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**Standing Committee on
Finance and Economic Affairs**

Pre-budget consultations

1st Session
44th Parliament

Thursday 15 January 2026

**Comité permanent
des finances
et des affaires économiques**

Consultations prébudgétaires

1^{re} session
44^e législature

Jeudi 15 janvier 2026

Chair: Hon. Ernie Hardeman
Clerk: Lesley Flores

Président : L'hon. Ernie Hardeman
Greffière : Lesley Flores

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS

Thursday 15 January 2026

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Jeudi 15 janvier 2026

The committee met at 1000 in the Quality Inn and Conference Centre, Pembroke.

PRE-BUDGET CONSULTATIONS

The Chair (Hon. Ernie Hardeman): Good morning, and welcome to Pembroke. I call the meeting of the Standing Committee on Finance and Economic Affairs to order. We are meeting today to conduct public hearings on the 2026 pre-budget consultations.

Please wait until you are recognized by the Chair before speaking, and as always, all comments should go through the Chair.

The Clerk of the Committee has distributed committee documents, including written submissions, to committee members via SharePoint.

To ensure that everyone who speaks is heard and understood, it is important that all participants speak slowly and clearly.

As a reminder, each presenter will have seven minutes for their presentation. After we've heard from all three presenters, the remaining 39 minutes in the time slot will be used for questions from the members of committee. This time for questions will be divided into two rounds of five minutes and 30 seconds for the government members, two rounds of five minutes and 30 seconds for the official opposition members, two rounds of five minutes and 30 seconds for the recognized third party members and two rounds of three minutes for the independent member of the committee.

I will provide a verbal reminder to notify you when you have one minute left for your presentation or allotted time to speak.

PEMBROKE CO-OPERATIVE
NURSERY SCHOOL INC.

ONTARIO FOREST
INDUSTRIES ASSOCIATION
SUSTAIN ONTARIO

The Chair (Hon. Ernie Hardeman): With that, we will ask the first panel—they've already arrived at the table, but to come to the table. The first panel will be Pembroke Co-Operative Nursery School Inc., Ontario Forest Industries Association and Sustain.

As I said, you will have seven minutes to make the presentation. I will say at the end of six minutes, "One minute

left." Don't stop. The punchline comes from six to seven, then you stop.

With that, the first presenter this morning—thank you for being here, the Pembroke Co-Operative Nursery School Inc. I would ask that everyone introduce themselves for Hansard to make sure we have the name to the right—we wouldn't want the forest industry to be representing the co-operative nursery school.

So, very good—the floor is yours.

Ms. Benita Richardson: Good morning. I am Benita Richardson. Can I go ahead with my presentation now?

The Chair (Hon. Ernie Hardeman): Yes.

Ms. Benita Richardson: Okay. Awesome.

Good morning, and thank you for the opportunity to speak on behalf of licensed child care in Ontario, particularly in Renfrew county.

I'd like to begin by sharing a little bit about myself. My name is Benita Richardson. I was born in Pembroke and raised on a dairy farm in Laurentian Valley, just a few miles outside of Pembroke, and Renfrew county is certainly my forever home. I'm a 71-year-old proud mother of two and grandmother of five, all of whom have been involved in the field of child care.

I have worked in licensed child care for over three decades now. Just looking back, in 1989, I proudly graduated as an ECE from Algonquin College in Pembroke. Following that, I worked for several years as an educational assistant in the Catholic school system before returning to my true passion, which is child care. At that time, in the early 1990s, I became the supervisor of the Children's Garden—it's officially known, or legally known, as Pembroke Co-Operative Nursery School Inc.—and I'm still there.

Over the past three decades, I have certainly witnessed the field evolve and expand. For example, together with my proactive board of directors, we added a several child care sites to our stand-alone centre in Pembroke. We had two before and after school programs, both within public and separate schools in Pembroke, and for five years, we created and ran a licensed home child care agency also through the county of Renfrew.

During my career, I've worked closely with Renfrew county child care in addition to meeting monthly with 48 child supervisors across the county of Renfrew. I have also taught as a part-time professor in the early childhood education program at Algonquin College, the campus here in Pembroke, for over 30 years now.

So with these multiple experiences, I want to share with you what I believe to be the four most urgent and intertwined challenges facing licensed child care in Renfrew county at this point in time.

The first issue I'd like to address is our workforce. Ontario continues to graduate enough ECEs to meet demand. However retention remains a very, very serious concern for us. Even with the recent wage floor increase to \$25.86 per hour for RECEs in licensed child care in Ontario, effective this January—and, of course, with thanks to CWELCC, which is the Canada-wide early learning and child care federal/provincial funding agreement—this alone is not enough. A comprehensive wage grid, along with benefits including pension plans, is urgently needed to prevent our ECEs from continually leaving licensed child care to go to school boards or even other unrelated sectors that offer higher pay, pay grids, benefits and pension plans.

Please note that licensed child care operates under the Ministry of Education, just as schools do, yet the disparity in compensation for our ECEs remains significant: \$25.86 per hour for our ECEs in licensed child care compared to a grid reaching \$33.80 per hour for our ECEs in one of our local school boards. That's almost \$8 per hour difference—such inequity this is—and so we request that Ontario's budget consideration address this inequity by providing our ECEs in child care with wage grids, benefits and pension plans to close this gap.

The second major issue is accessibility and equity for families. Child care spaces simply cannot just exist on their own. They must be staffed with qualified educators, they must be affordable and they must be sustainable. Wait-lists in Ontario are enormous. Even as new child care centres are being built, many centres struggle to operate at full capacity due to staffing shortages. Numerous rooms across the province are standing empty. Without addressing workforce retention and equitable compensation, accessibility for families will continue to be compromised. Also, while families with children ages zero to six benefit from reduced fees through CWELCC, once children turn six, they are no longer eligible for these reductions. This creates a significant disparity and presents a major challenge for Ontario families. We ask that all children in licensed child care in Ontario be eligible for CWELCC reduced fees.

And this brings me to my third issue: the administration of child care in Ontario. The shift last year to a cost-based funding model for the zero-to-six age group compared to the simpler revenue-based funding model that is still being used for six- to 12-year-old children has created a dual system that's complicated, confusing and extremely time-consuming. For some centres, this new cost-based funding model is so restrictive that it is pushing them to financial jeopardy. Adding to these administrative challenges, Ontario has yet to fully commit to CWELCC and has not reached the promised \$10-a-day child care. This leaves centres uncertain about what each new year will bring, and parents and families are wondering what the future holds. We ask that Ontario, like most other provinces and terri-

tories, make a firm, ongoing commitment to CWELCC and remove major funding restrictions that have been put into place since the inception of cost-based budgeting last year.

My fourth and final issue, folks, is on protecting key stakeholders such as our local college, which plays a critical role in supporting our rural community by graduating ECEs each year and helping attract and retain them in rural Ontario. We know colleges in Ontario are under significant financial pressures and we fear that if the ECE program at Pembroke's waterfront Algonquin College campus is closed, it will have serious economic consequences and worsen staff shortages throughout Renfrew county licensed child care centres and beyond. With Renfrew county being the largest geographical county in Ontario and given our rural nature, this issue is frightening for those of us operating licensed child care in our vast county. Hence, we wonder if Ontario's 2026 budget will be able to provide colleges with the support they need to continue to offer communities local vital programs.

In conclusion, we recognize that quality, accessible and affordable child care is an essential social infrastructure and is vital to the education and economic systems of our community, our province and our country. We urge budget considerations to include a strong and sustained focus on licensed child care, all to support our families and our children, Ontario's most valuable resources.

Thank you for this opportunity to speak and share my passionate thoughts regarding licensed child care in Ontario and especially in Renfrew county.

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

We now will hear from the Ontario Forest Industries Association.

Mr. Ian Dunn: Good morning, members of the standing committee. My name is Ian Dunn, and I'm the president and CEO of the Ontario Forest Industries Association, or the OFIA.

The OFIA represents 55 member companies in the province of Ontario that make forest products and sustainably manage over 27 million hectares of public forests in the province, contributing \$5.4 billion to the provincial GDP and supporting 128,000 direct and indirect jobs. Our sector is a pillar of regional, northern, rural and Indigenous economic development across the province.

1010

Ontario's forest industry is also continuing to invest in a stronger future, with over \$5 billion of private dollars invested since 2018. We are witnessing multiple sectors across the Canadian economy suffering due to section 232 tariffs, including on steel, aluminium and automotive, but let's be clear: There is no other industry that has been more impacted or more targeted by trade action than the forest products sector. This is not a new battle. It goes back to the Jay Treaty of 1794. We're currently on the fifth iteration of the softwood lumber trade dispute, which has been going on for the last 10 years since the last agreement ended.

Ontario's forest sector is facing structural challenges, given weak market pricing and a combined 45% duty and tariff on Canadian lumber exports to the United States, which is the highest we have ever seen. Accounting for interest and exchange, approximately \$13 billion of Canadian lumber producers' money has been collected by US border and customs and is sitting in an account—that is Canadian money sitting in an account—that could be used to reinvest in mills, modernize our mills, make us more competitive and build new facilities—or it could be used to secure a settlement like it was in the last dispute and grow the entire North American wood products market.

Why is this happening? It's pretty simple. The US is targeting us because its industry cannot compete with us. Ontario has a competitive advantage in making superior forest products and this competitive edge is reflected in massive private sector investments coming into Ontario's forest sector. Importantly, many of those investments are from western Canadian and American companies seeing the incredible opportunity in Ontario's forest products industry.

We are very thankful for the Ontario government's commitment to the industry, such as an additional \$20 million to the forest access roads funding program that was announced late last year to ensure safe and reliable access to public forests for communities, for First Nations, for recreationalists, for first responders and other resource industries, including the forest products industry. This level of funding must continue in order to realize the full benefits of the program and improve and maintain legacy forest road infrastructure across Ontario's forests.

Our industry is highly integrated: sawdust, wood chips and bark produced at sawmills making a round log into a square piece of lumber becomes feed stock for the pulp-and-paper and bioenergy facilities across the province. With the consolidation and evolution of the pulp-and-paper sector across North America and the globe and in Ontario, this market has shrunk dramatically, leading to the material being stockpiled, landfilled or shipped further away, adding additional costs to solid-wood producers. We're very thankful for the government's sawmill chip program, which helps solid-wood producers manage these additional costs. We're asking for that to continue into the future.

The challenges facing the sector are spurring incredible innovation and advancements in technology and new markets in the bioeconomy: biofuels, such as biodiesel and sustainable aviation fuel; biochar for making green steel; biochemicals; food products as well; the list goes on. There are all kinds of amazing innovations that are happening in the sector.

The Forest Biomass Program and the Forest Sector Investment and Innovation Program, or FSIIIP, have done a tremendous job at incubating these new technologies and new markets. The FSIIIP alone has leveraged nearly \$6 of private investment for every public dollar, driving innovation, job creation and regional growth.

In 2025, major announcements underscored this momentum:

—\$10 million from the FSIIIP program supported a \$70-million project in Huntsville, launching a world-class wood panel product;

—\$9.1 million was invested into eastern Ontario in five projects to boost productivity, open new markets and strengthen resilience against tariffs; and

—\$8 million from the Invest Ontario Fund enabled a \$107-million expansion in St. Thomas, Ontario, for Element5, a leading mass timber producer, creating 150 jobs and doubling the capacity of that facility.

We can build on this amazing wood product sector—solid-wood product sector—that we have here Ontario. But, of course, the best consumer, the best customer that we have, is ourselves.

We're going to play a central role in meeting ambitious housing targets of 1.5 million homes in Ontario by 2030, and developing some world-class and iconic mass timber projects, like the Canadian Nuclear Laboratories, just north of here; the George Brown Limberlost mass timber project, which is, I believe, Canada's tallest institutional mass timber building; U of T's academic wood tower; the list goes on.

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

Mr. Ian Dunn: In the process, what we are asking for and what we believe is that every publicly funded building in the province should be wood-first, supporting domestic businesses and building with a green, low-carbon and sustainable material.

In response, the province has also introduced the advanced wood construction plan and updated the building code to permit 18-storey mass timber buildings, aligning with federal priorities such as the Build Canada Homes program.

Looking ahead, in our budget submission, it's going to reinforce the phenomenal work being done in Ontario and how the province is emerging as a national and international leader in the forest product sector. Ontario can continue to partner with the forest product sector to diversify, remain a premier destination for investment, achieve ambitious housing targets and maintain resilience in the face of unreliable and unpredictable trading partners.

Thank you, and I look forward to your questions.

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

Now we will go to Sustain.

Ms. Moe Garahan: Good morning, everyone. My name is Moe Garahan and I'm speaking as a board director at Sustain.

Sustain is a province-wide, cross-sectoral alliance that, since 2007, has provided coordination across groups and organizations for a productive, equitable and sustainable food and farming sector to support not just health and well-being, but also economic livelihoods in all of our regions—rural, urban and remote—in Ontario through collective and collaborative action.

Since 2024, we have had a renewed policy process, vetting over 100 groups in Ontario towards building a more sustained provincial food system policy. And so,

we're excited to see things like your buy-local or Buy Ontario Act that came out in 2025, and we see this as a really strong opportunity, given the food price inflations that we're seeing right now, in addition to the retaliatory Canadian tariffs.

People in Ontario and in Canada are really reeling with unprecedented, spiralling rates of food. And so, we're seeing increased food insecurity as well as increased concern in our farming and food, agri-food sectors. While we need to invest in expanding and diversifying non-US export markets, we really believe that this is tied to your "buy Ontario" moment, to invest in a game-changing investment into the food system resilience in this province, in addition to supporting this coast to coast to coast.

I want to just identify that Sustain was a key actor in your earlier buy-local act, where we really identified that food has to be identified and supported at a regional level, not just with a definition of Ontario. We want to see those economic benefits strengthen all the regions across Ontario. And so, that investment into regional food infrastructure has to be looked at from a riding-to-riding element, from a community-to-community element.

We're looking to increase that access to regional infrastructure, and by January 30, we'll bring to you a costed-out strategy for doing that. So this is just a teaser as to what's to come in more detail.

Along with that buy-local element is the need to address the new-entrants issue into our food and farming sectors. Our definition of "new entrant" is focused on Indigenous food producers and harvesters. It's focused on rural and urban young people who do not have access to a farm in their family. It's looking at second-careerists who are over 30 and looking to invest. It's looking at new Canadians who are bringing substantial agriculture experience. It's looking at temporary foreign workers and seeking pathways to citizenship through this.

