard placeholder. The minimum placeholder amount for any structure in any estimates is \$1,000. So it's there for purposes of recognizing that we will be discussing the activity with—

Ms. Sandy Shaw: Okay, so we can expect that to change and grow as the partnerships develop, that line item? Okay. Thank you.

Thanks very much. I'm going to cede my time now to MPP West.

The Chair (Mr. Aris Babikian): MPP West.

MPP Jamie West: Thank you, Minister and Associate Minister. I can't help but say having Scott Mantle growing up in Sudbury and part of the Ministry of Mines, there are so many mining connections in that.

A little bit of a preamble before I start: I really appreciate, and I've said this before to you, Minister, you talked about being a proud mining family. It's great to have conversations like this because I'm also from a proud mining family. My parents moved to Sudbury from Nova Scotia. My dad was a miner at Stobie. My stepdad worked at the Falconbridge—or I guess the Glencore smelter now. I was at the Vale smelter. So it's kind of in our blood in Sudbury and in Timmins as well.

I made a note, just in case my colleague wasn't able to get here on time, but a lot of mining conversations—you would know this, Minister—start off with safety messages. There was a highway closure on the way here, which led to the delay. Just to share with my colleagues, it

could happen to any of us, and just to be careful while you're out there driving. It's easy to get distracted. Watch out what other people are doing—

Ms. Sandy Shaw: There was a fatality.

MPP Jamie West: Yes, so my thoughts are with that family and stuff. It's tough. The other side of growing up in mining communities is that it doesn't matter if it's the management or worker side, everyone grieves together when there's a fatality.

I'm going to start with the mining lands administration system, MLAS. Just for everyone's knowledge, or people who are watching, this is about electronic staking of claims. I don't know if it's the ministry or the province specifically, but how much does the ministry estimate it will take in associated fees from the MLAS system in 2024-25?

Hon. George Pirie: If you want the exact number, I'll ask Scott.

Do you have an exact number of that?

MPP Jamie West: I'm only asking—I'm just wondering, is there an estimate of what we're going to take in as a province from 2024-25 on the digital staking?

Mr. Scott Mantle: They do fluctuate year over year, but normally our transactional fees for registration would be sitting around \$1 million or a couple of million dollars; they're in that neighbourhood.

MPP Jamie West: Okay. So that would be similar to last year?

Mr. Scott Mantle: They tend to be fairly similar. We have had a couple of surge years in the past where it spiked.

MPP Jamie West: Okay. And then out of this revenue, how much goes to the First Nations that have to do some of the work on this as well?

Hon. George Pirie: The revenue from that particular fund I do not believe goes directly into the Indigenous communities. With Indigenous communities, for instance, an exploration deal will get probably 2% of the exploration spend from the companies. Not if it's just a couple of prospectors, but if it's a reasonably sized company, then yes, 2% of that exploration spending will go directly to the Indigenous communities.

MPP Jamie West: I guess the reason I'm asking is Monday was the anniversary of the Robinson-Huron Treaty of 1850, and chiefs there were talking about being overwhelmed by this. In the old days, you used to actually go out and stake a claim, but now you can do it digitally, and so there was lots of talk about working with other chiefs about simply denying any claims until it can work out.

1440

There's an article I was reading here specifically about Wilfred King basically saying that they're mounting a legal challenge. We're aligned on how important mining is—and lots of conversation about the investments. But when there are obstacles like this, when we're bumping against First Nations and not having that true nation-to-nation agreement, I think that we can defer people from investing in our province because those angel investors

that you need for the large projects, when they see the delay on the return on investment with court challenges, with Chief Moonias yelling at the Premier and stuff, I think that gets people to look at other provinces or other mines or stuff.

So how are these First Nations compensated for the work that they're doing? Or how are they able to catch up with the speed the digital staking takes on?

Hon. George Pirie: When we talk about how Indigenous communities are compensated—we talked about revenue-sharing agreements. Those are tremendously valuable agreements that are the responsibility of this ministry for mining and forestry and the aggregate business. When those deals are signed, the Indigenous communities get up to 44% of the revenues that normally would have gone into the general revenue category in the province. Actually, we're renewing the revenue-sharing agreements right now—

The Chair (Mr. Aris Babikian): Thank you, Minister. The time is up.

Since we don't have an independent member, we will move to the government side. I understand, MPP Yakabuski, you're going to lead the question.

Mr. John Yakabuski: Yes, thank you very much, Chair. I appreciate that.

Thank you very much, Minister and Associate Minister, for joining us today. I really appreciate you coming forward to this committee.

To Minister Pirie: I've been around long enough to remember the previous Liberal government, when first the words "Ring of Fire" ever came out, talking, but it was just endless talk, talk, talk, and from time to time, some kind of a pronouncement. Almost nothing was ever done by the previous government to capitalize on this tremendous mineral resource that we have in the north here, the Ring of Fire.

I heard you say, "Our best days are still ahead," in your address, and I share that optimism. Our best days are ahead. The Ring of Fire itself, of course, really is the catalyst for all of this investment that is taking place in southern Ontario, because I think the world sees what we have here and what we can offer to the world and, certainly, to the decarbonization of the next generation, so to speak, by capitalizing on this tremendous resource we have. It's one of the most promising regions for mineral deposits in the world. It has the potential to play an important role in supporting innovative technologies for high-growth sectors such as batteries, electronics, electric vehicles and clean tech. It also has great potential to bring multi-generational opportunities to northern and Indigenous communities.

Minister, if you could please elaborate on how the Ring of Fire is part of Ontario's vision to become a leading global supplier of critical minerals and how Ontario's work thus far to advance development in the area demonstrates the commitment to Indigenous partnerships and what we've done to actually make things happen—roads and everything which the previous government failed to do. Thank you, Minister.

Hon. George Pirie: Thank you very much for the question.

The answer starts with the Premier. I've said this many times publicly: He bet a billion dollars on that sector. I'm a mining guy, and at that particular time, we had one relatively small nickel deposit that was owned by Noront, and now Wyloo. That was relatively remote. Obviously, to make that bet, he listened to the people here on the Ontario geological society who said, "This is going to be a magnificent area for development." The drilling results from at least one company—and it's Juno. It's a private company and they've been drilling for a couple of years at least. That will probably redefine how the world thinks about mining. We're not even talking about chromite. Chromite is an absolutely essential mineral for steel development.

Really and truly, how does it involve Indigenous communities? Well, Webeque and Marten Falls are leading the environmental assessment process for that area, consulting with the First Nations communities. We've signed community relationships agreements at PDAC. The monies are flowing; the monies for broadband, transportation and capacity are all flowing.

To that point, I was at a function just last week in Thunder Bay, and one of the elders in Webeque said, "Gee, where are our permits?" So they want to see development. They see the benefit of development, and, quite frankly, like everybody else, they want a better life for their children than they had. And every parent shares that. My dad was born in 1920 in a house behind the mill. My dad never owned his own house, with seven kids. We grew up in the shadow of headframes. Every parent wants the same thing: They want your children to have a better lifestyle than they have.

That's how this transforms into a better life for the Indigenous communities. Development increases, of course, the standard of living. My first experience was at the Musselwhite mine. The Musselwhite mine is really at the same latitude as the Ring of Fire. It's not as isolated as you think, and there's power on that side, as well. I knew I was successful when I ran Placer Dome Canada because we had the other communities that we had signed on to these agreements asking that they be expanded under these Musselwhite agreements.

