

Legislative  
Assembly  
of Ontario



Assemblée  
législative  
de l'Ontario

---

## **Official Report of Debates (Hansard)**

IN-8

## **Journal des débats (Hansard)**

IN-8

### **Standing Committee on the Interior**

### **Comité permanent des affaires intérieures**

#### **Estimates**

Ministry of Energy and Mines

Ministry of the Environment, Conservation and Parks

#### **Budget des dépenses**

Ministère de l'Énergie et des Mines

Ministère de l'Environnement, de la Protection  
de la nature et des Parcs

1<sup>st</sup> Session  
44<sup>th</sup> Parliament

Monday 27 October 2025

1<sup>re</sup> session  
44<sup>e</sup> législature

Lundi 27 octobre 2025

---

Chair: Aris Babikian  
Clerk: Stefan Uguen-Csenge

Président : Aris Babikian  
Greffier : Stefan Uguen-Csenge

### **Hansard on the Internet**

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

### **Le Journal des débats sur Internet**

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

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

### **Index inquiries**

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

### **Renseignements sur l'index**

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

---

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



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

ISSN 2816-7279

## CONTENTS

Monday 27 October 2025

Committee business .....	IN-315
Estimates .....	IN-316
Ministry of Energy and Mines .....	IN-316
Hon. Stephen Lecce	
Mr. Steen Hume	
Ms. Susanna Laaksonen-Craig	
Ms. Afsana Qureshi	
Ms. Sharmila Pathmanathan	
Ms. Karen Moore	
Ministry of the Environment, Conservation and Parks .....	IN-335
Hon. Todd J. McCarthy	
Mr. Alex Wood	
Ms. Sabrina Tao	
Mr. Brandon Chaput	
Ms. Lisa Trevisan	



## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE  
ON THE INTERIORCOMITÉ PERMANENT  
DES AFFAIRES INTÉRIEURES

Monday 27 October 2025

Lundi 27 octobre 2025

*The committee met at 0902 in committee room 1.*

## COMMITTEE BUSINESS

**The Chair (Mr. Aris Babikian):** Good morning, colleagues. I would like to call this meeting of the Standing Committee on the Interior to order. As always, please wait to be recognized by myself before speaking. All questions and comments will need to go through the Chair.

On the agenda is committee business. Are there any motions? MPP Cuzzetto.

**Mr. Rudy Cuzzetto:** I move that the committee meet at Queen's Park for public hearings on Bill 26, An Act to amend the Provincial Parks and Conservation Reserves Act, 2006, on the following dates: Monday, November 17, 2025, from 9 a.m. until 10:15 a.m. and from 1 p.m. until 6 p.m.; and

That the Clerk of the Committee be authorized to immediately post notices regarding the hearings on the Ontario parliamentary channel and on the Legislative Assembly's website; and

That the deadline for requests to appear for hearings be 12 p.m. on Thursday, November 13, 2025; and

That the sponsor of the bill be invited to appear as the first witness at 9 a.m., Monday, November 17, 2025, and that the witness shall have 20 minutes to make an opening statement followed by 39 minutes for questions and answers, divided into two rounds of 6.5 minutes for the government members, two rounds of 6.5 minutes for the official opposition members, two rounds of 6.5 minutes for the third party members; and

That subsequent witnesses shall be scheduled in groups of three for each one-hour time slot, with each presenter allotted seven minutes to make an opening statement followed by 39 minutes of questioning for all three witnesses, divided into two rounds of 6.5 minutes for the government members, two rounds of 6.5 minutes for the official opposition members, two rounds of 6.5 minutes for the third party members; and

That witnesses appearing be permitted to participate in person or participate remotely; however, a maximum of one individual may appear in person on behalf of an organization and any additional representatives of that organization shall participate remotely; and

That the Clerk of the Committee shall provide a list of all interested presenters to each member of the subcommittee on committee business and their designate as

soon as possible following the deadline for requests to appear; and

That if all requests to appear cannot be accommodated, each member of the subcommittee or their designate may provide the Clerk of the Committee with a prioritized list of presenters to be scheduled, chosen from the list of all interested presenters for these hearings by 12 p.m. on Friday, November 14, 2025; and

That the deadline for written submissions be 5 p.m. on Monday, November 17, 2025; and

That legislative research provide the committee members with a summary of written submissions following the written submission deadline; and

That witness submissions may be received for Bill 26 on the day of their public hearings until 6 p.m.; and

That the deadline for filing amendments to the bill be Tuesday, November 18, 2025, at 6 p.m.; and

That the committee meet for clause-by-clause consideration of Bill 26 on Monday, November 22, 2025, from 9 a.m. to 10:15 a.m., 1 p.m. to 6 p.m., and 7 p.m. to 12 a.m.; and

That the subcommittee on committee business be authorized to revise dates and times for the hearings, deadlines, and clause-by-clause consideration of the bill if necessary.

**The Chair (Mr. Aris Babikian):** There's just one correction I would like to bring to your attention, MPP Cuzzetto. The second-last paragraph—"the committee meet for clause-by-clause consideration of Bill 26 on Monday, November 24." Monday, November 24—it's 24, not 22.

**Mr. Rudy Cuzzetto:** I don't see that.

**The Chair (Mr. Aris Babikian):** It is written "November 22."

**Mr. Rudy Cuzzetto:** Okay, the wrong calendar, in other words?

**The Chair (Mr. Aris Babikian):** The second-last paragraph—November 22. Maybe you should correct it to November 24.

**Mr. Rudy Cuzzetto:** Okay, November 24. Thank you.

**The Chair (Mr. Aris Babikian):** Done?

**Mr. Rudy Cuzzetto:** Done.

**The Chair (Mr. Aris Babikian):** Okay. We all heard the motion. Is there any debate?

**Mr. Guy Bourgouin:** Can I get 10 minutes? I just want to review it. We got this at the last minute. I just want to make sure that I read it right.

**The Chair (Mr. Aris Babikian):** All in agreement to take a 10-minute recess? Recessed.

*The committee recessed from 0909 to 0915.*

**The Chair (Mr. Aris Babikian):** We're back. We heard the motion. Is there any debate? No debate. Since there is no debate, I am going to move the motion.

All in favour, please raise your hand. All in opposition? Seeing none, the motion is passed.

Any other motions? Any other debate? Seeing none, the committee is recessed until 1 p.m. Have a nice day.

*The committee recessed from 0916 to 1300.*

## ESTIMATES

### MINISTRY OF ENERGY AND MINES

**The Chair (Mr. Aris Babikian):** Good afternoon, colleagues, invited guests. The interior committee is about to begin consideration of the estimates of the Ministry of Energy and Mines for a total of two hours.

As a reminder, I will allow members to ask a wide range of questions pertaining to the estimates before the committee. However, it must be noted that the onus is on the members asking the questions to make sure the question is relevant to the estimates under consideration.

The ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. If you wish, you may, at the end of your appearance, verify the questions and issues being tracked with the research officer.

For any staff appearing today, when you are called on to speak, please give your name and title so that we may accurately record in Hansard who we have.

Are there any questions from the members before we start? Seeing none, I am now required to call vote 2901, which sets the review process in motion.

We will begin with a statement of not more than 20 minutes from the Minister of Energy and Mines. The remaining time will be allotted for questions and answers in rotation of 15 minutes for the official opposition members of the committee, 15 minutes for the third party members of the committee, and 15 minutes for the government members of the committee.

Minister Lecce, the floors is yours.

**Hon. Stephen Lecce:** Thank you, colleagues. It's good to be with you all again.

I want to acknowledge the deputy minister Susanna Laaksonen-Craig, who is with us today, as well as a robust turnout of the Ministry of Energy and Mines for today: a series of assistant deputy ministers, directors and officers of the ministry. We're very grateful to them. And of course, special recognition to the parliamentary assistant, who is wearing double-duty hats today: Rudy Cuzzetto—thank you for your leadership in the Ministry of Energy and Mines.

Really, we want to update you on the progress we're making to fuel our future with clean, reliable and affordable power for the people of Ontario, to help unleash our critical mineral resource strategy and deliver self-reliance for our country.

Our strategy to provide Ontario and the world with critical minerals is needed for many of the technologies and infrastructure we rely on today. We are preparing for a significant surge in electricity demand as well.

The drivers of demand are well known—well-socialized economic growth. Businesses are investing in the province. We have 300,000 manufacturing jobs that have been repatriated back to the province. We have population incline. We have electrification pressures and a great deal of greenhouse expansion in the province, which is a very energy-intensive sector. All in all, we have been focused on delivering power to the people of the province.

Critical minerals, too, play a critical role in this expansion in our vision. Lithium, cobalt, nickel and copper are the building blocks of clean energy technology. Harnessing Ontario's immense critical mineral wealth is essential to our future.

I do want to speak about my tenure, since my appointment last April as Minister of Energy—and then expanded to mines. It's about connecting the dots between these two fundamentals. Magnified by US tariffs and geopolitical instability, there is increased pressure and demand on Canadians to be more self-reliant and energy-secure, because energy security and national security, increasingly, are one and the same.

We took immediate steps to protect the province by building a more resilient and economically sovereign province. We introduced, over that period of time, two new pieces of legislation intended to develop the potential of our minerals, increase capacity to generate power and distribute power, and reduce reliance on imports.

The first bill, which received royal assent in June, is the Protect Ontario by Unleashing our Economy Act. My ministry took leadership on one schedule of that bill, the "one project, one process" reform. That was critical to fully realizing our potential as a country, to going from the second-slowest in the OECD to among the fastest in the industrialized world—speed, prudence, intention to actually get these resources out of the ground and help Canadians win the day when we're up against adversarial foreign actors.

We also introduced the Protect Ontario by Securing Affordable Energy for Generations Act. That has been ordered for second reading, this past June. This bill, if it passes, would enshrine economic growth within our energy ecosystem—within the IESO, the OEB, making sure that they are focused on the economic and the industrial policy of Ontario through the lens of energy, as well as on jobs, governance and core objectives of the entire energy system.

This bill also ensures the decisions align with Ontario's economic priorities in local communities. We're working to strengthen Ontario's energy security by limiting adversarial foreign participation in the sector. This is very important to standing up for Canadian enterprises and for Canadian values. And I believe this is important: an intentional policy to move away specifically from China, when it comes to Chinese batteries and dominance of the supply chain from energy like wind and solar resources

that are monopolized by that country and that regime. This bill, for the first time, gives utilities the authority to prioritize domestic investment and buy more Canadian, even if there is an incremental difference in cost. We are seeing this through an industrial lens of how to protect those jobs in the country. This bill gives the authority that, currently, utilities cannot—because of the competitive nature of our system, the lowest price must prevail.

We also, as you know, many months ago, introduced Energy for Generations. This was a landmark 25-year energy road map for the province of Ontario. It is what's called our first integrated energy plan—the only plan of its kind in the nation. It secures reliable power with the aim of helping to build the most competitive economy in the G7. That could be our collective talking point, or we can achieve it by having abundant, reliable, affordable and clean power secured for the next generation—a 25-year road map. We've ended the short-term, political, four-year lens of decision-making and looked at the long-term interest of our kids, frankly. I think it is prudent for government to look through that intergenerational lens.

We've ended the silos that have really undermined the integration of our fuel, electricity, natural gas into one cogent energy strategy. Frankly, before our government was elected, we had single, coordinated strategies—moving ships passing in the night; no integration, no enterprise-wide approach to energy planning.

The mission of Ontario's integrated energy plan, this Energy for Generations, is about securing new energy supply. It's about expanding storage options. It's about building the necessary infrastructure. That includes capacity, distribution, generation. And it provides a clear vision and focus on meeting rising demand, currently up 75%—as we often say, four and a half cities of Toronto. We've got to add to the grid between now and 2050, and it begs the question, how do we do it?

We believe nuclear power is an anchor of our vision and our future. Some 50% of power—60% of baseload—comes from nuclear today. Ontario's integrated energy plan actually will expand that from 50% to 75%, which is a serious undertaking and a serious competitive advantage. So we have baseload power, dispatchable power—when we need it, it's available. That's a huge advantage for industry, which demands it. Obviously, we're all aware of jurisdictions around the world where they don't have baseload and they have reliability issues. They have brownouts. They have significant challenges. We just cannot let that happen here in this province.

You talked about nation-building ambition. Just shy of a year ago, we announced, at Wesleyville, in Port Hope, an OPG-owned site that has already gone through some of the licensing, decades ago, where we are intending to build the largest nuclear generator on earth—up to 10,000 megawatts of power. We're talking about five Pickerings. We're talking about two and a half Darlington. We're talking about the largest that exists—10 million homes of power could be energized. This is significant. The Conference Board of Canada did an analysis on this specific project, this one project, and its value-add to the country.

It's a \$285-billion gain to the GDP over the course of that asset—10,500 jobs and 1,700 local jobs, just in Port Hope, to benefit the local rural economies of Ontario. We're talking about 80%-plus of that build using the Canadian and, to be specific, the Ontario supply chain. I think that is a very powerful intervention, a very powerful tool of government to fire up the economy and supply chain, to get people working by investing in Canadian nuclear. This project is not the only one.

We're thinking about Bruce C. I know Mr. Vickers and others would be deeply engaged and excited about the prospect of Bruce C—a total 7,000 megawatts of power in the peninsula that is playing a critical role in the energy future of Ontario. We're proud to support that concept. The increment is 4,800 megawatts—4.8 million homes of power. This is another example of investments that are going to make a difference in the long-term sustainability and competitiveness of Ontario.

### 1310

We put unit 1—refurbished our Darlington fleet, almost completed that. We just put unit 1 back on the schedule as a case study—to my colleagues—that we're doing something right. I recognize the principle of always improving and always challenging the systems to do better. But we just put unit 1 in Darlington back online. In the same period of time that the British and the French put nuclear units back that were years over schedule and billions of dollars off budget, we put unit 1 in below budget and ahead of schedule. That is unheard of in the nuclear industry. It is globally unprecedented. We should celebrate the work of OPG and the workforce, the skilled workers, who really modelled the way—an inspiration for the country and the world. We're proud of that.

We're proud that we also made this commitment to the refurbishment of Darlington, which is a \$12-billion gain to the economy. It generates \$90 billion in economic benefits and 14,000 jobs in the country. This is so significant—that we invest and continue to focus on nuclear power, and that we champion nuclear, because it is technology that harnesses the best of Canada, built by our workers.

I also want to talk about our small modular reactor program, an element of ambition, for sure. It's first-of-its-kind technology. We're the first in the G7 to build it, and it is already under construction, which is quite the contrast to many countries abroad that have a concept in mind—we're actually building it. We're literally in the midst of building the first SMR to be connected to the grid by the year 2030. This is a huge value-add for the province. We're talking about a commitment that is going to add, all in, \$38 billion to the national economy, the Ontario economy. We're talking about a project that creates 18,000 Canadian construction jobs and 3,700 permanent, high-skilled jobs for the entire life of that asset—65 years of reliable power. So far, \$500 million of Ontario businesses are the supply chain backbone to build that SMR, because—myself, as minister, working with the parliamentary assistant and the deputy minister—we negotiated with the company to leverage and maximize the Ontario-Canadian supply chain. At least 80% will be built in this

province, and so far, as I mentioned, that \$500 million speaks to the benefits of that investment. These four SMRs produce about 1,200 megawatts of power—when you aggregate that, 1.2 million homes, if you will.

You will know that the Prime Minister and the Premier announced funding just days ago: \$3 billion in financing to help really reinforce our position as the leader in the world on nuclear, small and large. There are 80 businesses to date that are already working in Ontario—small and large—from the north to the most southern points of Ontario, where they're delivering this first-of-its-kind project.

We really see this as a driver. We see this as a fleet approach, where other provinces are signing on: New Brunswick, Saskatchewan, Alberta, and, of course, Nova Scotia just this past Thursday, with the Premier of Nova Scotia and the Minister of Energy—the same person, Tim Houston. It was an honour to stand with him and to announce this expansion for the people of Canada and Ontario. We're harnessing east-west alliances to build the clean power for our country and the world.

We also saw an historic agreement in New Brunswick—not germane to the SMR; they're already a signatory to that MOU. But they're the only province that has a nuclear asset outside of Ontario, in Point Lepreau, and they have been challenged with their operations, their productivity, their efficiency. They want to get to north of 90% operations; they're in and around 70% today. We made a commitment, we came to a service agreement—a very beneficial agreement, frankly. The terms work very well for Ontario—over \$60 million over three years of operational support to help them stabilize and improve their assets. This demonstrates Ontario's vision of being that leader in the country on nuclear, hydroelectric and other clean energy expansions. We really can, and already are, flexing our muscle east and west. We just wanted more, I think, intentional policy that allows us to do more of this, where we can make money on the deals, they can improve their energy, and together we win. OPG is winning. The government is winning, of course, as a crown corporation. And the New Brunswick government and ratepayer benefit by having more reliable and affordable energy.

Across the country, we've really made this a focus, but we're also thinking global.

As I've noted before, early in my tenure, I flew to Romania to land a deal—a \$360-million contract—to help refurbish the unit at the Cernavodă nuclear generating station. This is a Candu station in Romania, and another example where we're making a great deal of benefits from helping to refurbish their assets—Romania, trade missions in Poland with the parliamentary assistant. In Estonia, we secured new energy partnerships—\$40 million of investments to support the SMR deployment in Poland alone. We also signed MOUs with Estonia's Fermi Energia for our collaboration on the SMR.

We also delivered support to Ukraine during their most challenged period, as the Russian and Putin government was indiscriminately bombing Ukrainian infrastructure. We provided support at that time, too.

My point, colleagues, is that we're really scaling with the intention of being a leader in the world—on time, on budget, focused on keeping the jobs in this province and country.

I do want to speak about nuclear isotopes, because it's hard not to mention how important this is.

I think about my time with the member from Newmarket–Aurora at the Southlake hospital, at the Stronach cancer centre, where we delivered the first CT scanner in York region, no less—the first I know of, with more to come.

Cancer affects us all. I think it's amazing that Canadians are learning more about how nuclear science is really at the centre of the treatments and the hope that comes with many of these individuals who face difficulty and darkness overcoming this disease.

There are more than 40 million medical procedures performed every year using isotopes, around the world, derived from our province. The reactors at Bruce, Pickering, Darlington—which means all of them in Ontario—generate and produce more than half of the world's cobalt-60, along with other life-saving isotopes which are critical to saving lives, including lutetium-177.

Ontario has made a significant investment in medical isotope production, including \$18 million at McMaster. You will know, Chair, a big priority for the government was to operationalize a microreactor that already exists at McMaster 24/7, so that we could really improve the amount of production and the amount of support extended to individuals, in that case, dealing with and overcoming prostate cancers. Up to 90,000 treatments can now be provided by going 24/7, running that to generate and produce medical isotopes. So it's really important.

Since that time, we've announced the Nuclear Isotope Innovation Council of Ontario, NIICO, a group we created, chaired by James Scougack at Bruce Power, with eminent leaders in science and medicine, in cancer research, in energy. These are people who are going to play a really important role as we fulfill the government's commitment to double production by 2030, which is really an incredible achievement. I know this team is up to the task, and the report will be forthcoming. I think it will instill confidence in this room and, frankly, the world that we are serious about doubling production and doubling down on our fight against cancer.

Last summer, we made a decision because we know the energy demand is rising. We need to secure more power using competitive procurement—a matter of contrast with how we do business with the government of the past, where we're using competitive procurement to draw down prices. We launched the largest competitive energy procurement in Canadian history. It started at 5,000 megawatts, but we actually increased it—I increased it—to 7,500 megawatts, all done through the IESO, producing power for roughly 1.6 million homes, if you want to use that conversion. Really, the point here is that we've committed to this competitive system that prioritizes Canadian, Indigenous and northern development. You will see in the points system that we give more points to Canadian,

more points to partnership with Indigenous people, more points to being in the north—from lessons learned from the first LT1, where we didn't see enough of them there. So we're learning lessons, we're adapting, and we're accepting that we can do better, which is the basis for these new provisions in LT2, this new procurement we launched this past year.

1320

We've announced investments in hydroelectricity. We haven't done a net-new hydro plan of scale in about a decade.

There are a lot of northerners—particularly Indigenous communities—who are saying, "We want to be part of your energy-demand challenge. We've got the capacity. We're a willing partner. We just need your support." I was very honoured, in April, to be up with George Pirie in the Timmins region, to announce for TTN and the Moose Cree First Nation, both of whom are leading two net-new hydroelectric generation stations. This is 430 megawatts of power, not insignificant—power for, like, London, Ontario—pretty notable amount of net-new power. We need it.

So we're investing and refurbishing the entire—I announced a refurbishment of the entire hydroelectric fleet of Ontario, in the north, in the east, in Niagara, in Cornwall. You name it; we're doing it—securing 5,000 megawatts of clean power, supporting 2,000 good-paying jobs for the people of Ontario. But we want to do more—

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

**Hon. Stephen Lecce:** —which is why in the IEP, we announced this investment and this commitment.

We also talked about transmission expansion, the largest generational transmission expansion in modern history—1,500 kilometres of lines. You could run a line from Thunder Bay to Windsor. We're investing in the transmission; we're investing in the storage, as we build out the largest fleet in the country—3,000 megawatts of power, the third-largest on the continent.

My point: From transmission to generation, from nuclear to hydro, we are thinking critically, from critical minerals to processing. How do we domesticate these investments, keep energy affordable, and create jobs for the people of Ontario? I think we have found a prudent sweet spot of leveraging the best of Canada and working with our partners on the ground to keep energy affordable, but most importantly, thinking about our kids. That's the basis for our long-term plan, and it's why I'm pleased to be here today.

**The Chair (Mr. Aris Babikian):** Thank you, Minister.

Now we will start with the questioning. MPP West, you have the floor.

**MPP Jamie West:** Thank you, Minister and Deputy Minister. I'm going to start off with energy prices.

The Ontario Energy Board recently announced that electricity rates would rise by nearly 3% starting November 1.

The previous Liberal government was brought down, in part, because politicians directed electricity system planners to sign too many overpriced private contracts, and

those decisions rolled up system costs and household hydro bills.

I'm just wondering: Are we seeing history repeat itself?

**Hon. Stephen Lecce:** I appreciate the question.

What the Ontario Energy Board has confirmed is that there is increasing pressure on the electricity build-out. Our nuclear fleet was returned to the grid ahead of time—that's unit 1. That put pressure, because that asset is now back online, and thus you have to pay for it.