What we're going to deliver to you for January 30, vetted across these organizations and groups in Ontario, is a "supporting new farmers" strategy. We're looking for you to heavily invest in that over the next few years but, starting in this budget, to focus on training, research and knowledge but also land access as two key barriers that people are experiencing, that are preventing hundreds of people in Ontario who want to deliver food to residents from doing such.

1020

Along with that, in 2020, when COVID hit, Ontario, your Premier and government identified community food production as an essential service—so that's non-commercial community food production. While that tends to be more at a community and municipal level, there's a really strong role that you can take at the Ontario government to support municipal work in this area. So we're looking for you to invest in an FTE in this area to help support municipalities on some of the key targets like zoning issues, budget implications and residential poultry issues that some communities have and some don't, beekeeping elements, incentives for that community food production

that really can make a difference. So we would like to see you invest in that.

You have invested heavily into the school food. That's happening, but we are asking for an increase of Ontario's investment by \$210 million per year to expand the school nutrition program so that children and youth across Ontario can not just have a snack but have a fulsome, nutritious meal each school day. That's obviously a shared partnership with the federal government, but we are looking for Ontario to really champion this and showcase how to do this right within this province, as a champion to showcase that to other provinces and territories.

We also think that connecting school food to the buy local production and processing is a key opportunity to drive demand and local food procurement policies that your provincial entity can champion.

Like I said, we'll be presenting to you a more complete, costed-out element to these pieces, but I wanted to highlight some of the pieces for you to consider today. Thanks so much.

The Chair (Hon. Ernie Hardeman): Thank you very much for that presentation. That concludes the presentations.

We now will start with MPP Pasma.

Ms. Chandra Pasma: Thank you so much to all of our witnesses for being here this morning. We really appreciate you taking the time and sharing some really important issues with us.

Ms. Richardson, I'm going to start with you. The issue of retention of RECEs is unfortunately something that we hear about on a regular basis, and I'm wondering if you can explain to the community the difference that a wage grid makes. Why is it important to have a grid and not just a good salary?

Ms. Benita Richardson: We did some research with regard to grids, and grids are years of experience in addition to qualifications. The Ontario government has put a wage floor into place for RECEs at \$25.86, and that's it. So there's nowhere to go for these RECEs, whether you've been there one year, two, three or four—or whatever your education may be after your RECE.

If we had something to look forward to and if could build from \$25.86 upwards, like the school boards have, we would give our RECEs something to look forward to and would help them continue to be with us, then, in the field of child care, knowing that next year, they would make more, and then more and more. Right now, it's at \$25.86. That's all we are receiving—money to bring their wages up to \$25.86 and nothing further than that, so they have nothing to look forward to.

Ms. Chandra Pasma: Right. So there's literally no way to make a progression, whether you're there for five years, 10 years, 20 years, except to leave for another sector?

Ms. Benita Richardson: If each individual centre chose then to create a wage grid, that would be possible, but we can't afford that. We don't have the dollars to create wage grids.

Ms. Chandra Pasma: Right. And you also mentioned the challenges of the cost-based model, which I think is

part of that challenge of not having funding for a wage grid. Can you expand on that for the committee? How does that model work and what challenges is it creating for operators?

Ms. Benita Richardson: It's a very good question, because we are just now in the middle of reconciling our first year, which would be 2025, based upon the two models—the cost-based funding that has just been recreated for the zero-to-six-year age group. We are in the middle of trying to figure those things out, so we haven't fully faced it.

We know that we need to keep our fees for that age group at a frozen level. If our expenses are more, then we can't raise fees. We actually have been also told that we can no longer apply other fees for field trips or registration fees and so on. Everything has been frozen so that our families pay, at the most, \$22 a day. When it comes to this frozen way of funding, it is cost-based. But say, for example, something happens within our centres that we haven't accounted for. We don't have the money for those unusual expenditures.

Again, it's a good question, because we're just facing reconciliation for our first year.

Ms. Chandra Pasma: Okay. I would assume, to tie your presentation with Moe's presentation, the rising cost of food, which is above just the base rate of inflation, is part of that cost structure, right?

Ms. Benita Richardson: Exactly.

Ms. Chandra Pasma: You can't just not provide your children with food during the day.

Ms. Benita Richardson: And for the six- to 12-year-old age group, we can raise fees. If we did have expenses, we have the ability to do that; they aren't frozen under CWELCC. It's much more affordable for us to have a revenue-based model, which we've been used to now for many years. We have two models that we are trying to now balance.

Ms. Chandra Pasma: Right. But also, if you're also trying to use the two models to balance, you could, in effect, be asking the parents of six- to 12-year-olds to be subsidizing the parents of zero- to six-year-olds.

Ms. Benita Richardson: That's an issue, isn't it?

Ms. Chandra Pasma: Yes.

Ms. Benita Richardson: It's an unfair issue for the six- to 12-year-olds families, right?

Ms. Chandra Pasma: Yes. Thank you.

And Moe, very nice to see you again. I was glad you mentioned the school food program and the opportunities for supporting local farmers. We heard the other day in Brockville about the urgency of a food program, the insecurity among families for buying food and the shockingly low amount that is being provided by the provincial government right now.

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

Ms. Chandra Pasma: Can you expand on what the opportunities are for local procurement? How can we tie these together so that we're actually supporting Buy Ontario and helping our local farmers if we are supporting a robust school program?

Ms. Moe Garahan: I think that this opportunity allows for one procurement element for the provincial government to support. There are others, but in this one—because schools are throughout our entire province and because we have different levels of production and processing through our entire province, you would attach targets that were relevant to that specific region. That would help strengthen and drive economic development in that particular region and adjust targets according to supply so that the targets would have Canadian, Ontario, local and regional.

If you look at your Foodland Ontario website, it does not actually link to the over 50 local-food initiatives that are largely municipally driven. There is an opportunity for us to tie these together—

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

We now go to MPP Collard.

M^{me} Lucille Collard: Thank you to all the presenters for making it here. Hopefully you won't have a problem getting back home, wherever it is, with the weather we have today.

I'm just going to start with Ian, because I'm intrigued—I worked on the trade dispute. I was working at the NAFTA Secretariat during the softwood lumber dispute under chapter 19. I went to Washington when they had the extraordinary challenge committee address the fact that the Americans were not even implementing the measures that the panel had decided upon to protect their softwood lumber industry.

You've talked about the need for Ontario to step in to support the industries, and you've mentioned different things. I'm just wondering if you could summarize for us your specific ask for the Ontario government to look at for the next budget.

Mr. Ian Dunn: Trade disputes and border measures are a federal issue primarily. We are working very closely with Minister LeBlanc and Minister Hodgson to ensure that the forest product sector and the softwood lumber dispute remain top of mind in their discussions with Washington.

At a provincial level, what we are asking for is a continued implementation of the programs that exist. I mentioned the forest access roads funding program: It's now funded at \$79 million per year. We're asking for that to continue into multiple subsequent years—a multi-year commitment to that level of funding.

There is a sawmill chip program I mentioned to help offset the costs due to consolidation of the pulp and paper sector—that's \$10 million per year. The true demand for that exceeds \$30 million per year. At a minimum, we'd like to see that continue—again, a multi-year commitment—and potentially grow it to meet the demand of the program.

And then the forest biomass program: Looking at diversifying markets, getting away from the US, despite us sending 97% of our exports to the United States in the forest product industry in Ontario. We need to diversify. We've got to find new markets, new products. So that

biomass fund is very important as well—again, multi-year commitment to that.

1030

On the domestic opportunity side, we mentioned homebuilding, procurement, looking at public funding of buildings. I should have mentioned the hospital in Picton. It's going to be a mass timber project as well. So we're looking at public funding, how we can use more wood in construction and domestic energy opportunities. The province needs 75% more electricity by 2050, and there's real opportunity to grow renewable, green, low-carbon, forest biomass electrical generation to meet that demand.

M^{me} Lucille Collard: Okay. It's worth repeating. There's a lot of information that's being shared, and we need to have clarity.

You talked about diversification. Have you made headways into being able to diversify to the point that you can reduce the amount of exportation that you have to rely on to the US?

Mr. Ian Dunn: I would say that individually our members are very actively trying to. I think of Ben Hokum and Son, a local company. They ship to many different Asian, European and Middle Eastern countries. It is very challenging. It's an issue of geography for Ontario. For the coastal provinces, transportation costs are a driving factor for those markets, and it's easier to access for BC and the Maritimes.

We are so close to the major American markets, and the Americans pay a lot of money for our products. The product that they make in the US is primarily southern yellow pine. We make SPF lumber, and home builders in the US prefer product that comes from northern Canada and Ontario.

M^{me} Lucille Collard: Because it's better.

Mr. Ian Dunn: Yes, it's better. It's better in certain applications. It's better for homebuilding, absolutely. Southern yellow pine is better for pressure treating, but it's heavier and it's more difficult to work with compared to SPF that we produce.

It's the same with their tissue manufacturers. So, tissue and paper towelling—going to big-box retailers like a Costco or Walmart, there are big companies in the US that purchase a lot of northern bleached softwood kraft from northern Canada, and they depend on that.

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

M^{me} Lucille Collard: So, despite the tariffs, it's still worth it to export to the States.

Mr. Ian Dunn: One hundred per cent. The really challenging thing right now is the market condition and the low homebuilding that we're seeing on both sides of the border. If that was to come back it would be more manageable, but a 45% plus weak market conditions is a very, very challenging recipe for lumber producers.

M^{me} Lucille Collard: Okay. And do you have an issue with skilled workers?

Mr. Ian Dunn: Yes. We saw that primarily during the pandemic when the prices for our product were very high. It was very challenging to find workers. It continues to a certain degree. Licensed truck drivers, millwrights, electricians,

welders, forestry technicians, foresters—across the board, there is a shortage.

M^{me} Lucille Collard: Really?

Mr. Ian Dunn: For sure. We have members that would not be operating if it were not for new Canadians and—

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

MPP Brady.

Ms. Bobbi Ann Brady: Thank you to all three of our presenters this morning.

I'll start with you, Benita. I want to thank you so much for your presentation, because it's the first of its kind we've heard here at finance committee. But I do get a lot of calls to my constituency office in my rural riding of Haldimand-Norfolk with respect to daycare, and I've had a very difficult time deciphering what is actually happening. So I appreciate your comments.

I have heard from operators, and I've heard from families who say that it's difficult finding daycare in rural and remote areas. There are times where the family has to decide whether or not mom or dad or somebody in the family unit is going to stay home and watch the kids. I think, in a time when we're facing so many labour gaps, it's important that we get everybody out there working.

My question is with respect to CWELCC. Providers have told me that it has reduced flexibility, it has increased administrative burden and made it harder, not easier, to operate. I'm wondering if you can—aside from retention of staff, if we can set that aside—clearly detail for us which specific design choices this government could make that would actually improve the outcomes of the program.

Ms. Benita Richardson: Again, we have two models that we are now using to reconcile. If it was changed to one model—so one of the first ones, which is now covered in the last year under CWELCC, is a cost-based funding model, and we're just learning about that now. There was a meeting in Renfrew county yesterday in regard to how to do it, what to do, what to include and so on. So we're learning about that. If it was reduced to one funding model—we really liked the old model because, for example, if there were expenses that just pushed us above our budget, then we could—

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

Ms. Benita Richardson: —talk about raising our fees. Now, with CWELCC, we're not allowed to touch the fees of the children aged zero to six. They are frozen. We can't add any kind of expenses to our families and that puts those preschool programs—sub-zero to six—and nursery school programs, kinder programs and so on into jeopardy. We just can't move, right? That would be the biggest issue, I would think. Everything is frozen under the cost-based model.

Ms. Bobbi Ann Brady: Yes, and I've heard from operators who are in that jeopardy situation. Again, I go back to the fact that that's the last thing we need in rural Ontario when people need to get out and work, is to have local operators close their doors. I really appreciate you coming here today. Thank you.

Ms. Benita Richardson: You're welcome.

The Chair (Hon. Ernie Hardeman): Thank you.

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

MPP Billy Denault: Thank you, everybody. First of all, I want to say thank you to my colleagues for coming to Pembroke and taking the opportunity to listen to some of the issues in our riding as we make the 2026 budget and thank the presenters for bringing their issues forward.

My first question is for Ian. I understand my predecessor, John Yakabuski, when he was the Minister of Natural Resources and Forestry, released Sustainable Growth: Ontario Forest Sector Strategy. It's provided a framework for strategy and provincial programs to continue to support the forestry sector in the face of tariffs, as well. I'm just wondering if you could speak on that strategy—what you liked about it and areas that are worth listening to.

Mr. Ian Dunn: Yes, that's a great question. We worked very closely with John Yakabuski on developing that, along with his predecessor at MNR. Actually, during the 2018 election, we went to all three parties with a concept of a forest sector strategy, because we looked at what Scandinavian countries were doing with their resource, and Finland was really the example that we turned to. It's a country with fairly similar forest and climate conditions, very different forest ownership—primarily private land forestry there—but it's a third of the size of Ontario and they harvest approximately 80 million cubic metres of wood per year, and in Ontario we harvest about 12 million to 14 million cubic metres per year. So that's a real example of what you can do with a forest economy.

That spurred the development of a great strategy which a lot of my colleagues across Canada looked at with a lot of jealousy. Things have changed since that was approved—I believe it was in 2020. I think it was ahead of its time in that it was anticipating this evolution of the pulp and paper sector. I don't think we anticipated how quickly we would see changes in operations at some of these facilities—I think of Espanola, Terrace Bay, Trenton etc.—and so it's really driven the need for innovation in forest biomass. That's where the biomass action plan has come into play and we've seen, like I said, some really great investments in this region and across the province.

Of course, the 45% combined duty and tariff changes thing: There's a group, an advisory committee to that strategy, and they're continually working with Minister Holland to advise him on the implementation, but overall, we're very excited to implement that strategy.

MPP Billy Denault: I'm glad you mentioned some of those local examples. I'm pretty sure that Jamie McRae told me that exact story about Finland and the comparison, so it's good to hear it again.

We made an announcement here in the riding on that forest biomass program—some great investments. I don't know if you can speak to some of those investments that have been made in both the riding and the province as well through the forest biomass and the other funding programs and why they're so important.