It's the same thing with the Ring of Fire. The Indigenous communities, when they experience development, see the standard of living increased. You see things like the recreational complexes. You see the shovel-ready companies being built, and that's how it works. The development goes right back into the communities. It's almost like a self-fulfilling prophecy, but it started with the Premier and his billion-dollar bet on the Ring of Fire.

Again, based on the real good people we have behind us in the ministry, the Ontario geological society basically said, "This is going to be a magnificent area," and it will be. I'm really convinced that, of course, as we develop this, it will change how the world perceives mining globally. It's going to be that good.

Mr. John Yakabuski: Thank you very much for that.

Hon. Stephen Crawford: MPP Yakabuski, if I could just add to that: Minister Pirie had some very good points, but I certainly want to get across to the committee that Ontario is the only jurisdiction in the world that has the ability to go from the start, taking the critical minerals out of the ground, right to the end, actually making electric vehicles, electric batteries, right here in our jurisdiction, and potentially refining and smelting.

We have a literally once-in-a-generation opportunity. The Ring of Fire is such an incredible opportunity for the future of our province. It's for the future of the world, for the future of a more sustainable planet, for the future of employment in the Indigenous and northern communities. The prosperity is needed in the north. Developing and building the Ring of Fire in a sustainable way will unleash that potential, so there's enormous potential here.

Mr. John Yakabuski: Thank you, Minister and Associate Minister. I'd now like to turn it over to my colleague MPP Cuzzetto.

The Chair (Mr. Aris Babikian): MPP Cuzzetto, the floor is yours.

Mr. Rudy Cuzzetto: I want to thank the two ministers here today, and I want to congratulate the associate minister on your new portfolio here.

Before I start on mining, I look at my own family. My father came out of the oil industry. I came out of the automotive industry, and my son, Joey, is now working for Kinross as an intern and he's going into mining engineering. I'm so proud of him.

I remember when the Liberals were in power, they had an incentive: If you bought an electric car, you would get an incentive to buy that electric car. And the funny thing is, most of those cars were made in jurisdictions where they use coal to produce those vehicles. Not only that, those minerals, a lot of them came from the Congo. Each vehicle contains about 13 pounds of cobalt, which 75% of it is mined in the Congo, where they use child labour.

1450

Now, what we're trying to do here in Ontario: We've been able to attract \$43 billion of automotive investment in Ontario to build the cars of the future, the EV revolution, using our own minerals.

Minister, we cannot wait 15 years to open up a mine here in Ontario. Because it's not only the environment that we have to protect; it's even the children that are mining these materials in these other countries that are not following the same rules that we are in our jurisdiction. What can your ministry tell us, and what are we doing as a government to improve this moving forward?

Hon. George Pirie: Thank you very much for the question. When I became the Minister of Mines, that was the first thing that we had to get done, to change the Mining Act—the Building More Mines Act—for the very simple reason that, yes, it's just not appropriate that it would take a mine 15 to 17 years to be permitted.

We all understand where we are in relation to climate change as we move off of fossil fuels and get into battery technology. We're all experiencing a beautiful day in September that more resembles a day in July than a normal

September. We're all being affected by a super typhoon that, quite frankly, washed out bridges in Vietnam last week. It's causing the heat wave that's happening right now across Ontario. We know this is urgent.

That sense of urgency I believe is felt by all citizens of Ontario. We ran polls not that long ago that said that 70% of the residents of Ontario supported mining and 76% said they wanted more mining. And why? The reasons are right in front of us. It's these things, obviously. They're absolutely essential. But most important is the absolute necessity to move off of fossil fuels and go into battery technology.

The other part of this, of course, is to secure the supply chain. I think everybody in Ontario is very proud of the fact that our minerals come from out of Ontario and they feed over the \$45 billion of investments that have been made by other ministers like Minister Fedeli to secure the investments in battery technology, the battery space.

Ontario has it all, but it starts with eliminating red tape, building more mines quicker and—I'll say it again—without changing any word in Ontario's world-class environmental regulations or the duty to consult. We know how to do it right, and we're able to do it right, and we're quite ready to provide the solutions that are Ontario-made right here in Ontario. Quite frankly, that's what we're doing.

Stephen?

Hon. Stephen Crawford: Just further to what Minister Pirie said, you did mention the electric vehicle rebate. At the time the previous government brought that in, do you know how much investment was in Ontario for electric vehicles? Zero. So we were subsidizing foreign vehicles being sold in Canada to multi-millionaires.

What our government has been focused on is going to the source, going to the critical minerals, speeding up and getting the mining going here in Ontario and getting prosperity in the north, but also building the manufacturing with the \$45-billion investment in auto. It's all linked. We have the potential to unleash this over the next few years, and we're going to continue to do it.

Mr. Rudy Cuzzetto: How much time?

The Chair (Mr. Aris Babikian): Seven minutes.

Mr. Rudy Cuzzetto: Okay. Go ahead.

The Chair (Mr. Aris Babikian): MPP Gallagher Murphy.

M^{me} Dawn Gallagher Murphy: Thank you, Minister, and congratulations, Associate Minister Crawford, on your new role.

I liked how the minister made comment about Ontario cracking the top 10 list of the Fraser Institute's 2023 annual survey on the best mining jurisdictions. That's amazing.

Thinking about that, March 2024 marked two years since our government's Critical Minerals Strategy was launched. We know this was a bold move by our government to unleash the generational economic mineral potential that exists here in our great province. Now, I hear everything you said, Minister. I think it's important to reiterate that this will create an era of prosperity for

Ontarians—quite frankly, across our country, but especially for Ontarians.

It was the first of its kind, this Critical Minerals Strategy, that prompted the federal government to create one of their own, which I think is interesting. I think it illustrates that Ontario is truly leading our great country when it comes to the critical minerals space.

My question to you is, since the creation of this sound strategy, what has been done to support critical minerals development and why are critical minerals so important to the future of Ontario's economy?

Hon. George Pirie: Thank you very much for the question.

You can see that Ontario is in the driver's seat on this. There's no use producing electric vehicles if the materials are sourced from the Congo or Indonesia or places that don't have the world-class ESG standards that we have here in Ontario. We've untapped that partly with the innovation fund, so you'll see things like Canada Nickel.

Canada Nickel is a huge, low-grade deposit in Timmins. In fact, when they're finished this season's drilling, it will be the largest resource of nickel globally. And how are they going to extract this? Well, their haulage vehicles are going to be hydrogen. How are you going to produce hydrogen? Well, they're going to burn natural gas. Of course, when you burn natural gas, you create CO₂, but you can sequester the CO₂ in serpentine—the host rock is serpentine—and that unleashes a whole potential of industries that will be attracted all over the world, because they would be able to develop carbon-intensive industries and sequester that carbon right in with the serpentine. It's an amazing thing that we're seeing happen globally as everybody, really—not everybody, but—has the incentive to reduce the carbon footprint, and we're doing it right here in Ontario with really smart people that are focused on that.

We talked about how Inco spent \$1.5 billion eliminating the emissions from their superstack. Some people would think that's a good thing, some people would be sad, but they've announced that, a couple of years from now, they'll be tearing that stack down. So there goes a landmark, but they're taking that and they're creating by-products for sale. The whole industry is committed to doing this correctly.

We have magnificent lithium deposits in Thunder Bay. You'll all be very aware of the fact that essential to get into those lithium properties is building a bridge across the Berens River. That is in co-operation with the provincial government and the federal government, to access the lithium deposits. Frontier Lithium is the company. I am absolutely positive Thunder Bay will be the lithium processing hub in all of North America because of the lithium deposits that we have in Thunder Bay.