Our conservation programs we launched, particularly in the last quarters, saw explosive increase of demand. The impact on the ground means the province has stepped up with an increase on the Ontario energy rebate. The rebate is the taxpayer subsidy that draws down the ratepayer, so that is not the effect on the bill.

What we announced this year is the largest energy savings program in the history of the province—\$12 billion, over the next decade, back in people's pockets. The former government excluded—only one third of Ontario were eligible, in constrained areas, for savings. Everyone benefits.

You are right; energy was unacceptably high—400%, under the former government.

We've taken a different approach. We've used the OER to stabilize the rates. Since 2018—and I would challenge any member to cite a commodity—energy rates have been at or below inflation. That is critical to energy stabilization. The last year of the former Liberals—they increased by \$1,000, every single year. I think we both would agree that's a problem. That's why we chose a different path of rate stabilization, using the OER, the mechanism to keep rates down, and expanding the energy savings program, which I know is going to make a difference—3,000 megawatts of power removed from the grid.

**MPP Jamie West:** Just on that, with the subsidies that are happening: It is helpful for consumers because it's not coming directly out of their pockets, but it is coming from taxpayer dollars.

I was elected and a lot of us in this room were elected in 2018, when the Liberals sold off Hydro One and rates went up, and they sold some more and rates rose some more. People were completely frustrated. They've been artificially lowered through these subsidies, but seven years later, the government hasn't really brought rates down; we're just subsidizing so people aren't seeing the impact.

Last year, it cost \$6.5 billion to hide about a quarter of what the hydro bill is. You're asking, in the estimates, for about the same amount this year, but if OEB is saying rates are going up 30%, do you think you might need more than \$6.5 billion to offset the rates?

**Hon. Stephen Lecce:** No, we're confident in what they're requesting.

The basis of your question is, what are the legacy costs that the government inherited from the former government? The reason why we're in the position, years later, of having to pay down using taxpayer dollars on reducing ratepayer bills is because of the legacy costs, the billions of dollars of bad contracts signed.

Let me assure the member from Sudbury: We will not be re-contracting those bad deals when they come up. They're 20-year deals. Every single day, ratepayers, families and seniors pay the price of horrendous energy decisions of the former Liberals. That is a matter of objective fact.

We elected, in 2018, in the campaign, to use the OER as a way to stabilize the bills. I'm open to other ideas in the days ahead, honestly, if there's a different way to do it—but the end effect of families is sub-inflation since 2018. That is an important virtue, I think, we can anchor on. We're trying to keep the pressure on. I understand the point, philosophically and intellectually, of ratepayer/taxpayer. But at the end of the day, if you're a family out there, your bill has been sub-inflated. That's in addition to the reduction of gasoline taxes or the energy conservation program we launched. So when you add it all up, we're saving people money. But I take your point. We've got to keep the pressure on to keep bills low, because of what they paid only seven, eight years ago when they were paying the highest in North America.

**MPP Jamie West:** Yes. I'm not advocating to transfer them down to the ratepayers—just simply, people have one bill, to make ends meet. I'm just pointing out that \$6.5 billion is in there—and maybe this is more of a criticism of the Liberal Party than your party.

I want to talk about the OPG GE Hitachi SMRs. I sent your office a letter about the plan to build four small modular reactors. They're going to deliver 1,200 megawatts of nuclear generation capacity. It's going to cost about \$20.9 billion, which is about \$17.5 million per megawatt. According to our researcher, \$17.5 million per megawatt is more than the final cost of the Muskrat Falls generating station, and those cost overruns at Muskrat Falls triggered a public inquiry.

I have a couple of questions from my letter that weren't answered, so I'm going to ask them here.

According to the Globe and Mail, GE Hitachi originally promised that these reactors would cost about \$700 million for each reactor. That's about C\$1 billion—that was US\$700 million—or \$4 billion for four of them. But instead of \$4 billion for four, OPG is now paying \$20.9 billion, which is more than five times the amount GE Hitachi originally promised on the reactors.

You mentioned “on time, on budget,” which I think we've seen with the Candu reactors.

What will be the impact of this cost going from about \$1 billion each—so \$4 billion for the four of them—to \$20.9 billion on electricity rates?

**Hon. Stephen Lecce:** The Ontario small modular reactor program is investing in first-of-its-kind technology in the world.

First of all, we did an analysis of what the comparative cost of an SMR—the first of its kind, which means there's risk in the first. It's the first-mover advantage. You get the benefits and any other challenges that may come from it. That's the nature of being the first.

The IESO did an analysis, objectively, of what the comparator would be if we just did a renewable play—so

if, instead of an SMR, we just chose solar or wind. Just the land acquisition costs alone—and keeping in mind you need the same amount of land, almost, for battery storage—would be more expensive. This is, for me, a fascinating data point. It would be more expensive to go with renewable energy—that is, wind or solar—than it is to use first-of-its-kind technology. The levelized cost per kilowatt hour was less than—just because you need so much land for battery. So it is certainly within the affordable range of electricity. We have a commitment to build four, a schedule to deliver them by 2034-35, and an 80% negotiated commitment to build in the province using, at least, our supply chain of 80% or more. We're talking about 18,000 construction jobs, and we're talking about permanent jobs at the quantum of 3,700. So the jobs are there. The investments are there. The power per kilowatt hour is still affordable relative to the Canadian alternative, be it a windmill, which would be procured from China under that example, or a solar plant of that scale. So 1,200 megawatts is significant. It's baseload. The difference, of course, is that's not baseload, which is why you need the battery.

**1330**

We're very confident that this program is going to add material value. The Conference Board did an objective analysis suggesting it's a \$39-billion gain to the national GDP. But to build on that—

**MPP Jamie West:** I'm going to run out of time, so I just want to go on.

**Hon. Stephen Lecce:** Sorry.

**MPP Jamie West:** No, I appreciate the feedback on it.

In my head, because these numbers are so large, I think of buying a house and being quoted a price of \$1 million for a house—which would be a really nice house in Sudbury—and then finding out that it was \$5 million. It feels outside of the budget. I know that sometimes—I used to work in construction—there's cost-plus, sometimes there are issues, but five times the amount is startling.

I think we're both fans of Candu, the Canadian nuclear industry, with 94% Canadian supply chain. GE Hitachi is a US company—and I know there's a whole selection process that comes into it. One of the concerns that I've had and I've tried to get answers to is that—they're a US company that relies on the US for their fuel source, where Candu relies on primarily Saskatchewan for their fuel source. So my concern is that Ontario consumers and taxpayers—are we paying the R&D cost for a private US company that basically could take that technology away from us and then sell it on the market and profit on it and sort of leave us behind after we do the heavy lifting and we pay for that first-in-line work?

**Hon. Stephen Lecce:** Ontario owns part of the IP on the reactor design.

I want to turn to the ADM to walk us through some of those elements, just to assure that we actually gain, any time we sell an SMR in the country or the world—Poland or Saskatchewan or anywhere—there's a benefit for the province, there's a supply-chain benefit.

In Poland, when Rudy and I were there, we signed a deal where hundreds of millions of dollars that they're investing in the Canadian supply chain—because they don't have a nuclear ecosystem yet. So we're literally helping to build abroad.

We often get asked this question about this type of technology. The government chose the most efficacious option before us, given that there's no Canadian scalable commercial project of its size, that's nearly the size of this one.

With that said, I do want to get ADM Steen's perspective on the record.

**Mr. Steen Hume:** My name is Steen Hume. I'm assistant deputy minister, energy supply policy, with the Ministry of Energy and Mines.

To build on the minister's comments, there are some real opportunities here for Ontario to advance this project. Obviously, there are benefits to future supply-chain growth in Ontario. So, yes, we are predominantly a Candu-centric supply chain, but we are building that—our supply chain—out to accommodate this new technology, which is good for Ontario and also good for Canada.

There is, as the minister mentioned, the opportunity for international export opportunities. We've been working very closely with Ontario Power Generation, Laurentis, as well as GE Hitachi to see where there are market opportunities for this technology in the future, which, again, will flow dollars back into our supply chain—and to the minister's comment about the intellectual property benefits.

And then, finally—and I don't think we want to lose sight of this—this is a federal-provincial collaboration opportunity for Ontario. You saw last week, with the Prime Minister and the Premier's announcement of the investments that the Building Ontario Fund is making in the GE Hitachi Darlington project—as well as the growth fund, the federal one. We're also working closely with our counterparts in Saskatchewan as well as Alberta, and also in New Brunswick, where a number of years ago we entered into an MOU—

**MPP Jamie West:** I have about three minutes, and I do want to go on to the Tennessee Valley Authority, which is also doing a similar project with the BWRX-300 reactors. Right after OPG announced ours in Ontario, Tennessee Valley announced that they were applying for a permit too. They said it was an opportunity to “grow a domestic nuclear supply chain to support American jobs and position the US as a global leader for advanced nuclear technologies.” US President Donald Trump has signalled his support for this vision, and strangely, in the last year and a half, our American friends have not been as friendly.

Are there guarantees that if we pay the heavy lifting and stuff, we're going to benefit long-term, or is it a pinky-swear promise? I met before with reps from GE Hitachi and OPG, and they said, “Well, we'll have the experience. We'll have the expertise. We'll have the competitive advantage.” Do we have contracts saying that we're going to be able to benefit from this, or is it just a hope and prayer? And I mean that in a sincere way; not in a way to trip anybody up. I want to make sure Ontario is benefiting.

**Hon. Stephen Lecce:** I will turn it to officials to give that assurance that there are agreements in place on supply chain, on IP.

**On Tennessee Valley:** The way I interpreted the question is almost like it's an adversarial—like we're competing against each other. TVA is the largest public utility in America. We have an MOU partnership with them. We're building the same SMR with the same fleet approach, to reduce cost per unit, which is good for Canada and good for Ontario.

**MPP Jamie West:** But we both build automobiles, and more and more automobile plants are going to the States under Donald Trump, who is demanding it happen. So would the contracts start coming through American SMRs instead of the one we built here in Ontario?

**Hon. Stephen Lecce:** I can assure you that they already are. There's half a billion dollars of security contracts to date, as of today.

I will turn to the ADM, just to build upon the contract side.

**Mr. Steen Hume:** In response to this question—already, we have about 80 companies in Ontario that have signed agreements to support this project. So, yes, we do have contractual arrangements built in place.

I also want to speak to the Tennessee Valley comment. That's actually a partnership opportunity for OPG and Tennessee Valley. Through that MOU, they're going to exchange valuable lessons learned on the—

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

**Mr. Steen Hume:** —development of both of these projects, which are invaluable to us. If we look at the success that we've had to date on both the Darlington refurbishment as well as the Bruce refurbishment, it is because of collaboration agreements like the type that we have with Tennessee Valley, where our officials and those experts who built these things are exchanging valuable information on things that went well, as well as when things don't go so well. That's good news for Ontario. If we can keep the project on time, on budget, that's great for ratepayers.

**MPP Jamie West:** If other countries want to buy this technology, will we be first in line for spending \$20 billion—or will the States be in line, or is it open bidding for both industries?

**Hon. Stephen Lecce:** You're referring to if an SMR is sold abroad, as is our current reality with TVA, specifically. No money has been exchanged. It de-risks the project, because you have two of the largest public utilities on the continent working together on technology exchange, because it's the first of its kind.

**The Chair (Mr. Aris Babikian):** The time is up for the official opposition.

We'll move now to the third party. MPP Tsao, the floor is yours.

**Mr. Jonathan Tsao:** I want to start by saying thank you to the minister and to the staff for being here today. I know how much work goes into preparing these documents and preparing the minister for coming to this briefing. Thank you to all the members of the OPS for being here today and for everything you do every day.

Minister, Ontarians expect leadership that treats every public dollar as if it's their own.

In this year's estimates, we see more than \$1.76 billion in capital spending across energy, broadband and mining projects, which is an increase of more than 30% over last year. Yet, the estimates contain very little details in terms of how these funds will be procured, managed and audited.

Today, my questions really aren't about the worth of these projects. I believe in almost all of these projects. I think most Ontarians do, as well. What I want to know more about is, how are you ensuring that Ontarians get what they pay for? Whether it's nuclear refurbishment, broadband expansion or mining rehabilitation, the public really expects accountability for performance, procurement and results.

With that in mind, I want to first look at capital spending. We see that capital spending has increased significantly across your portfolio—energy development 213%, broadband 32%. What controls are in place to prevent cost overruns and to ensure that taxpayers aren't footing the bill for any type of mismanagement?

**Hon. Stephen Lecce:** I appreciate the question, and I appreciate the acknowledgement of the officials. They do a lot of good work. Thank you for that, Jonathan.

First off, I think the fundamental difference in what we are doing to keep rates low is using public procurements through the IESO, which was the recommendation of the Auditor General. You kept it non-partisan, so I intend to keep this non-partisan. But governments of the past chose different approaches on sole-sourcing of energy sources. We chose competitive procurement. That tension has reduced rates. The exact same contracts have been renegotiated 30% below what was paid before we were elected in 2018. That's one powerful case study. OPG has now refurbished unit after unit across the enterprise of our ecosystem on time, on budget, or sometimes ahead of schedule, in the case of, as I mentioned, unit 1. There are a variety of means by which we can create value for taxpayer dollars and still achieve the build-out.

This is the challenge we face as governments across the world—all governments of the world and all parties, literally, in the west: There is power demand rising. We have two fundamentals that are keeping pressure. One is, we have a lot of maintenance of infrastructure. Our energy infrastructure, our utility system—we need to put a ton of investment just to maintain what we've got. The second element is, we need to build out. According to the decarbonization report that came out a few years ago under our government, we're looking at around \$300 billion to \$500 billion of energy expansion for generation and transmission. So we've got to build, and thus, we've got to invest. It's going to cost money to do that. We've got to do it prudently. I accept the premise of that, and I think we've come up with a good regime in place to keep the accountability on. I'm happy to expand on that more if you like.

1340

**Mr. Jonathan Tsao:** I appreciate your answer.

Looking at Ontario, I see the fact that we need to maintain the system, we need to expand the system if

we're ever going to reach a place where it's no longer simply the matter of the public purse subsidizing the cost to keep energy prices low.

I think it's fair to say that everyone in this room wants to keep energy prices low for the consumer, but we also want to do it in a sustainable way that in the long run always benefits the taxpayer of Ontario.

When we talk about these works that need to be done, we also talk about procurement. So staying along this theme of accountability and transparency, when it comes to procurement, I'm just wondering, are you able to tell us—in terms of how many of the ministry's active contracts were competitively tendered versus sole-sourced?

**Hon. Stephen Lecce:** I would have to potentially turn to officials. I don't know if we would have that number off the top of our head.

I can tell you this: On LT2, which is 7,500 megawatts of power, 100% is competitively procured. All of the power—that is, by its design, a long-term. LT2 is a competitive procurement design by the IESO. So that gives you a sense of scale—that that is the intention of government, to use those processes to draw down prices wherever we can.

**Mr. Jonathan Tsao:** The reason in the back of my mind why that question lingers is because I think in the public, when we've thought about procurement, energy, we talk about broadband—Starlink. That was a huge cost to us. A decision had to be made to end that process.

What I'm really focused on is, what are the lessons learned here—a huge cost to the public purse to do so. What have we learned in terms of other contracts in the future, other delays in broadband procurement, in the process, to make sure that something like that doesn't happen again? And if it were to happen, what could we do better?

**Hon. Stephen Lecce:** I appreciate the question.

I think, fundamentally, having terms of the contract that allow us to cancel it is important. I think it's maybe not a lesson learned; it's more of an insight.

As a Canadian, what I wish we could do is turn to Canadian technology options for low-orbiting satellites that could offer the same service at scale.

As you know, the ministry, Infrastructure Ontario, which had carriage of that file before energy and mines had this transferred to us a few months ago—they worked through Telesat, a Canadian company, and unfortunately they just weren't able to meet the terms, and they faced some challenge. Thus, they went back to an alternative and they went with Starlink, and then of course we didn't, based on the geopolitical reality of what was happening with President Trump.

I think if there's any lesson learned or any insight, it's that we've got to keep working to domesticate businesses so that we don't have to rely on, in this case, anyone else. There are discussions happening, but I will say, even still, there are a lot of foreigners who really have leadership in this space. So I think working with Minister Fedeli's team to figure out how we create the incentives to move production, R&D and manufacturing in the province or

country so that we can buy something that is Canadian—that would be the aspiration, for sure.

**Mr. Jonathan Tsao:** Absolutely, and I think that's what we all need to be working towards. All members of the Legislature need to be rowing in the same direction when it comes to supporting Ontario, when it comes to supporting Canadian-made, in order to avoid another situation where we're supporting a Starlink and an American company. We need to ensure that we're creating the basis where a Canadian company can provide that kind of service, and I think that's really a critical role of this government.

Before I turn over the rest of my time to my colleague, just continuing on this line of thought, I want to ask about risk management and oversight.

Darlington SMR, Bruce Power refurbishment—I know you just referred to Darlington in your previous remarks. These projects really carry multi-billion dollar exposures.

Can you please elaborate for us here on what independent oversight exists to verify procurement assumptions and cost productions before commitment?

**Hon. Stephen Lecce:** Well, the Ontario Energy Board has the responsibility for price prudence. They review every expenditure before it can be on a bill or a ratepayer. There's an independent analysis to make sure that any cost is "prudent." That's the sort of terminology they would use—to make sure that it is legit, versus something that is an ineligible expense.

I know we have independent advisers who do this analysis, but maybe, Deputy, yourself or someone else could build confidence that there are robust checks and balances built in through the system.

**Ms. Susanna Laaksonen-Craig:** I'm Susanna Laaksonen-Craig, deputy minister, Ministry of Energy and Mines.

Talking about nuclear, as your question was, I can assure you that beyond the regular reporting we get, for example, from OPG or Bruce themselves, in terms of Bruce, IESO provides us, essentially, a third-party independent assessment of those.

When it comes to all of our nuclear projects that OPG approves our working on, we have an independent oversight adviser who participates in all the meetings, has deep insight to the projects, provides us regular reports on those. Of course, at any time, if we have any questions or considerations that we want to dig into deeper, he is available to provide that for us. He has worked with us for a number of years at this point, so he has been with us throughout the Darlington refurbishment and has shown his value for us in that context. We continue to work with him as the SMR project in Darlington moves forward. As government considers the refurbishment of Pickering—that would also be a role where we would continue to draw from his long experience and expertise in this space.

**Hon. Stephen Lecce:** Just to give context, at Darlington, units 1 to 3 of the refurbishments are complete; unit 4 is ahead of schedule, on track for completion in 2026. At Bruce, unit 6 is complete ahead of schedule; 3 and 4 are now under way. At Pickering—this is another example

where that asset was going to be closed, frankly, many years ago under the former government. We have announced a commitment to extend the four units at Pickering B.

When you look at that model of every asset being able to deliver unit refurbishments on time, on schedule, or even ahead of it, I think it demonstrates confidence that there are systems that are robust, that keep pressure on OPG or Bruce or any energy generator in the province—that these are ratepayer dollars, taxpayer dollars, and you should expect the government to be vigorous in demanding value for their money. So far, what we see is an achievement that is unknown in the world when it comes to nuclear refurbishment.

**The Chair (Mr. Aris Babikian):** MPP Hsu.

**Mr. Ted Hsu:** I want to ask about the first Darlington SMR that's being built. It's a different technology from Candu, so, as you mentioned earlier, Minister, there may be some things to work out. It has to be cost-effective if it's going to be marketed outside of Ontario, outside of Canada. The commercial success, I think, will require transparency. I'm not talking just about taxpayers here, but potential customers who want to see how the project progresses so that they can have some confidence before they commit their money.

My question is, how often will there be detailed public updates on the costs and progress of the first Darlington SMR so that potential customers can see the progress and be assured, because there's enough detail, that they would be committing money to something that's going to work out?

**Hon. Stephen Lecce:** We have been very transparent when we provide—we're on the road, literally, in foreign markets—the data, the analysis, the maturity of the design, the advancement relative to the competitors, the fact that we're under construction, the fact that we have a supply chain that's building out. We are materially ahead of our competitors, be it in Britain or anywhere else. So that first-mover advantage is to the benefit of Ontario's economy, at a scale of almost \$40 billion of benefit.

**1350**

When we are with the Polish government, or the Estonians or the Czech Republic or many other nations around the world who have expressed interest in this technology, we are absolutely transparent on the levelized cost per kilowatt hour. Keep in mind, for many of these nations, it's not just about economics; it's about security of supply, given that they're buying Vladimir Putin's natural gas. This is the best deal that is before them because it produces reliable baseload power for 65 continuous years. And part of our arrangement is to localize some of the supply chain so that Poland could also help build out those SMRs.

**Mr. Ted Hsu:** My question is a little bit different.

I'm imagining Poland—let's just take that as an example. A year from now, they come to you and they say, "Minister, in the last six months, how has the construction on that SMR progressed? How have the tests gone? Have the costs been matching what the projected costs would be?" That's my question. Can they follow the progress,

let's say every six months, just for a number? Will they be able to do that so they have the confidence? I'm sure you're doing a good job of assuring them right now, but they want to see if the assurances actually get realized.

**Hon. Stephen Lecce:** OPG does provide updates relevant to the project—its completion, its adherence to timelines etc. They've been transparent about this. This is why we came out with the original \$19-billion expenditure to build the four, appreciating that each unit will be reduced as we build from one to two to three to four, going from \$6 billion to \$4 billion—and that number will keep going down as economies have scale. So OPG has been very transparent. They're required to do so. We would expect them to do so. Foreign governments have expressed interest.

To the member's question—from the New Democrats: The admission of the question, implicitly, was that the largest public utility in America signed on with this technology. There's \$150 billion of annual growth organically in the SMR market in the world. So we are literally at the centre of the action, first to move, and we're going to make sure Canadian businesses win the day and our workforce benefits from this massive investment in clean power.

**The Chair (Mr. Aris Babikian):** That's the time allotted to the third party.

We move to the government side. MPP Cuzzetto.

**Mr. Rudy Cuzzetto:** I want to thank the minister and the deputy for being here today, and the whole team.

Minister, Ontario is making global headlines. Everywhere you go around the world they talk about what's going on here in Ontario with our SMR technology. Even people who are not in the energy field are talking about what we're doing here in Ontario.

Can you please elaborate on what we are doing here in Ontario with our SMR technology?

**Hon. Stephen Lecce:** The small modular reactor program is a nation-building project designated by the federal government—on their first five. I think that's a pretty solid underscore that the feds, to their own admission and their own analysis, and the province together are leaning in on a clean power source for the world.