Mr. Ian Dunn: Sure. So like I said, the industry is highly integrated. We have a challenge right now with the solid wood producers in terms of stockpiling residuals,

primarily wood chips, which would typically have gone to a pulp and paper complex.

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There are some really interesting and innovative companies working with virtually every one of our member companies, including many of the family-run businesses in the Ottawa Valley and eastern Ontario looking at something like bio-carbon, bio-coal or biochar that can be used as a soil amendment in agriculture. It can be used as an addition to the steelmaking process. I'm not an expert—I'm a forester; I'm not a steelmaker—but they can use biochar to decarbonize their operations at a steel mill. Char Technologies is a member of ours. They received funding through the biomass program to expand their operations in Thorold—which is a former paper recycling plant.

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

Mr. Ian Dunn: It's really exciting, and I really do think Ontarians are at the leading edge of this across the country.

MPP Billy Denault: All right, perfect.

And just for Ms. Richardson: I just want to give you as a local representative an opportunity to speak about if there's anything in the local community that's a challenge that prevents the provision of child care and give you the opportunity to be able to share it with us.

Ms. Benita Richardson: I'm sorry?

MPP Billy Denault: If there's any challenges locally that you want to share with us and the committee on provision of child care.

Ms. Benita Richardson: Challenges, beyond the four that I mentioned in my presentation—one of the things that we're really grateful for is that we have received from the province more opportunities to provide the CWELCC spaces. We were only given so many within so many years. In this past year, we were given an additional several hundred spaces so that we could then have more children, ages zero to six—

The Chair (Hon. Ernie Hardeman): Thank you very much. You didn't leave much time for the challenges.

MPP Bell.

Ms. Jessica Bell: Thank you to the presenters for coming today and sharing your expertise. I have questions for all three of you.

My first question is to Ms. Richardson. Thank you for your work in the child care sector. I have two children in child care. They're in that six-to-12 range, so I can tell you we're paying a lot in fees. The child care workers—we love them. Our children love them. They're helping us raise our children. I wouldn't have this job if I didn't have child care available to support me and my kids.

I also know that child care is key to workforce participation. A lot of parents cannot work full-time if they do not have child care, especially women. If the government does not respond to your recommendations and invest in child care in the manner that you're suggesting, what should parents expect in 2026-27? What's in store for them?

Ms. Benita Richardson: I think that parents have choices. They can also use private care. The issue with that

is, of course, there is no funding available for those families who provide care beyond the licensed system, so they can expect to be paying more. Maybe there will be people in the communities who will provide child care, and they will charge more, so bigger expenses. I think it's over \$10,000, perhaps, a year in child care fees.

I'm hoping that colleges will be able to continue to graduate students. Apparently, there are enough students being graduated to meet the demand.

As we share our love of being with young children, being partners and raising your children with you or helping you to, I'm hoping that there will be more ECEs staying in the field. That's what I see will be key in keeping some of those rooms open, because there are lots of empty spaces across Ontario. Work towards that too.

Ms. Jessica Bell: Thank you for that. I don't know many parents who can easily afford \$10,000 on child care. It is essential.

The next question is for Mr. Dunn from the Ontario Forest Industries Association. Thank you so much for being here.

I recently met with Unifor, representing forestry workers. They shared a lot of concerns about the future of the forestry industry, very worried about job losses. They also had some really interesting recommendations that they were hoping the Ontario government could move forward on. What really struck me is their interest in getting Ontario wood products to Ontario markets, especially in the home construction industry.

We have this real opportunity here with the budget, as well as the government's new Buy Ontario initiative, to make that happen. What kind of investments, policy changes would you be recommending to get more Ontario wood products—a greater diversity of wood products—into Ontario home construction? What do we need to do?

Mr. Ian Dunn: That's a great question, and like you said—I think you're hinting at it—there's a variety of products. There's lumber to be used in typical, standard single-detached family homes. There's panelling for floors, there are decorative finishes, and there's also energy that is produced by the forest products sector that can heat and power homes and multi-family unit dwellings as well.

A big challenge is actually getting products to the market. Like I mentioned, there's a shortage of transport drivers that are willing to work in northern Ontario and deliver that product to the major markets. And the market conditions right now for home building are really poor, as we know.

So I think, to the extent that the provincial government can control the market for home building, I think that is the biggest driving factor for uptake of Ontario-made forest products in Ontario, and just right now, the market is quite weak.

Ms. Jessica Bell: I agree. I follow housing stats very closely. They're very low right now. Other provinces' housing stats are much higher. There's a lot we can do, and we'll continue to advocate for those kinds of measures, from zoning changes to increasing access to construction on public land.

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

Ms. Jessica Bell: My final question is to Moe Garahan from Sustain. I've followed Sustain's work for many years; thank you very much. I was interested in your recommendations to expand the food nutrition program. We had an individual come and speak about the value of increasing access to food in schools. She talked about kids eating a whole lot of food on Friday and coming to school really hungry on Monday because they don't have access to food at home.

You've spoken a little bit about some of the measures that you'd like the Ontario government to do to expand access, get Ontario food products into Ontario schools. What other measures do you suggest that we could take to expand those kinds of programs?

Ms. Moe Garahan: I'm going to say that Sustain facilitates the Ontario chapter of the healthy school food coalition—that's across Canada. So in their submission that will happen for January 30, there will be very explicit recommendations—

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

MPP Collard.

M^{me} Lucille Collard: I was actually interested in a response, so I'll give you the time.

Ms. Moe Garahan: That's okay, because Sustain is covering every element within the food and farming sector, so I'm going to leave that to my colleagues through the Ontario chapter, and then we have a really concise and well-articulated plan to put forward on that. So that's coming to you in writing.

M^{me} Lucille Collard: Okay, very good.

I had a general question, actually, for you. I'm wondering what your take is on what Ontario could do better to increase local food production generally. What are the avenues we need to be looking at or investing in?

Ms. Moe Garahan: We have a long history of particularly regionally led new-farmer programs, and we do need to support those. We are very behind on supporting a comprehensive strategy for supporting new entrants. Oftentimes I think that, in an effort to try and do this through general farm organizations, for example—general farm organizations don't have new farmers in their midst. So we need to be supporting organizations that understand the barriers that range from land access, that range from specific regional business planning, for new entrants that aren't available through more traditional educational institutions. We need to have mentorship programs that match seasoned farmers with new entrants in a particular commodity, in a particular industry, in a particular region.

We need to have access to microfinancing and larger financing to help capitalize really capital-intensive production in a way that is still affordable and accessible to new entrants, many of whom are not inheriting a farm. We have to have strategies that look at succession. OMAF is very good at looking at succession within a family, but the majority of families do not have a successor; they're looking for an extra-family successor, and we need more supports to do that.

M^{me} Lucille Collard: What can we do to reduce our need to import the food? Like, if I go to the market, for example, I'm looking at strawberries. Strawberries from the United States are cheaper than the strawberries that are produced in Ontario. I can understand that people have to make that difficult choice. Is the greenhouse industry something that we need to invest in, or do you have other pistes of solutions?

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Ms. Moe Garahan: Yes, one of the things I want to list that people aren't—our missing middle is really key. There has been a lack of investments throughout Canada and including Ontario in the missing middle. That's meat processing. That's family abattoirs that have closed because of non-scale-appropriate regulations—have forced many mom-and-pop shops to close. It's non-meat processing. It's value added for fruit and vegetables. It's innovation that is possible for a small and medium-scale farms to process freeze-dried that allows for greater shelf life, which then can enable more access to greater markets even across Ontario, not just immediate time-sensitive markets. Picking up on the trucking industry: It's refrigerated trucks. It's hub-and-spoke activity as opposed to just one food terminal in Toronto.

It's looking at a more regional emphasis and sharing what grows faster or is raised best in those areas. I'm from northern Ontario. We can do a lot of stuff that isn't being invested in. In OMAFRA, there's a real focus particularly in the southern markets.

So I really believe that that investment into the missing middle but looking at a regional plan is what will really drive economic development in this province.

M^{me} Lucille Collard: Okay. Thank you.

I'll go to Benita, because I think child care is so important. I have four kids. I had to deal with that when they were very young, and I was considering quitting my job because child care was just becoming too expensive.

What is your biggest expense as a child care operator?

Ms. Benita Richardson: I think probably facilities—

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

Ms. Benita Richardson: —the price of facilities, the price of rent, and the soaring costs for fuel for heating food is huge, I think, and trying to keep salaries at a level. Again, there is a floor wage right now—but trying to keep our staff in our centres with any kind of possible benefits that we can offer to them.

M^{me} Lucille Collard: Okay. What's your wait-list right now for spaces?

Ms. Benita Richardson: I have a number of programs. In my preschool program, in one room, there are 170 on that particular wait-list. In my school-aged programs, anywhere from 40 to 100—I have three school-aged programs. In the nursery school program: no wait-list. Nursery schools are starting to become like a white elephant. These are part-time programs, play-based programs, probably schools running these kinds of programs. There's less need for that now.

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

MPP Brady.

Ms. Bobbi Ann Brady: I'm trying to be quick here, because I have a question for Ian, but I'm going to turn to Moe first. As a member who represents a very rural and agriculturally based riding, I really appreciate the efforts of Sustain in encouraging the incredible work of our Ontario farm families.

But I might be as popular as a snake at a garden party for maybe making these comments or asking you this question. I'm not sure if you'll want to answer this or you just want to take it as a comment: \$210 million is a lot of money. I worry that we are feeding children at school that don't necessarily need to be fed. I guess my suggestion is to take back to the groups that you work with that maybe we need to look at meaningful approaches to child hunger that are rooted in policy and system design, not simply feeding children at school as the primary strategy, because we all know that hunger is driven by economic shortfalls rather than that lack of food supply.

Ms. Moe Garahan: Thank you for that question. What I would just say is the Student Nutrition Program is not simply a food insecurity response; it is also looking at food literacy. There's been a lot of work, especially in European countries, that shows the benefit of integrating education into such school nutrition programs for better eating outcomes in general and that a lot of barriers to good health, to access is not strictly with lower-income families. It is a cross-class issue. So even families that might even have enough money to have a good breakfast might not be finding the time to generate that.

So I share your concern that we need clear distinction and policies that actually target the real root causes of poverty, which then is a key driver of food insecurity, but our food insecurity issues extend beyond this primary issue of—

Ms. Bobbi Ann Brady: It would be more of an education component.

Ms. Moe Garahan: Yes.

Ms. Bobbi Ann Brady: Thank you.

Ian, I'll follow up on some of the line of questioning with respect to procurement. Can you drill down on what policy tools or procurement reforms Ontario could adopt to ensure that publicly funded buildings prioritize the use of Ontario-produced forest products?

Mr. Ian Dunn: The province has an advance wood construction plan. They have the Buy Ontario Act. I think it's relatively simple that—and we can see in other jurisdictions like BC that there is a wood-first policy that, on any publicly funded building project, there has to be very careful consideration about, if you're not going to use wood, why is that? I think it's a relatively simple change to either regulation, legislation or policy, but there are other jurisdictions that we can learn from on that.

Ms. Bobbi Ann Brady: Great. Thanks, Ian.

The Chair (Hon. Ernie Hardeman): Thank you very much. We will now go to MPP Rosenberg.

MPP Bill Rosenberg: Thank you, members of the panel. I would like to thank Ian, too, for being here today. Coming from the background of forestry, I know the

challenges in the Algoma–Manitoulin district. I know that with Espanola—we see some exciting news coming from Espanola for the biochar and start-up at that pulp mill again. Thank you for all you guys do.

My question is going to go to Moe today. In 2025, in July, Canada and Ontario announced an investment of up to \$4.4 million under the Sustainable Canadian Agricultural Partnership to help small businesses in the agri-food industry grow their businesses, enhance their food safety and traceability systems. Funding from this will support 90 projects across the province through Ontario's Food Safety and Growth Initiative. These investments build on the Grow Ontario Strategy to strengthen agri-food business, increase agri-food innovation and adoption through close collaboration with agribusiness, research organizations and industry partners. Do you believe this is a good long-term strategy to address food insecurity?

Ms. Moe Garahan: Thanks for that. I do think that that investment is a strong one. The concern that we've seen with funding that comes from the agricultural partnership is it tends to be at a scale that favours the largest producers in our country.

We want that to continue. What we're looking for is an attendant investment into small and medium-scale farming and agri-food processing. I was part of supporting a food hub traceability initiative in Ottawa that cost hundreds of thousands of dollars for that medium-sized aggregator and distributor to actually meet those traceability compliance regulations.

What we're looking for is scale-appropriate regulations that then allow for smaller to medium-sized processing businesses, which are needed in more rural and remote areas as well as smaller towns and larger centres, to have the same types of access to these processing and missing middle pieces. A number of these projects will serve but it's increasingly only serving a particular part of our food and farming sectors.

MPP Bill Rosenberg: I've seen the opportunity in the dairy business to get the farmers in. They've opened that quota system up to new dairy farmers to help with what you were talking about before, about new farmers and stuff.

I know at the government, we look forward to being part of the solutions and to be successful. I guess my question is: How can we better collaborate with organizations like yours to ensure equitable access to nutritious food across urban, rural and northern communities?

Ms. Moe Garahan: We're excited to be able to partner more. We have a bit more capacity and that's also thanks to—I look to Ernie, who used to be at OMAFA.

But in terms of some supports, to actually identify the need to have systems facilitators that bring together the expertise across our province that isn't organizationally tied, not farmer-union tied. It's bringing all of that expertise together in a neutral space so that we can build consensus on these issues. We have a lot of low-hanging fruit that we can achieve together in partnership with the Ontario government, as well as some longer-term investments that will pay off well. So we really encourage that

ongoing conversation, and we're looking to have some particular FTE assignments within your government to work more clearly together on these policy initiatives.

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MPP Bill Rosenberg: Thank you, Moe.

Thank you, Chair.

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

Mr. Dave Smith: Benita, I'm going to come to you on this. I'm going to throw a couple of stats out, because I think it's rather interesting, when we're sitting around the table here talking in Pembroke about this: Renfrew county is about 7,000 square kilometres. Across the table, the two opposition parties, they represent about one tenth of the size of that. When we look at the number of people—

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

Mr. Dave Smith: —MPP Rosenberg has 0.6 people per square kilometre, but MPP Bell has 7,500 people per square kilometre in her riding. Sometimes, the rural aspect of it is vastly different than what it is in the urban aspect. You continually talked about licensed daycares. When we're looking at the rural environment of it, frequently, we have for-profit daycares that are relatively small that are still licensed. Do you see a need to have strictly not-for-profit daycares, or is there a place—especially in rural Ontario—where you may have a licensed, for-profit day-care that would draw upon, in Bill Rosenberg's riding—

The Chair (Hon. Ernie Hardeman): Thank you very much—no time for the question.