Quite frankly, before the Critical Minerals Strategy was announced, no one was really looking for hard rock lithium. This is what we've done here in Ontario because, again, of how we mine—the fact that we can attract international investment because we do it cleanly and greenly. We're just at a tremendous spot in our history

right now because of the Critical Minerals Strategy and the fact that we've got great people—and smart people—that are pulling together to ensure that it's getting done correctly. That starts with the Critical Minerals Strategy.

1500

M^{me} Dawn Gallagher Murphy: That's excellent. Thank you, Minister.

How much time do we have, Chair?

The Chair (Mr. Aris Babikian): One minute and 40 seconds.

M^{me} Dawn Gallagher Murphy: That is too short. Go ahead, to my colleague.

The Chair (Mr. Aris Babikian): MPP Jordan.

Mr. John Jordan: I'll make it brief, Minister. As you said in your remarks, you grew up with mining, so I certainly appreciate the experience you have in the mining industry. I'm wondering if you could comment on the status of Ontario now. You've talked a little bit about the government support required to move us forward. What do you think, at a high level, the critical success factors are to get to the end that you're envisioning here at this committee meeting?

Hon. George Pirie: Well, first and foremost, you have to have partnerships with Indigenous communities. That's absolutely essential. The government doesn't build mines, but you have to set the table, so the ability to develop partnerships with Indigenous communities.

But on top of that, we've got the Ontario Junior Exploration Program in place that I was telling you about. That's \$599 million—over 63% of Ontario's exploration expenditures were targeted on gold, and that's out of a \$952 million spent on exploration, so it starts on exploration.

The innovation fund has seen Carbonix in Peterborough designing recovery facilities to ensure that the recovery on that base metal, the nickel operations, will be high enough to be profitable.

It's like MIRARCO in Sudbury—

The Chair (Mr. Aris Babikian): Time is up. Thank you very much, Minister.

Now we move to the opposition side. You have 20 minutes. MPP West.

MPP Jamie West: Minister, you reminded us about First Nickel. I think we might annex that as part of Greater Sudbury to keep the nickel tradition alive on it.

I want to follow up on what we were talking about before about the responsibility of proper consultation with First Nations. You talked about setting the table and you talked about the up to 44% of revenue going to First Nations. But I'm reminded, because I was at Inco when they acquired Voisey's Bay, and not understanding the First Nation culture, responsibilities and priorities led to major delays in there. They were fine if that mine never opened. This is one of the things that, when I think about mining being successful, I know that the best companies are in Ontario and I know that they really want to have these true Indigenous partnerships, that if we're transparent and honest—and I'm sure most companies would say that—the duty to consult was sort of a check mark in the past. You would just hold up a piece of paper, "This is

what we're doing," and that's kind of what it was. Ontario mining companies have matured a lot in 20 to 30 years to really building these partnerships.

In the mining bill, Bill 71, we heard from mining companies saying, "We want the government's help to do this better." You talked about setting the table. They wanted that to come. We put forward amendments to address that; they weren't successful.

But without this responsibility, without this working together, there have been tripwires that have caused things to slow down. The Premier, in the 2018 election, talked about jumping on a bulldozer and driving to the Ring of Fire. That slows investment down. That makes people cautious. That makes First Nations put their backs up and think that they're going to be taken advantage of.

In July 2024, Grassy Narrows launched a constitutional challenge against the province for allowing thousands of mining claims to be staked without consultation or consent.

Neskantaga First Nation took Ontario to court in July 2023 for inadequate consultation in their environmental assessment for their Ring of Fire road development. Chief Moonias was here. He was pretty adamant that road was never going through.

If you're an investor, if you care about mining in Ontario, and you see what's happening by the provincial government in terms of making projects like the Ring of Fire—which I believe is going to be incredibly successful if it's able to happen. But if you can't navigate these First Nations relationships and partnerships and do it successfully, it's going to cost us a lot.

So I'm curious: What is the cost to Ontario taxpayers for defending these cases in court?

Hon. George Pirie: Thank you for the question. I don't have that answer. To tell you the truth, I don't know that. It may be a line on a budget; I'm not sure.

Mr. Scott Mantle: Attorney General.

Hon. George Pirie: Okay, yes.

MPP Jamie West: Okay, it could be Attorney General.

Hon. George Pirie: We just don't have that information.

MPP Jamie West: Okay.

The associate minister said something that stuck in my head: It's a once-in-a-generation opportunity. And it is. Ontario has the technology. We have the post-secondary education, the skilled trades. We need more skilled trades. We have the mines. We have the manufacturing.

But the reality is, the world is a lot smaller than it used to be. Mining is already global. Mining companies in Ontario will ship things overseas for processing and ship it back. So if things are going too slow, it will move on and leave us behind in the dust. And I'm on your side on this; I really am. I know it sounds like I'm being negative, but I want to make sure we're doing the right thing.

I had questions about the legal fees, about failure to consult, but that's going to be the Attorney General. Where in the estimates is the budget for consultation with rights-holding First Nations reflected? Is there a line item

we can find on that to see how we're helping them be successful in this?

Hon. George Pirie: Could you ask the last part of that question again, Jamie?

MPP Jamie West: Sorry. Where in the estimates is the budget for consultation with rights-holding First Nations reflected?

Hon. George Pirie: I don't know if there is a specific line in the budget. Scott, is there?

Mr. Scott Mantle: There isn't a specific line item. It is included in general operations. There is a department that is specifically for the purpose of managing and administering consultation efforts.

MPP Jamie West: Okay. Thank you, Scott.

I am concerned that we're not doing this effectively enough, and it could hurt us in the future. I come from a family, much like the minister, where we paid our bills through mining, so I know how important it is, especially in the north, that we get this right.

There are other examples. Just recently in the news locally, there was a whole thing about lack of public consultation around the niobium tailings and the backfill. So you have people in the north worried about nuclear contaminants being shipped in the north, and now you have First Nations in the north finding out, long after the plan was put in place through the Ministry of Transportation, about niobium tailings as well.

I can demonstrate, I think, in just the couple of examples I hear, that there has been a trend of not consulting effectively with First Nations. We really need to do this effectively. I know it's not an estimates-specific question, but we really could do a much better job at doing this. And if we did a much better job at this, we would save money in the long term and mines would move through faster. The reality really is that if we're not investing in mines and if we're not having these nation-to-nation agreements with our First Nations in Ontario, it's going to stall out and it's going to cost us a lot of money in the long term.

Ms. Sandy Shaw: Is that a concern?

MPP Jamie West: I could ask if it's a concern, but I think it's going to be knocked out. It's not an estimate question.

In terms of the estimates, environmental remediation for mining, budget line 5, mines and minerals program, from 2023-24, shows the estimated capital expense of environmental remediation for mining at over \$2 million. The actual expense was more than \$86 million. What accounts for the \$83-million difference?

Hon. George Pirie: We can give you the very specific details for that. Scott?

Mr. Scott Mantle: We did spend a fair bit of time last year talking about this, as well, and it is complicated, because the actual numbers that provide the clarity are included more with the year-end public accounts. The question was asked earlier: What is the liability that is set aside—or the reserve, if you will—for the legacy mine issues? That's contained in public accounts, and it's a billion dollars with the Ministry of Mines. Our partner ministries, MNR and MECP, also have significant funds

sitting in reserve. Overall, it's about \$2 billion or \$2.5 billion related to mining legacy.