As I just mentioned, there is \$150 billion of value annually, where we see exported capability—not just for this one tech, but just for SMRs.

There's an explosion of interest in nuclear. The renaissance in nuclear power is maybe a realization for many of us in Ontario. We were already going down that path. Some, frankly, criticized us for pursuing this path, only now to join us. They've amended their party declarations and support nuclear, and I welcome that, frankly. The train left the station years ago in Ontario. We've been building nuclear responsibly—safe, reliable, clean power. We have doubled down on nuclear, going from 50% to 75% baseload power in the integrated energy plan.

The SMR is important. It really does achieve something that large-scale can't do. Smaller scale in its application—you could put these literally anywhere in the world. Why we feel that this type of model works for Ontario is

because every time we build one in the province, for the country, or for Darlington or any other application here—80% negotiated, contracted, firm commitment by GE Hitachi to use the Ontario Canadian supply chain. There are 80 businesses; these are not abstractions. There are companies and workers, as we speak, today, working on that project, benefiting from that deal—jobs that would not have existed if we didn't step up with the first-movers' advantage on these small modular reactors. It's a large-scale supply chain benefit—half a billion dollars, so far. We're just getting started. We're just building the first; we haven't built number two, three or four yet. That will happen in due course, as we get to 2035. We are using a Canadian workforce. This has been strongly celebrated by every skilled workforce union in the province, who have said this is a plan to get people working, especially with the backdrop of rising unemployment, which I know we are all self-aware of, as parliamentarians.

The other beauty of this project, as I mentioned, is that it provides baseload power, and we need more of that in the world. We need it in our province, as well, for industrial applications.

So it's a big achievement, a big lift, and we're building momentum. We're not stopping with New Brunswick or Saskatchewan or Alberta. We've even expanded this coalition, if you will, to Nova Scotia because we really see the promise. The fact that governments of different regions of the country and different parties are coming to this realization is a good thing for Ontario.

**Mr. Rudy Cuzzetto:** Some 23 years ago, in Mississauga—Lakeshore, Elizabeth Witmer, a former Conservative MPP, closed down our coal plant there, and after that, we were off coal for the rest of the time.

How will this help other jurisdictions around the world to get off coal—like Poland, that has 40 coal plants in their country—to decarbonize?

**Hon. Stephen Lecce:** Take Poland as an example. Given the new EU admission standards, they need to move away from energy that is GHG-intensive, be it coal or otherwise.

It was a Progressive Conservative government that initiated that and successive governments that did it. That's a good outcome for Ontario, and I'm proud of that reality, as an Ontarian. That was the largest greenhouse gas emission reduction on the continent, I will note. So we've done a huge part of reducing emissions.

Emission-free power requires—if you want baseload and emission-free, the options are hydro, which we have 5,000 megawatts of, so far, that we've refurbished. But we need a lot more power than that. We're talking about building twice our hydro outputs in just one nuclear facility, just to give you context of scale.

So we need more power. We see SMRs and nuclear as the way to deliver emission-free energy that is affordable. The Ontario Energy Board puts out an objective analysis of affordability of—they look at the cost, amortized over the asset, and nuclear is, after hydro, one of the most affordable energy sources that exist, because it's continuous power. That's something that we just don't get with

other resources. I'm not here to undermine or promote one against the other. They all will compete, because our government and Premier believe in technology agnosticism. Let them compete on the marketplace; lowest cost should prevail.

On nuclear: This is not just an electricity play. We've got to be clear: This is an industrial policy play. We're talking about almost 20,000 construction jobs at a time when we're not building homes, when there are challenges in the economy. Look around the world. There's contraction happening. So I feel this is sensible industrial policy, but still maintains an affordable electricity option relative to the competitor. As I mentioned earlier, the IESO looked at the alternative. It would cost more to do a renewable play for the same capacity, same amount of power we need to generate, than by using first-of-its-kind SMR, which is telling you something about the cost of those resources against the SMR.

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

**M<sup>me</sup> Dawn Gallagher Murphy:** Thank you, Minister, for your remarks this afternoon.

We know that partnerships are truly the key to success when it comes to the energy sector. I really believe Ontario is leading the way when it comes to partnerships, especially between provinces. I think we are being seen as a true nation builder here in this great country. I can't recall, myself, any other time when I've seen such partnerships being established—and it's not just with Conservative provincial governments; this is truly a non-partisan exercise in building our nation when it comes to energy.

Minister, I do have to thank you for your leadership, your vision and the execution, because it has been extraordinary. When we look at, just last week alone, Ontario and Nova Scotia, Ontario and New Brunswick—basically, these are landmark agreements that have been signed.

All of that being said, my question to you, Minister: What benefits do these partnerships actually bring to Ontario, and how do they help position our province as the national leader in clean energy development and project management?

1400

**Hon. Stephen Lecce:** I very much appreciate the question.

Ontario, through OPG, is really emerging as, essentially, the national energy builder for any government that wants to do projects of this scale, wants to do big things. OPG has been flexing its muscle outside of our province for many years.

We've got strong agreements, but this technology partnership, the exchange of information, support for our supply chain—Ontario's supply chain is what will build the SMRs in those provinces and beyond, because there's not an indigenous nuclear sector that exists in those provinces yet. That will take time; it took us decades to build ours.

We benefit directly. Our supply chain benefits, even in Poland. I was in Cambridge, Ontario, with our local mem-

bers Jess Dixon, Brian Riddell and Mike Harris, and we announced a billion-dollar contract for a company out there to build some of the reactor tubes for their nuclear buildup. It's jobs; it's investments; it's global profile, being at the stature that we are—leading, on time, on budget.

I also believe there's an intellectual property component here. This IP benefits the province. We want it to stimulate the R&D sectors and other industrial sectors of the province.

There are tons of benefits. There are 250 businesses to date, already part of the supply chain of nuclear. There are 80,000 Ontarians who work directly in this space. There are 80,000 tonnes of GHGs removed from the air every year, the equivalent of taking 15 million cars off the road, because of nuclear. Remember, with the exception of Point Lepreau in New Brunswick, we have 18 of 19 nuclear reactors in the country.

We really are the hegemonic leader in the country. What we're doing is an exceptional achievement that should be celebrated with the same message as was mentioned earlier, with prudent guardrails to make sure we keep on this track of momentum. Nova Scotia having Premier Houston sign on, willingly endorse this type of technology, I think, speaks to the momentum and the realization that the world is turning to nuclear for base-load, responsible, clean power.

**The Chair (Mr. Aris Babikian):** Next, MPP Dowie.

**Mr. Andrew Dowie:** Thank you for being here.

My question is related to the resource revenue-sharing that the ministry has been engaged with. Down in south-western Ontario, we've seen partnerships with a number of our First Nations. It's pretty exciting to see. This is definitely reconciliation in action.

Minister, I'm hoping you're able to describe the framework that you're engaged in to help partner with our Indigenous communities.

**Hon. Stephen Lecce:** It's a very important question, and I think it's also a reminder, frankly, that economic reconciliation is an important commission of the ministry. Honestly, there are projects that we know will make a material difference in the quality of life, the economic prospects of Indigenous communities in both the north and in the south.

Since 2018, we have been able to secure almost \$290 million in revenues from the mining, the forestry and the aggregate sectors with Indigenous partners, through what are called these resource revenue-sharing agreements. There are now 10 that exist across the province—eight representing 44 First Nation communities, two with Métis organizations—all of which are driving jobs and partnership. I think they build trust. They could provide an element of predictability for the project proponent, the business and for the community.

This is, of course, administered by my colleague the Minister of Natural Resources, but in partnership with Energy and Mines and with Indigenous Affairs, all reflecting a very practical, results-driven reconciliation approach. We're just grateful to have done more this year, with more to come.

**Mr. Andrew Dowie:** I know this has been applied in mining projects. It has been applied in hydro projects. What does the future hold for further partnerships with our Indigenous communities?

**Hon. Stephen Lecce:** Beyond the resource revenue-sharing agreements, let me just use some case studies where Indigenous nations have been in the driver's seat of their success—every transmission project this government has approved. In the integrated energy plan, we announced four net new transmission lines, two net new upgrades, 1,500 kilometres when you aggregate it all—the largest generational investment, equivalent to, as I say, from Thunder Bay to Windsor. You can literally do a line from your hometown all the way to Thunder Bay. That's scale, and that's ambition.

In each of those projects, when we designate, for example, Hydro One—we did the same with Fortis at the Watay Power line—50-50 equity partnership, with Indigenous nations leading the way. There's a project, and Mr. Vickers will know the project well—a pump storage project in his community developed by TC Energy. The Saugeen Ojibway Nation made it abundantly clear that this is the only path to economic reconciliation—to at least get this deal approved for consideration through the assessment process. They made it clear this is the road to nuclear expansion in Bruce. They made it clear this is part of the solution—investing in a future that enables their kids to have a good quality of life and get a job in the communities where they were raised.

Time and time again, we can point to successes where Indigenous nations are driving the bus. In fact, that idea of being in the driver's seat—that language came from the chief of TTN. When I was in Timmins, when he said thank you—not to make this about government or politicians, but he just expressed gratitude that after a decade of asking governments of the past, finally they had a government that was prepared to listen to them and back them on their hydroelectric expansion in the north.

So we really see this as a win-win. It can be done in partnership. I've appreciated so much listening to Indigenous leaders through the summer; I think the entire government has done that. It's making a difference, as we do this in partnership and build out for the future. We can all benefit from that clean-energy advantage.

**Mr. Andrew Dowie:** Minister, just in terms of scale, I believe it's a \$3-billion investment that the government of Ontario is making so far. Can you elaborate on where those funds will be going to?

**Hon. Stephen Lecce:** It started at a billion dollars. The Premier made a commitment to the budget. Minister Bethlenfalvy announced \$3 billion, a massive investment. That's essentially to finance the equity partnership. They're not just participants. They're not to be consulted. They're now owners of the project, and we are the financial backstop to enable it. The feds are doing the same. We have a higher per capita rate than they do, which is a notation worthy of mentioning, but we also put \$70 million on the table for the Indigenous Participation Fund because some of the challenges for them, for business, for

communities and everyone is navigating the consultation process. It's complex. You can have 20 consultations happening in one nation at the same time. So we put money on the table and said, "Let's assist in your ability to navigate." We have confidence in their ability to do it, but they've asked for this, so we delivered it.

**The Chair (Mr. Aris Babikian):** That concludes the first round of questioning.

We will start the second round with the official opposition. MPP Bourgouin.

**Mr. Guy Bourgouin:** To continue on the First Nations issues—some of these questions are for my colleagues. Sol Mamakwa couldn't be here, so he asked me to ask some of these questions.

We know that First Nations sought a moratorium on electronic staking through MLAS because some band offices in the Ring of Fire region were being overwhelmed. We supported these calls, and the government ignored their concerns but opted to act tough around foreign claims through MLAS in the face of escalating trade tensions.

Our questions are aimed to see if anything has come from the rhetoric and to draw a comparison with the lack of concern shown to First Nations.

I guess my first question would be, how much is allocated to First Nations to administer the claims on their end, and how much is estimated to go to First Nations in 2025-26?

**Hon. Stephen Lecce:** I will definitely turn to the deputy minister's team to provide some analysis.

Just to provide context to the question—the MLAS is the portal where an individual would make a mining claim. In the bill we brought forth through Bill 5, it includes provisions, for the first time, for the government of Ontario to deny a claim to a hostile foreign actor—emphasizing hostility, emphasizing non-domestic. That is a very important differential. If we want to name names, we're talking about, for example, the Chinese regime, the Russian regime. We're talking about autocratic countries that have no right to have vast claims in the north for the business of undermining our workforce or keeping our resources in the ground for the purpose of destabilizing commodity prices. They use very manipulative practices that are very bad for the world. So this is a huge geopolitical issue—

**Mr. Guy Bourgouin:** Excuse me. My question is, how much is allocated to First Nations to administer the claim on their end, and how much is estimated to go to First Nations in 2025-26? Can you answer my question, please?

1410

**Hon. Stephen Lecce:** Yes. I'm going to turn to the officials—I just wanted to give context for what the question was because I'm not sure if it was understood.

**Mr. Guy Bourgouin:** I think the question was very clear, Minister.

**The Chair (Mr. Aris Babikian):** Let's give the deputy minister or the official an opportunity to answer the question.

Please identify yourself and your title.

**Ms. Afsana Qureshi:** I'm Afsana Qureshi. I am the assistant deputy minister for the mines and minerals regulation division at the Ministry of Energy and Mines.

The question was about capacity for First Nations to participate—specifically, to the Ring of Fire. The minister, just to pick up on a comment that he made earlier about the investment in the Indigenous Participation Fund—Ontario has been supporting representatives in Indigenous communities in the Ring of Fire area to participate in consultation processes. The investment of the \$70 million is a new investment from the government, and we are actively looking to roll that out in the very near term.

The second part of your question was about consultation processes around MLAS and mining claims. What I can tell you is, yes, there is an online registration system for MLAS to register a claim. Part of that process is that when you start doing active exploration activities on the ground where you may be triggering duty-to-consult obligations—we have a very robust consultation process before we issue an exploration plan or permit, and there are a number of them active right now in the Ring of Fire.

**Mr. Guy Bourgouin:** Is there an amount you can tell us for 2025-26? Is there a specific amount that was allocated?

**Ms. Afsana Qureshi:** For communities in the Ring of Fire—

**Mr. Guy Bourgouin:** For First Nations. Yes, in the Ring of Fire.

**Ms. Afsana Qureshi:** I can speak at a provincial level. Prior to the government's investment of the \$70 million, we had a just under \$5-million Indigenous Participation Fund. It was, at the time, called the Aboriginal Participation Fund. The \$70 million is over a four-year period and will ramp up over time, and it's province-wide. Communities in the Ring of Fire are absolutely able to register and seek funding through those programs.

**Mr. Guy Bourgouin:** According to the OMA, mining contributed \$23.8 billion in GDP in 2023, while the ministry briefing book claims that, all in, the ministry contributed approximately \$14.4 billion in GDP annually to the province. So there is a bit of a discrepancy there.

How much was this, first, to First Nations as part of the resource revenue-sharing agreement in 2024-25? Also, how much is estimated to go to First Nations as resource revenue-sharing in 2025-26?

**Hon. Stephen Lecce:** What I can answer, and officials may have more to add—there was \$3.1 billion in loan guarantees, grants and scholarships that was announced for Indigenous participation, partnership and ownership in critical minerals specifically. There was \$289 million in resource revenues—this is not specific, by the way. I know you asked for per year. I don't have it per year; I have the aggregate. I just want to be very honest—but \$289 million in resource revenue for mining, forestry and aggregates with respect to Indigenous partners.

That's all done through those RRSs, the resource revenue-sharing agreements. Of course, we just launched \$70 million for the Indigenous Participation Fund, 3.6 times more than where we started. Those funds are being

expended as we speak, so we will have more, I guess, really, in public accounts. In future estimates, we'd be able to report back on the utilization. But I can assure you, there's a high demand, and we're pushing the monies out the door.

**Mr. Guy Bourgouin:** The ministry estimates briefing book, under improving social outcomes for Indigenous Ontarians, their percentage of eligibility—First Nations and Métis communities covered by our resource revenue-sharing agreements—is listed at 40% of the target achieved. What's involved in determining the metrics? What's holding up a higher success rate?

**Hon. Stephen Lecce:** I would, before I turn it to the officials, just add some context.

Remember, we just launched a \$3-billion investment to ensure ownership of projects, which is a fundamental rebalancing or transformation to how we engage with rights holders and First Nations. We're ensuring they have equity participation, and we're providing the financing to do it. It's not a commitment that a politician is making to another politician.

Look at our transmission lines. Look at our storage projects. Everything we have done has been, so far, with a massive equity partnership.

With Bruce Power, the Saugeen Ojibway Nation in Bruce Peninsula is doing wonderful work on medical isotopes—a \$200-million deal, financed by the private sector and the government of Ontario.

I would love to turn it over to the deputy to provide more.

**Ms. Susanna Laaksonen-Craig:** I will start, and I will then let the assistant deputy minister continue with a little bit more detail.

I would just like to start by noting that the resource revenue-sharing program started in 2018. In that context, if we think about the number of resource revenue-sharing agreements that we have already signed, and so have been able to share those revenues, whether it comes from mining or whether it comes from the forestry side, it's quite significant. We continue to do more work. There are outreach and ongoing discussions with other First Nations and opportunities for them. And as this work continues, of course, our goal is to continue to reach all those communities that are interested.

But oftentimes, this is also related to—we can only share mining revenue when there is an actual mine to share the revenue from. So there is also, I would say, a beneficial relationship in terms of, as we continue to build the mining sector, as we continue to open new mines, we will then have the opportunity to bring new parties and partners to those revenue-sharing agreements because then we will have revenue that we can actually share.

**Mr. Guy Bourgouin:** So is there a calculation to determine what the revenue-sharing is? Is there a copy we can get of the breakdown and how it is calculated? Can you explain that to me? How does that work?

**Ms. Sharmila Pathmanathan:** My name is Sharmila Pathmanathan. I'm assistant deputy minister in the mining policy and sector development division of the Ministry of Energy and Mines.

Yes, there is a very intricate calculation that our ministry works on very closely with the Ministry of Finance. We are happy to provide that for you if you like, but it is a very detailed and intricate calculation of mining tax royalties and revenues, aggregates and forestry. We work closely with the Ministry of Natural Resources and ourselves on the breakdown of the resource revenue-sharing agreement.

**Mr. Guy Bourgouin:** Clerks, can you make sure we get a copy of this matrix, please? That is something we are often asked. People don't really know how that is calculated. I think it would be important that we do get this matrix so we understand how the revenue-sharing is shared.

The minister's briefing book reiterates that it has committed \$1 billion to support critical legacy infrastructure such as all-season roads, broadband connectivity and community support of the Ring of Fire region.

We also know there are a lot of First Nations that are not happy with what's happening, with how the government is proceeding with the Ring of Fire, especially with Bill 5, because of the lack of consultation and consent from First Nations—not to mention that they're saying it's a breach of Treaty 9.

So my question is, what is the estimated legal cost associated with defending the government against claims resulting from Bill 5?

**Hon. Stephen Lecce:** The cost of not proceeding with an element of speed on building mines faster means that we are literally sitting here, comfortable at our democratic, free-loving desks at Queen's Park, enabling regimes like China to win the day.

The inference in your question is that the status quo, which was the system you seem to prefer—

**Mr. Guy Bourgouin:** No, no, Minister, it's not the status quo. You're taking my question to a completely different place.

**The Chair (Mr. Aris Babikian):** MPP Bourgouin, please focus your question on the estimates.

**Mr. Guy Bourgouin:** But it is. I'm asking, what's the cost? Is there a cost to defending the claims because First Nations—

**The Chair (Mr. Aris Babikian):** Is it relevant to the estimates?

1420

**Mr. Guy Bourgouin:** Yes, it is. We want to know what they have estimated, because they'll be challenged on these. We just want to know what they have put aside—

**The Chair (Mr. Aris Babikian):** But how can the minister currently estimate what is the legal challenge when we don't have a court case yet and we don't have hearings—

**Mr. Guy Bourgouin:** Maybe they don't have a court case, but they must have put money aside to estimate, at least. If they're being challenged, there is money being set aside.

So I'm asking the minister to answer and to use my question to say—well, unfortunately, we weren't the first on this land, Minister; First Nations were, and they're seeing you or this government infringing on treaties that

they signed. So I would retract your question and respect the First Nations of this province.

Please answer my question.

**Hon. Stephen Lecce:** No, I'm going to reaffirm my point, which is, you would rather keep the current—

**Mr. Guy Bourgouin:** Not me.

**Hon. Stephen Lecce:** Yes. It is the stated position of the New Democrats in the Legislature to oppose a reduction—

**Mr. Guy Bourgouin:** He's accusing me. I'm asking a question that came from our stakeholders. First Nations are also asking these questions.

**Hon. Stephen Lecce:** And we appreciate their thoughts—

**The Chair (Mr. Aris Babikian):** Can I ask all the members of the committee and the witnesses to direct their answers and questions through the Chair, please? Thank you.

Go ahead, Minister.

**Hon. Stephen Lecce:** We very much appreciate their perspectives. We engage with them directly. We certainly do not need any opposition member to be an intermediary. They speak for themselves. We look forward to working with them directly.

I do want to talk about the record of those who are actually seated in the room. If the position of the member is that the old system, the system that we had to reform, was actually making a difference for a First Nation or any community—

**Mr. Guy Bourgouin:** Speaker, I'm limited, so I'm going to move on to a different question, because he's taking my question where I didn't ask.

**The Chair (Mr. Aris Babikian):** You have one minute left.

**Mr. Guy Bourgouin:** What was the budget for the Indigenous consultation and partnership branch in 2024, and also for 2025 and 2026?

**Hon. Stephen Lecce:** The government announced \$70 million in a participation fund to enable the navigation of the duty to consult. That is an investment we stand by; it's 3.6 times higher than when we started. Again, that was an idea raised by Indigenous leaders, not through political emissaries. We delivered for them, as we did a \$3-billion equity investment.

We take this seriously. We understand how important it is to improve quality of life, legacy infrastructure and, yes, the economics in those communities. We will absolutely do so in partnership with First Nations, respecting their rights, respecting the Constitution and the duty to consult.

**Mr. Guy Bourgouin:** Is that every First Nation, Minister? A lot of First Nations are saying you're not speaking to them, and especially some of the—

**The Chair (Mr. Aris Babikian):** Time is up, MPP Bourgouin. Thank you very much for your questions.

We'll move to the third party.

Before I move to MPP Tsao, I would like to remind everyone to, first, focus on the estimates, and, second, direct your questions and answers through the Chair.

Go ahead, MPP Tsao.

**Mr. Jonathan Tsao:** I want to return to the line of questioning that my colleague to the right started with, around affordability.

I think it's fair to say, as members of this Legislature, that when we talk to our constituents, one of the biggest concerns for them is affordability, whether it's at the grocery store, whether it's anywhere in their daily life—including energy rates, because that's something that impacts us all every single day.

Looking through the estimates binder, I can see that—and please correct me if my numbers are off—90% of the operating budget and 70% of the overall budget goes towards these programs which subsidize the cost of energy for Ontarians, to bring the price down in a relatively artificial way to make it a little bit easier for them, which I understand.