With that, that concludes the time for the questions and that concludes the time for this panel.

I want to thank all of the panellists for a great job and for the time you took to prepare and to ably present it to us. I apologize for having to cut you off, but blame that on the committee members. Thank you very much for being here.

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TEACHERS' ASSOCIATION,
RENFREW UNIT
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REAL ESTATE BOARD

The Chair (Hon. Ernie Hardeman): Our next panel will consist of the Airport Management Council of Ontario; Renfrew Catholic teachers, Ontario English Catholic Teachers' Association—

Interjections.

The Chair (Hon. Ernie Hardeman): If we could have the people that have finished the panel to go to the back of the room—

Interjections.

The Chair (Hon. Ernie Hardeman): Thank you very much. As I mentioned, the Airport Management Council of Ontario will be virtual, and then Renfrew Catholic teachers, Ontario English Catholic Teachers' Association

and the Renfrew County Real Estate Board. I guess we should have two people at the table. There we go.

The first presenter will be the virtual one, the Airport Management Council of Ontario, and I believe we're on the screen. As for the rules, I'm not sure that you were around to hear them. You have seven minutes to make your presentation. I will let you know that there's one minute left. I also ask that anyone that's going to speak, make sure to identify themselves before they start their presentation or answer a question, including the people that are doing it virtually.

So with that, Airport Management Council of Ontario, the floor is yours.

Ms. Laura McNeice: I'm Laura McNeice. I am the CEO of the Airport Management Council of Ontario. I would like to share my screen with the presentation for you. I thought I did. Where did it go? Okay. There may not be a presentation.

Anyhow, I just wanted to start out by mentioning how the province of Ontario is a significant user of air infrastructure. Air ambulance, wildfire suppression, wildlife programming and policing operations rely on small airports and aerodromes. Energy companies rely on these sites for quick and efficient infrastructure maintenance. Air infrastructure aligns with economic development priorities, and in some cases air access is the only means to enter a community. Without small airports and aerodromes, critical response times would be significantly delayed. These small airports and aerodromes are very important to all of the services that the province provides but also to the economic development and tourism for the regions that they are in.

There are 40-plus municipally owned small airports and aerodromes, plus another 18 publicly available airports that do not qualify for federal capital assistance. With the increasing costs and significant funds for capital projects required, this compels municipalities to consider divestment. There have been several small airports and aerodromes that have been sold in the last few years, and others that have come before council and they have chosen to invest, but sometimes by a slim margin.

We just want to enforce the point that the sale of an airport does not equal that it remains an airport. Once it has been sold, there is no control over whether it remains as an airport publicly available to the citizens. There is an example in Newfoundland: The Stephenville airport was sold, and it was promised that it was going to remain as an airport, and it very quickly has closed and they've lost a lot of their services in that area. Loss of publicly available airports does affect public services.

There are no airport-specific investments or funding opportunities in the province of Ontario. Small airports and aerodromes struggle to secure capital investment for key projects, primarily runway rehabilitations and lighting upgrades. Other provinces, such as British Columbia, Alberta and Saskatchewan, each acknowledge the importance of community airports and have created long-standing provincial capital investment programs for their community airports.

For example, the British Columbia Air Access Program is administered by the Ministry of Transportation and Transit, and in 2025, \$6.2 million was allocated for 16 projects at community airports. In Alberta, the Community Airport Program is part of the Strategic Transportation Infrastructure Program, which is administered by the Ministry of Transportation and Economic Corridors, and last year, \$3.7 million was provided for five different projects. In Saskatchewan, the Community Airport Partnership Program is offered by the Ministry of Highways, and nearly \$1 million was allocated last year for eight different projects.

What we are bringing forward to you today is that we are proposing the creation of the Ontario airport capital assistance program. We envision this program would be a \$10-million program annually that is set aside by the government of Ontario. We would like to see this program be administered by the Ministry of Transportation, and that it would be the small airports and aerodromes who are not eligible for federal funding who are eligible for this program. We have an outline of the program which notes the airports that would be eligible and what types of projects would be eligible. And we envision there is a cost-sharing ratio, which we have provided, all based on the other similar programs in the other provinces. We also think that a portion of the aviation fuel tax could go towards funding this program.

We do look forward to your questions, and I will turn it over to Terry and Chris for any further comments.

Mr. Terry Bos: Thanks, Laura.

My name is Terry Bos, I'm the president of AMCO. I believe Laura pretty much summed up the ask. We're essentially asking for support for small airports similar to what other provinces do. I'll leave it at that.

The Chair (Hon. Ernie Hardeman): That's the end of that presentation? Okay.

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The next presenter is the Renfrew Catholic teachers and the Ontario English Catholic Teachers' Association. The floor is yours.

Mr. Scott Lafreniere: Thank you very much. Good morning, folks. Thank you for having me here today. My name is Scott Lafreniere. I am a Catholic teacher and the local president of the Renfrew county unit of the Ontario English Catholic Teachers' Association. I represent approximately 400 kindergarten-to-grade-12 teachers and occasional teachers working in the publicly funded Catholic schools of this area. Together, our teachers are responsible for the well-being and education of about 5,000 students.

Renfrew county is a vast and predominantly rural region. Our students and families are spread across large geographic distances, and access to community-based services is limited. In most cases, schools are the most consistent and sometimes the only point of support available to children and families. Catholic teachers in Renfrew county want nothing more than to do the job they love in a learning and working environment that best supports students, but to be at our best, we need real investments

and the resources and supports needed to grow, learn and thrive in the upcoming 2026 budget.

Over the past years, Ontario's government has underfunded schools by \$6.3 billion. When adjusted for inflation, school boards receive less funding per student today than they did before the current government took office in 2018. Every day, Catholic teachers see the impact that chronic underfunding is having on our students.

One clear example here locally would be transportation. In Renfrew county, school buses are essential; certainly not optional. For some students, it's not unheard of to spend up to two hours on a school bus each day. Transportation alone consumes nearly \$8 million a year of my school board's budget, which is about eight cents of every dollar that they've got allocated. This is simply to ensure that students can get to school safely each day.

In the fall of 2024, families experienced first-hand what happens when funding pressures collide with reality. A dispute involving bus operators led to a suspension of service for weeks. Parents and caregivers were suddenly forced to drive long distances, rearrange work schedules, absorb additional costs or keep children home. For many students, they simply could not go to school at that time.

The board itself has limited ability to resolve situations like that. Transportation funding is allocated through the provincial funding formula and boards do not control the size of that envelope. As a result, they must operate within a largely fixed allocation with little flexibility to respond when costs rise.

Underfunding also extends well beyond transportation. A walk through the neighbourhoods of Pembroke, where we're gathered here today, would clearly demonstrate this. Many of our schools were built in the 1950s and are now more than 70 years old. They are well past their original design life. Our oldest school in the area is more than 100 years old. Maintaining safe, functional learning environments in buildings of that age places additional strain on already limited resources, particularly in a rural system where costs are higher and options are fewer.

However, nowhere are system pressures more visible than in special education and our ability to meet the needs of an increasingly complex student population: \$50 million has been committed to special education supports this year by the local Catholic school board. This is despite an estimated \$2-million gap between administered funding and what is required to meet student needs. That shortfall matters. It means fewer educational support workers and paraprofessionals who provide essential day-to-day supports for some of our most vulnerable students, and increased strain on classrooms and staff.

Despite growing provincial pressure and the looming threat of further centralization under Bill 33, our locally elected trustees, who are closest to students, families and educators, have continued to stand up for local needs. That has meant making difficult choices, drawing on limited reserves and running short-term deficits to maintain educational assistants and preserve programming where possible. This highlights the value of local democratic governance and the limits of a system that relies on extra-

ordinary local measures to compensate for inadequate provincial funding.

There are also hard limits to the specialized supports available in our region. As I believe was mentioned in one of the questions earlier, Renfrew county is approximately 7,500 square kilometres. However, our board operates the one and only specialized day treatment classroom for elementary students with complex needs. Access to that program is actually shared with our coterminous English public board.

As student needs increase, it becomes increasingly difficult for schools to balance the learning and safety of all students within regular classroom environments without additional staffing and specialized programming, but currently, we really have no alternative learning environments available. Teachers and administrators work hard to include students wherever possible, but inclusion without adequate resources is not sustainable. In the absence of appropriate placements or timely access to external services, boards may be left relying on short-term exclusions as a pause for safety, a last resort to protect the well-being of students and staff. These situations underscore the urgent need for greater investment in specialized programming and school-based professional supports.

We recently gathered feedback from special education teachers across the county. A consistent message emerged: Crisis management and student safety now take priority almost every day. Many report that urgent behavioural needs consume large portions of their time, often displacing planned literacy, numeracy and life skills programming. One special education teacher told us they wear two walkie-talkies every day because they are the default responder whenever a student in their school is in crisis. Violent incidents and aggressive behaviours are increasingly common, taking a physical, emotional and psychological toll on students and staff. These behaviours are often signs of unmet needs.

In rural areas like ours, access to psychologists, social workers and child and youth workers is limited, and wait times are long. The time required to travel to Ottawa for services, or for many families even to have the means to do so, is a significant barrier. Teachers have shared with me that in some cases staff have pooled their own money to purchase gas cards for families so students could attend psychoeducational and psychometric assessments in Ottawa. In other cases, principals have offered to drive families themselves because transportation and costs were otherwise insurmountable barriers.

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

Mr. Scott Lafreniere: While this speaks to the dedication of our educators, it also highlights how difficult it is for families in rural communities to access essential services and how far schools are stretching to compensate for gaps in the system.

In rural communities like ours, schools are often a student's gateway to the wider world and to future opportunity. They must be places where every child can develop to their full potential, regardless of background or circumstances. Catholic teachers, who are my friends and col-

leagues I see every day, are committed to doing that work, but commitment alone is not enough. If schools are expected to meet these broader responsibilities, they must be adequately resourced to do so.

All of the pressures I have mentioned today reflect real costs, real needs and the realities of rural communities. The 2026 budget is an opportunity to make that investment. Catholic teachers in Renfrew county stand ready to contribute our experience and expertise to ensure every student has the support they need to succeed.

Thank you for your time, and I'll be happy to answer any questions.

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

We now will hear from the Renfrew County Real Estate Board.

Mr. Andrew Brotton: Good morning, Chair and members of the Standing Committee on Finance and Economic Affairs. My name is Andrew Brotton, and I am here on behalf of the Renfrew County Real Estate Board and the 154 realtors who work with buyers, sellers, landlords and tenants here in Renfrew county. Thank you for the opportunity to discuss the issues facing the real state market in our region.

If Ontario is to remain a place to grow for every family, bold action is needed to build a rental system that works in every community. There is mutual consensus between landlords and tenants that the current rental market is dysfunctional and failing both parties. According to research from the Ontario Real Estate Association and Abacus Data, 70% of participants on both sides favour updating rental regulations to better align with modern demands and establish a fairer environment.

While provincial data indicates a slight cooling of the market, eastern Ontario remains significantly strained. For example, Pembroke maintains a 2.8% vacancy rate for purpose-built rentals, with average costs at \$1,178. Because Pembroke is a niche market with only 1,066 private units, it is highly sensitive to minor fluctuations in supply or demand. These localized pressures in eastern Ontario threaten to undermine broader provincial improvements, potentially sparking rent hikes and making it harder for renters to transition into home ownership.

To help bring more balance to the system, we recommend strengthening and expanding mediation services at the Landlord and Tenant Board. While the backlog has improved, wait times are still significant and uncertainty remains high. Mediation provides a faster and lower conflict pathway for resolving disputes and is supported by 71% of Ontarians. We recommend screening cases for stability and directing eligible matters to mandatory third-party mediation, drawing on the successful model used by British Columbia's Residential Tenancy Branch.

Beyond improving rental rules, Ontario must also continue strengthening consumer confidence in the real estate marketplace. Reliable oversight and trusted recourse channels are essential for both consumers and professionals, particularly in a market as personal and financially significant as buying or selling a home. We recommend

that the government fund an independent ombudsman who would be responsible for strengthening and improving the Real Estate Council of Ontario's—RECO's—governance and regulatory structures, its consumer protection mandate and maintaining public confidence in the real estate services sector. The role would involve addressing the underlying causes of RECO's specific response to the iPro Realty matters and help RECO get back to the basics of enforcing the Trust in Real Estate Services Act, TRESA. We urge you to include these recommendations focused on helping Ontario families in your pre-budget report and we welcome your questions. Thank you.

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The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the presentations.

We will start the first round of questions with MPP Collard.

Mme Lucille Collard: Thank you to the presenters—very diverse sectors of our economy this morning that we're hearing from, and that's really great for us.

I'm just going to start with Andrew, just to complete your presentation. You were talking about—one of your recommendations being creating a third-party dispute settlement mechanism like in BC. Can you explain a little bit more how that would function?

Mr. Andrew Brotton: The belief is that, for minor disputes that can be handled by a mediator, to have it outside of the normal process and just speed up the process of getting these situations mediated and taken care of.

Mme Lucille Collard: That doesn't exist within the tribunal structure, the access to mediators? Is that your understanding?

Mr. Andrew Brotton: That's my understanding, yes.

Mme Lucille Collard: Okay. In Renfrew county, here, what is the share of accommodations that are rentals versus owners? What's your rental market like?

Mr. Andrew Brotton: There are a lot of people that rent. The percentage, I don't know offhand.

Mme Lucille Collard: Okay. What's your opinion about rent control?

Mr. Andrew Brotton: I believe it's needed—I don't know. What's the question?

Mme Lucille Collard: We see a lot of disputes between people who own buildings and renters because renters cannot pay their rent because it is being increased to a level where they can no longer pay. Then that creates disputes and then the landlord and tenant tribunal cannot handle the workload of all those cases which leads to people ending up on the streets. That is what I was referring to.

Mr. Andrew Brotton: Right. I think the controls are reasonable and increases that will help owners cover the expenses of carrying the property. I don't think there needs to be an elimination of that. I think that would cause more problems.