What you're seeing here, similar to what we discussed last year, is the ongoing annual precision that the Auditor General is asking us to make sure we're including to get that liability right. The big adjustments are things like inflation, making sure that we're all using very similar risk and provisional models, even though they're slightly different.

The other thing that is slightly complicated here is that the revenue side of that or the negative accounting adjustments don't appear in our estimates either. They appear in another section of the accounts. So again, this year there's been a significant effort to add precision to make sure that that historical liability and legacy is accurate. I think on a net basis it was about \$250 million of an adjustment again this year.

1510

I'll commit to you that we may be here next year having this conversation again, because there are still about six sites where the team is diving into them. There are issues with respect to the ownership of the site, because it's complicated, intermixed ownership. So the work is ongoing.

MPP Jamie West: But you can understand that if you see a line item that's just over \$2 million and it jumps up to \$86 million, it raises some flags, right? And then when I look at what's happening for this year, the budget only increases from the last one by about \$1,500. So next year, will there be a big jump again just because of how the accounting works?

Mr. Scott Mantle: Yes, it's just—we're looking at two things. The estimates include our annual activity in what is a \$5-million abandoned mines program, but the line item is used at the same time for the year-end accounting adjustments, which are very sizable when you're adding inflation to a \$2-billion portfolio. So, my apologies; perhaps we could consider some structural changes to the estimates to make sure we have a little more clarity with that, but it's the two things flowing through the same line.

MPP Jamie West: Okay.

Did you want to go next?

Ms. Sandy Shaw: Sure.

The Chair (Mr. Aris Babikian): MPP Shaw, go ahead.

Ms. Sandy Shaw: I just want to follow up a little bit on MPP West's caution to the government that if you do not consult properly with First Nations—there are no shortcuts here. These things end up in court. They have a reputational risk. In finance, you talk about an opportunity cost. There's a lot at stake here, and we recognize this.

Your government is quick to talk about your relationship with Marten Falls and Webequie First Nations, and that's great. But there are a lot of other First Nations up there that are completely opposed to this. Neskantaga and Chief Moonias come to mind, who said, literally, "You'll have to drive through me." I actually think he said, "You'll have to kill me first." I mean, those are not idle words. So I think the government needs to acknowledge and understand, and not underestimate, the challenge that you have dealing with First Nations.

I respect that you say that you want to consult and that this is an important value for you, but I also look at the estimates and I don't see the resources here committed to doing that kind of work. That's painstaking work that will show financial commitment: that it's not just words, that you actually have a financial commitment to do that work, to do that consultation work, to do that development work ahead of time. We've asked you where this is, and it's either not in the budget or you're not sure, so that's a concern for me.

Again, we want to see this happen in a sustainable way. We want to see that there are truly legacy benefits for these First Nations communities, because we've said this—how many years of colonialism, and we said, "This is going to be good for you," and it's never been good for First Nations communities, ever, ever, ever. It has never resulted in the kind of communities that they deserve when they have partnered with respect to governments.

In fact, Chair, I would actually like to have a question to this government to show me in these estimates—because the estimates are you putting your money where your mouth is—what this government's priorities are. I would like to see from this government an answer to where in these estimates are funds, dollars, that are targeted or identified specifically for respectful, robust consultation with the many First Nations who have communities, First Nations land, in the Ring of Fire.

Hon. George Pirie: Thank you for the question. I will tell you, when you talk to the chiefs privately, they all support development. When we want to talk about—I'm sure we've got a line in the budget that will show you what the dollars are committed to vis-à-vis the duty to consult. I will tell you that where the communities have been exposed to a development—TTN in north Cochrane went from 78% unemployment to full employment. Communities like Mattagami First Nation, of course, have full employment. Flying Post: full employment.

Maybe the deputy minister may have a—

Ms. Sandy Shaw: Minister, I respect that. Minister, I do respect this list, but I would like to, through the Chair, say that that was a question that you're unable to answer right now. I get that. But will you make a commitment to providing the dollar figure through the estimates as to the—

Hon. George Pirie: Yes, I'm sure, but—

Ms. Sandy Shaw: I have some more questions—

Hon. George Pirie:—the deputy minister will be able to answer right now.

Ms. Sandy Shaw: Or you could just—can you? Dollar figure?

Mr. Shawn Batise: Yes, I can say—well, Scott can provide the dollar figure, but we—

The Chair (Mr. Aris Babikian): Please identify yourself.

Shawn Batise: Oh, sorry. Shawn Batise, Deputy Minister of Mines.

We do have line items in the budget for the Aboriginal Participation Fund as well as a participation fund generally. I can't speak for other ministries and their estimates,

but each ministry, especially the resource ones, has line items for their particular consultations. So mines itself doesn't do all of the consultations.

Ms. Sandy Shaw: Right, but that's what we're here to talk about.

Mr. Shawn Batise: So maybe I will have Scott come up and talk specifically about—I think we're nearly \$5 million in the Aboriginal Participation Fund and some others—

Ms. Sandy Shaw: Yes, if you could get an answer—

The Chair (Mr. Aris Babikian): Identify yourself, please.

Mr. Scott Mantle: Scott Mantle, CAO.

Just to point to a few lines, the individuals who do the consultations are in salaries and wages—that's vote 4902-1. Further down are the actual transfer payments identified in the estimates. There's a line called Indigenous economic development; there's about \$60 million earmarked there. That covers both the capital provisions for the EA work the minister talked about as well as the Aboriginal Participation Fund, so it's contained within that line item as well.

Ms. Sandy Shaw: Thank you.

Going back to the budget, last year's estimates, the ADM at the time, ADM Qureshi, said that we're looking at \$1 billion. That's the line item for the development of the Ring of Fire, \$1 billion. So my question about that \$1 billion is twofold: One, is it still just \$1 billion? And is that the estimate expenditure for this ministry, or does that apply to the Ring of Fire specifically? What is in the actual estimates for this ministry for the Ring of Fire? Is it still \$1 billion? Because given that that's a year later, that's starting to feel like a \$1-billion placeholder, if you will, given the escalating costs.

Hon. George Pirie: Thank you very much for the question. We can sure tell you exactly what we spent on the activities in the Ring of Fire for everything that we're doing there, including broadband and everything else.

Scott, have you got those figures handy? Maybe you should just sit here. The detailed numbers—

Ms. Sandy Shaw: Sure, I'm good with that.

Mr. Scott Mantle: Just to clarify, the \$1 billion, I think, is the government commitment with respect to advancing the Ring of Fire over time. What has been spent to date is in the neighbourhood of about \$250 million to \$260 million, and that has been over, really, probably the past 10 years.

Ms. Sandy Shaw: You also mentioned broadband, so my question: Is the budgeted Matawa broadband amount part of this Ring of Fire estimated expenses? Is that part of this \$1 billion?

Mr. Scott Mantle: It comes out of the \$1 billion, yes.

Ms. Sandy Shaw: And what is the estimate for the cost of that broadband expansion?

Mr. Scott Mantle: The total broadband plan?

Interjections.

Ms. Afsana Qureshi: Good afternoon. Afsana Qureshi, ADM for—

Ms. Sandy Shaw: I quoted you.

Ms. Afsana Qureshi: Sorry?

Ms. Sandy Shaw: I just quoted you.

Ms. Afsana Qureshi: Well, there you go.

You were asking about the Matawa—

Ms. Sandy Shaw: Yes, is that part of the \$1 billion?

Ms. Afsana Qureshi: As Scott said, it is funded through the \$1 billion. Ontario's commitment for that project has been \$30 million, and it's cost-shared with a commitment that roughly equals what the federal government put forward.