What I want to ask you is, do you believe that the current rate of subsidy is sustainable in the long term so we can make sure that Ontarians have affordable electricity rates—not just while one party is in power, but through the duration, whether it's five, 10, 15, 20 years from now, in the long run?

**Hon. Stephen Lecce:** Honestly, no. I think it was an intervention the government did. We stand by the use of the OER to stabilize rates. You know where we started; they were 400% higher. In the immediate term, we'll use this mechanism, but over time, how we get out of it when we don't need to depend on multi-billion dollar OER subsidies is by the re-contracting of the legacy projects that created the problem in the first place. Literally today, we're expending 80 cents a kilowatt hour—10 times above market rate. Until those contracts are forever removed from the rear-view mirror and that liability cost is gone, we're going to be in this situation.

Over time, the intention, of course, is to reduce energy rates via more competitive procurement as we contract at market rate, not 10 times above market rate. So there is hope on the horizon. There is, I guess, an intellectually honest admission that it's not ideal. But what we inherited was catastrophically bad. No industry was moving here, and families—not lower-income, but middle-class people—were driven to energy poverty. So this was the solution we socialized in 2018, in a campaign; we've won three elections thereafter. But I'm acknowledging, over time, we'd be open to ideas. I've said this before on Steve Paikin's show. We are open to ideas to phase it out over time.

For now, the number one priority for the Premier is affordability, which is why, this year, we launched the largest energy conservation program in Canadian history—\$12 billion back in ratepayers' pockets. It's like taking 3,000 megawatts off the grid; a Pickering and a half is going to be removed from the grid—of energy savings, keeping 30% of savings in people's pockets. What that means for someone watching is a new window, a new door, new insulation, a smart meter, a solar battery on the roof, a heat pump—all these things are subsidized at roughly 30%. That's putting skin in the game to reduce

dependence on the grid but also save families money. That's really important to us. It's why, in the last budget, the Minister of Finance not just extended but then guaranteed the 10% reduction in gasoline cost.

From fuels to electricity to natural gas, where the carbon tax has been removed, energy rates are better off today.

But we're going to keep the pressure on, because I acknowledge the point: Affordability is the number one concern, and we are seized with that priority as well.

**Mr. Jonathan Tsao:** Through you, Chair: Minister, I totally hear what you're saying, and I think anyone in this room will be able to agree.

I'm not an extremely partisan person. I came to Queen's Park for a reason. I came because I saw that my neighbours needed help. We're in a really tough place in Ontario. So I come to this committee not with partisan attacks or wanting to blame past, present or future governments; I want to come with solutions.

I want the people of Ontario, I want my constituents at home to know that I care about you, and I care about the issues that you're facing every single day when it comes to affordability, when it comes to energy costs.

You do mention, a number of times, past decisions that were made that still have implications for today, and I understand that. But beyond that, what are the concrete steps that the ministry is taking that you can tell me about that will provide the long-term stability, the long-term ability for energy prices to come—what are the concrete things that you're working on right now?

**Hon. Stephen Lecce:** The first is the use of public procurement through the IESO. Public competitive procurements have drawn down prices 30 points—recommended by the Auditor General. We have done that.

We have used a fleet approach, as opposed to doing one-offs like some jurisdictions have done, thinking that they're going to create their own domestic technology. We've used the fleet approach and then got other provinces to sign on to de-risk our investments, be it SMRs or any first-of-its-kind.

I think another area that's being material is about thinking about the future; it's making sure our utility sector is financed, capitalized for the build-outs. They face great pressures. They're municipally owned, as you know—90%. These are utilities that have deferred maintenance backlogs because they haven't had the investments. Their dividends are going to municipalities; they're not being reinvested in their grids, and thus we have issues—extreme weather, the rise of cyber threats. We've got to smarten up in this respect. So what are we doing? We are launching an analysis and a panel, essentially, to give us advice on how to make sure we can build out for the future. We've given a 25-year road map. We've ended the short-sightedness of some governments that choose to build based on electoral cycles. We're thinking about your children. In a way—to pick up on your point—we're almost decoupling politics. There's no upside. There's no vote on a nuclear plant we're going to announce today that's going to be to be built in 12 or 15

years. It's about guaranteeing and securing power for our kids. I think there is a virtue in long-term thinking, competitive thinking and, finally, integrated thinking.

The challenge we had—if you asked any company, business, residential developer, anyone in the economy, they said that government is the ultimate case study of siloization. Electricity, natural gas and fuels—they had three different regulators. No one spoke to each other; there was no overwhelming synergy between the three to bring it all together with a long-term, cogent analysis on affordability and reliability. The IEP, Ontario's integrated energy plan, now guarantees that. It codifies that.

I think those are material ways—they're shifts in how we do business, but it will render lower-cost, more competitive options, and ultimately more affordable solutions for the people who pay the bills.

1430

**Mr. Jonathan Tsao:** I appreciate your answer, but I think the majority of those examples are really aspirational. It's not putting us on an actual timeline, an actual, solid, attainable—"In the next five years, we will do; in the next 10 years, we will do; in the next 15 years, we will do." These are aspirational goals, which are good goals to have.

I want to come back to making sure that we are on a track that is sustainable. Again, 90% of the operating budget we're talking about here to keep these prices low—that's not sustainable, and I know you agree that that's not sustainable. So, rather than aspirational—is there a timeline here to make this an actual plan that the people of Ontario can see?

**Hon. Stephen Lecce:** I am committing—and I'm not being cheeky—to send you an integrated energy plan. Literally, in the plan, it codifies the amount of megawatts. It quantifies the timelines on refurbishments. It outlines the timelines on net new. It's very granular. And there's a reason why every economic institute, from the Ontario Chamber of Commerce to the export development—everyone has come out saying, "This is what every subnational government ought to have: a long-term, integrated plan." It is there. I'd be happy to share it with you and give you assurance from nuclear, hydro, transmission—it's not like it was coincidental that we announced five transmission lines. That's all part of a detailed plan. Budgets, timelines are all underscored, and a commitment to use the Canadian supply chain to do the building. That's why we brought forth an IEP—because we didn't have this, and because this ad hockery that often existed in government was the cause of our financial problems today, where we're still paying the price of bad judgment and bad decisions—paying 10 times above market based on, frankly, ideological obsessions, opposed to pragmatism. So I will agree with you: That should reign.

If governments of the past were pragmatic, they would have used competitive tension to bring down prices by at least 30 points. Instead, they sole-sourced, paying 10 points above the market. We still today are paying the liability of paying 80 cents a kilowatt hour. That is madness. Honestly, that is shameful, and no one could defend that.

We've got to do something different and better, and I accept the premise that we can do it better. We're going to keep the pressure on because we want to make sure that rates remain affordable, given the investment we're going to make—a generational investment. I understand these are competing principles—keep energy rates low, but we've got to spend a ton to invest for the build-out. So we're seized with this, and we agree with the importance of not taking the status quo for granted. We've got to keep the pressure on. You have our absolute assurance that we will do that.

**The Chair (Mr. Aris Babikian):** Now we move to the government side. MPP Pinsonneault.

**Mr. Steve Pinsonneault:** Thank you for being here, Minister. I appreciate the expertise that you and your staff bring to this file.

Ontario has some of the most promising critical mineral deposits in the world, but until now, companies have faced years of waiting and uncertainty before shovels can hit the ground.

With the launch of the "one project, one process" framework, how is our government changing that story and positioning Ontario as a global leader in responsible, job-creating resource development?

**Hon. Stephen Lecce:** Thank you so much for the question and for your amazing support on this.

Take a moment to boast as a Canadian. We inherited one of the slowest permitting regimes when it comes to mining in the OECD; to be specific, we were the second-slowest. I don't care who you are; if your mission is environmentalism, if you care about human rights, if you care about principles of the rule of law—if you care about this country, our supply chain and our workers, then you will be leading the charge, cheerleading the way on this transformation to how we do business, emerging from the slowest to among the fastest.

That is something we should lean into, because geopolitics, I believe, has required an elevation of how we think around this table. It's just not as simple as it used to be. There are foreign, adversarial forces at work every day to undermine our jobs, our supply chain. The dominance of rare earths by the Chinese regime is a sobering case study. We've got to smarten up and work faster, smarter, more intentionally to get our ethical resources out of the ground for global markets.

I am proud that our Premier and our government initiated a bill in May, passed it in June, consulted through the summer, imposed regulation and then enforced it into law in October. We're talking about four and a half months of speed. Nothing in government, I don't care what party—that is unprecedented.

That demonstrates to you, I hope, to the dozens of people watching today at best—but honestly, for anyone watching, you should have assurance. When we talk about self-reliance, either it can be an aspiration or it can be the realization of government. And we are materially taking action. It's not about great hash tags of Canadian sovereignty and "We could do it all here." It's actually about making it happen, and we're making it happen.

We've transformed this process—a 50% reduction, a two-year turnaround as an average baseline. That's predictability, that's confidence, and it's speed in this moment when, literally this week, again, we're under further attack by President Trump. The Chinese regime has also played a massively provocative role in our businesses and our workers and our supply chain.

This new mission will unlock our potential and will get us moving at the speed and scale that Canadians expect. We have a massive quantum of critical minerals that the world needs. Everything we touch, everything that is important in technology today, from our cellphones to aerospace to military applications to energy build-outs, requires minerals. We have them in our province. In the absence of us getting them out of the ground, then we are essentially—which was sort of my point with my colleague in the New Democrats earlier.

The constant refrain in government is, "Maintain the status quo. Defend the status quo." I get it. Change is not easy. Being at the forefront of change disrupts static systems where people had—they were comfortable the way it was. The world changed. I don't know how more illustrative one could be than this week, when we have tariffs being imposed based on feelings. We have to move faster.

We don't apologize for implementing the most transformative reform in the history of energy development in the province and in the country. The Premier campaigned on this reform. He said we're going to do it. We got it done.

I'm grateful that there are many partners who have been a part of this transformation, because what we're doing is, we're standing up for 28,000 jobs and 48,000 indirect jobs in the resource sector. What we're signalling to the world is that we are open for business. We want to attract every dollar and every investment to repatriate those jobs back to the province.

Finally, on critical mineral processing, a really important part: We can do all the extraction, but we've got to refine these minerals somewhere. The value-added jobs—think about what happens with other resources, where we've got the raw materials, but we send them to the US or to Europe, to a refinery, and they get the value-added benefits and jobs, and then we buy it back at a premium. That ends with the \$500-million Critical Minerals Processing Fund.

Our Premier is making a clear play: extract more, process more, more jobs for Canadians by Canadians. I really feel strongly about this, as you can tell by the emotion in my voice.

Honest to God, at what point do we as parliamentarians figure out that the old system was enabling, if not financing, the weaponization of these regimes using royalties and revenues from critical minerals bought from China in an invasion of Ukraine?

Let's connect the dots here and be slightly more elevated in our thinking to understand we're at the centre of the action. We could be the leader in the world, and I'm proud that this transformation is going to get us there.

**The Chair (Mr. Aris Babikian):** MPP Vickers.

**MPP Paul Vickers:** Through you, Chair: I congratulate the minister on recognizing the need to bring home the energy policy, back to Ontario and Canada. Just as you said, to rely on countries that don't respect the same environmental and human rights laws that we have in Ontario—I think it's great. You give me hope that we will be able to bring all these areas back into our economy. I think if you give me hope and you give the other people of Ontario hope, industries will follow that.

With Ontario's population and economy that continues to grow, driving record demand for reliable and affordable power, we have seen major projects launched to expand capacity, strengthen transmission and add new storage.

Minister, can you tell us how Ontario is ensuring we have the energy supply needed to support growth, investment and affordability for families and businesses?

**Hon. Stephen Lecce:** We need a ton more power. Every economy in the world is pressured. We have a competitive advantage. Ontario's nuclear advantage is the reason why we still are in the position of having surplus power. It almost seems incomprehensible when every jurisdiction, every Great Lakes state or province, has quietly or very publicly said, "We need your power, Ontario."

**1440**

We have the licence. We have a willing host for nuclear. We are so blessed with Canadian uranium, which is refined in Ontario by Cameco in Port Hope. The whole supply chain is strong; we stand by it.

To the question of, do we have supply for the future—we're okay today, but the pressure is going to mount in five, 10, 15, 20 years. It makes the case for aligning with the federal government on large-scale nuclear development. We need to be in lockstep with them if we want to build to meet that projected demand gap in the 2030s and 2040s. There's a reason why we expanded LT2, the longest public procurement in Canadian history, just to make sure we had additional capacity on the system. There's a reason why we expanded hydroelectric for the first time in a decade. There's a reason why we committed to save Pickering—2,000 megawatts of power; power for two million homes—an asset that would have been closed under the former Liberals, that this Premier said yes to. There's a reason why we're refurbishing Darlington; all the units, all of Pickering; and looking at Bruce C and an increment of adding 4,800 megawatts of power.

This is ambition, but it's phased, it's sequenced, it's timed, and it's built by the hands of Canadians using Canadian materials. In our nuclear build-out, which is going to guarantee that power and secure the power we need, we're looking at roughly 80%, often 90%, of the supply chain. When we're looking at Candu, for example—large-scale, like in the case of Bruce in your region—that's 80-plus per cent, often as high as 90%, Canadian and Ontario supply chain.

We are confident we have abundant power for the 2030s and 2040s. But don't take it from me; that's just my observation as a political actor. The IESO, which is the

objective independent that provides analysis, believes that the road map we have is strong. It's competitive. Frankly, it's leading when it comes to securing supply with an emphasis or a bias for baseload power.

So we're going to need more power, we're going to need to invest in the build-out, and we're going to need to use our utility sector to do their role in the distribution—our role in the generation. We're going to make those transmission investments, but we've got to make sure the system is ready for the future.

I believe there's a need for continuous reform. There's a reason why there's a bill before the House today to add economic policy as part of the new mandate of the IESO. When we make decisions on electricity, it's not just based on the megawatt costs anymore. This is an industrial policy decision of government. Energy and industrial policy are now often the same.

There's a reason why we've been very hawkish on building big, thinking long-term. It's because we see energy and mines, frankly, to be our safeguard that could help inoculate us from the risks abroad. It's one of these industries that's made in Canada. It doesn't depend on America. We process here, we extract here, we generate power here and we export it—not ironically, to them. We are confident. The IESO is confident. And if we need to make any more interventions, we will do so to make sure power is always reliable, always abundant, always affordable and clean for the people of Ontario.

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

**M<sup>me</sup> Dawn Gallagher Murphy:** I want to talk a little bit more about the nuclear program—specifically, knowing that it is not just about powering homes and industries; it's about medical innovation.

In your remarks, you talked specifically about the medical isotopes and Ontario becoming a top producer of medical isotopes.

This past July, we made an announcement about an advisory committee, a panel, formed specifically to see how we can double our efforts when it comes to medical isotopes.

You also made mention about Southlake in my neck of the woods and that big announcement on the PET scan. If you'll recall—I know we spoke at the time—the number of people who were out for that announcement, it was packed. It was a \$3.4-million announcement. It brought all kinds of people out. And why? Because this is the technology we need to help save lives, especially when it comes to cancer treatment.

Minister, my question to you is: How, specifically, are we leveraging nuclear leadership to strengthen the supply chains, save lives, and drive global health innovation?

That being said, I've got to throw this in there: Life sciences is having a lobby day today here, at 5:30, I think. It will be interesting to speak with that group.

**Hon. Stephen Lecce:** Medical isotopes is one of the many benefits of Candu technology. At Pickering and likewise at Darlington, OPG does harvest these isotopes for the public good when it comes to building or de-

veloping radio pharmaceuticals to, one would hope, certainly, overcome cancer. These are often like heat-seeking missiles that are so precise—the science, the evolution. I'm not an expert, but what I understand is that there's a massive improvement in the efficacy of this technology because of nuclear science.

It's another positive reminder—we've got to tell people this—from civilian nuclear technology, the benefit is much of our treatment for cancer.

Unfortunately, statistically—I think about prostate cancer, at McMaster. We provided a \$17-million investment at Mac to do a 24/7 operation of their medical isotopes program. They're creating, essentially, the isotopes that would be used in treatments against prostate cancer. It hits close to home—my own family. Statistically, most men are going to have prostate cancer. That's just one case study of so many that are helping to save lives.

We said we're doing good, but I believe in the good-to-great principle. We can do better. We're going to double production by 2030.

Bruce Power got in the game, to their credit, with Saugeen Ojibway Nation. They've done this beautiful partnership where they're producing medical isotopes at a massive scale for global applications.

What's cool about that project and the broader project is, we're working to repatriate the processing from Germany back to the province. We can do it here. So there's a lot of good that's happening on—

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

**Hon. Stephen Lecce:** —the trajectory we're on. We feel very strongly about this.

It complements many of our cancer investments. Expanding mammogram access for women, I know, is a big priority for you, in your former capacity as parliamentary assistant; I think it is for all of us. We're allies, and we want to eradicate cancer in all of its applications. These are the types of ways we do it—through proactivity, through PET scanners, CT, expansion of primary care.

But today I'm here to talk about the benefits of nuclear science. It's making a difference. It's saving lives. The government is going to double down on this because we think we can play a much greater role in the world when it comes to export opportunities—potentially, even leverage in negotiations in various forms, to make the case that Ontario is at the centre of medical isotopes production in the world.

**M<sup>me</sup> Dawn Gallagher Murphy:** This month is Breast Cancer Awareness Month, and I am happy to say that we are now able to self-refer over the age of 40 for mammograms.

**The Chair (Mr. Aris Babikian):** The second round of questioning is over. We will start the third round. We have almost 14 minutes left, and it will go to the official opposition. MPP West.

**MPP Jamie West:** Minister, several times, to my colleague's previous questions, you said that my party wants to maintain the status quo. I want to challenge that. The status quo is the plan that the Liberals used that prevented mining from moving forward. We are in favour of true

consultation, which Bill 5—didn't consult even on the bill on.

His question about the estimated legal costs for Bill 5—especially with defending the government's claims resulting from Bill 5—I think is legitimate. The Robinson-Huron Treaty annuities, for example—the outcome was \$10 billion of a payment. That doesn't include the legal costs of two decades of legal challenges. So when we're looking at budgets and estimates, I feel like it's a fair question to ask.

So what is the estimated legal cost associated with defending the government against claims resulting from Bill 5?

**Hon. Stephen Lecce:** I don't want to be combative here, but there was a bill before the Legislature that didn't include any of the provisions of Bill 5—it was called the building mines faster act, and your party voted against that too. Even though it was endorsed by every mining industry sector in the country, you still opposed it. So we can't use the excuse of changes to species. You had an opportunity to vote for a pro-mining provision supported by the mayor of your community, by every chamber, and you still opposed it.

If we're going to have this discussion, let's be honest.

On the basis—

**MPP Jamie West:** I am being honest—

**Hon. Stephen Lecce:** I know you are, but I'm just suggesting I want us to be clear on what that means.

The status quo, to me, is allowing the old system to prevail. We're looking at a better version. We know we can do it better. We know we can move faster. We are the second slowest. My God, at what point do we realize that's not an acceptable standard for anyone? So, yes, we're challenging the status quo. We believe in the basis of reform.

1450

On the question of dealing with any legal items, I would have to reference the Attorney General's office, who would lead this for the enterprise of government. I'm not involved in that. I wouldn't be privy to that. I think the Chair actually made a sound point that there's not necessarily litigation to date that I'm aware of.

**MPP Jamie West:** That's fair.

I would argue that in terms of moving things faster, opening mines faster, you need to follow the examples in the nuclear industry of Bruce Power and NWMO, with true, open consultations. In the mining industry, Vale, Glencore, the Côté gold mine, Canada Nickel—all of our major mining companies already understand this.

When the Premier says stuff like "I'll jump on the bulldozer," or when you have a bill saying "We're going to bypass the right to consultation and not consult on the bill," then you have protests all over the place. That slows down mining, and it doesn't get things happening faster.

I was wondering about the Indigenous consultation and partnerships branch. What's the budget for the Indigenous consultation and partnerships branch in 2024 and 2025?

**Hon. Stephen Lecce:** I know that we have expanded efforts and time with respect to the consultations. We've

had a series of meetings through the summer, partners that have been engaged across the enterprise of government.

I will turn to the deputy—if you have anything you may want to add on this.

**Ms. Susanna Laaksonen-Craig:** Unfortunately, I don't have that specific number in my binder here.

However, I would say that I always want to make the distinction, when the minister talks about our achievements, moving fast and everything; when he talks about the "one project, one process"—I would like to always make the distinction that that is just about the government process. It is a process where we are challenging ourselves, moving faster.

**MPP Jamie West:** I appreciate what you're saying.

I'll ask if you can send me those numbers for 2024 and 2025 for the estimated budget for the Indigenous consultation and partnerships branch, and I'll get the Clerk to follow up to ensure that happens.

**Hon. Stephen Lecce:** The Clerk would require my agreement to that, and I've not provided that. You can ask whatever you like of the Clerk. I take note of your ask.

**MPP Jamie West:** So you might not provide it.

**Hon. Stephen Lecce:** The estimates provide a fulsome understanding of the investments the government is making. We've increased engagement, and we've put \$70 million net new on the table, which is in the budget.

**MPP Jamie West:** That seems like a weird response. Okay.

Let's talk about Starlink. Lots of news was made when the Starlink contract was cancelled. I think people were very frustrated with what's happening south of the border.

How much will it cost taxpayers to cancel the Starlink deal?

**Hon. Stephen Lecce:** The government made a commitment, as I mentioned, when this file was transferred to us, to cancel this agreement; we have done so.

We are committed to completing our mandate, which is to make the Internet as accessible as humanly possible to the people of Ontario.

There is \$4 billion set aside specifically for broadband expansion in rural and remote parts of Ontario. We stand by that.

But I think what we committed to is what is delivered. That contract is cancelled.

**MPP Jamie West:** So there's not an amount there either.

Is it possible that this is cancelled and now we'll go to another contractor that will have to hire Starlink, and we'll just pay for Starlink plus the middleman on this?

**Hon. Stephen Lecce:** No, they will not be subcontracted. There will be no cute mechanism by which they would be used for this last-mile program. We're looking for an alternative.

I'll be honest with the member: We're challenged with finding a Canadian alternative that has the capacity and scale to go direct-to-consumer. The old program, Telesat, that the government had a contract in place with was not direct-to-consumer. It went direct to infrastructure then had to connect to people. It's less efficient, but even that

we tried, under my predecessor minister—Minister Kinga Surma, who's driving this forward.