Mme Lucille Collard: Okay. Do you have a homelessness issue here in the area?

Mr. Andrew Brotton: Yes, I believe so. Maybe on a smaller scale as opposed to larger urban areas but, yes, it exists. I think it exists everywhere in Ontario.

M^{me} Lucille Collard: I'm just going to turn to Scott. I was a school trustee for 10 years, so I think education is probably our most important sector where we need to invest. This is where we grow our future, and it's very important. And the underfunding you've mentioned is real. We talk about that a lot, and it has real impact in our classrooms.

I would like to know if you have any kind of statistics. We're talking about special education and the need for more special educators, the real impact in the classroom and the crises that's—there has definitely been an increase of that level. Do you have any kind of statistics as to how it evolved over the last, let's say, 10 years or even five years? Is there a notable increase in needs or students with special needs?

Mr. Scott Lafreniere: Yes, certainly. I think that might be a worthwhile endeavour that, actually, a study perhaps be done to get some hard data province-wide. Certainly, anecdotally, though, from my colleagues are seeing—especially kindergarten colleagues. We're seeing a lot of students coming with all kind of undiagnosed needs, a variety of speech-type delays or problems of developmental needs. As they're into the system, it seems that they're not at the same level of readiness for kindergarten. So it's almost as soon as they are coming in, our colleagues are playing catch-up to make referrals—

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

Mr. Scott Lafreniere: —and get appropriate assessments so that we can develop programming and things like that.

So, certainly, a marked increase. I'm not sure if it was exacerbated by the COVID pandemic itself, especially—that's five years behind it, but I think maybe that accelerated some existing pressures on the system. I think it is just, even in terms of the human resources supports, we're feeling that more just because of the underfunding issue. The supports that we relied on 10 years ago may not necessarily be there.

When I was a new teacher, I was afforded—actually, I had two educational assistants in my classroom. One was there full-time to assist a student with some developmental challenges so he could fully participate. I also had two special education teachers who assisted with literacy and numeracy programming. I would say in a grade 5 or 6 classroom today, that would not be the case.

M^{me} Lucille Collard: If you were getting the funding to hire more special educators, would the workforce be there to respond to the demand?

Mr. Scott LaFreniere: I think we're under a crunch there as well.

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

MPP Brady.

Ms. Bobbi Ann Brady: Thank you to all of our presenters this morning. I'll use my first line of questioning for Laura, Terry and Chris.

Given other provinces like British Columbia, Alberta and Saskatchewan already operate permanent provincial capital assistance programs that treat airports as a critical

infrastructure, it is interesting to me that Ontario continues to lag behind in providing this dedicated and stable funding for regional air connectivity.

I'm wondering—you mentioned the aviation fuel tax, and we know that, combined, all fuel taxes in Ontario generate somewhere around \$2.2 billion in revenue each year. I do know that the provincial aviation tax is the lowest, somewhere between 2.7 cents and 6.7 cents, depending on where you are in Ontario. But I'm curious if you can tell me what chunk of that \$2.2 billion is accrued through aviation fuel tax in Ontario.

Ms. Laura McNeice: Terry, would you like to reply?

Mr. Terry Bos: Yes. Unfortunately, we don't have access to that kind of data. You are right, the north has one rate and the south has a different rate, but unfortunately, we don't get access to the data as to how much is submitted. It's generally through the fuellers that provide that information.

Ms. Bobbi Ann Brady: Do you have any idea, Terry, of whether or not your portion would cover what the ask is for this pre-budget recommendation?

Mr. Terry Bos: Oh yes, certainly. Based on the percentage we get from fuel tax, because the airports charge the fuellers a percentage as well, I can tell you that, certainly, there would be enough there in fuel tax collected by the province to cover what we've asked for.

Ms. Bobbi Ann Brady: Great, thank you. My follow-up question centres on what the ROI would be if we were to meet your ask in the upcoming budget. I know that you've spoken about the increase in tourism and the economic benefits to local economies, but have you put a dollar figure on that return on investment?

Mr. Terry Bos: I don't believe we have a dollar figure on the return on investment. It's more of an opportunity. If that investment isn't there and these airports were to close, you'd actually lose—

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

Mr. Terry Bos: —what already exists.

Ms. Bobbi Ann Brady: Okay, thank you.

I'll move over to you, Scott. What you have detailed for us is not new—I don't know if I'll get my question before the minute, but I'll come back to you in the second round. What we've been hearing is a bit shocking, chaos in our classrooms in Ontario, but it's not unique or different anywhere in this province.

I ask the same question consistently while we're on committee. What we are doing is not working. We have two groups of children in our classrooms: those who need additional support and those who do not need additional supports. Neither one of those groups are thriving in Ontario classrooms. So we can talk about speech pathologists, occupational therapists. There are not enough of them—

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

We will now go to MPP Denault.

MPP Billy Denault: Well, thank you, everybody. My first question is for the Airport Management Council of Ontario. I know how important airports are for this riding.

We have two in Renfrew–Nipissing–Pembroke and I'm sure, Laura, you're familiar with the strong advocate that is the chair of the Pembroke regional airport. I was just wondering if you could describe, just more in detail, some of the specific challenges airports are facing across the province that require government support and the anticipated impact of these, if these needs are not addressed.

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Ms. Laura McNeice: Sure. The specific needs are the capital infrastructure. Runways are crumbling, airfield lighting is outdated and the costs are rising for rehabilitation of the infrastructure.

The real impact is to those who are municipally owned. There are over 40 municipally owned small airports and aerodromes. The municipalities are becoming more and more cash-strapped. They have tighter budgets and they are making decisions on what they are going to do with their funds. They may be able to continue with the operational aspect of it, but the safety of the airports is diminishing.

They have been coming up for consideration of divestiture, which can lead to closure of the small airports and aerodromes, and this impacts everything from the ground up. Pilot training takes place at these facilities. Medevacs take place at these facilities. MNR programming takes place at these facilities. Hydro line maintenance and infrastructure occur through these facilities, among other things. So once those airports start to disappear, the services that will be available to Ontario citizens will diminish significantly and quickly.

MPP Billy Denault: Okay. Are there any additional regulatory or policy changes that you and AMCO believe would improve efficiency or reduce costs for airports without reducing service quality?

Ms. Laura McNeice: Terry?

Mr. Terry Bos: Certainly. For the most part, airports are regulated at the federal level, so a lot of the issues in regard to that would be dealt with at a federal level.

Provincially, I think the biggest issue is that the province has never considered airports as critical infrastructure and I think the previous MPP touched on that. The one thing you've got to keep in mind is, a mile of runway is going to take you around the world, whereas a mile of highway is going to take you one mile.

I think there are a lot of opportunities at airports that are being overlooked because of the fact that, as Laura mentioned, these municipalities are strapped for cash. They're treating an airport as any other piece of infrastructure in their city, but this is an opportunity for, like Laura said, medevacs to get in and out of your town. It's an opportunity for business and people to get in and out of your town. So there's a whole economic and a socio-economic impact that airports create.

These smaller airports just simply can't afford to operate anymore because, as Laura mentioned, the inflation on asphalt for runways or lighting for runways has been astronomical since COVID. It's really impacted the opportunity to really maintain that infrastructure.

MPP Billy Denault: Okay, perfect.

I'll just ask a question to Andrew. You may be aware of some of our government's policies around housing, one of them being removing HST on new purpose-built rental housing. I'm curious what the Renfrew County Real Estate Board's perspective is on that and if they are supportive of those types of policies—any feedback around that sort of thing.

Mr. Andrew Brotton: I believe that, yes, we do encourage and support that initiative that the government has taken and it has helped, I suppose. There's still more work to be done to encourage builders to get building, basically.

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

Mr. Andrew Brotton: They're not building fast enough. We believe that there's still more work to be done, but it's been a good start.

MPP Billy Denault: From your perspective, what are some of those ways that we can help keep costs down for families looking to buy their first home?

Mr. Andrew Brotton: I think it's a whole stepped process, like I kind of talked about in the speech—increasing supply, which will hold rents, to slow the increase in rent. As younger renters are paying these higher rents, they're not able to save for a down payment to purchase property. So increasing the supply, keep rents at a minimal increase—

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

MPP Bell.

Ms. Jessica Bell: Thank you to the presenters for coming in today. My questions are going to be focusing on the Ontario English Catholic Teachers' Association and the real estate board.

Scott, your presentation was really moving and also alarming. What's happening in the schools is deeply concerning. In my riding, we have a lot of issues with the lack of access to high-quality education for kids who have special needs. It's a real concern. I want to ask you some questions about that.

My first question is just around funding. Can you tell us what the difference is between what your region spends on special education—your board—and what you get from the province?

Mr. Scott Lafreniere: Yes. According to the board's own budget—you can pull up their documents on rccdsb.ca; there was a statement when the budget came out—it's about a \$2-million shortfall locally at present, based on this year's fiscal year.

Ms. Jessica Bell: The issue of school boards providing additional funding to meet special education needs is a big one. I think most school boards across Ontario have a shortfall. They're spending more than they're getting—

Ms. Chandra Pasma: All of them.

Ms. Jessica Bell: All of them; thank you. It's a huge issue.

You mentioned this term, "short-term exclusions." Can you just explain that a little bit more? What does that mean, and how extensive is it?

Mr. Scott Lafreniere: Yes. Under the provisions of the Education Act, a school principal does have the authority

to exercise what they call an exclusion. In their professional opinion, if a student poses, essentially, a safety risk to the learning environment of other students, they do have the authority to exclude that student from school for a period of time. It's always a last resort, often after perhaps months of trying programming, adjusting schedules and trying to provide what support we can.

Often our board uses the term "pause for safety" when a critical incident has occurred and it's clear we're not able to support that student or also meet the needs of their peers in the regular classroom environment, so, unfortunately, that student has to stay home for a period of time while the school tries to scramble to reorganize programming. Or perhaps it's a referral to the self-contained program that I mentioned, which could take time as well.

It's really a stopgap; it's a last-ditch effort. It's certainly something none of our colleagues who are principals or teachers want to see happening. But it's just a last resort when safety has become such a concern because we're not able to meet a student's needs.

Ms. Jessica Bell: We also have that issue in our riding. As you can imagine, it causes a lot of havoc for parents. It's very tough for the children. It's very tough for the school. It's not good for anyone. It's certainly something we should be addressing.

My last question to you is: You've made it pretty clear that we do need additional supports in the classroom, additional staffing. Paint a picture for us. In a typical school, what kind of additional staffing would be needed to ensure classrooms are safe, good places to learn, and that kids with special needs get those additional resources that they need?

Mr. Scott Lafreniere: Yes, certainly. Fundamentally, education is about people, right? It's about human resources. It's about my colleagues who are Catholic teachers, but it's also about our colleagues who are educational assistants. They're a valuable component of our school system. They perform far above and beyond, if you look at their salary and wages. They show up every day, and they're often bearing the brunt of a lot of these complex situations and needs, and trying to manage students in terms of physicality and things like that. They're very crucial.

The board, on our end, has tried all they can to maintain their current complement. They have about 120, which is a fair number for a school board of our size, but that is a large part of that deficit, and that is just in the classroom environment. It is special education teachers who provide specialized support and programming. Unfortunately, a lot of their focus is more on meeting those complex behavioural needs, and less and less on being able to provide interventions for literacy and numeracy.

Outside of that, it's up to the medical professionals and paraprofessionals to provide those services that are well beyond the scope of what we can do in terms of speech support and applied behaviour analysis for those students with autism. It's getting those psychometric and psychoeducational assessments, which are upwards of \$3,000. For a family in this area, that's cost-prohibitive.

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

Mr. Scott Lafreniere: The board often tries to allocate roughly two per school per year. It is really a game of trying to triage and see what students are going to benefit from this and get them to the assessment and then get the results we need to try and put that program in place the best we can. But also, we get those psychoeducational assessments back and there are lots of great recommendations, but some of them are just not feasible in terms of the human resources we've got or the staff on hand.

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So it is just a picture of, we need all the people in the right places with the right specialties, and it's a community that's required to meet the needs of these students and make sure that they can achieve their full potential.

Ms. Jessica Bell: We need to invest in our schools.

My final question is for the real estate association representative. You mentioned mediation services. Do you have a position on returning to in-person hearings for the LTB? Is that something the real estate association supports?

Mr. Andrew Brotton: I would support it for certain circumstances. What we're hoping to see is that for more minor—

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

MPP Collard.

Mme Lucille Collard: I'm going to go back to Scott, because, again, I find education so important. I want to talk a bit about the support for kids with autism. I've got several cases of families coming to my office saying that their kids who have autism cannot have access to education—period—because the support in schools is not there. So they're being denied totally to have access to education. Do you see that in this area as well?

Mr. Scott Lafreniere: Yes, certainly, at times. As we're aware with autism, there's a wide spectrum there, depending on the particular needs of the student. I know we have some very competent folks who work in behaviour analysis, and they help with programming for those things. But especially students who are new to the system in terms of kindergarten or primary age coming in, I would say there can certainly be a delay in trying to figure out a plan in order to get them into the school system and make sure that we're fulfilling our obligations in terms of providing an inclusive education. So that is certainly a concern that I would think parents of those students in our area would echo and reiterate and agree with you as well.

Mme Lucille Collard: We've seen an increase of violence in our schools. Do you have any recommendations for government action to address this issue?

Mr. Scott Lafreniere: Yes. Ultimately our schools are just a reflection of our society. A lot of these things we're seeing, we're doing our best to manage in the classrooms, but families are in an incredible deal of pressure economically. I think everyone's doing their best. They're sending their best to us every day and we certainly owe them to give it their all, and I think our colleagues do every day

show up with the intent of trying to meet these students' needs

But a lot of these pressures need to be relieved on the social services end in terms of being able to have access to supports, because the expectation can't be that we do it all. It's the community that needs to come together and we need the resources in order to meet those needs. Even for those students who are exhibiting violence, it's very rarely that there's malicious intent there. There's an unmet need, but we need to know what that need is.

We're not medical professionals. I can't provide diagnoses, and we don't have the skill set to provide a plan for a student with those sorts of diagnoses. We're relying on other professionals to do so. But if that support is not there and parents can't access it, it's difficult to develop programming for them.

M^{me} Lucille Collard: We know that the chronic underfunding of our school system—I think it's been going on for a very long time, not just only under this government—has impacted the willingness of people to become teachers. I think it takes special kinds of people to be teachers. I have four kids, and you could never pay me enough to be a teacher in a classroom. So I really think it needs to be a passion for somebody to become a teacher, and I think we have those people.