Ms. Sandy Shaw: Okay, thanks for that.

You mentioned the federal government. MPPs across that side, the Conservative MPPs, and also the deputants here, the minister and the associate minister, talked about the EV revolution—it's really important—and EV batteries. I just want to ask: This government made a significant—billions and billions of dollars—subsidy to Ford Canada for their EV line, and now they've shut that down. So my question to you is, when we're trying to see this EV revolution, does this seem like a waste of money? Do you have any answers as to how that's going to impact—you talked about your cover to cover, mining to production. How is this bottleneck with Ford and the fact that they received these billions of dollars of subsidies—and now that line is shut down.

1520

Hon. Stephen Crawford: Well, I could answer that to the extent that—I'm not sure it relates to the estimates specifically, but being the MPP for Oakville, I certainly am aware of the situation and actually have met with Ford most recently.

First of all, billions of dollars have not been given out. That's number one. Number two: Ford right now, as you probably heard in the spring, made an announcement that they were going to suspend their electric vehicle manufacturing by several years, so the plant would be shut down for several years because they're not producing vehicles, unfortunately, there right now.

Now, having said that, just recently, in the last two months, they made an announcement where they will be building F-150 SuperTrucks there. Because they have such high demand in the States, they built 100,000 in Kentucky; 100,000—I believe it's in Ohio currently right now. But they have a high demand, so what they are going to be doing is facilitating that development right here, right in the community of Oakville, much earlier than anticipated. That should be up and running within two years, and eventually, they will be able to transform that into making electric vehicles.

So, overall, the investments in electric vehicles are still going forward. Ford is committed to building electric vehicles there in perhaps the mid term rather than quite in the short term just due to their own market demands.

The Chair (Mr. Aris Babikian): One minute.

Ms. Sandy Shaw: Okay. Thanks for that. I forgot you were the MPP for Oakville, so that's a good answer. It is billions if we add the federal government's—I mean, taxpayer dollars are taxpayer dollars. Between the prov-

ince and the feds, it was billions of dollars, right? I mean, it was.

Were you going to say something, Minister? You had your glasses up.

Hon. George Pirie: Oh, I was just going to say—you mentioned about production facilities. Of course you understand that the federal government applied 100% tariffs on Chinese electric vehicles. There's no slowdown in the demand, but the Chinese were dumping their products into Canada. I'm sure you'll see the lines back up and running in—

The Chair (Mr. Aris Babikian): Thank you, Minister. The time is up.

We move to the opposition side—

Interjection.

The Chair (Mr. Aris Babikian): Sorry; my apologies—government side, not the opposition side. MPP Jordan.

Mr. John Jordan: Thank you, Chair.

Minister, we ran out of time in the last session, so going back to my question about critical success factors. I recognize the first thing you mentioned was the Indigenous consultations, and I appreciate that. You mentioned the in-Ontario production. You gave Peterborough as an example for that as well. I was wondering if there was anything else you wanted to add before I move on to my colleague.

Hon. George Pirie: Thanks so much for that question. Just to finish off: I think I was starting to talk about the innovation fund that, again, sets up the table. We've had funds flow through to research companies in Peterborough, research companies in Oakville, research companies in Sudbury, all associated with developing the critical minerals projects here in Ontario. I think I mentioned the Ontario Junior Exploration Program as well—again, all designed to ensure that the table is set for successful investment for Ontario.

Stephen, have you got something else that you want to ask them?

Hon. Stephen Crawford: I think I'm good on that.

The Chair (Mr. Aris Babikian): MPP Sabawy.

Mr. Sheref Sabawy: My question is for Minister Pirie. Minister Pirie, we have often heard you speaking about how one discovery can transform a small mining camp into a vibrant community. I need to maybe change the focus a little bit about how the mining in the north can actually create new communities and develop the local communities into bigger—I would say small cities. My wife was fortunate to serve in Thompson, in Winnipeg, in northern Winnipeg, and the whole city is based on two mines. The mining company built, through the services they're offering, health care, hospitals, schools, broadband. Sometimes, in bigger-sized mines, they might have to build railways as well, to carry the goods back and forth. So it is actually developing the north of Ontario. I would like to emphasize into this as part of the developing of those Indigenous communities/northern Ontario communities as well.

You also experienced in Timmins, the Timmins region, as well, the same flourishing and growth thanks to the co-operation of mining in the region. Can you explain the

status of mineral exploration in Ontario, how the government is supporting this important component of the mining industry and how that will reflect economically, logistically and culturally in the northern Ontario communities?

Hon. George Pirie: Thanks so much for the question. As I said, it starts with exploration, and our Ontario Junior Exploration Program has been oversubscribed; it's a very successful program.

But to your point about communities: The north had been suffering population declines, from Kenora and Thunder Bay, across the top through Kapuskasing, Timmins and Kirkland Lake, and even in Sudbury. That started to change with critical minerals and exploration. Thunder Bay, I believe, is down to about 104,000 people. At its height, I think, Thunder Bay was at about 115,000. The mood in Thunder Bay is just optimistic. Again, it's all based on the finding of lithium deposits in that region of Ontario. Frontier Lithium is a huge story, but the other lithium deposits are big stories as well. And it's not just that they're mining there; they'll be processed there. The lithium hydroxide facilities will be developed in Thunder Bay.

Again, you have to realize what that means, because Thunder Bay is about 40 miles away from the border from the US. The ability to have a battery plant there to support the automobile factories elsewhere in North America is a huge opportunity for the communities in northern Ontario. Kirkland Lake at one time was over 20,000 people. Now it's about 7,000 people, but on the back of very successful exploration, that community is booming right now. In Timmins, the population has nudged up to about 45,000 people. At its height, it was about 50,000 people. On the basis of Canada Nickel, they plan to employ about 1,000 people.

Studies that are being done by the mining companies will tell you that there are going to be 50,000 jobs across the north by 2035, with retirement and new development. Sudbury is, quite frankly, booming again because of their mining industry, and it's not just the nickel; it's nickel and cobalt and copper. There's been a reinvigoration of mining in Sudbury. Along with that, you have the service and supply companies that fill the needs of those mining companies. I believe there are about 40,000 people employed in those, and they will grow. The opportunity to have value-added products built in northern Ontario is a huge incentive for the development and for those communities.

The Indigenous communities: Again, we've seen with the revenue-sharing agreements and Aboriginal participation funds that they flourish. I was lucky enough about a year ago to attend the AGM for the Mushkegowuk Council in Cochrane, and their balance sheet is very strong. I just happened to be listening to the presentation by the auditors and they specifically mentioned about how strong their financials are because of the revenue-sharing agreements.

So everybody benefits with mining across Ontario—not just northern Ontario or Indigenous communities, but southern Ontario as well. We've got the minerals to fill the EV revolution that is happening right around us.

Mr. Sheref Sabawy: Thank you very much, Minister. A quick question, just as a follow-up to that: When we hear that it takes about 15 years to develop a mine, in your opinion, what did the government do to try to accelerate this and make it look better for companies to put in long-term investments like this?

Hon. George Pirie: Yes, you hit the nail on the head there, simply because if you're talking about companies that want to invest in mining companies, 15 years is just too long. You have to build those mines quicker. And the federal government perhaps said it the best: We have to build our mines 10 times faster. So we've got a lot of work to do.