So the answer is no, that's not our intention. That's not what we want to do. But we do need to find a replacement, particularly for those very last miles, or what we call the VLEs, the very last enterprises that are super-difficult to get to using, let's say, conventional broadband like fibre.

**MPP Jamie West:** You mentioned the broadband. Years ago, I had northern infrastructure—and there was a commitment from the Conservative government for almost \$4 billion to deliver broadband and cellular infrastructure to underserved parts of the province. But that money hasn't really made it out the door. Three years ago, the broadband budget was nearly \$700 million. The ministry spent about one tenth of that. Two years ago, the ministry only spent 15% of the broadband budget. Last year, the Conservative government only spent about 30% of the broadband budget.

Why should rural Ontarians—northern Ontarians are the last mile—who've been waiting years for broadband service, believe that the energy minister, you, will do a better job at delivering broadband infrastructure than the infrastructure ministry did?

**Hon. Stephen Lecce:** I appreciate the question, and I will turn it to officials just to build on some of the work I said earlier.

**Ms. Karen Moore:** I'm Karen Moore, the ADM for strategic network and agency policy at the Ministry of Energy and Mines.

Thank you for the question.

Ontario has committed nearly \$4 billion to expanding broadband access to all Ontarians. As of this fall, approximately \$1 billion of that fund has been spent. Under the contracts that exist with Internet service providers, they only receive payment in full once the projects are fully complete. So that does explain the standing of the fund. I will note that we have finalized agreements worth approximately \$2.8 billion for 283 projects to expand access to high-speed Internet and improve cellular connectivity across the province.

**MPP Jamie West:** You mentioned the \$1-billion amount for northern roads—but now it's \$1 billion for roads, broadband and community.

Taking out the broadband commitments and the community agreements, how much has the government allocated to development of the Northern Road Link construction?

**Hon. Stephen Lecce:** I'm sorry; I couldn't hear you. Did you say the billion dollars is now for—in addition to broadband, it's now roads?

**MPP Jamie West:** In my understanding, yes. The way I read it was the government is saying it's \$1 billion for roads, broadband and community. Is that a misunderstanding on my end?

**Hon. Stephen Lecce:** Well, I don't know if it's a misunderstanding.

Let me just clarify that the billion dollars is for broadband, full stop. There are other investments that are

separate from this; for example, the Ring of Fire roads or things like that.

I'm happy to clarify with you offline or whatever, in any form you like—just because I'd like to know where the word “road” is. Where do you see that?

**MPP Jamie West:** I won't have time in the next four minutes, but yes—

**Hon. Stephen Lecce:** That could be the billion dollars for the Ring of Fire, which is principally for the road, but it's for some other infrastructure. It could be broadband. It could be transmission. I think that's what that is.

**MPP Jamie West:** There was a commitment to provide broadband all over Ontario by 2025. It was a pre-election promise. I don't think people were holding their breath. But 2025 is going to end in two months and a week. Do you think you're going to make the deadline?

**Hon. Stephen Lecce:** We're at 94% today. There's a lot of work to do. Obviously, there's geopolitics, Starlink, a variety of challenges—the pandemic—but we're going to keep pressure on to deliver this. It is an essential service, according to the CRTC, and I'm committed to expending every dollar available in the fund to create it. The federal government has a role too. I'm not pointing fingers. The CRTC has said it's essential. They want to create universality too. Between the two of us, I'm confident we'll get there. With \$4 billion on the table, I know we've got the financial vehicle to expand in the most remote parts of Ontario.

**MPP Jamie West:** Do you think by next year—do you think it's a year, or do you think it's farther than that?

**Hon. Stephen Lecce:** Certainly, it's within the mandate. I think part of the reality for the government of Ontario is making sure that we find a technology partner to find the replacement for Starlink. As I was honest, as we all have to be at committee, of course—but as I transparently said, we are still looking at an alternative partner to deliver on some of those homes.

**MPP Jamie West:** What was the total expenditure to mining components for the Ontario Junior Exploration Program in any of the funding streams?

**Hon. Stephen Lecce:** I will happily turn that over to the ADM responsible, Afsana Qureshi, who will edify us on that.

**MPP Jamie West:** I need an ADM.

**Hon. Stephen Lecce:** To call a friend.

Oh, pardon me—a different ADM.

**Ms. Sharmila Pathmanathan:** You wanted to know about OJEP, the Ontario Junior Exploration Program?

**MPP Jamie West:** Yes.

**Ms. Sharmila Pathmanathan:** Do you want to know the expenditure and total or is it—

**MPP Jamie West:** Yes, the total expenditure.

**Ms. Sharmila Pathmanathan:** The program started in 2021, and it is ongoing. Total OJEP funding from 2021 to the 2024-25 period is \$29,825,000, so close to \$30 million. In total, we have about 213 projects that we've funded under all those intakes.

**MPP Jamie West:** And then in that, the Ontario Junior Exploration Program provides up to \$200,000 for explor-

ation projects plus an additional \$15,000 to support Indigenous participation.

Can you confirm how many projects have received that additional Indigenous participation funding this year?

**Ms. Sharmila Pathmanathan:** I can't confirm, right now, the actual number of projects. I don't receive those funds. But we can definitely look into that for you.

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

**MPP Jamie West:** Am I able to get that at a later date? Can I get the Clerk to follow up on that?

With the minute I have, I just want to have on the record that the minister refused to provide the estimated budget for the Indigenous consultation and partnership branch office of the Ministry of Energy and Mines.

**The Chair (Mr. Aris Babikian):** That concludes our time allotted for the estimates of the Ministry of Energy and 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 2901, ministry administration program, carry? All in favour, please raise your hand. All in opposition? The vote is carried.

Shall vote 2902, energy development and management, carry? All in favour, raise your hand. All in opposition? Seeing none, the vote is carried.

Shall vote 2905, electricity price mitigation, carry? All in favour, raise your hand. All in opposition? Seeing none, carried.

Shall vote 2907, broadband and cellular infrastructure, carry? All in favour, raise your hand. All in opposition? Seeing none, carried.

Shall vote 2908, mines and minerals program, carry? All in favour, raise your hand. All in opposition? Seeing none, carried.

Shall the 2025-26 estimates of the Ministry of Energy and Mines carry? All in favour? Any opposition? Seeing none, carried.

Shall the Chair report the 2025-26 estimates of the Ministry of Energy and Mines to the House? All in favour? Any opposition? Seeing none, carried.

We will now recess, and we will convene at 3:30 p.m. for the next estimates.

*The committee recessed from 1504 to 1533.*

## MINISTRY OF THE ENVIRONMENT, CONSERVATION AND PARKS

**The Chair (Mr. Aris Babikian):** The interior committee is about to begin consideration of the estimates of the Ministry of the Environment, Conservation and Parks for a total of two hours.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. If you wish, you may, at the end of your appearance, verify the question and issues being tracked with the research officer.

For any staff appearing today, when you are called on to speak, please give your name and your title so that we

may accurately record in Hansard who we have. Are there any questions?

I am now required to call vote 1101, which sets the review process in motion. We will begin with a statement of not more than 20 minutes from the Minister of the Environment, Conservation and Parks. The remaining time will be allotted for questions and answers in rotation of 15 minutes for the official opposition members of the committee, 15 minutes for the third party members of the committee, and 15 minutes for the government members of the committee.

Minister, the floor is yours.

**Hon. Todd J. McCarthy:** Through you, Chair: Good afternoon to the members of the committee. I appreciate this opportunity to appear today before the Standing Committee on the Interior to present the expenditure estimates for the Ministry of the Environment, Conservation and Parks for fiscal year 2025-26.

Our government is committed to transparency and accountability, and the estimates defence is a key part of this process.

As you can see, I am accompanied, to my left, by Deputy Minister Sarah Harrison and several members of this ministry's staff, just behind me to the right, who are all here to help answer any questions you may have.

I would like to point out as we begin that I wish to thank Deputy Harrison and all of our ministry officials for their professionalism and their dedication in serving the people of Ontario and for all of the work they have put in to prepare for today's presentation.

I would like to start by giving you a brief overview of the Ministry of the Environment, Conservation and Parks, who we are and what we do. In essence, we are responsible for ensuring that Ontario has clean and safe air, land and water—resources, indeed blessings, that we all share and treasure—to help create and maintain healthier communities and economic prosperity for all. To achieve this vision, we set clear policies, standards, rules and regulations to protect the environment and to encourage conservation. We monitor the environment, and we enforce the rules. We are on the constant lookout for innovative approaches to complement and improve legislation and regulations.

We accomplish all of this and more through our seven divisions within the ministry. To help you better understand the work that we do, I will give you a brief overview of what each division does, along with a few examples of the types of projects and programs we are currently undertaking.

The first division is land and water. This division protects the diversity of resources in Ontario, including species at risk, Ontario's drinking water sources, the Great Lakes and our inland waters. They also support conservation efforts and protect Ontario's rich biodiversity. They oversee Ontario's 342 provincial parks and 296 conservation reserves, which currently cover a total land mass of approximately 9.8 million hectares, equalling 9.1% of our province. That is an area almost the size of the island of Newfoundland, and Ontario continues to grow this

number every year by continually expanding our protected areas system. Ontario Parks is the province's largest provider of outdoor recreational opportunities. Last year alone, Ontario Parks received 12.4 million visits.

The next division I wish to highlight of the seven is the drinking water and environmental compliance division. This division works to protect and support clean air, land and water, including safe drinking water, through provincial oversight and the delivery of compliance and enforcement programs. Through this division, we are working to strengthen our province's compliance and enforcement programs to hold polluters accountable and to ensure compliance with environmental laws. They plan and carry out risk-based compliance and enforcement programs to protect the environment and human health, including taking action to address non-compliance and providing transparency through mandatory public reporting.

The third division is the environmental assessment and permissions division, which leads the delivery and transformation of Ontario's environmental assessment and permissions program. That division is using a risk-based, client-centred electronic service delivery model for an increasing number of projects, balancing strong environmental oversight with modernizing processes so that priority projects are built faster. This includes continuing to expand the types of activities that are regulated through a registration-first approach. This expansion is allowing proponents to register more types of activities online and start operations immediately, instead of obtaining environmental compliance approvals or permits to take water and proceed without the need for ministry review, while still protecting Ontario's environment and public health.

**1540**

The next division I wish to highlight is environmental sciences and standards. This division is responsible for providing scientific, technical and laboratory expertise to drive faster permissions and policies that are protective of human health and the environment. The division monitors and reports on the state of Ontario's environment, generating environmental intelligence that strengthens operational decision-making to power economic growth and to safeguard Ontario's air and water.

Next is the environmental policy division. This division leads the development of policy that protects air, land and water in Ontario, including operational policy and program development and implementation. This includes everything from ensuring a smooth transition of the Blue Box Program to full producer responsibility, to enabling housing through greater reuse of excess soil and brownfield redevelopment, and to building and maintaining strong relationships with other governments in Canada and internationally as well as with Indigenous communities and organizations, all in the spirit of meaningful partnership.

The sixth division that I wish to highlight is the climate change and resiliency division. This leads the government's efforts to lower greenhouse gas emissions and to help communities prepare for the impacts of climate change. Ontario has made significant progress to reduce greenhouse gas emissions, and according to the latest data,

our GHG emissions have been reduced by 43.7 megatonnes since 2005. This, I am proud to report, represents 67% of Canada's emission reductions in 2023, surpassing reductions of any other province or territory. These emissions reductions have been achieved through an approach that is responsive to the opportunities, the challenges and the circumstances of Ontario's economy and job creators. We are successfully growing our economy while reducing greenhouse gas emissions. Ontario's real GDP grew by 34% while greenhouse gas emissions fell by 21.6%, all during the same time that Canada's overall reduction was only 8.5%.

Seventh and finally, in terms of the divisions I wish to highlight within the ministry is the corporate management division, which provides various business supports to the entire ministry. This includes business and fiscal planning, financial management and controllership, agency governance, French-language services, strategic human resources, facilities services, information management, emergency management, and corporate and capital projects.

For the 2025-26 fiscal year, the ministry's approved operating and capital expense allocation is \$1,041,800,000, just over \$1 billion. This represents one half of 1% of the provincial total budget of \$216.3 billion. I would also like to point out that this figure includes the Ontario Clean Water Agency and the Ontario Parks special purpose account. The Ontario Clean Water Agency is a fully self-funded agency, and the expenses for that agency are included for reporting purposes. The Ontario Parks expenditure is mostly funded by its own revenue and also included for reporting purposes only.

Excluding the Ontario Clean Water Agency, or OCWA, allocation of \$315.4 million, the Ontario Parks special purpose account of \$147.3 million, and excluding the reduction due to the accommodation expense adjustment of \$23.8 million, which is reported under the Ministry of Infrastructure, at which I am currently the acting minister, the Ministry of the Environment, Conservation and Parks has a core budget of \$62.9 million in 2025-26.

Now that I've given you a brief snapshot of how the ministry is structured and funded, I would like to highlight just a few of the innovative projects and programs that we are undertaking this year.

As mentioned earlier, our ministry is always looking for ways to be more efficient, and one of the things that the land and water division is doing this year is implementing an amended Endangered Species Act and working toward implementation of the new Species Conservation Act. This is to simplify and to streamline processes for those undertaking activities impacting species at risk.

Previously, the approach to protecting and conserving species was overly complicated; it took too long to complete and simply was not delivering the outcomes that Ontario needs.

That is why, thanks to the work of the land and water division, our government has introduced an entirely new approach. We are currently consulting on regulations and guidance materials to allow us to implement the Species Conservation Act. This new approach will have a

registration-first model, also known as “permit by rule.” It is a process already successfully used for many other environmental authorizations. To bolster this new approach, we have also strengthened our ability to enforce species protection laws to help ensure that all proponents comply with the rules for this new approach.

To further support the valuable work of species experts and community-based protection and conservation initiatives all throughout Ontario, we are increasing our annual investment in species conservation efforts by more than four times through a new Species Conservation Program. It is now a total of up to \$20 million each and every year in funding, beginning this fiscal year.

We are also taking action to modernize our environmental permissions processes. We are doing this because under the current economic uncertainty arising from tariffs and other external threats, we need to help speed up important projects such as critical infrastructure, mineral exploration, manufacturing and housing—all to support economic development and to make Ontario more competitive, all while continuing to protect human health and our shared environment.

Our ministry is striking a balance that allows our province to maintain vital environmental protections while giving businesses the crucial certainty and the flexibility they need to keep our economy strong. This includes creating a more streamlined and efficient compliance regime. This consists of exempting low-risk projects and taking a registration-first approach to certain environmental approvals. That allows proponents to self-register activities online in minutes instead of applying for a ministry review that can take up to a year. In addition, it involves adopting a consolidated approvals process for municipal sewage and stormwater collection system infrastructure, and it also involves issuing flexible approvals.

The results of this streamlined approach to environmental permissions will help build homes across the province faster and support Ontario’s Critical Minerals Strategy. Also, it will advance important electrification and highway infrastructure that our province needs.

We are finding other areas where we can be more efficient. We implemented a process to transform how Ontario delivers critical environmental property information. By streamlining access to permits, permissions approvals and other environmental property records, this modernization-of-property-information initiative enables faster, smarter and more transparent access to information to support housing development and economic growth.

Another major initiative that this ministry is undertaking is to provide more recreational opportunities at our Ontario parks.

As I mentioned earlier, Ontario Parks is the province’s largest provider of outdoor recreational opportunities, with 12.4 million visits to Ontario parks last year alone. This year, we are doing even better. Our latest numbers for the year, to date, show that we were up nearly 10% from last year. While that is great news, this upward demand means that we need to do more, and that is what we are doing on a number of fronts.

First, we are undertaking the most significant expansion of camping opportunities at our Ontario parks in almost half a century. We are investing nearly \$60 million to add up to 300 new campsites and upgrade 800 campsites with electrical service. This historic investment will make it easier for more people to camp in our Ontario parks, while also boosting domestic and international tourism that supports local businesses and jobs.

#### 1550

To create even more opportunities for Ontarians to get out and enjoy the great outdoors, in September we expanded 19 provincial parks and conservation reserves, representing over 8,600 hectares of land. And this month, we launched consultations on the protection of 43 additional sites, including the creation of 12 brand new provincial parks and conservation reserves, representing another 12,600 hectares. This indeed is the broadest expansion of regulated protected areas in over 20 years, and it represents a steadfast commitment to supporting tourism, recreation and healthy green spaces for future generations.

Last year, our government also created Uxbridge Urban Provincial Park. By creating this park, we’re expanding access to outdoor opportunities for Ontario families, boosting local tourism and economic growth, while strengthening the protection and health of local wildlife and our environment.

We recently completed the management plan for the Uxbridge urban park. It’s now available on the environmental registry. This plan will be used to guide the protection, development and management of the park over the next two decades. The park is currently 532 hectares, and that means we’re already larger by 50% than New York City’s Central Park, and we’re going to make it even larger, unlocking even greater economic and environmental benefits for our region.

To replicate the early success of the Uxbridge urban park, we have created the Greenlands Conservation Partnership, which will help us look forward to the implementation of other parks.

I want to add that in 2020, and over the last five years, we’ve established and have continued with the Greenlands Conservation Partnership program, which helps outside organizations secure land to conserve ecologically. We have protected, in that program, over 430,000 acres of land across Ontario with an investment of \$58 million. That’s almost three times as large as the city of Toronto. In last year’s Ontario budget, we announced that we would continue with the Greenlands Conservation Partnership program, with investments of an additional \$20 million.

I hope that I’ve given you the insight that you need as we begin this session today.

We are all in this together. We are all in this to protect and conserve our air, land, water, and species at risk and their habitats; reduce greenhouse gas emissions; undertake climate change adaptation planning; and manage our parks and conservation reserves.

I thank you for your kind attention in terms of carefully listening to my opening remarks.

We have members of the government caucus, the official opposition, and members of the third party caucus as well, and I want to say very clearly that we are all in this together. When it comes to protecting the environment and fighting climate change, this goes above party and partisanship.

Thank you—through you, Chair—to the members of the committee for your kind attention.

**The Chair (Mr. Aris Babikian):** Thank you, Minister.

We will start the first round of questioning, but before I start, I would kindly ask everyone to, first, focus on the estimates, and, secondly, when you are asking questions or answering questions, please go through the Chair. Thank you very much for your attention.

We will start with the official opposition. MPP Tabuns, the floor is yours.

**Mr. Peter Tabuns:** Thank you very much, Chair. I appreciate the direction you gave us on proceeding.

And I want to say good day to the minister and to the deputy minister. I appreciate the fact that they're here.

One of the things that was striking in the minister's comments as he opened things was a 43.7-megatonne reduction in emissions since 2005. Now, 38 megatonnes of those were achieved before this government came to power. We've had about a five- or six-megatonne reduction since the government came to power. It doesn't seem quite like the proportions you'd want. The bulk of the reductions happened before you came to power, and your emissions have actually, since 2020, been going up pretty steadily.

Can you tell me why it is that you're not able to get reductions at a level that we'd seen previously?

**Hon. Todd J. McCarthy:** Through you, Chair, to the member for Toronto—Danforth representing His Majesty's official opposition today on the committee: I share his concern that we do everything that we can to continue to lead Canada in terms of the reduction of greenhouse gas emissions.

As I indicated—and it's worth repeating—we in Ontario, through our leadership, are responsible for 67% of the overall reduction in greenhouse gas emissions for the entire country. We're leading all other provinces and territories, and I'm very proud of that. We can take credit for that as government, but, quite frankly, as I said, we're all in this together.

That's why I was very pleased to have joined the member in his riding. He invited me, and I accepted the invitation—I can't remember who invited who, but we agreed—

**Mr. Peter Tabuns:** That was nice of you.

**Hon. Todd J. McCarthy:** We agreed to meet, and I very much enjoyed being with him on the Danforth. I told him how much of a household name he has been in my family for decades, since he was first elected to Toronto city council. I know his passion for this issue. I share his passion for this issue.

I'm joined not only by my deputy minister, but by an assistant deputy minister on climate change, Alex Wood, who can comment on what our government has done since

taking office in 2018 and what it is going to continue to do to try to lead Canada—as we are leading Canada—on greenhouse gas emissions.

Through my deputy, if I may.

**Mr. Alex Wood:** Thanks for the question.

I'll state my name: Alex Wood. I'm the ADM for the climate change and resiliency division in the ministry.

To answer your question, Mr. Tabuns, as you know, you point out the importance of that large reduction that is attributable to the phase-out of the coal-generating stations in the province and how much that has contributed to the overall net. As you know, it was an undertaking that took a number of years—eight to 10 years—in terms of when it began and when it ended. Yes, to be quite clear, what we have been chasing ever since are the reductions in the rest of the economy outside of the electricity sector. I can point to what we're doing right now, for example, looking at the industrial sector, at the emission performance regulation that we have in place. That is meant to help industry reduce its emissions through a program of regulation and reinvestment of compliance payments back into projects that reduce emissions.

I would say climate change, or at least the reduction of GHGs, is such an all-of-government undertaking—a key role that my division plays and that the ministry plays is helping other ministries with the policies and the investments that they undertake to help them shape those investments and policies in a way that helps with other sectors of the economy where some of the emissions exist, whether it's housing, whether it's transportation or other sectors of the economy.

**Mr. Peter Tabuns:** It didn't quite answer the question that I wanted answered, but I'm going to go on to my next one, which is—in the ministry overview, the published plan says the division leads the government efforts to lower greenhouse gas emissions to meet our 2030 target, a 30% reduction over 2005. Is Ontario going to meet that target?

**Hon. Todd J. McCarthy:** Through you, Chair: I appreciate the question.

Of course, the member for Toronto—Danforth is correct; the target is a 30% reduction in greenhouse gas emissions below the 2005 levels by 2030. While we're leading Canada and while we're doing everything we can, obviously, what we believe in primarily are results and outcomes.

Targets are certainly something that we strive for. Aspirational stretch goals are something that might be seen by many as unrealistic. I know that the federal government put out targets, and they're not anywhere near their targets, with that 8.5% figure, as we were on track well above that in terms of where we are today already. The target is there. We're not going to radically change the approach. But I think what we ought to celebrate is how far we've come, the fact that Ontario is leading.

In terms of the achievement of the target, our modelling suggests that Ontario may be delayed by a few years in achieving its greenhouse gas emissions reduction target. But let's keep in mind what this is due to: In large part, it's

due to US tariffs, the removal of the federal fuel charge, and the timing of nuclear refurbishment.