Bu I also see that there is a challenge on the retention. I've heard, statistically, teachers won't stay in that profession more than five years. There are big proportions of people that can no longer continue to do that work because of all the challenges, which I believe are associated with the underfunding. What is your experience and recommendation to address the retention issue?

Mr. Scott Lafreniere: Certainly, it's just additional funding for more positions because we often hear about a teacher shortage. But if we look at the data—I think if you look at the Ontario College of Teachers' roster—there are way more certified teachers actually that are registered and certified with the college that have just given up on the profession, as you said, whether it's in that first five years or not.

We still have this issue. We're certainly short day to day in terms of occasional coverage, but because of the funding shortage I think there's still not the level of permanent positions that the system could need in order to meet needs, whether it's to get classroom sizes down or to have smaller classrooms for specialized support. Some folks do come into the system, they're still working as occasional teachers, but there's still a delay to get permanent work because a lot of those positions—I think if we go back to 2018, there may be something like 4,000 or 3,500 fewer actual permanent teaching positions in Ontario. It's a complex issue, for sure. The teachers are out there, but I think it's—

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

Mr. Scott Lafreniere: —because of the conditions that exist in the system. Due to the underfunding, folks get in, they have good intentions, but they're not able to reconcile with the stresses that I think they're seeing.

M^{me} Lucille Collard: Thank you for recognizing that. Definitely, we need more people. We need more adults in our school system and in the classroom.

You talked about the best system as well as being something that's very necessary, especially when you're in regions like that and the need to address old school—what would be your priorities in terms of funding? Is it more funding for the school bus system or fixing the schools?

Mr. Scott Lafreniere: I guess we would say that it's tighter. Transportation is a requirement; some of these kids can't get to school if there's no buses. There's a difficulty getting operators to find drivers as well.

Also, our schools—some of them are in very rough shape. They're very old—

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

MPP Brady.

Ms. Bobbi Ann Brady: Scott, I'll go back to you and finish off where we started.

Let's set the funding issue aside. I really think we have to be honest about what the immediate solution should be with respect to the chaos in the classroom. We've already ascertained that we're short OTs, we're short speech pathologists and many of those professionals who are required to provide those necessary supports to those students struggling in the classroom. Both sides—again, they're not thriving. Either side in the classroom is not thriving.

My opinion is that we need to create designated classrooms or designated regional schools whereby we move children into the appropriate classroom. I'm wondering if you would support that.

Mr. Scott Lafreniere: Yes, certainly. Locally, our board has always prided itself on an inclusive educational model, but certainly, equity has to really come into that. We have to be realistic in terms of meeting student needs. I know, wherever possible, we want students included in the regular classroom environment, but there can be degrees of inclusion as well.

I think a smaller, self-contained classroom with a special education focus or to meet unique student learner profiles based on various exceptionalities or diagnoses could be valid, so long as the processes are in place, they're appropriately resourced and those students are, again, able to have a learning environment that allows them to meet their full potential.

It does alleviate some of the pressures on my colleagues who are just general classroom teachers who are doing their best and they've got lots of great tricks in terms of classroom management. But if the needs are beyond the scope of what they're able to handle in the day to day, that certainly would be valuable.

Ms. Bobbi Ann Brady: For sure. Integration is beautiful, if it works, and it currently isn't working, so we have to do something different.

I'm just wondering: We know there are labour gaps and that's going to take years to rectify. I believe that this could be an immediate solution—

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

Ms. Bobbi Ann Brady: —and I'm wondering if you would agree or you have any idea how quickly we could move into those designated classrooms or schools.

Mr. Scott Lafreniere: I think conversations with our local superintendents—they have had plans in place, looking in the area—perhaps in rezoning existing school boundaries and using one school as space for specialized classroom support. I believe they did put a proposal into the ministry for help with capital in terms of doing that and it was rejected.

So the will is there and I believe we have got folks on the senior administration end that could plan that out, but it's just an issue of the funding realities and permission from the ministry right now.

Ms. Bobbi Ann Brady: Thank you.

Andrew, quickly, I'm wondering if real estate issues in this neck of the woods provide anything unique or are different in any way, given the large Canadian Armed Forces presence that you have here.

Mr. Andrew Brotton: Yes, definitely there's a lot more turnover and the real estate sector is reliant on the forces based in Petawawa.

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

MPP Smith.

Mr. Dave Smith: I'm going to come to the airport management council for a couple of quick questions.

Just to clarify, northern airports do have access to funding through the NOHFC community investments grants. In fact, when I was the parliamentary assistant to the Minister of Northern Development, I made announcements at Wawa, Iroquois Falls, Manitoulin East Municipal Airport and the Dryden airport on funding opportunities.

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If we were to expand and have an airport stream through the Ministry of Transportation, would that mean that we wouldn't need that availability, then, for those northern and remote airports through NOHFC? Should we be taking a portion of that NOHFC funding that we do have, that's quasi-earmarked for those northern airports, and use that to augment as part of the \$10 million that you're asking for, or should they be kept completely separate and not have airports available through funding through NOHFC?

Mr. Terry Bos: Yes, you are correct. Even Sault Ste. Marie—we've taken advantage of NOHFC funding. But that NOHFC funding is more economic development funding, so creation of new opportunities in the airport, whether it's hangars or tenant buildings and such. Whereas what we're looking at here is a stream completely just dedicated to infrastructure, so runways, lighting, everything you need to keep an aerodrome operational.

So I see it as two separate streams. I think the NOHFC for us in the north is great. It's an opportunity to have economic development at our airports. But for the smaller airports, they also need that opportunity to have the infrastructure done. NOHFC is really a competition amongst all businesses, right? So I think you need that separate fund

dedicated to airports, and I wouldn't take money from NOHFC in order to fund it.

Mr. Dave Smith: Okay. I'm saying that kind of selfishly as well—I've got the Peterborough airport. We're looking to put in a control tower. It's the busiest airport in Canada without a control tower. So, selfishly, if we can come up with a fund that would help offset those costs, it's good for me. It's good for my riding. I'm going to have to declare that conflict of interest, because the Peterborough airport is in my riding that way.

But yes, I appreciate that feedback. So if I can summarize it, you're saying that for the northern airports, allow them to continue going through NOHFC if there's an economic driver portion of it, but set the fund up specifically for other types of infrastructure—things that you wouldn't class, necessarily, as an economic driver.

Mr. Terry Bos: That is correct.

Mr. Dave Smith: Thank you. I'm going to turn things over to my colleague MPP Allsopp.

The Chair (Hon. Ernie Hardeman): MPP Allsopp.

Mr. Tyler Allsopp: Thank you, everyone, for being here today. It's a pleasure to be here. Thank you to MPP Denault for hosting us in beautiful Pembroke, Ontario. You told me it was lovely this time of year, and you're absolutely right. It was an incredible drive in. So I really appreciate that everyone made it here today.

A couple of quick questions—the first one is for Mr. Brotton from the Renfrew County Real Estate Board. Certainly, we all recognize that we're in a housing crisis, and we know that one of the barriers to getting housing units built is having the infrastructure available in the ground. That is particularly a challenge often in small municipalities, who may not have the means to do that themselves, which is why we brought forward programs like the Housing-Enabling Water Systems Fund, the Housing-Enabling Core Servicing Stream and the Building Faster Fund.

Can you talk about what those investments mean in terms of creating housing units, and if you've seen those be effective in this area?

Mr. Andrew Brotton: They have begun to be effective. We're seeing it slowly take off, but it's not growing fast enough. There's still a high demand for more houses to be built, and builders just need more incentive, it seems like, to do that. There's not enough yet, based on what we're seeing anyway, in supply. Yes, the good steps have been taken. We believe that there's still more to be done.

Mr. Tyler Allsopp: Fantastic. In your presentation, you talked about the local rental market. I believe you said you had about a 2.8% vacancy rate, and then the average rate for rent in Renfrew county was about \$1,100 a month, which—

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

Mr. Tyler Allsopp: —\$1,100 a month for some of the more urban members of the committee is pretty affordable, but we know that job prospects in more rural areas are not what they are in urban centres. So, clearly there's an issue with the vacancy rate, but how do you find affordability is generally in Renfrew county?

Mr. Andrew Brotton: Yes, that number is quite low, and I don't know if that's necessarily—like, a typical two-bedroom apartment, you're looking at \$1,600 to \$1,800. So I think that's taking into account—there's probably a lot of bachelors, smaller one-bedroom apartments. Three or four bedrooms or maybe houses are upwards of \$2,500. So rents are still too high for the general income in the area.

Mr. Tyler Allsopp: So you're still finding that there's a bit of an affordability crunch in Renfrew as well. Even though some of those lower-priced units are available, they're generally smaller and so families are probably struggling with a little bit of higher rents.

Mr. Andrew Brotton: Yes. Like I say, the typical—

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

MPP Pasma.

Ms. Chandra Pasma: Thank you to all of our presenters for being here.

Mr. Lafreniere, I want to turn to you. First of all, I want to say thank you so much to you and your colleagues for all the work that you're doing supporting our children. I know it's not easy with more than \$6.3 billion taken out of our education system over the past seven years. You've really done an excellent job of detailing what that reality means on the ground, so thank you.

You've painted a really stark picture this morning about what education in a very large geographical, rural region looks like. The challenges, from student transportation over a large distance to lack of access to local community supports and schools having to backstop for that, are very different than even the reality in my area, Ottawa, which is right next door to your school board.

I couldn't help but think as you were describing that: The Minister of Education is saying he wants to get rid of locally elected and accountable school trustees who work with the local community in consultation to make decisions and centralize power in his own hands in downtown Toronto. I'm wondering, do you think someone in downtown Toronto can truly understand and make decisions reflecting the local realities on the ground in an area like Renfrew county?

Mr. Scott Lafreniere: I would say absolutely not. Not that we always see eye to eye with our trustees, as the labour group representing our teachers, but we certainly both have the same aim, which is the well-being of our students and our families. I could call up the chair of the Catholic school board locally, Mr. Schreder, and he would take my call, no problem. We could have a conversation, as he would do for any parent in this community—very accessible.

They're working with a very limited budget and doing the best they can. They have the students and the families of this area's best interests at heart. They know what's going on, whereas I would say, you're right, someone in downtown Toronto probably would have no idea—or even really know where Pembroke is. Because I often have to say, "I just live outside of Ottawa" when I'm down that way, to tell people where we're from.

Ms. Chandra Pasma: Right. And we saw already a very clear example of a decision being made in Toronto that had an incredibly negative impact on families and children in Renfrew county. You mentioned the lack of buses for a full eight weeks last year and the fact that parents were having to miss work to drive kids, but there were also kids who were missing school.

In that scenario, the Minister of Education unilaterally changed the school transportation funding formula so that it no longer covered costs. The school board has no choice but to contract out busing services. That's a requirement from the province, but the province was not willing to actually fund the operators' real operating costs, which meant that there was this standoff between the school boards and the bus company operators. In the end, that was resolved because the Minister of Education forced the Renfrew Catholic school board and the public school board to sit down and take money out of other areas of the budget to go towards transportation.

Do you know, in the Catholic board, what areas were cut in order to come up with funding for student transportation that should have been there if the minister in downtown Toronto hadn't changed the formula?

Mr. Scott Lafreniere: Fundamentally, to find that level of resources, again, you're looking at cutting people and jobs that are in classrooms every day, probably borne on the brunt of support staff, in terms of educational assistants. I remember shortly after that happened, the director talked to us. In my former role, I was a coordinator supporting our students on long-term suspension or potentially expulsion, so high-risk youth, and they were telling everyone, "In the days ahead, we're going to have to be very mindful of our spending."

You're right. Ultimately, it's jobs lost, in terms of folks that come to school every day with the intent of helping kids.

Ms. Chandra Pasma: It's really shocking we would take those classroom supports away from our kids when you mentioned that we already don't have enough caring adults to address the crisis that was actually created by the minister, not by the school board, not by the local bus companies.

I was also very shocked when you said that the school board has allocated two psychoeducational assessments per school for the entire school year. That is unimaginable.

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

Ms. Chandra Pasma: Is the challenge the amount of funding that is available for special education, is it access to psychologists in Renfrew county who are capable of doing those assessments, or is it a combination of both?

Mr. Scott Lafreniere: It's a combination of both. Fortunately, there seems to be one new psychologist in the area, so that's helped a bit. Wherever possible, families are encouraged, if they have private benefit plans that would cover those assessments, to access that. Unfortunately, in our area there are not a lot of jobs where folks are privileged enough to have that coverage, so it really is a matter of triaging and saying which students have the most complicated needs and would benefit most from the rec-

ommendations from a proper psychoeducational assessment and arranging those.

Ms. Chandra Pasma: And even the families who do have benefits would struggle with the lack of access to local psychologists?

Mr. Scott Lafreniere: Certainly, yes.

Ms. Chandra Pasma: Okay. Thank you.

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the time for the presentation. It also concludes the time for this panel, so I want to thank all of the participants for taking the time to prepare and to come and make the presentations here today. It will be very helpful as we consider the rest of our journey and our consultation process.

With that, thank you very much, and that also ends the session this morning. The committee stands recessed until 1 o'clock.

The committee recessed from 1200 to 1301.

ODAWA NATIVE FRIENDSHIP CENTRE
EASTERN ONTARIO MAYORS' CAUCUS
ONTARIO COLLEGE OF
FAMILY PHYSICIANS

The Chair (Hon. Ernie Hardeman): Good afternoon, everyone. We will now resume the 2026 pre-budget consultations.

As a reminder, each presenter will have seven minutes for their presentation. After we've heard from all three presenters, the remaining 39 minutes of this time slot will be used for questions from the members of the committee. The time for the questions will be divided into two rounds of five minutes and 30 seconds for the government members, two rounds of five minutes and 30 seconds for the official opposition members, two rounds of five minutes and 30 seconds for the recognized third-party members and two rounds of three minutes for the independent member of the committee.

I will provide a verbal reminder to notify you when you have one minute left for your presentation or the allotted speaking time. Please wait until you are recognized by the Chair before speaking, and as always, all comments should be made through the Chair.