1530

And that's also on the back of the fact that the US, of course—we see the lens of critical minerals through moving off of fossil fuels and developing the battery technology: the EV revolution, as we call it here. The lens that they have is national security, and we have a huge opportunity because we have what the US wants. We've got what the world wants, as well. There's no better partner than Ontario—northern Ontario—to work collaboratively with the US to develop the critical mineral strategy and this battery technology, and secure national security.

If you control the rare earths especially, then you control the IT implements and you also control the space technology as well. So the US is heavily invested in the concept of national security, and there is no better partner than northern Ontario and Ontario to partner with the US on these very critical, important issues for all of us here in Canada and in North America.

Mr. Sheref Sabawy: Thank you very much, Minister. Switching gears now to another topic, which some of our colleagues from the opposition touched base on, about how some of the companies postponed or pushed their plans to produce EV cars later than what we expected, per se: Coming from a technology background, we understand how the new innovation and new emerging technologies basically work. It's a hockey stick, so it starts slow and then, all of a sudden, it jumps up with a limited opportunity of time, a window of time to capture part of that industry. Usually, the companies who take the benefit or the countries who gain the benefits are the people who nurtured it in the beginning, so that they are in the top line to gain or collect gains.

In your opinion, those changes we did—how did this put Ontario in the front line to start taking that revolution of EV cars and make Ontario the biggest region producing EV cars? How will these mining projects help us to be there, on top?

Hon. George Pirie: Thank you again for that question. Capital is mobile. If they get a better return someplace else quicker, it will go someplace else, and that's what the Building More Mines Act is all about. Essentially, we've got to get out of their way to ensure that we're building mines at the pace of business.

As I said, Côté Lake is a good example. So is Greenstone. With Côté Lake, 15 to 17 years to permit a mine or

get it built—they spent over \$3.3 billion in just a little over three years. At its height, it employed 1,600 people—full employment with Mattagami First Nation, full employment with Flying Post First Nation, and they're so good environmentally that they have the ability not to discharge water. They're discharging water right now, but their whole circuit is set up that way.

I think they're operating the biggest truck fleets that exist, certainly in North America, and they're autonomous. They don't have any drivers. It's really quite something, their investment in technology. Again, all of the companies are investing in electronic initiatives to ensure that they're getting out of diesel, from their production equipment. One of the bonuses of that, of course, is the diesel particulate emissions. We in Ontario announced a year ago the toughest diesel particulate emissions in North America, because we care about our workers. That's why we did that.

The Chair (Mr. Aris Babikian): MPP Yakabuski, go ahead.

Mr. John Yakabuski: How much time is left, Chair?

The Chair (Mr. Aris Babikian): Seven minutes.

Mr. John Yakabuski: Thank you very much.

Thank you again, Minister, for those answers. I know you've touched on this, but I think it bears reaffirmation or repeating sometimes. We know that there's an EV revolution going on around the world. Everyone is going to want to have a piece of that, and everyone is going to want to have access to those kinds of vehicles that are going to be produced. The question is, where are they going to be produced and where are the components for those vehicles going to be produced? I know that the world looks to Ontario and sees it as an ethical source of those kinds of materials.

There is a battle going on between, for example, ourselves and China, a communist nation that does not have the same respect for the environment and certainly does not have the same respect for human rights that we have here, and also the treatment of our citizens. The world is going to be looking more and more to a source that not only can provide the product, but it is being provided in a way that we know that the people who have done the back-breaking work and the manufacturing, the processing and everything else to provide those products, are coming from an ethical source. Can you elaborate a little bit more about how the world sees Ontario versus some of those other jurisdictions that want a piece of the same market that is going to be growing over the next decades?

Hon. George Pirie: Thank you very much for the question. It's our brand: clean energy, reducing carbon emissions, a highly educated and trained workforce, competitive wages, good working conditions. That's our brand. We're so fortunate that we've got the materials in northern Ontario, again, to match the manufacturing capacities in southern Ontario. In the late part of last year, I was in London, talking to the European people and essentially marketing Ontario. The reception is phenomenal because of exactly that. We don't power with coal. We've got a green grid. You can stand up there proudly and say that

it's not just the fact that we've got the minerals; it's about how we mine, how we do it, what we're committed to, the sustainability, the commitment we have with working with Indigenous communities. It's truly the whole package that we're talking about.

Again, in Washington, in the spring—and I'll be in Washington later on this week as well—they don't have the nickel. We have the nickel. They've got one small nickel deposit, and that's being processed in Sudbury. We have the nickel, and there's no competition in Ontario. But we're going to need every pound of nickel, whether it's in northwestern Ontario or northeastern Ontario or Sudbury. We're going to need it all. I can stand up and I can say we're doing it ethically and morally.

Northern Ontario has got 350,000 square miles, and Wyloo, in their processing plant, is less than one square kilometre. They're designing a system so the tailings will go underground; they won't be on surface. The footprint is small in those areas where, in fact, it has to be small. The commitment for rehabilitation, the commitment for how we mine environmentally—again, I'll say the discharge water is cleaner than the intake water. That is something.

This is what makes us good. It's not just talking about the size of the mineral deposits; it's how we mine. It's our brand that makes, quite frankly, marketing or talking in other countries a real pleasure. I like to brag about Sudbury, and you know that. I like to brag about Timmins and Thunder Bay and the Ottawa Valley. I like that because that's where I came from. That's where we came from. That's where my parents came from. That's the legacy, and we've learned the lessons of all of that. That's who we are right now.

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Mr. John Jordan: Thank you, Chair.

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Mr. Sheref Sabawy: Thank you very much, Minister. Switching gears now to another topic, which some of our colleagues from the opposition touched base on, about how some of the companies postponed or pushed their plans to produce EV cars later than what we expected, per se: Coming from a technology background, we understand how the new innovation and new emerging technologies basically work. It's a hockey stick, so it starts slow and then, all of a sudden, it jumps up with a limited opportunity of time, a window of time to capture part of that industry. Usually, the companies who take the benefit or the countries who gain the benefits are the people who nurtured it in the beginning, so that they are in the top line to gain or collect gains.

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The Chair (Mr. Aris Babikian): MPP Yakabuski, go ahead.

Mr. John Yakabuski: How much time is left, Chair?

The Chair (Mr. Aris Babikian): Seven minutes.

Mr. John Yakabuski: Thank you very much.

Thank you again, Minister, for those answers. I know you've touched on this, but I think it bears reaffirmation or repeating sometimes. We know that there's an EV revolution going on around the world. Everyone is going to want to have a piece of that, and everyone is going to want to have access to those kinds of vehicles that are going to be produced. The question is, where are they going to be produced and where are the components for those vehicles going to be produced? I know that the world looks to Ontario and sees it as an ethical source of those kinds of materials.

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tive wages, good working conditions. That's our brand. We're so fortunate that we've got the materials in northern Ontario, again, to match the manufacturing capacities in southern Ontario. In the late part of last year, I was in London, talking to the European people and essentially marketing Ontario. The reception is phenomenal because of exactly that. We don't power with coal. We've got a green grid. You can stand up there proudly and say that it's not just the fact that we've got the minerals; it's about how we mine, how we do it, what we're committed to, the sustainability, the commitment we have with working with Indigenous communities. It's truly the whole package that we're talking about.

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I've travelled all around the world with mining projects globally, and I was always very, very—again, in Tunisia, with Breakwater Resources, we closed a mine there, and we closed it to Ontario standards. We got awards from the president of the country. They had never seen anything done like this. We don't walk away from anything.

1540

We've got the line items in the budget that say, "We're committed to this"—the legacy, and incredibly enthusiastic about the future because of who we are, what we're doing, the closure plans and the financial liability as secured with the companies. I could go on and on, I guess, but you've only got seven minutes.