**1600**

It's worth pointing out, and I know the Auditor General certainly acknowledged this in the report that was issued on October 1—that report, issued on October 1, 2025, was based on January 2025 assumptions. That's fair enough, but look how much has changed since January alone. Mr. Trudeau is no longer leading the federal government. As a result, with Mr. Carney as Prime Minister of a new government, we have seen the end of the consumer carbon tax—that affects the targets issue—as well, the pausing of the EV mandate, that decision made by the federal government just a short while ago. Those are policy changes that weren't assumed to be ones that would come into place this year, within a few months of January 2025. So the external threats of US tariffs, the changes in federal government policy on a number of fronts—all of those affect whether or not we meet targets. And if further changes occur, that can impact it as well.

That's why I say that with my team, I support outcomes and results more than anything, because there's only so much that we can control as a sub-sovereign government of a federal system. While we can do everything that we can to lead Canada in the effort to reduce greenhouse gas emissions, there will be factors beyond our control that might delay the ability to meet certain targets. So outcomes and results are first in our priority—not stretch goals, not cursing the darkness of existential threats from external forces. We believe in staying positive and optimistic and celebrating what we have achieved and what we can achieve together, and I look forward to continuing to work hard in that regard.

**Mr. Peter Tabuns:** Chair, I appreciate the efforts of the minister. He's skating around it.

What I gather from what he said is that we're not going to meet the 2030 target. What he seems to have said is that things will be delayed.

I want to talk very quickly about this whole idea of a “stretch goal.” The target before this government came into power was a 40% reduction, so dropping down to 30% was seen as a failure, because, frankly, if we don't substantially reduce emissions, there will be disruption of our lives beyond anything that we've seen previously.

That being the case—and I have just listened to the minister; he has explained what happened since the beginning of 2025, all of the changes that have taken place. On June 5, I asked the minister about meeting those targets, and the minister said, “We have a plan. The plan is working”—not consistent with what I just heard. “We're on track to meet the target, by 2030, of reducing the 2005 levels of greenhouse gas emissions by 30%”—but the minister has just said that's not the case.

I have to ask, given that at that time, apparently, the ministry was telling the minister we weren't going to meet the targets, why did he tell us that we were going to meet those targets?

**Hon. Todd J. McCarthy:** I always remain an optimist. I do want to meet those targets, but I acknowledge, as each

day and week goes by and the fundamental policy assumptions behind why those targets were set changed, that there are circumstances that we as a sub-sovereign government can't entirely control. But that doesn't mean we curse the darkness. It still means we stand up to fight against climate change, that we reduce greenhouse gas emissions in every way that the provincial government can do.

Someone who has been here longer at the Ministry of the Environment, Conservation and Parks, even longer than me—and I've only been here a short time, although I was acting minister this time last year. I, again, refer through the deputy minister to the assistant deputy minister, Alex Wood, on this front.

**Mr. Peter Tabuns:** When the ADM speaks, could he tell us what he told the minister about whether or not the targets would be made—so that what we got in the House was the information from his staff?

**Hon. Todd J. McCarthy:** No, I can be very clear. The targets were announced publicly, and I stood by them, and I still would like to meet them. There may be circumstances that allow us to be on track by 2030. I can assure you we're going to do everything we can to meet those targets.

But what I say is, we have to accept the reality that there are circumstances that may get in the way of getting to that exact target by that exact date. That doesn't mean we don't celebrate the outcomes and the results of leading Canada in greenhouse gas emissions reductions.

I'm well supported by a team, with this deputy minister and this assistant deputy minister—who I would like to have an opportunity to speak, since, as I said, he was here longer, when the targets were set.

We remain committed to the targets, but we have to celebrate our outcomes and our results at the same time.

**Mr. Peter Tabuns:** Did the staff tell the minister that we're going to meet the targets or not?

**The Chair (Mr. Aris Babikian):** The floor is to the ADM. Please go ahead.

**Mr. Alex Wood:** Mr. Tabuns, you mentioned that our target used to be 40%. I can say that our target used to be 37.5% under the previous government. In 2018, that target was adjusted to 30% to make it consistent with what was then the federal target, you may recall, at the time. So I just wanted to correct that record.

**Mr. Peter Tabuns:** I'll go with you on that 2.5%, but we had a reduction down to 30%.

Did he tell the minister that, according to their projections and analysis, they were going to meet the 30% reduction, which is the answer that was given in the House? What did you tell?

**The Chair (Mr. Aris Babikian):** Any response?

**Hon. Todd J. McCarthy:** I'm not sure this assistant deputy minister can answer that, because we didn't have a meeting about this specific issue. So he can confirm that.

I would have received a briefing binder, a transition binder, as I became the full-time Minister of the Environment, Conservation and Parks.

And the targets have been our consistent targets since 2018, since we took office, as the ADM indicated.

What I'm saying is, that assumption, when I began as full-time Minister of the Environment, was already beginning to change, just like the policy assumptions in the Auditor General's report in January 2025 changed by the time the report was released on October 1, 2025.

So whether it's my statement to the House or the Auditor General's report of August 1, 2025—the reality is, we've had a shifting landscape in this year alone.

The reality is that as much as we hope and believe and strive to meet targets, the better reality to face is what the results are. We can and should celebrate how far we've come, and we'll continue to achieve those targets—we'll continue to achieve results towards those targets. Can we guarantee that we will actually meet that target by January 1, 2030? No, we can't. Are we on track to lead Canada towards those targets? Yes.

If there's any misunderstanding about that, I would correct the record accordingly.

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

**Hon. Todd J. McCarthy:** The reality is, we're working hard, we're leading Canada, and we can be proud of that. But if a target is missed because of external factors, I don't think that's any reason to be disappointed or to be critical.

**Mr. Peter Tabuns:** Chair, the minister is saying, "I wasn't briefed before I gave an answer in the House. I didn't really know what was happening." Is that the case?

**Hon. Todd J. McCarthy:** That's not fair, with respect. The reality is—

**Mr. Peter Tabuns:** Well, were you guessing, or did you know?

**The Chair (Mr. Aris Babikian):** Please, don't get in an outside argument.

**Hon. Todd J. McCarthy:** I will stand by this statement: When you're leading Canada, as we are, with 67% of the greenhouse gas emissions reductions in Canada being because of the leadership of Ontario, you have a lot to be proud of. And that means we are on track. But are we going to miss them because of external factors? It's impossible to know exactly, but we are forewarning that that may be the case because of policy assumptions from the beginning of this year—

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

We will move to the third party. MPP Tsao.

**Mr. Jonathan Tsao:** I want to start like I did with the Minister of Energy and just thank the minister for coming today—and, as well, to officials from the ministry for attending.

I understand and appreciate how much work goes into preparing for today and events like today, so thank you to all the members of the OPS for everything that you do today and you do every day. I truly appreciate it.

Minister, Ontarians want a Ministry of the Environment that protects our air, our water and our land; not one that is quietly cutting capacity and oversight by using phrases like "streamline" and "modernize" as buzzwords.

We take a look at the estimates before us and we can see a pretty clear story: Program spending is flat in real

terms. Climate and pollution budgets have stagnated, and conservation funding hasn't kept up with the demands of a changing climate. At the same time, your government is advancing policies that weaken environmental review, centralize discretion and remove independent checks under the banner, again, of efficiency, of streamlining, of modernizing.

1610

Ontarians know that when you cut oversight, you reduce inspections and you freeze funding for conservation authorities—like what is happening right now—the real cost only shows up later: polluted lakes, flooded basements, and lost trust in government.

What we're asking here today is whether the ministry is actually equipped to deliver what Ontarians need. Your own estimates show no new measurable targets for climate adaptation, no staffing increases for field enforcement, no growth in conservation authority support. It really raises very serious questions about whether this government is truly committed to more than just buzzwords.

Transparency and accountability are not obstacles to growth; they're the foundation of good government. The people of Ontario expect you to protect the public interest, not privatize it through deregulation.

Mr. Chair, just recognizing the scheduling here—if you're okay, I would like to yield the rest of my time to my colleague from Beaches–East York and pick up where I left off in the next round.

**Ms. Mary-Margaret McMahon:** Thank you for having me to your cozy little committee.

Thank you to the minister for your introduction, and also staff—always the behind-the-scenes, silent but stalwart supporters. Thank you.

Also, thanks to the minister for meeting me—I guess it was a theme, along the Danforth—in my riding. I appreciate that—and always being very accessible to speak to.

From what I'm seeing, investments are basically the same or have gone down.

My key question is, is it my imagination, or has the funding for Indigenous engagement been reduced?

**Hon. Todd J. McCarthy:** Let's unpack this. We have two sets of questions/statements from two members of the third party in the House. I appreciate the questions.

First of all, our budget has been increased from just under a billion dollars annually to just over a billion dollars annually, by \$181.4 million annually. This, of course, includes a number of things, and one has to consider the core budget as well as the agency budget.

One also has to consider that we quadrupled—and I repeat: four times—the investment in the protection, the conservation and the recovery of species at risk. We're up to \$20 million each and every year. That's a fourfold increase in funding to protect and conserve species. That will really make a difference on the ground. We have stepped up our ability to investigate and detect any non-compliance when it comes to protecting species at risk.

When it comes to making sure we have clean drinking water, we are mindful of the legacy of Walkerton. That's why we have funded and continue to fund the Ontario

Clean Water Agency and the Walkerton Clean Water Centre. These are pivotal and critical to making sure that we continue to have the clean drinking water protections for all Ontarians that we do—protections, I might add, that are among the best in the world. We're proud of that. That is what we're funding very, very significantly and continuing to fund.

In terms of the breakdown of the overall budget, including the agencies and the adjustments that are in the estimates, that \$181.4-million increase in our ministry's budget is being invested wisely. I can have that, through the deputy, broken down in more detail in terms of where it has gone in the seven divisions that I outlined in my opening remarks.

**Ms. Sabrina Tao:** Thanks for the question.

I'm Sabrina Tao. I'm the ADM for the corporate management division and also the chief administrative officer for MECP.

As the minister mentioned, the ministry's budget has gone up for this fiscal year, and we have some major increases in spending in different program areas to support the ministry's work, in order to protect Ontarians and protect the air, land and water. The funding has gone up by \$181.4 million, and there was major spending—the major area is to reduce greenhouse emissions, as we mentioned before. Also, there is some work that has gone into the Ontario Clean Water Agency to better protect the drinking water work that we're doing.

**Ms. Mary-Margaret McMahon:** We'll go over to questions on the policy division; specifically, the Blue Box and the extended producer responsibility. I'm going to tell you right now, most Ontarians have no idea this is coming down the pipe on January 1. It's going to be a huge shock. Apart from having some Circular Materials stickers on our blue bins in Toronto, people don't know. I even had a resident who said she ripped the sticker off because she thought her blue bin had been vandalized.

I'm wondering how much your government is allocating for a communication plan on EPR, since this is coming from the province. It's a good thing, so I think that you would want to brag about it. It has been done in Europe for years. How much is being allocated for communications, for investment in the circular economy, for expansion to apartments, churches, public spaces? Are we still trying to delay the full implementation—because we know that the city of Toronto landfill site, Green Lane landfill, is running out. It will be at capacity by 2035, and I sure as heck don't want to put in a landfill site in Dresden. Personally, I don't want to do that. What are we doing for waste diversion education, a circular economy and allocating funding for a communication plan so that we can actually brag about this and do it right?

**Hon. Todd J. McCarthy:** Through you, Chair: I thank the member for Beaches–East York for the question.

As I believe the member knows and all members of the committee know, our province—the entire province, not just the city of Toronto—is transitioning to full producer responsibility. This is to ensure that producers pay for the waste they produce, not citizens and taxpayers. The new

system is designed to incentivize producers to improve diversion rates and to innovate and come up with solutions to reduce packaging, to keep costs down. It will see the list of items that can be recycled standardized and expanded across all of Ontario. Again, that's all of Ontario, not just Toronto. We will no longer have situations where you can recycle black plastic in Durham, my riding, but not down the road in Toronto. This will make it easier to recycle in every corner of Ontario.

Right now, the expenses associated with recycling costs municipal taxpayers hundreds of millions of dollars every year. By the end of this decade, our producer-run Blue Box Program will save taxpayers over a billion dollars. As we continue this transition to full producer responsibility, we will continue to work to find more ways to reduce burden and to keep costs down for everyone. We will make these changes while protecting all the features of Ontario's recycling system that all of our citizens in Toronto and across the province have come to expect.

I have with me, to my right, my deputy minister and, to my left, another assistant deputy minister, Mr. Brandon Chaput, who is with the environmental policy division. He can add to or correct anything I have said.

**Mr. Brandon Chaput:** I'm Brandon Chaput, assistant deputy minister, environmental policy.

Thanks very much, Minister. There's nothing to correct, but what I will say is that this is a multi-year transition. It has been in transition for a period of three years, and municipalities, in many cases, have already transitioned. There are, in fact, over 320 municipalities that have already transitioned to the new system. The balance of municipalities are intended to have this change in effect on January 1, 2026. And we are working with Circular Materials and the Resource Productivity and Recovery Authority to make sure that details are communicated through municipalities.

**1620**

In some cases, there have been municipalities that provided these services to small business at no cost. The government does believe that it's incumbent on municipalities to make the determination about how those services are provided to small business going forward, at municipal cost. The minister has made the request to the PROs, and in the absence of voluntary compliance or working with the municipalities in that regard, the government has actually introduced legislative amendments that, if passed, would give the minister the authority to compel Circular Materials to provide those services.

**Ms. Mary-Margaret McMahon:** Do you think a bottle deposit return system would assist with the waste diversion? Ontario and Manitoba are the only two provinces without that system. I did have a private member's bill, which I've reintroduced—I just think that, to me and other people who supported it, it would really help with waste diversion and achieving our goals.

**Hon. Todd J. McCarthy:** Through you, again, Chair, to the member for the third party: We do, of course, have a deposit return system for alcoholic beverages. But after substantial consultation in years 2023 and 2024, it was

made clear that creating a new mandatory bottle deposit return system at this time would add significant costs at a time when our government is focused on keeping costs low for people and businesses.

Our priority is ensuring that this transition of blue box to producer responsibility is successful. That will make it easier for people to recycle at the curbside, where we have seen such great success. This is, of course, a province-wide approach—not just for Durham, not just for Toronto, but the entire province of Ontario. That is our goal—to have that standardized approach and success with that standardized approach as we move toward full producer responsibility.

**Ms. Mary-Margaret McMahon:** How do you think the other provinces, especially British Columbia, do it so successfully, and for years?

**Hon. Todd J. McCarthy:** Well, we can learn from other jurisdictions—

**Ms. Mary-Margaret McMahon:** Even Alberta.

**Hon. Todd J. McCarthy:** We can learn from other jurisdictions, as other jurisdictions come to us to learn how we're doing it. We're always open to new ideas, because we want to achieve the goal of real recycling and all that that entails. We embrace the circular economy here in Ontario, very much so, and we've seen great success, whether it's government-led or, in the case of, say, IKEA, which, without any particular requirement, has shown the great success and the consumer buy-in to their efforts at a circular economy.

We've seen the great achievements made with tire recycling and the products that can arise from that. We've seen the great achievements of waste-to-energy and, again, embracing that, using modern technology.

Of course, as the member knows and as I've said in the House before, we can't continue with the situation we now have, where 40% of our waste is being shipped over the border to Michigan and New York. Even without tariffs, Michigan is proposing a 1,200% tipping fee increase, which will make it impossible to rely on waste diversion south of the border.

So we've got to do everything we can. Whether it's recycling, whether it's waste-to-energy and embracing the circular economy in every way, we've got to do everything we can to make this work and to do it together regardless of party. Our government is leading that, and I'm very proud of that.

**The Chair (Mr. Aris Babikian):** We will move to the government side. MPP Pinsonneault.

**Mr. Steve Pinsonneault:** Thanks for being here today, Minister, along with your staff.

My question: Can you explain the increase of \$181.4 million from last year's ministry budget?

**Hon. Todd J. McCarthy:** Yes, I can. I thank the member for the question. I can break it down.

It is a clear and specific increase, year over year, of \$181.4 million. As I said, the budget last year for this ministry was under a billion. We're over a billion this year. So we're making the increased investment.

The increase of that \$181.4 million is primarily due to a number of factors. They include funding projects that

support greenhouse gas emission reductions in non-electricity generation facilities, and it helps sectors of the economy remain competitive through the Emissions Performance Program. That's an investment of \$93.7 million and, quite frankly, it's why we're leading Ontario.

So, yes, we can talk about targets; yes, we can talk about trying to be on track to meet the targets by a specific date, but our focus has to be on outcomes, achievements, results. The federal government had more ambitious targets, but it has failed to deliver results. We're delivering real results by leading Canada.

The second element of the increase of \$181.4 million is the delivery of water and waste water services by the Ontario Clean Water Agency, OCWA, as it continues to provide training and operational support to municipalities and First Nations communities, institutions and private sector companies while also expanding the scope of services provided to existing clients and attracting new clients. That's \$19.6 million. Remember, it's the constitutional responsibility of the federal government to provide clean drinking water to First Nations communities. The federal government has failed in that regard. They haven't even found a replacement bill to replace the now-expired Bill C-61. We were largely supportive of that bill, because we support clean drinking water in First Nations communities, as is evidenced by the fact that we have continued to invest in OCWA and provide technical support and advice to First Nations communities when requested. The failure to provide clean drinking water for all First Nations communities lies at the feet of the federal government's failure to get anything done in that regard, but we're making the investments, nevertheless; we're doing all that a provincial government can do to achieve that goal.

Third is funding of \$15.5 million to continue to protect and recover species at risk and their habits in the province. Another \$11 million of the \$181.4 million is funding to reduce the amount of damaging phosphorus flowing into Lake Simcoe and other lakes and rivers across our province; \$7.3 million is the funding allocation to enable faster environmental permissions by shifting more approvals to that registration-first approach that I referenced already. This is also known as "permit by rule." It accelerates government priority projects, integrating permissions for clients and improving service delivery outcomes, results, building faster and protecting the environment and human health at the same time.

There's \$7.0 million of funding to support implementation of resilient infrastructure solutions for the stormwater system at the Evergreen Brick Works in Toronto; developing the Uxbridge Urban Provincial Park—that was a \$5.1-million investment; and then \$1.4 million representing the environmental improvements for fruit and vegetable growers in the Holland Marsh area.

So that is specifically how it breaks down. And we're putting that extra investment to very, very effective use, I might say.

**The Chair (Mr. Aris Babikian):** MPP Vickers.

**MPP Paul Vickers:** I'd like to commend the hard work that the minister and the staff do, helping to protect the environment and creating green spaces all over Ontario.

I come from Bruce and Grey counties, and I lay claim to the most amount of kilometres of the Bruce Trail in my riding. So it's one that I'm very proud of. It's one that my family and friends and I have walked many a time, many sunny afternoons, and we enjoy it immensely. It's important that this government takes that seriously.

I'd like to know a little bit more about the Ontario Land Trust Alliance. I believe one of their projects this year was a project up in north Bruce Peninsula, and we're very proud of it. It just shows the commitment that this government has towards protecting land that then can be enjoyed by everyone. It's a great initiative, and I think it's one that everybody is proud of.

So with the \$20-million investment through the Greenlands Conservation Partnership program, there is real potential to make lasting impact on how people experience and care for the outdoors.

I can't believe, after coming down to Toronto, to Queen's Park, for the last few months, that there aren't more people wanting to get out of Toronto each and every weekend to come up to the beautiful Bruce and Grey counties. I just can't get over it; I don't know why there isn't just a mass exodus—but everybody to their own.

It is also an inspiring commitment to protecting Ontario's natural heritage.

As the government continues to support the efforts of land trusts and local conservation organizations, could you share how the program ensures these areas remain open and available for public use while protecting ecologically sensitive areas?

1630

**Hon. Todd J. McCarthy:** I thank the member, through you, Chair, for that question. He is a new member, and he appreciates already how much our government has led in this regard.

We have, this year, expanded free public access to our expanded hiking trails. I can say first-hand I've seen it up close. In fact, there are some who say that they see a visible reduction—that I've shed a few pounds—since becoming the full-time Minister of the Environment because I've been on these hiking trails. I've been walking them and even riding some mountain bikes on them in various parts of the province. So, yes, I strongly endorse the outdoor activity and exercise associated with the use of hiking trails.

The Ontario Land Trust Alliance is one of our partners, along with the Ontario Greenlands Conservation Partnership program. These are transformational programs in partnership with the Ontario government. We're committed to expanding green space and trails, parks and conservation areas.

Through the Greenlands Conservation Partnership program I just mentioned, Ontario is helping to secure land to conserve ecologically important natural areas such as wetlands, grasslands and forests. It's the single largest provincial fund to support private land protection in

Ontario. And I think you heard me say—I hope you did, but it's worth repeating—that with our investment of \$58 million since 2020, just in five short years, we have protected more than 430,000 acres of land across Ontario. That's more than twice the size of Lake Simcoe.

And the Ontario Land Trust Alliance, which the member specifically mentioned—we recognize the important work that that conservation agency and the member land trusts do to conserve and protect our natural spaces and fight climate change. This funding is administered by the Ontario Land Trust Alliance through what we call a competitive grant program. In 2024-25, the program funded 15 projects. This will help protect and restore 1,650 acres of land, including three projects along the Bruce Trail.

In addition, as a requirement of the Greenlands Conservation Partnership program, newly protected properties must include some form of public access. That's key. As I indicated, we've expanded the ability to have free access to these trails. This ensures the program has a lasting impact on how people experience and care for nature long term and get out into the great outdoors. This has ripple effects in terms of the health and well-being of our fellow citizens and the overall health of our province.

Protecting our rich biodiversity and our natural resources is a shared goal. It's a shared responsibility. By partnering with conservation organizations like the Ontario Land Trust Alliance and the Greenlands Conservation Partnership program, we are achieving transformational outcomes, and we can achieve the shared goal that goes above and beyond protecting ecologically important natural areas and expanding access to green spaces for all of our residents and citizens.

**The Chair (Mr. Aris Babikian):** MPP Dowie.

**Mr. Andrew Dowie:** Thank you, Minister and Deputy Minister, for being here. I'm pretty excited to see what the ministry is doing to further develop a sense of community embodiment of the environment and environmental protection.