With that, we will ask the first panel to come forward. The first panel is Odawa Native Friendship Centre, Eastern Ontario Mayors' Caucus and the Ontario College of Family Physicians. The Ontario College of Family Physicians is going to be virtual. With that, we also ask each presenter, as they start, before they start speaking—we can't do it before you start speaking, but before you start your presentation—to introduce yourself to make sure we have it recorded for Hansard so that the right person gets attributed to the presentation.

So with that, Odawa Native Friendship Centre is first to make their presentation.

Ms. Anita Armstrong: Meegwetch. Hello, everyone. Aanii. Boozhoo. Shé:kon. Thank you for the opportunity to participate in Ontario's 2026 budget consultation

process. My name is Anita Armstrong. I am a member of the Brokenhead Ojibway Nation of Manitoba, and I have the honour of being the executive director of the Odawa Native Friendship Centre in the city of Ottawa.

Our distinct organization works to improve the quality of life of urban Indigenous people in the Ottawa area, and we are a part of a network of 31 friendship centres across the province of Ontario. More than 406,000 Indigenous people live in Ontario, representing 3% of the population, and 88% of Indigenous people in Ontario live in cities, towns and rural areas. In Ontario, Ottawa-Gatineau is home to the largest Indigenous population in the province.

For more than 50 years, friendship centres have been the backbone of Ontario's urban Indigenous service system, delivering cost-efficient, culturally grounded programs that improve outcomes for Indigenous children, youth, families and communities.

However, today, demand far outpaces available funding, and this impacts our ability to keep up with the community needs. For instance, Odawa's emergency food pantry is unfunded and run almost entirely by volunteers. We run services twice a month and have seen a consistent increase each service day for the past several months.

As the executive director of the friendship centre within the OFIFC network, I am asking you to support the OFIFC's request for an annual commitment of \$16 million across key programs and sectors. This investment will strengthen a model that works and build resilience where Indigenous people live, through targeted, cost-efficient investments that stabilize housing, strengthen families and create real pathways to health, education and economic opportunities.

Priority 1 is child and youth supports. The 2021 national census data shows that Indigenous children are 7.7% of Canada's child population but represent over half of children in foster care. Data from the Ontario Human Rights Commission confirms the same pattern: a pipeline to homelessness, poverty, justice involvement and overall poor health. At our friendship centre, programs like the Akwe:go and Wasa-Nabin programs break cycles of trauma, keep children connected to family and school and reduce risks before they escalate.

But low wages make it difficult to recruit and retain staff, disrupting service delivery. Odawa experiences high turnover in key positions at the friendship centre due to low wages that don't support families as the cost of living continues to rise. Overall lack of funding prevents us from providing traditional and cultural programming which is essential for the healing in our communities.

As a member of the OFIFC, I strongly support the OFIFC's request for \$1.24 million annually to increase Akwe:go and Wasa-Nabin staff salaries from \$56,438 to \$66,438. This would make a huge difference to our friendship centre and ensure staff retention, allowing for valuable continuity of these supportive relationships.

Priority 2 is housing stability. Urban Indigenous people experience high rates of homelessness due to structural inequities, driving greater resilience on costly emergency shelters, health care and justice systems. Friendship centre

housing models provide safe, affordable homes with culture-based background supports.

Stable housing is foundational for economic participation and health system sustainability. Capital funding builds housing, but operational funding is required to maintain the supports that keep the people housed.

The city of Ottawa desperately needs more affordable housing for urban Indigenous families. We hear regularly from our community members that their housing needs are not being met, which leads to increased instability and mental health crises.

I strongly support the OFIFC's request for \$1.6 million annually in operational funding for the friendship centre housing models.

Priority 3: Indigenous mental health and wellness. Urban Indigenous communities are young—37% under 25 years of age—yet the opioid crisis and lack of culturally safe services undermine well-being and workforce potential. The opioid crisis, however, does not exist in isolation. Indigenous youth are also navigating intergenerational trauma from residential schools; child welfare systems and forced displacement; ongoing racism and discrimination in schools, health care and justice systems; as well as loss of language, land and cultural continuity.

Substance use is often a coping mechanism to unresolved trauma, and it's not a personal failure. Without culturally relevant support, youth are less likely to seek help, increasing the risk of long-term addiction and lost opportunities. This past summer, in a period of one month, we lost four young community members, all of which were waiting to get into treatments.

I support the OFIFC's request for \$1.35 million annually to expand culturally grounded mental health and addictions programming—

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

Ms. Anita Armstrong: Pardon me?

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

Ms. Anita Armstrong: Okay, thank you—and strengthen coordinated care pathways across Ontario.

Indigenous youth in rural and remote communities face barriers to stable employment, even in high-growth sectors nearby. Friendship centres can close these gaps by connecting youth with paid apprenticeships, internships and sector-specific training opportunities. The city of Ottawa has one employment and training program specific for the Indigenous community and cannot meet the needs of our growing population.

This fall, at our homeless outreach centre, we provided employment readiness training, and 36 individuals completed the courses, demonstrating the motivation and willingness to improve their situation. I support the OFIFC's budget request for \$1 million annually to develop internship, apprenticeships and employment readiness programs.

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the time. Hopefully you can get the rest of your comments in in the question period.

Next, we will hear from the Eastern Ontario Mayors' Caucus.

Mr. John Beddows: My name is John Beddows. I am the mayor of the town of Gananoque, and I'm the chair of the Eastern Ontario Mayors' Caucus. Collectively, our municipalities represent over 420,000 electors in eastern Ontario, and we are the 10 separated municipalities.

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I am here to talk to you today on three topics. The first is the Municipal Property Assessment Corp. and levy, the second is funding for post-secondary education and the third is funding for the community paramedic program. In front of you I've distributed the one-page flyer which speaks about who we are, but on the back are our provincial advocacy priorities. I'm going to speak first to the MPAC priority.

I am sure that this committee has heard from several people that municipalities really want the quadrennial assessment to happen, and we join in that. But the substance of our primary question for this committee now relates to the provincial levy, or the levy on municipalities from Municipal Property Assessment Corp. which is factored into two pieces. The first part is about supporting the regular annual functions, and the second part is about funding quadrennial assessment. In other words, the municipal levies have already funded two quadrennial assessments—the 2020 and 2024 assessment—but we haven't received either service. So what we would like this committee to do, going forward, is consider building into the budget the idea that the MPAC levy should not include the portion that is intended to fund the quadrennial assessment until two full assessments cycles have been completed by the government—until the Minister of Finance has directed MPAC to do the quadrennial assessment twice.

Amongst our member municipalities, 50% of the levy adds up to about \$2.6 million per year which is coming out of the property tax levy and going into MPAC—so we're over \$5 million between our municipalities. If 50% of the MPAC levy, which municipalities pay every year, is intended to fund the province-wide assessment every four years, that's \$2.6 million from the property tax levy going to MPAC, but we haven't received that service. So our ask is ideally—given that 2016 through 2019 paid for 2020, and 2020 through 2023 paid for 2024; we've just gone through 2025 and are coming to 2026—that we simply don't have to pay that portion, whatever it is. Now it's not broken out in the levy as assigned, but we haven't received the service, so we'd like to get the service before we pay for it again. That's the first ask. We would like to bring that forward. And I think that's our forward position on this because it's essentially, the property tax is being transferred to MPAC, but the service it's intended to deliver hasn't been delivered. So we'd simply ask that that portion of the levy not be charged to municipalities going forward until the minister has directed MPAC to execute the province-wide assessment twice.

In the second instance, as I'm sure this committee is aware, education funding is a hot topic in the province of Ontario for every level of education, but I am here to talk specifically about post-secondary education and the impact

of the funding model in eastern Ontario. Various organizations, including the Auditor General of the province of Ontario in the 2023 value-for-money audit, have spoken to the difficulty with the funding model for Ontario's post-secondary education. The Auditor General spoke to the fact that Ontario's funding model didn't speak to the infrastructure deficit that exists currently in institutions. The reductions in international student numbers by the federal government have had an impact based on the revenues they generate for schools, and the Fraser Institute reports that Ontario is actually the lowest per capita funder of post-secondary education after Nova Scotia.

So our ask is that this cycle of budget build in that the minister would direct—or the budget cycle would raise Ontario's level of funding for domestic students to the same level as the next lowest province, which is Nova Scotia for domestic students, and that that happen by the 2028-29 fiscal year and that we come up to the average by the 2030-31 fiscal year.

In eastern Ontario, approximate access to post-secondary education is an essential element not only of equity but also quality of life in a region which is facing demographic challenges and related to attracting younger families into the area. They are key elements involved in that, but one of the interesting and important elements is approximate access to the quality education delivered by all of Ontario's educational institutions. We've faced in our region cutbacks in programming from St. Lawrence College and Queen's; budget pressures at Trent University; program pressures in Algonquin, here in Pembroke amongst other places; the pending outright closure of Algonquin College's campus in Perth; and so an element of affordability is accessibility and an element of accessibility is proximity.

But the overall health of the system is about funding on a per capita basis. We are specifically discussing funding for domestic students, and by "domestic" I don't mean Canadian; I mean an Ontario resident. We're talking about provincial tax dollars here. We're talking about our taxpayers' dollars, so we're talking about ensuring that we have a healthy and sustainable system going forward, such that the levels are predictable and the funding is consistent.

The third element I want to talk about briefly, which is not on the document before you, is the community paramedic program. We're all aware of the capacity to shortfall in our medical service at primary care—

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

Mr. John Beddows: Thank you, Mr. Chair.

The difficulty that small and rural municipalities face in attracting physicians and primary care opportunities—rural Ontarians generally don't have close access to either walk-in clinics or emergency rooms. Therefore, the community paramedicine program is an essential bridge for quality of life for people in eastern Ontario.

The program was introduced in 2021 with no inflationary ladder. We ask that this committee consider recommending to the minister that an inflationary increase in the funding provided by the province for the community paramedicine programs be built into the budget going forward, simply to allow us to continue to sustain this es-

sential service, which is even more important in areas with demographics that indicate an older population. It's about, again, equity, quality of life and access to services. Particularly when people are de-rostered, this is the in-between with no doctor in the emergency room. So this would take pressure off emergency rooms in our hospitals, which are facing pressure, by allowing people to get close access to intervention.

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the time for the presentation. Hopefully, as with the last one, maybe it'll get through in the question period.

We now will hear from the Ontario College of Family Physicians.

Dr. Jobin Varughese: Good afternoon. My name is Dr. Jobin Varughese. I'm the president of the Ontario College of Family Physicians, or the OCFP. I'd like to thank you for allowing me to speak today on behalf of the Ontario College of Family Physicians, which represents 18,000 family physicians and medical students, including residents and retired physicians.

Today, there are more than 16,500 family physicians working in communities across this province, providing care to patients across the system, from comprehensive community-based practices to hospitals, emergency departments, urgent care clinics, palliative care and many more.

As a family physician in Brampton for 15 years, I have been fortunate to make a positive impact on the lives of my patients. I love the work of family medicine and want to see the system changes that will enable family physicians to best serve their patients and ensure Ontarians have access to a primary care team, anchored by a family physician. Today, I am grateful for the opportunity to speak to you on behalf of my family physician colleagues and the patients we serve across communities.

The OCFP applauds the government's commitment to connect every person in Ontario to primary care and the investments that have been made to support this goal. While primary care continues to face challenges, there is also a giant opportunity. I am pleased to share four solutions, driven by what we have heard from our membership and partners, that will make a meaningful difference for the people of Ontario and the family physicians who care for them. These are outlined in the written submission we shared with the committee.

First, we need to continue investing in technology and smarter workflows, so that family physicians can spend less time navigating the system and more time caring for patients. Our top priority in this area is accelerating the centralized intake and referral system. Today, referrals are fragmented, opaque and administratively heavy. This drives long waits, duplications and enormous inefficiencies. A centralized system, co-designed with family physicians, will allow referrals to be coordinated based on need, capacity and transparency for both patients and providers.

As part of the Care When You Need It campaign, we've found that 70% of Ontarians have waited more than three months for a specialist or a diagnostic test, and more than

one third have waited over six months. Some 95% support giving family doctors access to a centralized referral system. It's a practical way to improve access, reduce waste and get better value from the existing health care capacity.

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Second, Ontario needs a digital health and AI strategy that builds on the current successes and ensures new tools are implemented in a coordinated way. Programs like the AI scribe pilot have already shown real promise in reducing administrative burden and improving physician sustainability. Unfortunately, isolated tools are not enough. Family physicians need interoperable systems that connect electronic medical records across care centres, support a portable patient record, strengthen digital foundations in rural and northern communities, and modernize core infrastructure such as an immunization registry. Without this foundation, innovation stays fragmented and its impact is limited. A provincial strategy will ensure digital investments are aligned, scalable and actually support system goals like access, efficiency and quality.

Third, we must make family medicine more attractive and a sustainable option if we want to recruit and retain the workforce that primary care depends on. Today, many family physicians are struggling with the rising practice costs, staffing shortages and growing administrative demands. Too many are moving away from comprehensive longitudinal family medicine or leaving practice altogether.

The OCFP is recommending targeted investments to support family practices with digital infrastructure, help primary care teams attract and retain allied health professionals and fund structured leadership and change management support, so reforms succeed at the practice level. Specifically, OCFP is seeking an investment of \$500,000 per year for three years to leverage the OCFP's community of practice and physician leadership programs. This funding would help to ensure ongoing system changes are successfully adopted by family doctors to maximize the benefit for patients. This is about stabilizing what already exists, because without a stable family physician workforce, no primary care reform can succeed.

Finally, we must continue to invest and optimize team-based care so that Ontario can attach more patients to primary care. Team-based models are essential, but they must be supported in ways that actually expand family physician capacity and reduce the burdens on family physicians. This includes accelerating work to optimize family health team contracts, removing financial barriers that undermine appropriate delegation and spreading models that are already demonstrating reduced administrative burden and better use of clinical skills.

Getting team-based care right is one of the most effective ways to improve access while making better use of health human resources. The OCFP is ready to partner with the government to make these solutions a reality by investing in technology and smarter workflows, developing a digital health and AI strategy, and making family medicine a more attractive option, as well as

optimizing team-based care. We can most efficiently use our health care resources while also ensuring more Ontarians have access and comprehensive integrated primary care with the expertise of a family physician. Thank you.

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the three presentations.

We now will start the first round of questioning with MPP Brady.

Ms. Bobbi Ann Brady: Thanks to all of our presenters this afternoon.

I'll start with you, Anita. You were talking about, the demand for services far outpaces the funding that you are receiving, and you are asking for \$16 million in the upcoming budget. How much do you currently receive from the provincial government?