Mr. John Yakabuski: Thank you, Minister.

How much time?

The Chair (Mr. Aris Babikian): One minute and 42 seconds.

Mr. John Yakabuski: Oh, 42; thank you, I thought it was 41. I got an extra second.

Thank you so much for that, Minister. I just want to say that I had the opportunity when watching the Blue Jays the other night and I saw just a tremendous Ontario ad that basically illustrates how we're taking the EV vehicle from the mine right to the main street. That's what I think people really need to understand, that here in Ontario, we have the capacity and the ability to take that entire—which was at one time a concept—and take it right through to fruition. That's what people want to see, and I think that's what the world wants to see, where we can actually produce right from the start to the finish those vehicles here, because all across the world, they're going to want those vehicles and they're going to be coming right here from Ontario.

Thank you so much for joining us today and helping us to understand what's happening in the Ministry of Mines more and more. I appreciate it.

Hon. George Pirie: Thank you very much. It's been a pleasure to be here.

The Chair (Mr. Aris Babikian): Okay, now we move to the third round. We move to the opposition side. MPP Shaw.

Ms. Sandy Shaw: That's great. I want to go back to a question that we had related to the estimates, which is about the mining lands administration system, which is the electronic staking. There's been a significant spike in the use of that new system. My understanding is that the Indigenous communities do not, from your answer, receive revenue from that.

But you will understand why the Indigenous communities are concerned with this spike. It used to be, so people understand—and I understand; it was new to me—people had to physically go to these lands. You had to physically stake them out—that's why it's called "staking"—and be there. It was a process that probably is more thoughtful than sitting behind a computer, perhaps on Bay Street, looking at and putting in your marker, if you will, for what may be potentially a lucrative piece of property.

So this electronic staking is a significant concern for Indigenous communities. Why wouldn't it be? There's actually an article in Timmins Today that I'm sure you're aware of, and the Chiefs of Ontario are asking your government for a moratorium on electronic staking. There's a quote here from Chief King, who's from Gull Bay First Nation, who also has expressed significant concern about this electronic staking at a time when your government should be or is engaging in negotiations around this.

So you understand, a lot of what your government has been saying politely—like the eloquent words and all the things that are going to fall from the sky for Indigenous communities—they're basically promises. You can understand why Indigenous communities are a little skeptical of promises of governments now and past. The "trust us" thing just doesn't work anymore with Indigenous communities.

My question to you is, given that electronic staking is a significant point of contention with Indigenous First

Nations—this impacts reserve lands, traditional lands and treaty territories. It is also really important when it comes to land claim settlements. I mean, these lands may be part of an ongoing land claim settlement, which also is the kind of roadblock, the kind of slowdown that we are talking about, that you don't want to get into. If you're trying to make this happen within the term of your government—

M^{me} Dawn Gallagher Murphy: Point of order, Chair.

The Chair (Mr. Aris Babikian): Point of order: MPP Gallagher Murphy.

M^{me} Dawn Gallagher Murphy: I don't see where this question relates to the estimates.

The Chair (Mr. Aris Babikian): Okay. MPP Shaw, please focus on the estimates portion of the hearing.

Ms. Sandy Shaw: Thank you. I appreciate that.

So my question to you is, given that in the estimates, you said that Indigenous communities will not see any revenue from this, and you talked about the fact that this is going to be your brand, you talked about ethical sourcing, you've talked about the fact that you have a moral obligation—I'm using your words. You will be familiar with UNDRIP, with is the United Nations Declaration on the Rights of Indigenous Peoples. So if you are truly wanting to move forward in a very difficult project—it's in a very difficult part of the world. It's the peatlands. Indigenous people call it the world's lungs. So you also have potential for huge environmental impact, releasing all kinds of carbon into the atmosphere. I know you talked about a technology, but this is a massive project that has so many upsides but has so many potential downsides.

So my question to you, yet again, is, how can you assure—here's my question: How many First Nations communities operate in and around where you're planning development, the Ring of Fire, and how many do you actually have agreements with, and why would any other First Nations trust this government when you have the Premier saying, "We're just going to go up there with a bulldozer and do it anyway"?

Hon. George Pirie: Thank you very much for the question. Let's unpack that a little bit. First thing, when you talk about online staking, I was there when we moved from the physical way of staking. That's, I don't know, 15 years ago that was done, probably; I'm just guessing. That was done specifically because the Indigenous people did not want to have people on their land staking. So the online was specifically developed to do that.

The first thing that you have to do, of course is—and, again, as you know, I worked with Wahgoshig Resources Inc.—the company will put a proposal into the ministry, and the ministry sends a plan, if you will, or a permit to the individual with Wahgoshig. In that process, they look at all the lands that are there that maybe have sacred sites, may have no-go zones. Again, from my point of view, there isn't a mining exploration company in Canada that would touch those. That's the first point of consultation. It won't happen if the Indigenous people don't want it, if they've got a sacred site or some other site that they don't want to see be developed. That's where the first point of consultation is. The government is fully committed to the

duty to consult, and they do. That's where it starts: right there at the beginning.

Ms. Sandy Shaw: Thanks, Minister. And I did ask how many First Nations are you consulting with around this? How many operate in and around the Ring of Fire, the peatlands? How many do you have agreements with, and how many are you negotiating with?

Hon. George Pirie: I think there are 22 communities that, in fact, will be consulted with the Webequie and Marten Falls as they work through their environmental assessment process. I think it's 22. Am I wrong on that? Is it 22, Afsana?

Interjection.

Hon. George Pirie: Okay. And it's Webequie and Marten Falls that are conducting that consultation with those communities.

You're quite right about the peatlands, the swamps that are there. It's very important when they do the environmental assessments that they understand exactly how the waters flow in those peatlands. You can imagine—everybody is aware of the Everglades, and years ago the US department of engineers changed those Everglades and they disrupted the flow through there. The flow of those peatlands or the swamps right now is changing as we speak, because the Albany River and the Attawapiskat River—

Ms. Sandy Shaw: Is it because of climate change?

Hon. George Pirie: Yes. I've got photos; I'd gladly share them with you. We had a presentation from the chief from Fort Albany. It was a year ago now—actually, about a month ago. They spoke to our riding association because they were starting their fall hunt and they wanted to go back into the rivers. They were trying to get approval to build a road through the riverbed, which was completely dry, to get into a channel to go back up into the Albany River. We managed to get that through for them so they could start their fall hunt.

If the rivers are drying up, so are the peatlands. It's going to be critically important. You can understand it looks flat on the ground, but there are all kinds of ridges. It's not a uniform topography. If those swamps dry up so there's no flow through there, then they will evaporate and then you have a huge problem with carbon denigration.

1550

But it's understanding that, exactly to the risks for the swamplands—or peatlands, if you want to call them that—that have to be done, that starts with the environmental assessments that are being conducted right now.

The other thing about those peatlands—you're talking about an area that's the size of Germany, and the Albany River basin and Attawapiskat are bigger than the Rhine. They're bigger than that. We've already mined there. The Victor diamond mine was in from Attawapiskat, in the heart of those, and there was no deleterious effect because of those mines—

Ms. Sandy Shaw: Sorry, Minister. I truly am fascinated by this, but my colleague here will be so annoyed with me if I don't leave some time on the clock. But thank you

very much for that answer. It is really fascinating and very important, so thank you for that answer.

The Chair (Mr. Aris Babikian): MPP West.