I look to the creation of the Uxbridge Urban Provincial Park. It is truly an exciting step forward for all of us. Down in my community, we've had these discussions for many, many years about a national urban park, and it seems to be just talk, talk, talk many years later. We're actually seeing implementation of urban parks in the province of Ontario. They do serve a real purpose; it's a way to connect growing communities with nature while protecting sensitive ecosystems. I believe it's over 1,300 acres that are now protected at Uxbridge. And there's real potential, for not just the people of the Uxbridge area, but also those who surround and those who are in proximity to, say, the Bruce Trail. I know that's the goal, long term—to connect the two. The potential is there to develop lasting recreational, ecological and economic benefits. It will prove to be a destination for perhaps that weekend or outdoor adventure in a place that really is low-barrier. I think that's an important aspect of an urban park.

I'm hoping you might be able to give us an update on how the planning and development process is working for the Uxbridge Urban Provincial Park, and particularly how

our government is working with Indigenous partners, conservation organizations and all the local stakeholders who are involved—Mayor Barton comes to mind as a real champion—in making sure the park reflects both environmental priorities and the needs of the community.

**Hon. Todd J. McCarthy:** I appreciate—Chair, through you—the question from the thoughtful member for Windsor–Tecumseh. Geographically, he’s far away from the Uxbridge urban park, but he knows how transformational it is—clearly, by his question—and as a model for what can be done in the future for other urban parks to come.

This is the first urban provincial park in Ontario—over 1,300 acres now protected. The planning and development of Ontario’s first urban provincial park being well under way is guided by a strong commitment to environmental stewardship and community engagement. This is the work of so many individuals and stakeholders and groups.

It was officially established on Canada Day 2024, under the Provincial Parks and Conservation Reserves Act, 2006, through the 2024 Ontario budget. The government invested \$19 million over three years to support the creation and development of the Uxbridge urban park. Now it’s being used—this funding—for land acquisition, park management planning, ecological assessments, and the design and construction of future park facilities.

I’ve been in the park, and I rode a mountain bike—without falling off—and I wasn’t too winded. I was acting Minister of the Environment at the time, so I think that’s when my fitness effort began—in the fall of 2024.

The development of this park included both public and Indigenous consultations that began in 2023 and went through to the winter of 2024–25, through the Environmental Registry of Ontario. This helped shape the final approved management plan for the park, and that was released a short while ago, on August 8 of this year. This plan will guide the park’s protection and development over the next two decades, ensuring it reflects both environmental priorities and community needs.

Planning has been a true partnership, a true effort at co-operation—the Uxbridge partners network is what we call it. This includes our ministry, the Ministry of the Environment, Conservation and Parks; the township of Uxbridge; the regional municipality of Durham; the Toronto and Region Conservation Authority; the Nature Conservancy of Canada; the Lake Simcoe Region Conservation Authority; the Schad Foundation; and the Green Durham Association.

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

**Hon. Todd J. McCarthy:** All have played a key role.

The ministry continues to work closely with the ministry that I am now acting for. I think you all know, and I mentioned it in the House, that Minister Surma has had her healthy baby girl. Mom and baby continue to do well. Since the birth of baby Georgia on October 1, we’re working with the Ministry of Infrastructure as well on this project.

**The Chair (Mr. Aris Babikian):** You have 36 seconds.

**Mr. Andrew Dowie:** Quickly, Minister—a \$19-million investment over the next three years: How are these resources helping to build the park?

**Hon. Todd J. McCarthy:** Well, it’s an investment in the next 20 years, and it is an investment in expanding the park but also maintaining it. It’s also an investment in what can be done elsewhere in the province of Ontario. We can do it in the same way, but it will take partnerships, and we’ll continue to have full public and Indigenous consultation. This is a—

**The Chair (Mr. Aris Babikian):** Thank you, Minister. The government’s time is up. This concludes our first round of questioning.

We’ll move to the second round, and we’ll start again with the official opposition. MPP Tabuns.

**Mr. Peter Tabuns:** With regard to the minister’s statement at the beginning that he was committed to transparency and accountability and compliance, calling out the need for compliance with environmental laws, I note that the Auditor General, in her report, recommended that the ministry publish annual progress reports on their greenhouse gas reduction plan. In fact, the law that was put in place by the Conservative government—and I think that was the Cap and Trade Cancellation Act—requires—I’ll read it out: “The minister shall, on a regular basis, prepare reports in respect of the climate change plan.” The MECP response to the recommendation was that they disagree with the recommendation; “committed to transparency”—public information can be sought through the National Inventory Report and emissions projections from the federal government. That is not actually what the law says that was passed by this government. The law says that the minister or the ministry “shall, on a regular basis, prepare reports in respect of the climate change plan.”

1640

Why is the minister, or the ministry, ignoring the government’s own laws?

**Hon. Todd J. McCarthy:** There are two features to the response to the question from the member; there may be even a third, but I’ll talk about the first two.

The first is that our progress is reported to a federal agency every year, and that is available for everyone to have access to. The reporting process and program is already in place, because Ontario annually reports to the federal agency on the progress with respect to, among other things, greenhouse gas emission reductions.

Also, of course, as the member knows—and I would say this proudly—we have a system of responsible government, parliamentary democracy. The Minister of the Environment, whoever that is, is responsible to the House and is accountable to the House. That is in general and in regard to any specific issues, whether it’s greenhouse gas emissions reduction; protection of species at risk and their habitats; the budgets and the investments that are to be made by the Ministry of the Environment in any given year; enforcement, investigation and detection of any harms that might be committed against species.

The third aspect of my answer is that if I forget anything, I’m sure that the member for Toronto–Danforth will

remind me in question period or otherwise on a regular basis. That's the beauty of responsible government.

**Mr. Peter Tabuns:** I agree that responsible government and responsive government are two useful things.

What we don't have, actually, is compliance with the law, that, on a regular basis, the minister shall prepare reports in respect of the climate change plan. We also have a situation that the Auditor General noted—that we aren't seeing climate change plans prepared—or shall be prepared—in accordance with that law.

So I want to understand why it is the government feels it doesn't have to comply with its own laws.

**Hon. Todd J. McCarthy:** The ultimate law, of course, is the Constitution—in particular, the constitution of the province of Ontario. That is what my presence here represents, as well as my presence in the House as a minister of the crown—or whoever occupies the office of Ministry of the Environment, Conservation and Parks. We are fully complying with the law.

I must say that this goes back, I believe, to the issue of the targets. The targets are obviously a goal. But for stretch goals and unachievable targets, or shortcomings in terms of meeting the targets due not to a failure on the part of any government but due to external forces and realities that can't be controlled by a particular government, especially a sub-sovereign one, one has to recognize that the core competencies of the executive and legislative branches of government are to be able to pivot to changing circumstances. Even a year ago, it was not anticipated by many that Mr. Trump would be elected to a second term. It was not anticipated that Mr. Trudeau would not lead the federal government into the next federal election. The tariff war, the trade war that has consumed 2025, the change in terms of the abolition of the consumer carbon tax and the pausing of the EV mandate, new federal government decisions—none of those were anticipated. They weren't anticipated in terms of the Auditor General's report, because it was based on January 2025 policy assumptions.

This ability to comply with the law, to recognize responsible government but to be able to pivot, to respond to rapidly changing conditions almost daily in this year, 2025, is essential for a government to be able to lead properly.

That's why I emphasize that while we absolutely support looking at targets, whether it be for greenhouse gas emissions or otherwise, the more important achievement is to actually get results, to actually be able to say that we're leading Canada in the reduction of greenhouse gas emissions, and to do everything that we can to stay on track in that regard, in order to attempt to stay on track towards targets. If circumstances change, we may be able to meet those targets sooner, but if we're delayed by a few years, at least we can proudly say that we've done everything we can, as a society representing 40% of the Canadian population, leading in terms of actual outcomes and results, and also leading by example.

I'm proud to say that, for example, our investments in small modular reactors—and we were joined by the Prime

Minister of a federal Liberal government in my riding of Durham just last week. So \$3 billion, jointly, between the federal and provincial government is being invested in the SMR technology.

The clean, reliable, affordable nuclear energy investments that we're making to power Ontario is an example to the world—

**Mr. Peter Tabuns:** Chair, I think he has answered the question.

**Hon. Todd J. McCarthy:** —and that is what I mean by getting results, getting real outcomes.

**The Chair (Mr. Aris Babikian):** Go ahead, MPP Tabuns.

**Mr. Peter Tabuns:** The estimates show a \$125-million expenditure next year from emissions performance standards: \$25 million for operations, \$100 million for capital.

What is actually going to be purchased with those funds? What are the initiatives?

Secondarily, what do you expect to be the revenue from the emissions performance standards from now till 2030?

**Hon. Todd J. McCarthy:** I have Assistant Deputy Minister Alex Wood back, who can answer that specific question.

I just want to clarify, of course, that in answering this question and any other question—there is no legal requirement to report annually, and we're not out of compliance.

The federal government agency that I was referring to is the National Inventory Report. Public information on Ontario's progress in reducing emissions is available through that National Inventory Report, and emissions projections are published annually by the federal government.

So we are transparent, we are reporting, but there's no legal requirement to report annually. Therefore, the member's suggestion that we're out of compliance is simply wrong.

ADM Wood can answer the specific questions about the figures referenced by the member.

**Mr. Alex Wood:** Thank you, Minister.

To your question: I think you're referring to the emissions performance program, which is the funding program associated with the emissions performance standards, which is the regulation on industry itself.

What we are doing and have been doing for the last year is working with industry to identify projects that they would undertake and that they would themselves invest in to reduce emissions. They come to us when those projects are identified, with a view to securing some of the funding that is available to them. Already some of those projects have come in, have been identified, have been funded, and I'll come back to one of particular note in a second. Part of what you're describing there is essentially our forecast for what we expect to see in terms of it—

**Mr. Peter Tabuns:** Two things: What are you spending it on, and what do you expect to get?

**Mr. Alex Wood:** I'll give you an example of what we're spending it on. What we might be spending it on

is—and you'll understand it's a function of what industry is in fact coming to us and asking for, because we are essentially in need of those proposals from them and have put, essentially, our shingle out, saying, "There is money on the table if you have projects that you want to see funded." We haven't always seen the kind of response—a lot of the trade uncertainty that the minister was referring to is having a real effect on that.

**1650**

I'll come back to the first part of the question, in terms of what we are, in fact, spending it on. I'll give the example of Algoma, a company that obviously is under tremendous pressure when it comes to some of the tariff challenges that the steel sector is facing. Algoma is going to be securing \$45 million from the ministry, through the program that you're talking about, for use in the transformational project that I'm sure you know about: the transition from coal-based to electric-based steelmaking. A substantial emissions reduction from that project, under normal conditions, would be, obviously, a very-good-news story. They're doing so under this kind of tariff challenge that they face, but they are receiving support through the program that you're talking about—so \$45 million over the last three years, including this coming year. That includes some of the \$25 million you were asking about.

**Mr. Peter Tabuns:** Next question: I'm going to go to landfills. The whole question of reopening the closed landfill in Dresden was a very interesting exercise. Many of us learned a lot.

One of the arguments that was made by the minister as to why an environmental assessment was not required was because there was urgency. There was an increase in dumping fees from Michigan, and we're looking at, over the next seven or eight years, a point at which we were going to be running out of landfill space.

How many people in the ministry are working on addressing the crisis in landfill capacity that the government identified?

**Hon. Todd J. McCarthy:** The Dresden landfill issue is addressed in a schedule to Bill 5 that was passed by the House and received royal assent in the spring of this year, in June 2025. This was an example of a need to build on an existing landfill site. And I want to be very, very clear about this: It is and will be subject to strong environmental oversight. That is a must.

**Mr. Peter Tabuns:** Chair, that's not actually the question I asked.

**Hon. Todd J. McCarthy:** This is not a new landfill site. That is number one. And number two, its use is anticipated—

**The Chair (Mr. Aris Babikian):** Go ahead, MPP Tabuns.

**Mr. Peter Tabuns:** My question—

**Hon. Todd J. McCarthy:** —to be construction debris, for example.

But the member does raise the issue, and he's quite correct: This schedule to Bill 5 followed the announcement from Michigan. This is even separate and apart from

the trade and tariff war. But if we're relying on shipping 40% of our waste south of the border, that is not sustainable—

**Mr. Peter Tabuns:** I understand what you're saying.

The question I asked is, what resources are being allocated to deal with this problem that you have identified? How many people on staff are currently looking for new landfill sites?

**Hon. Todd J. McCarthy:** The issue of new landfill sites is—

**Mr. Peter Tabuns:** Or reopening old ones. How many people are working on making sure—

**The Chair (Mr. Aris Babikian):** Please, MPP Tabuns, give the minister the opportunity to answer the question.

**Hon. Todd J. McCarthy:** This is an issue about the importance of being able to manage our waste—it's the importance of managing our waste, whether it's a new or reopened landfill site, whether it's waste-to-energy, whether it's the circular economy, or whether it's our producer-responsibility recycling program that we're transitioning to.

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

**Hon. Todd J. McCarthy:** All of these things are individual features of how we manage our waste—embracing new technologies with respect to waste energy.

In response to the question—we also have Assistant Deputy Minister Lisa Trevisan from the environmental assessment and permissions division with us. Here she is, to my left.

**Ms. Lisa Trevisan:** Thank you, Minister.

My name is Lisa Trevisan. I'm the assistant deputy minister of environmental assessment and permissions for the ministry.

MPP Tabuns, your question about how many people in the ministry are identifying new landfill sites—we don't. Municipalities—

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

We move to the third party. MPP Tsao.

**Mr. Jonathan Tsao:** Chair, we heard from the government side questions relating to why the people of Toronto don't flee the city and go to the Bruce Peninsula to enjoy the natural environment there. And it's a question—I will say, because in my riding of Don Valley North, we have a very extensive ravine structure that we're very proud of.

Unfortunately, due to the changes that have been made to the authority of conservation authorities like the TRCA and underfunding, we have great concerns about the future of this sensitive area in our city—in fact, so much to the extent that local citizens have had to create their own organizations, including the turtle stewards, to protect species that are in these extremely sensitive ecosystems, to take up the slack where the government is leaving them behind.

We talk about Uxbridge. We talk about a possibility of an urban park. That has already happened in Scarborough. We have the Rouge National Urban Park that we're extremely proud of in Toronto.

My point is that within the city of Toronto, within the 416 area, we have great natural resources, great trails, great ability to enjoy the environment, but what we're lacking is the support from this government, from this ministry to ensure that those who are in charge of making sure that they are able to be at their best—the conservation authorities, TRCA, are lacking that support from you.

So, Minister, how can you sit there and tell us that everything is great and that we're looking forward to all these great new expansions and changes and that you enjoy hiking through these different conservation areas, but not give the support to conservation authorities they need to protect these sensitive environments?

**Hon. Todd J. McCarthy:** I thank the member for the question.

It's interesting that when I was Acting Minister of the Environment, Conservation and Parks last year, my ministry did not include responsibility for conservation authorities. As of the end of June 2025, by order in council, conservation authorities, in terms of being part of this ministry's mandate, were transferred from the Ministry of Natural Resources to environment, conservation and parks.

With that followed another order in council, and that was the appointment of the first-ever Chief Conservation Executive, Mr. Hassaan Basit. His name will be familiar to members of this committee, no doubt, because he is a past chair of the Halton conservation authority and had achieved great success there. He came to serve in our government, as the first Chief Conservation Executive, over the summer. He began his duties on August 5 and has moved swiftly, working with my team and I towards solutions. He, like our government, is committed, in Toronto and across Ontario, to expanding protected and conserved areas; to supporting conservation authorities in terms of delivering on their core mandate of watershed protection and flood prevention. These are top priorities for Mr. Basit, as the first CCE, and for our government, responsible for his appointment.

We're committed to building stronger communities within Toronto and across the province to support tourism, recreational opportunities—promoting economic development in rural municipalities and protecting the natural environment, through protected areas. That includes urban parks, and that includes urban areas like Toronto.

We have a world-class system of protected and conserved areas that covers approximately 29 million acres. That's across over 1,500 sites. This includes 638 provincial parks and conservation reserves covering 23 million acres. That's almost 9% of our province's land area and inland waters.

So we've made significant progress, but we're going to do more under the leadership of Mr. Basit as the first Chief Conservation Executive.

I'm glad I'm able to answer a question on conservation authorities to the member representing the third party, which I wouldn't have been able to do in the estimates defence a year ago. And we're just getting started in terms of supporting, more than ever, conservation authorities

effectively—again, to achieve their core mandates, to make sure that we protect our green space, that we guard against the dangers of floods and flooding.

The conservation authorities as entities were first created some 80 years ago, just after World War II, and then their mandate was even expanded further after the tragedy of Hurricane Hazel in the 1950s—both, by the way, initiatives under the leadership of Progressive Conservative governments, the first by Premier George Drew and the second by Premier Leslie Frost. This trend has continued. The protection of the Oak Ridges moraine was under the government of Premier Mike Harris, again, a Progressive Conservative.

**1700**

This initiative of appointing the first Chief Conservation Executive, transferring conservation authorities and the protection against floods and the management of watersheds, has come under the leadership of Premier Ford.

I'm proud to be the minister appointed to work with my deputy minister, our entire team and Mr. Basit towards strong support for the core mandate of our conservation authorities.

Again, like the fight against climate change, like the reduction of greenhouse gas emissions and the leadership in that regard, this rises above party. I'm proud to be part of a government that is leading it, but it rises above party because we all share our environment. We all depend on clean air, clean water and the integrity of our land.

With that mandate, I welcome all-party support for all the initiatives we're pursuing here at the Ministry of the Environment, Conservation and Parks, and I thank all members for their thoughtful questions today.

**Mr. Jonathan Tsao:** I'm glad to hear how supportive you are of conservation authorities. It's really an important part of the work that we do here.

But if you really did support conservation authorities, then why has their funding flatlined in these budget estimates? In 2024-25 and 2025-26, we're looking at the exact same number—\$108.9. It's a 0% increase. When we're talking about inflation in terms of real numbers, then we're actually talking about a decrease in funding to conservation authorities of 3% to 4%.

So it's great to say nice things, but I think we need to look at where the money goes. That will show us what your priority is. When we see a decrease in actual spending ability for the conservation authorities, Minister, I don't think that your actions are really meeting your words.

**Hon. Todd J. McCarthy:** The municipalities fund the conservation authorities, primarily; the province does as well. Our provincial funding is being maintained alongside the municipal funding.

What we've done in addition to maintaining the funding is engage in a transformational move, first, as I said, by moving responsibility for conservation authorities to the Ministry of the Environment, Conservation and Parks, and also appointing the first-ever Chief Conservation Executive.

We are moving toward better supporting conservation authorities in terms of their core mandates than ever before. I would simply say I welcome this mandate and look forward to working with Mr. Basit on it.

I would also say that conservation authorities, in terms of revenue, do generate their own revenue through permitting and other recreational activities.

So the funding that the province continues to provide is really just one of three streams—there's what conservation authorities are able to generate themselves, and also municipal funding. So it's more layered than the member's question suggests.

**Mr. Jonathan Tsao:** If permitting volumes are increasing and you're saying that's where you're saying they're taking their money, Minister, it doesn't add up. If you're expecting more of these conservation authorities and you're saying how important they are, but then you say, "Oh, it's mainly the municipalities' problem to deal with the money. Let them find it"—70%, I believe, is already coming from there.

You're keeping these numbers flatlined. You're starving conservation authorities. You're centralizing decision-making to take away the actual voice of local conservation authorities while we have an actual decrease of 3% to 4% for these authorities. Do you really believe in local conservation authorities?

**Hon. Todd J. McCarthy:** I think the member misunderstands how conservation authorities function.

Right now, there are 36 conservation authorities across Ontario. There is no central agency at the moment, but we do have the first Chief Conservation Executive. The beauty of that is that he is advising our government and leading our government's initiatives with respect to better supporting all conservation authorities across Ontario in terms of their core mandate of watershed protection and flood prevention. He's leading that, having been a leader of a local conservation authority, that being Halton. So with that experience, that success and that background, he brings incredibly wise expertise to the table. That's what I call strongly supporting conservation authorities. We believe in their core mandate, as I indicated. It was a Progressive Conservative government that created conservation authorities, has continued the conservation authorities and, more than ever before, at least in recent memory, is supporting the core mandate of conservation authorities with the moves we've already made.

We look forward to continuing to receive the advice and support that we are going to get and receive, thankfully, from Mr. Basit, given his background and expertise.

That's what I'd call a government that strongly supports the core mandate of conservation authorities. I'm very proud of that, and that is under the leadership of Premier Ford—

**Mr. Jonathan Tsao:** I yield back the remainder of my time.

**Hon. Todd J. McCarthy:** At the same time, if the member is concerned, I would suggest that he must agree with the idea of—

**The Chair (Mr. Aris Babikian):** Thank you, Minister.

Now we move to the government side. MPP Gallagher Murphy.

**M<sup>me</sup> Dawn Gallagher Murphy:** Thank you very much, to the minister and the public service representatives here today. I greatly appreciate you being here, and your remarks, Minister.

I noted in the remarks that you talked about the environmental permissions and how they can be more efficient—streamlining approvals. I'm glad you spoke about that, because just last week I tabled my motion in the House that has to do with adopting modernized measures to streamline the development of communal water and waste water systems, as well as permissions for distributed, modular, off-grid water treatment facilities. This is specific to small and rural areas, including those in York region, because, as you're well aware, we have underserved areas, including in my area of northern York region. What prompted me to put forth this motion is the fact that we do need to build homes faster. One of the reasons why we're not able to do that is because of the lack of critical infrastructure. Without critical infrastructure such as this, builders can't build, which means we still have adults living with their parents; we have people who cannot downsize because they can't find the appropriate homes. That being the case, right now, with all the research I've been doing—there's so much technology out there.

When I look at the provincial plan provisions, these were written and passed a couple of decades ago. Technology has changed, it has advanced, and we have some Ontario-made systems built right here that really can help this situation, in building nice little hamlets of homes, of condos, of rental units etc. in these small, rural, underserved areas. When I think about that, why would we not want to become more efficient with our provisions? So I appreciate you making the comments.

To my motion about modernizing—I'm wondering if you could talk a little bit about communal waste water systems that allow for environmental stewardship, because we know things have changed over the years. So my question to you is, how can we unleash this type of building while maintaining our environmental stewardship?

**Hon. Todd J. McCarthy:** Chair, through you to the member for Newmarket–Aurora—she is an excellent member, an excellent leader of her community, and such a strong member of our government caucus.

I do want to thank her on the record today for bringing forward her very important private member's motion on communal water systems.