MPP Jamie West: It's related to what was brought up before, about the digital minerals MLAS. I am concerned this staking process is overwhelming First Nations.

In my last round of questions—there was a line item for salary; there's a line item for Indigenous economic development. You can correct me if I'm wrong, but I don't think that money goes anywhere if it's just staked. It's only when the mine is developed, when it starts being prosperous, right?

Hon. George Pirie: Do you want me to answer that question?

MPP Jamie West: Yes, if you can do that.

Hon. George Pirie: The revenue-sharing agreement doesn't kick in until there is a mine that's been developed. But we're talking about the Aboriginal Participation Fund right now, Jamie, and that's critical because the individual that gets that notification from the ministry—if he's overwhelmed, we have to hire more of those and we've got to train them. We talk about that all the time. We're talking about that right now. That's the only way that they won't be overwhelmed, so that they can handle the number of applications that come in.

I'll tell you, the training is substantial. That book is about an inch thick. We're talking about all kinds of ways to formalize that training process. That's the key to that.

MPP Jamie West: We have a shared history, all of us. I'm not blaming the Conservative government, but the reality of our shared history is we have First Nations in this province that don't have clean drinking water. We have Grassy Narrows that comes up often and—

Ms. Sandy Shaw: Neskantaga.

MPP Jamie West: Neskantaga—thank you. I can write it; I always mispronounce it. I apologize for that.

But we do have First Nations that don't have clean drinking water, and so when you come up and say there's going to be a partnership agreement and my colleagues across the aisle said it takes 10 to 15 years for the mine to be developed—I'm reading this article, probably the same one that she was reading. Wilfred King, Chief of Gull Bay First Nation, says here, "Despite ongoing discussions with government about expanding their territory, located in northwestern Ontario, King said multiple lithium exploration companies had staked hundreds of new claims on the subject land in just a few weeks' time."

If you're doing hundreds in a few weeks' time—and we talked about it earlier. My colleagues from the Conservative Party talked about how under-resourced a lot of these First Nations are in terms of funding. You're steamrolling over a nation and overwhelming them with the work. There is no real money to help compensate this. There is some retraining and stuff, but we've gone beyond—I get the idea. I don't want people staking on my land when we can be digital, but we've also opened the door to allow people from around the world to stake claims at any time, 24 hours a day. Really, what you can do is overrun a system.

So we have a shared history—we all own it; it's part of our treaty territories and our shared histories of this—where First Nations people do not trust settlers in general, and I think we've earned that with what's gone on with the residential schools and the Sixties Scoop and stuff. When things like this happen, that's going to cause some issues.

In terms of estimates, that's why I'm looking for a line item that helps compensate these First Nations for the work that they're doing for us to be able to mine on their territories, and I don't see that in there.

Can I—

Hon. George Pirie: Yes, we can give you a specific number.

Shawn, do you want to answer that question?

MPP Jamie West: Is there compensation before a mine—

Mr. Shawn Batise: Before mining?

Ms. Sandy Shaw: Once land is staked.

MPP Jamie West: As people are staking and as these First Nations are doing the work to evaluate it, is there compensation for them, and does it match? If you're getting a thousand a week, do they have the funds to look through a thousand a week?

Mr. Shawn Batise: As the minister has said, we have the Aboriginal Participation Fund, which proactively provides resources for the communities to review these very things. Under the MLAS, or plans and permits, they're called MDAs—mineral development advisers. I forget how many we have in the province now, but we're reviewing, as the minister said, the program as we speak. We met with the Chiefs of Ontario a couple of weeks ago—

MPP Jamie West: As a ballpark, how much is in there as a line item?

Mr. Shawn Batise: Just under \$5 million right now, I think is what we—

Interjection.

Mr. Shawn Batise: Yes—to be able to do consultation work through the MLAS system, and to do the plans and permits consultation.

MPP Jamie West: I have just a little bit of time and just a couple of questions I'm curious about.

Minister, the Ring of Fire—I was talking to people advocating for highways and stuff, and they were talking about the equipment for the road to build the Ring of Fire. They're concerned about the highway along the way. Have you had conversations with transportation about if we're able to upgrade that road?

Hon. George Pirie: Are you talking about the paved lake road or—

MPP Jamie West: No, the highway before the road even comes. I'll follow up off-line. I was trying to squeeze it in.

On a personal level, you mentioned the work that's happening with MIRARCO Mining. I know that there was money slated. Is money allocated now to go to MIRARCO Mining for the tailings project that they're doing to reclaim some of those minerals?

Hon. George Pirie: Has it been done?

Interjection.

Hon. George Pirie: Yes, I think they were looking for \$20 million.

If we don't have an answer, we'll get you an answer.

MPP Jamie West: Okay. If I can get an answer, I just know—I saw recently in the paper there's another company from another country that wants to do it as well. It looks like they're getting funding for their country. I think, if we build it here and we market it around the world, we'll be the best at that too.

Hon. George Pirie: Yes, we need that, Jamie; you know that.

MPP Jamie West: I know we're aligned on this. We have a couple of minutes, just to wrap up. I know some of the questions were pointed, but I think we are aligned on the importance of this—it really is.

I remember seeing the Premier at the Côté Gold mine ribbon-cutting. As soon as Marit was the leader of the official opposition, I had her come to Sudbury for three days. We went underground at Vale and Glencore—and it clears up those misconceptions, right? There's that adage for mining that, "If you can't grow it, you mine it." Being able to see that first-hand makes a big difference.

I remember when we were at Nickel Rim, that footprint was the size of a Walmart. When it's closed down, we're going to put it back the way it looked. I know that there's a ton of old mining systems that have to be repaired. It's a liability that we inherited, and we've got to get it done, but I think that the way Ontario mines in the future—like you had said, in other countries, they're blown away with the way we do things.

We wear the title as "critic" sometimes, but I think that when it comes to mining, we're aligned on a lot of things.

I'm going to keep pushing for a little more, to make sure the environment is being taken care of, because of Sudbury, obviously. We proved that you can do the environment successfully, and I want to make sure that

mining is successful and we're helping with these nation-to-nation partnerships with First Nations in Ontario. So thank you very much, Minister.

Hon. George Pirie: Yes, Jamie, thank you for those comments. If you get a chance, go to the Victor mine. That's owned by the Polish company. That's the one that has the water treatment facility, so it's good. Also, they're sinking the shaft, and that used to be the most dangerous activity in mining. Can you imagine, the safety is so good that they bring visitors into the bucket? It's just unbelievable. I was amazed to watch this, just how good they are, and bringing visitors into a shaft-sinking facility. That's quite an accomplishment.

The Chair (Mr. Aris Babikian): Thank you, Minister, Associate Minister and the rest of the witnesses. Thank you, committee members. That concludes our examination of the estimates of the Ministry of Mines.

Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates. Are the members ready to vote?

Shall vote 4901, ministry administration program, carry? All in favour, please raise your hands. Any opposition? Seeing none, the vote carries.

Shall vote 4902, mines and minerals program, carry? All in favour, please raise your hands. Any opposition? Seeing none, carried.

Shall the 2024-25 estimates of the Ministry of Mines carry? All in favour? Any opposition? Seeing none, carried.

Shall the Chair report the 2024-25 estimates of the Ministry of Mines to the House? All in favour, please raise your hands. Any opposition? Seeing none, carried.

Thank you, members. That concludes the business of today. The committee is now adjourned until Monday, September 23, 2024, at 2 p.m. Thank you very much, all of you.

The committee adjourned at 1601.

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