Her question suggests that it really is about balance. How do we make sure that we're strong environmental stewards but we unleash the potential to build for tomorrow—in particular, houses that are attainable and affordable for all? There are so many different needs. There are the seniors who are downsizing. There are the younger citizens and residents who are trying to acquire their first home.

So we need to do everything we can, and we're building on the member's motion.

1710

No doubt, the member and all members of the committee are aware of Bill 60, which we recently introduced: Fighting Delays, Building Faster Act, 2025. This was introduced for first reading in the House on October 23, and at the same time, I believe today second reading debate has begun. The bill proposes to take the first step in introducing changes that streamline the approvals in oversight processes for communal water and waste water systems in areas where full municipal servicing is not available. This is effectively using modern technology to achieve that important goal that we all share, to get housing starts increased, because we're facing a real housing crisis now that is a challenge. It's really an all-of-government approach. Every ministry has a role to play.

You will notice that in Bill 60, there are many ministries that are participating in terms of supporting the various schedules. I even have two pieces of it: the transit-oriented community advisory panel, which proposes an infrastructure item in one of the schedules to the bill; as well as this piece that builds upon the member's motion about approval in oversight processes for communal water and waste water systems. These communal systems are designed—speaking of balance—to safely provide drinking water, and to treat waste water on-site or near where it is produced. This replaces the need for multiple wells or septic systems in small or rural developments. By proposing to clarify, through the bill, the requirements in reducing unnecessary duplication in the approval process, the proposed legislation allows communities to grow more efficiently while still ensuring strict adherence to health and environmental standards. Qualified professionals, I might add, will continue to evaluate all significant drinking water threats, and regulatory safeguards will remain in place to protect all water sources.

Overall, these reforms would, if passed, unlock new housing opportunities, reduce project delays and provide certainty for developers, all without compromising safety or environmental quality.

While we are also speaking about Bill 60, I want to take a moment to highlight changes to the province's sewage regulatory framework to support the construction of on-farm housing for agricultural workers. I want to highlight this because it's another piece for the Ministry of the Environment, Conservation and Parks that I'm responsible for. On that front, keep in mind that 30,000 agricultural workers feed our province and, indeed, feed our cities. They have to be housed on farms. You can't house them adequately if you don't have reforms to how we build septic systems. These are very practical but impactful proposals. We're proposing legislative changes to the Ontario Water Resources Act that, in conjunction with the Ministry of Municipal Affairs and Housing's proposal—because this is a joint effort between Minister Flack's ministry and mine—would allow farm owners to begin construction of certain small sewage systems under Ontario's building code without unnecessary delay, rather than waiting up to a year for an ECA, an environmental compliance approval.

We're also proposing changes to expand Ontario's online self-registration program: the Environmental Activity and Sector Registry, EASR. This is for certain sewage works that would service certain on-farm-worker housing that is located on agricultural land. This change would allow farm employers to construct and operate these systems immediately, rather than waiting up to a year or more to obtain an ECA, an environmental compliance approval.

These are important changes—as I said, practical, impactful, important changes that will help get these projects moving faster. And I look forward to working with all members—again, I say these are proposals that are practical and rise above party, and I wouldn't see any reason why these wouldn't be unanimously supported in the House.

Then again, I'm overly optimistic, because in my Ministry of Public and Business Service Delivery and Procurement, where I had the benefit of the deputy minister, Sarah Harrison—in that ministry, we were able to introduce and pass four bills unanimously in less than a year. Even the members opposite supported those initiatives: the new Consumer Protection Act; the Building Infrastructure Safety Act; the Homeowner Protection Act, which abolished those awful notices of security interest on the homes of seniors and vulnerable Ontarians; and the transformational Bill 194, which addresses the regulation of artificial intelligence and cyber security in the public sector.

So there are initiatives of this government that can and will gain the support unanimously of all members of the House. I hope that these aspects of Bill 60 that I outlined will similarly receive unanimous support, because they will make a difference. They do achieve the balance that the member for Newmarket–Aurora suggests in her question that we have to achieve in order to have good outcomes, good results, but also protect the health of our fellow citizens and residents and our shared environment.

**M<sup>me</sup> Dawn Gallagher Murphy:** Just a quick follow-up on that: In speaking with the Ontario Federation of Agriculture with regard to this motion, they specifically talked about the ability to have these types of communal waste water systems on agriculture properties. So thank you very much for raising that, because that goes hand in hand with some of the comments that I have received.

I appreciate your comments, Minister.

**The Chair (Mr. Aris Babikian):** MPP Cuzzetto.

**Mr. Rudy Cuzzetto:** Thank you, Minister and Deputy Minister, for being here.

I've been hearing from across the floor here about greenhouse reduction. It was 24 years ago that Minister Witmer came to Mississauga–Lakeshore to close down our coal plants. That was the largest greenhouse reduction in the history of the country, and it still holds today. The only way we were able to achieve that goal is because of our nuclear fleet that we had.

In 2017, the member across, MPP Tabuns, and the Liberals wanted to close down Pickering. That would have

been 2,000 jobs—not only that, we would never be able to reduce greenhouse gas like we are today.

What else are we doing, as a government, today to reduce greenhouse gas?

**Hon. Todd J. McCarthy:** We are, as I said—and I'm happy to repeat it. My dear late mother told me not to boast, but in this case, I'm going to make an exception, and I'm sure she would forgive me. Ontario is leading Canada. Again, we are leading because 67% of the actual outcome, result of greenhouse gas emission reductions—67% of Canada's achievement in that regard—is due to Ontario's leadership. Why is that happening? For so many reasons, under the leadership of Premier Ford, but one is what the member referenced—there were opposition parties who wanted to close down Pickering. We're refurbishing Pickering. We're making that reinvestment in a facility that has powered Ontario for decades, and will for decades more to come, with clean, reliable, affordable nuclear power.

We are investing in the small modular reactor fleet, the first of a fleet of four at Darlington. This goes beyond partisanship, because a Liberal Prime Minister joined our Progressive Conservative Premier Doug Ford, along with myself and others, to make the announcement to confirm the investment of \$3 billion in this transformational technology of SMR, because it's the right thing to do. North America is watching. The world is watching, because they know we are moving in the right direction when it comes to embracing nuclear power, not shutting it down. Thousands and thousands of direct and indirect jobs in the construction phase and beyond will result from this, and we will be able to power millions of homes in the process, in a clean, affordable, reliable and cost-effective way.

That is why we're getting results, and we'll get even better results as we move forward. I'm optimistic about that. Whatever the targets are and whenever they're achieved, let's celebrate the results. That's what's important. And we're on track to continue with great results in terms of greenhouse gas emission reductions.

We're investing in the Bruce facility as well. There are three that we're investing in and will continue to invest in.

Darlington has been powering Ontario since about 1989, and its legacy will continue with the SMR investments.

Again, this goes beyond party. It was a real honour to be welcoming both Premier Ford and Prime Minister Carney to my riding for that announcement on Thursday, October 23. It was very well received.

Sometimes it's important, as Sir John A. Macdonald used to say, to look a little ahead and don't get stuck in the small, divisive squabbles of the present tense. Sometimes when one does that, you're on the wrong side of history.

I happen to think that the official opposition—and the member suggested this in his question—clearly were on the wrong side of history when they wanted to shut down the Pickering plant. We've changed course by not only keeping it and maintaining it, but refurbishing it and reinvesting in it. This is good news for the present tense because it maintains and improves the opportunity for job

opportunities, but also, it's an investment in being on the right side of history.

1720

**The Chair (Mr. Aris Babikian):** MPP Dowie.

**Mr. Andrew Dowie:** I just want to come back a little bit—I know we ran out of time in the past round.

Bill 26 is coming next to the committee in a couple of weeks, so we'll be looking at considering adoption of a bill to add urban-class provincial parks to the mix. I know the ministry has been active on this file for a long time, and having a legislative tool, I hope, will be supportive.

I'm wondering if you might be able to tell us more about how the province of Ontario is exploring the creation of additional urban provincial parks.

**The Chair (Mr. Aris Babikian):** The government's time is up.

Now that we've concluded the second round, we move to the last round. We have 13 minutes and 53 seconds for the opposition.

**Mr. Peter Tabuns:** I appreciate the opportunity for a bonus round.

The Provincial Climate Change Impact Assessment came out in January 2023, so the report is now three years old—getting there. It was a detailed and intensive study of what's going to be happening in Ontario, showing the dramatic impact on our provincial economy.

The FAO, in a separate report, noted an annual cost of over \$4 billion to deal with the impact of climate on transportation infrastructure alone, and there's a lot more to Ontario than just transportation infrastructure.

The government's plan says it's engaged in ongoing work to understand where and how Ontario is vulnerable to climate impacts. How many staff are working on that issue, and what reports will they produce this year?

**Hon. Todd J. McCarthy:** Thank you—through you, Chair—to the member for that question.

I want to repeat, before I turn it over again to the assistant deputy minister, Mr. Alex Wood, that we obviously are committed to reducing greenhouse gas emissions by our investments in nuclear power. We believe in publicly reporting on our progress. Public information on that progress in reducing emissions is available through the National Inventory Report and emissions projections which are published annually by the government of Canada.

I must say, too, that we always need to, and report on our ability to, remain flexible in the face of changing circumstances, as we've seen in this incredible transformational year of 2025, with so many external factors and pressures beyond the control of the government of Ontario in play. We are continuing to plan—but to pivot.

Leadership is about planning, reporting, being accountable, and also pivoting.

With that, I would turn it back, to answer the specific question, to the assistant deputy minister, Mr. Wood.

**Mr. Alex Wood:** Thank you for the question, Mr. Tabuns.

You referenced the Provincial Climate Change Impact Assessment. Obviously, we agree with your assessment of the importance of the centrality of that document in terms

of its conclusions, in terms of the findings that it provided. It was, as you know, shared with the public with the intent, obviously, of helping shape decision-making in the private sector, with businesses, even with individual home owners, helping them understand, from the perspective of the assessment and the science that underpins it, what impacts might be intersecting with the interest that they have.

Just talking about what we do inside of government—I can talk about the small but mighty team that I’ve got working on this issue on a constant basis. The real intent there and the approach that I want to convey is that that team works, really, as a force multiplier for work that needs to happen, in a lot of cases, in other ministries. Thinking, for example, of the infrastructure ministry and all the investments and policies that it has in relation to the build-out of bridges, of roads, in the province, our job in that case is to help them understand what the impact assessment has to say and for them to integrate that analysis into the decisions that are made by that ministry. And there are lots of other ministries that are involved in that kind of work.

You’re asking about the team that we have. Like I said, it’s a small but mighty team, and it exists there to multiply the impacts across government.

**Mr. Peter Tabuns:** How big is that small but mighty team?

**Mr. Alex Wood:** I’d say it’s less than 10 people right now—10 to 12 people.

**Mr. Peter Tabuns:** You note a number of projects they’ve been engaged in.

I’ve previously heard some rumblings that the Minister of Infrastructure is not that happy about the idea of putting more money into a project just because of climate resilience.

Can you tell us about projects that you can—

**Hon. Todd J. McCarthy:** I’m the Acting Minister of Infrastructure, and I’m quite happy with what the Ministry of the Environment is doing.

**Mr. Peter Tabuns:** Could you tell us which projects your force multiplier group has had success with?

**Hon. Todd J. McCarthy:** This small but mighty team, led by Assistant Deputy Minister Wood and, of course, our ultimate leader at the ministry, Deputy Minister Sarah Harrison—our climate change accomplishments are numerous. That’s why the ADM suggested “small but mighty.”

Finalizing the EPS, the emissions performance standards: This program is to ensure that large polluters in manufacturing, resource- and electricity-generation industries are accountable for their GHG emissions. This—

**Mr. Peter Tabuns:** Chair, I don’t think the minister understands my question. I’m talking about adaptation, not mitigation.

**Hon. Todd J. McCarthy:** The member asked a question about accomplishments. I’ve got many to share.

**The Chair (Mr. Aris Babikian):** Let him answer the question.

**Mr. Peter Tabuns:** But he’s not answering the question.

**Hon. Todd J. McCarthy:** I’m glad he asked the question. I have much to share, if I may, Chair.

**Mr. Peter Tabuns:** It’s about adaptation.

**Hon. Todd J. McCarthy:** The question is not one—there are multiple—

**The Chair (Mr. Aris Babikian):** Minister, continue.

**Hon. Todd J. McCarthy:** Thank you.

Secondly, launching the Emissions Performance Program, the EPP, in 2024 to reinvest payments from the EPS program—they’re linked—to support greenhouse gas emission reduction projects at industrial facilities—as of July 2025, our government has committed approximately \$60 million in transfer payment funding to help industrial facilities reduce their emissions. That’s working with industry. We work with the steel industry to cut their GHG emissions by supporting efforts to reduce and phase out the use of coal in their operations. There’s more—

*Interjection.*

**The Chair (Mr. Aris Babikian):** Minister, the member has a different question in mind, so I’m going to allow him to—

**Hon. Todd J. McCarthy:** Except I’d be cut off if I couldn’t talk about the additional accomplishments and programs that have been the result of our ministry’s small but mighty efforts.

**Mr. Peter Tabuns:** Maybe I could just say there are two factors here. One is reducing greenhouse gas emissions so that we avoid extreme climate events. The other is making sure that roads and homes and schools are fortified so they can survive the increasing extreme climate events that we have to deal with.

**The Chair (Mr. Aris Babikian):** Can you verify your question to the minister, please?

**Mr. Peter Tabuns:** Yes. What are we doing about the fortification, the adaptation? We spent a lot of money on the climate adaptation report. What’s being done to implement that report? It’s very different from greenhouse gas emissions. I think the minister has misunderstood me—adaptation, not mitigation.

**The Chair (Mr. Aris Babikian):** Minister, go ahead.

**Hon. Todd J. McCarthy:** Well, I can continue and pivot in answering that question.

First, \$183 million to the EV ChargeON program, to support public EV charging infrastructure across the province and small, rural and Indigenous communities—with the opportunity to switch to EVs.

The work of adaptation is done across ministries, and not just exclusively with the Ministry of the Environment, Conservation and Parks. It is an all-of-government approach. This includes, in January of this year, Ontario announcing a \$10.9-billion investment for new and expanding energy-efficient programs, with a 12-year framework that includes 14 different programs.

We signed the new Canada-Ontario Agreement on Great Lakes Water Quality and Ecosystem Health—

**Mr. Peter Tabuns:** Chair, the minister is ignoring my question and refusing to answer it.

**The Chair (Mr. Aris Babikian):** MPP Tabuns, the same way the members of the committee have the right to ask any questions related to estimates, it is up to the

minister or the witnesses to answer the question as they might see fit. We cannot do anything. I know your concern, but it is his prerogative to answer the question as he wants to.

**Mr. Peter Tabuns:** Okay. If he's not going to answer the question, I'll go to another question.

**The Chair (Mr. Aris Babikian):** I cannot make that judgment—if he's answering the question or not.

**Mr. Peter Tabuns:** No, I understand that.

**Hon. Todd J. McCarthy:** There's certainly one more feature to the answer, if I may.

**The Chair (Mr. Aris Babikian):** Okay, continue.

**Hon. Todd J. McCarthy:** In March of this year, after being re-elected to a third term, our government, for the first time, created a stand-alone emergency management ministry. That's led by Minister Jill Dunlop. It's a major part of the work on adaptation that the member refers to. That's something that can't be forgotten. This is new. It's comprehensive—but it's an example that it's an all-of-government approach, including having emergency management preparation in a particular ministry, for adaptation.

1730

**The Chair (Mr. Aris Babikian):** Thank you.

MPP Tabuns, you can ask other questions.

**Mr. Peter Tabuns:** Can the staff provide a list of climate adaptation projects undertaken by that 10-person team—not by the team dealing with mitigation, but the 10-person team dealing with adaptation? Can you provide us with the list of projects that you have been engaged in?

**Hon. Todd J. McCarthy:** One would have to ask many ministers to come forward to answer that question. This is the estimates for the Ministry of the Environment, Conservation and Parks.

I've mentioned a number of items, but the creation itself of the emergency management ministry, the stand-alone, is such a major linchpin part of this that one would have to look at the mandate of that ministry and have that minister come forward. If it's a new ministry, I'm not sure, as a point of order, whether they would be defending estimates—certainly not from a previous year. The mandate was under Treasury Board/Management Board of Cabinet before; now it's a stand-alone ministry.

I think that, as I said, the answer is not as simple as this ministry being able to answer it.

I will defer to the assistant deputy minister, leader of that small but mighty group within MECP.

**Mr. Alex Wood:** Thank you, Minister.

Just to maybe riff off the minister—we ourselves are not engaged in actual projects. Our job, in this case, is to provide advice to other parts of government for projects or investments or policies that they are developing. As the minister suggests, to get the fulsome picture of what those are and to establish cause and effect between advice that we have given and a particular course of action, as you'll understand, in an organization as complex as a government, is sometimes hard to establish. I would be, I would say, hard pressed to come up with that kind of list for you.

**Mr. Peter Tabuns:** Could you provide us with the 10 most significant projects you've worked on?

Have you worked with the Ministry of Education in making sure that schools are ready for extreme weather?

Have you worked with the Ministry of Health to ensure that when hospitals are built, they are ready for failure of the power system and potential flooding?

Have you worked with the Ministry of Infrastructure to ensure that bridges can withstand much higher volumes of water going through rivers?

Can you list the 10 biggest adaptation projects your team has worked on? If they're catalysts, they may be talking to all kinds of people. They may have a hundred projects. Are there 10 large ones that they've worked on to make Ontario safer in the years to come?

**Hon. Todd J. McCarthy:** Mr. Chair, the member for Toronto–Danforth wants a comprehensive list from this ministry. This Ministry of the Environment, Conservation and Parks is the policy-setter. I touched on one. For example, in January, the \$10.9-billion investment for new and expanding energy-efficient programs goes across ministries and government. But you wouldn't have a complete list from this ministry or this ADM without being able to rely on the work of many ministries. That's the difficulty with the question. We're here doing an estimates presentation for how we're doing as the Ministry of the Environment, Conservation and Parks. There are many features to it. But when you ask for a specific list, you really have to go across all ministries of government. We're setting the policies to make that list possible—

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

**Hon. Todd J. McCarthy:** —and as we do that, we're very pleased.

I didn't even get a chance to mention the cleaner transportation fuels regulation that increases the requirements for renewable content in gasoline to 15% by 2030 while maintaining requirements for diesel. This is very, very important. I guess, technically, that has an impact on the Ministry of Finance and the Ministry of Transportation.

It's the intersection of the policies that we make with the list of accomplishments of many ministries across government. It is, quite frankly, impossible to answer in this narrow context. But I am proud of our lead on the policy, and I am proud of the outcomes we've achieved. I haven't been able to list everything because the member interrupts me, because I guess I'm giving an answer he's not happy with—

**The Chair (Mr. Aris Babikian):** Minister, the time is up. Thank you for your presentation and your staff's presentation.

This concludes the committee's consideration of estimates of the Ministry of the Environment, Conservation and Parks.

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?

**Mr. Peter Tabuns:** Can we have a recorded vote?

**The Chair (Mr. Aris Babikian):** Recorded vote.

Shall vote 1101, ministry administration program, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** All in opposition? Seeing none, the vote is carried.

Shall vote 1112, environment—

**Mr. Peter Tabuns:** Pardon me.

**The Chair (Mr. Aris Babikian):** You want recorded votes, right?

**Mr. Peter Tabuns:** Yes, I do.

**The Chair (Mr. Aris Babikian):** Do you want it for all of them?

**Mr. Peter Tabuns:** Yes, I do.

**The Chair (Mr. Aris Babikian):** Okay.

Shall vote 1112, environmental policy, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** Any opposition? Seeing none, the vote carries.

Shall vote 1116, environmental compliance and operations, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** All in opposition? Seeing none, the vote carries.

Shall vote 1118, environmental assessment and permissions, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** All in opposition? Seeing none, the vote carries.

Shall vote 1119, climate change and resiliency, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** All in opposition?

Seeing none, the vote carries.

Shall vote 1120, land and water, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** All in opposition? The vote carries.

Shall vote 1121, emissions performance standards program, carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**The Chair (Mr. Aris Babikian):** All in opposition? The vote carries.

Shall the 2025-26 estimates of the Ministry of the Environment, Conservation and Parks carry?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**Nays**

Tabuns.

**The Chair (Mr. Aris Babikian):** Carried.

Shall the Chair report the 2025-26 estimates of the Ministry of the Environment, Conservation and Parks to the House?

**Ayes**

Cuzzetto, Dowie, Gallagher Murphy, Pinsonneault, Vickers.

**Nays**

Tabuns.

**The Chair (Mr. Aris Babikian):** The vote carries.

This concludes our business for today. The committee is now adjourned until 1 p.m. on Monday, November 3, 2025. Have a nice evening.

*The committee adjourned at 1738.*

## **STANDING COMMITTEE ON THE INTERIOR**

### **Chair / Président**

Mr. Aris Babikian (Scarborough–Agincourt PC)

### **First Vice-Chair / Premier Vice-Président**

Mr. Sol Mamakwa (Kiiwetinoong ND)

### **Second Vice-Chair / Deuxième Vice-Président**

Mr. Jonathan Tsao (Don Valley North / Don Valley-Nord L)

Mr. Aris Babikian (Scarborough–Agincourt PC)

Mr. Guy Bourgouin (Mushkegowuk–James Bay / Mushkegowuk–Baie James ND)

Mr. Rudy Cuzzetto (Mississauga–Lakeshore PC)

Mr. Andrew Dowie (Windsor–Tecumseh PC)

M<sup>me</sup> Dawn Gallagher Murphy (Newmarket–Aurora PC)

Mr. Sol Mamakwa (Kiiwetinoong ND)

Mr. Steve Pinsonneault (Lambton–Kent–Middlesex PC)

Mr. Jonathan Tsao (Don Valley North / Don Valley-Nord L)

MPP Paul Vickers (Bruce–Grey–Owen Sound PC)

### **Substitutions / Membres remplaçants**

Mr. Peter Tabuns (Toronto–Danforth ND)

MPP Jamie West (Sudbury ND)

### **Also taking part / Autres participants et participantes**

Mr. Ted Hsu (Kingston and the Islands / Kingston et les Îles L)

Ms. Mary-Margaret McMahon (Beaches–East York L)

### **Clerk / Greffier**

Mr. Stefan Uguen-Csenge

### **Staff / Personnel**

Ms. Pia Anthony Muttu, research officer,  
Research Services

Mr. James Beange, research officer,  
Research Services