Ms. Anita Armstrong: Oh, my goodness, that's a really good question—certainly not \$16.4 million. I don't really know that. I don't know that; do you know—

Interjection.

Ms. Bobbi Ann Brady: That's okay. You can get it to me later.

Ms. Anita Armstrong: I'm really sorry. Thank you.

Ms. Bobbi Ann Brady: You broke it down into \$1.24 million for increased staff wages. You talked about \$1.6 million for the friendship centre housing model. Are those all numbers on top of the \$16 million or are they part of the \$16 million?

Ms. Anita Armstrong: They're part of the \$16 million ask across the board.

Ms. Bobbi Ann Brady: You mentioned—I think it's the friendship centre housing model? Can you tell us what that looks like? Is it transitional housing? How does it work?

Ms. Anita Armstrong: We actually don't have the housing model at our friendship centre, due to a lack of funding. Certain friendship centres receive programs; others don't. They have to select based on the need, based on criteria.

The housing model is just affordable housing. There is a transitional aspect to it, but ultimately it just supports the community with affordable housing and education and opportunities from that housing. But we don't have it in the city of Ottawa at our friendship centre.

Ms. Bobbi Ann Brady: Is there a criterion of who fits into the affordable housing?

Ms. Anita Armstrong: Based on the funding, or—

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

Ms. Bobbi Ann Brady: No. Who inhabits those houses that are deemed affordable? Who determines that?

Ms. Anita Armstrong: That would be the friendship centre itself. Folks would get on a wait-list. Depending on the city, people apply for the housing, and it's based on need. It's also first-come, first-served because it is limited housing, but the criterion is those who are in need. The most vulnerable are prioritized.

Ms. Bobbi Ann Brady: Okay, great. Thank you.

Ms. Anita Armstrong: You're welcome.

The Chair (Hon. Ernie Hardeman): Thank you. MPP Sarrazin.

Mr. Stéphane Sarrazin: Thank you, all of you, for the presentations. It's always really interesting to hear about all the challenges.

I have to say to you, Mr. Mayor, Your Worship, a few of us were in municipal politics. Some of my colleagues were councillors, and I was a mayor, and we've heard your message loud and clear.

Talking about the post-secondary, we met with Mr. Brulé from Algonquin College yesterday, and we know that when the changes were made by the federal government for international students—I believe they went from 27,000 students to 24,000. It does affect them, so the message was loud and clear.

It was really interesting hearing about the community paramedics. We have it in my area also and I guess you've been having this service funded since 2021. But I am not quite sure—you said you never really got an increase, but you got it year after year though, right? You might want to elaborate on that.

Mr. John Beddows: Oui. Merci, député—bien apprécié. Thank you very much, sir.

For the community paramedic program, the designated delivery agent for Gananoque, where I live, is actually the united counties of Leeds and Grenville and I sit on the joint services committee which manages that.

Since 2021, we, like other municipalities—we all pay for it from our levy—have received money from the province to fund the community paramedicine program. But there wasn't an inflationary increase built into the program funding model. So we're asking that such an increase be considered going forward, and that this committee recommend to the minister that an increase be built into the provincial funding for this service, which provides a really essential and critical element of health support into rural areas and to small towns—be built into the budget for 2026-27.

We see this as an element—it's one of those bridging spaces between un-rostered patients and the emergency room, particularly in areas with older demographics or rural areas with longer distances to travel, or small towns which don't have a walk-in clinic or a hospital with an emergency room.

This particular service allows people to get a health check that lets them have their issue either addressed or appropriately addressed by transportation to other services. So it decreases pressure on emergency rooms and allows a degree of pre-emption, particularly for un-rostered patients.

Mr. Stéphane Sarrazin: If I may add, we had some announcements of more funding in the health sector. We've seen some programs like the VTAC here in Renfrew and we got it in Prescott-Russell. Hopefully we'll see more of this because, of course, it plays a big role for emergencies, for hospitals. So hopefully, within these announcements, we will see more of the services coming along. We heard your message loud and clear.

Mr. John Beddows: Merci beaucoup, député. Thank you very much. I appreciate your interest and the focus of this Legislature on the issues of health service and health

service delivery equity to Ontarians—very much appreciate it.

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

Mr. Dave Smith: Thank you, Chair. I appreciate that.

I'd like to jump over to the Ontario College of Family Physicians. One of the challenges that we have in the health care system with respect to negotiations—the OMA represents all of the doctors when they do the negotiations with the Ministry of Health. I've heard from family physicians a few times in my riding coming in and talking to me about different challenges that they've faced with it.

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Has the college of physicians considered separating from the OMA on that negotiation process and negotiate specifically for family physicians? Because it seems that there are times where the needs that the family physicians are coming up with are not the negotiating points that the OMA is working on.

Dr. Jobin Varughese: Thanks for the question. I think there are a couple of big things where the OMA and the Ontario College of Family Physicians see very closely on some of the areas that we collaborate with. I think that when it comes to remuneration, there's a benefit in having one body work with the government, and it allows us to be able to work very closely, as partners.

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

Dr. Jobin Varughese: I think one of the things that we're hoping to really get through in this session is to really invest in the current conversations that we're having with regard to technology, developing the digital health strategy and AI strategy, supporting family physicians and optimizing team-based care and really allowing the remuneration to follow as well, because these are things that are tangible and can be done within this budget cycle.

Mr. Dave Smith: We've also had some recent news, I'll refer to it as, with Quebec physicians seeing some challenges in Quebec and looking to come to Ontario to continue their practices. What's your stance on that? Is that something that Ontario should be actively promoting or working with, or would you rather see more focus on Ontario-based physicians and less focus on attracting Quebec physicians?

Dr. Jobin Varughese: Well, we know that retention and recruitment both are critically important. For the Ontario physicians that currently exist within our system—

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

We'll now go to MPP Pasma.

Ms. Chandra Pasma: Thank you so much to our presenters for being here this afternoon.

Mr. Beddows, I'm going to start with you. I appreciate that you raised the issue of post-secondary education. Yesterday, we heard from Algonquin College about the impact of the severe underfunding from the province—more than \$7,700 less, per capita, than the national average, which obviously has a significant impact on the capacity of our colleges to offer programs. Algonquin College ended 37 programs, which included closing the Perth

campus entirely, and I believe, at the Perth campus, their programs were exclusively in the trades.

So I'm wondering—you spoke about equity, but what does it mean for the communities when they have lost a post-secondary option that is local for them?

Mr. John Beddows: Thank you very much for that question, MPP Pasma.

There are two elements to this. The first isn't often talked about, but it's the local impact on the economy from the operation of the business of the school itself. There's an impact on the local economy because that payroll goes away. That often isn't mentioned here, but there is actually an impact there. Purchasing, contracting, the salaries of individuals employed are spent locally, and there's a local economic churn in that area, which would go away.

And the second: For Ontarians who want to access educational opportunities, affordability does become an important question, and proximity does equal affordability. So the ability to stay at home and go to school or to not travel very far in order to attend not just initial education but things like trade upgrading is a driver for the local economy. It retains people. It creates the idea that people can stay, go to school and then continue to work in an area. And what it can help to do is shift demographics going forward, because if you build it, they will come. So if there's daycare, families will go to where the daycare is. If there's access to opportunities for quality primary, secondary and post-secondary education, there's an incentive for people to stay where those places are or to value living in those places, to a certain degree, because it allows their children access to future opportunities.

We don't often see something that can be framed as a pure investment as opposed to a value proposition in government spending, but education is truly an investment. We can do the return on investment. We can look at the economic impact of education. And the distribution of that return on investment is regional as well as central.

So allowing the distribution of educational opportunities is an element of equity for people living in rural areas and also helps to retain—we'll call it—younger families in rural areas because they see opportunity for their future and their children's future locally.

Ms. Chandra Pasma: Right. Thank you.

Mr. John Beddows: Thank you.

Ms. Chandra Pasma: Ms. Armstrong, you mentioned the Odawa food pantry, not funded, seeing an increase, which—the Ottawa Food Bank generally, we heard yesterday, has increased demand. They're having to reduce the amount of food in order to try to provide everyone with some. Can you help us to understand why does Odawa operate a food pantry in addition to the Ottawa Food Bank, given that it's unfunded? What role is that playing for the community that's so important?

Ms. Anita Armstrong: It's imperative for community, seeing the increase of food insecurity in our community. I think we started our food pantry—probably, we've been open for 50 years serving the Ottawa community, and we've just provided emergency food from the onset, I think. It's never been funded, but we just try to fill the

gaps. We recognize that our community needs additional supports, and so, yes, we're just trying to fill the gap a little bit.

We do get support from the Ottawa Food Bank. But as you said, they're stretched very thin across the entire city, and they've had to reduce the allotment per organization.

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

Ms. Anita Armstrong: One of our main fundraisers is for food pantry because we recognize the need. Unfortunately, our funders, the community, just can't meet the need of our population. So we're doing our best that way to raise funds for food security.

Ms. Chandra Pasma: Right. Well, thank you for doing that work.

I would assume funding in other areas would help reduce some of the organizational strains to provide that housing. Just really quickly, based on what you said about housing, you're asking for funding specifically for Indigenous-friendship-centre-modelled housing. But I would assume you also want to see Ottawa get support for building more affordable housing so that stock is there and available.

Ms. Anita Armstrong: Absolutely. It's across the board. Our mandate is obviously First Nations, Inuit, Métis, and we are trying to—

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

MPP Collard.

Mme Lucille Collard: Thank you to the presenters for coming today and making the time to give us that very important information.

I do have a question for you, Mr. Beddows. As mayor, you may understand this better than I do. I get requests all the time for people asking for the MPAC assessment to resume. It has an impact for the municipalities but also for the individuals on the worth of their houses and whatnot. Do you know why those freezes have been occurring and why they're not picking up where they left off?

Mr. John Beddows: Merci bien, députée Collard. No, I do not, and I won't speculate. I know the MPAC province-wide assessment is at the direction of the Minister of Finance, and therefore whether or not it occurs is a government decision. The reasons for it, I don't know.

What I do know is that there hasn't been a province-wide assessment since 2016. I know that new build is dialled back for assessment purposes to 2016 levels, and I know that there are some challenges going forward.

So at a municipal perspective, one of the challenges is, we dial up a budget, and that's the amount of money we need to raise. Then we assign the tax levy and distribute it based on the amount of money we have to raise. If the assessed value of your house doubles, I don't need twice as much money to plow the streets in front of your house; I just need the same number of dollars. So we adjust.

The challenge is equity. To give you an illustrative example, in my municipality, I had a resident's house burn down. Insurance paid off. They built a new house. The value of the new house is more than twice what the old house was, but because it's a new build but it's valued

against our current mill rate, I can't do one-off adjustments. So this family of seniors has now seen their property taxes double because there isn't an assessment across the entire community which would allow us to distribute that. So this family is pinched because the value of their new home is increased.

This is an illustrative example—I'm not really a big fan of Bobby's law because I think we should serve all the Bobbys, not a Bobby, as it were—of a province-wide assessment allowing municipalities to distribute the property tax burden in a way that allows equity across the entire property stock within their municipalities.

1340

From our perspective, the assessment also allows us to understand the value of the municipality itself going forward. Does that answer your question?

M^{me} Lucille Collard: Oui. Merci beaucoup.

Mr. John Beddows: De rien. Je vous en prie.

M^{me} Lucille Collard: I would like to also better understand how this impacts the municipalities. Either your income from the taxes—the fact that there is no assessment; is that a good thing for you or a bad thing? How does it impact the work of the municipality?

Mr. John Beddows: The municipalities build their budgets. The amount of money from the budget is what actually drives the property tax levy.

Because the province-wide assessment hasn't happened, we don't understand the current market value of the privately owned, or the provincially or federally owned, assets—PILT-related, or payment in lieu of taxes-related—in our municipalities. With that, it makes it difficult for us to set an appropriate tax rate that charges our residents for the services they receive. So we have to raise a certain amount of money, but we don't know if it's being distributed appropriately based on the value of properties, which have moved significantly up and down, depending on the nature of those properties, so that people are paying—we'll call it "fairly"—for the services they receive.

M^{me} Lucille Collard: Right. Prior to 2016, how often were the assessments conducted?

Mr. John Beddows: Quadrennial; 2016 was the last one. There was supposed to be one in 2020, which was deferred because of COVID, and 2024 would have been the next one.

Municipalities receive a levy bill from MPAC. This year, for example, Quinte West's bill is facing a 5% increase, estimated at \$604,559—playing to the audience.

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

Mr. John Beddows: Thank you, Mr. Chair.

Half of that, we expect—ballparking—would be paying for that big, province-wide—so you pile up your money every four years to pay for it. And so we're not getting the service.

We would like to have the municipal levies adjusted down until the surplus has gone through two cycles, because we've paid for it for two cycles.

We also really would like to see the province-wide assessment done so that we can understand the value of the assets held in our municipalities and fairly distribute the

tax burden so that people are paying appropriately for the services they receive based on the value of their property, but more fundamentally, for things like insurance evaluation.

There are a whole bunch of pieces that fit into this. We just see this as a fairness question.

M^{me} Lucille Collard: So who is collecting the levy?

Mr. John Beddow: It's paid to MPAC, ma'am.

M^{me} Lucille Collard: Okay—paid to MPAC?

Mr. John Beddow: Yes, ma'am. The Municipal Property Assessment Corporation issues a levy—

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

We'll go to MPP Brady.

Ms. Bobbi Ann Brady: I would describe that as a budgeting nightmare.

I'll turn my questions over to the Ontario College of Family Physicians. Jobin, you spoke about the crisis surrounding the lack of primary care physicians in Ontario, especially in rural areas. I represent a rural area.

I recently saw an article out of BC—I hope you know the article I'm referring to—where a municipality thought outside the box and they began hiring physicians as municipal workers and used the municipal admin staff to do paperwork. I'm wondering if you believe that this type of innovative thinking would be helpful in attracting and making family medicine look more attractive here in Ontario and help with the retention issues.

Dr. Jobin Varughese: Thanks for the question. Honestly, there is no shortage of innovation that can be helpful. We know that there are a lot of benefit in a lot of things that people are having to do.

One of the things we're hoping to have happen is that we can have province-wide solutions that allow for primary care to be seen as a priority, as it currently is, and continue to see the investments make a difference, especially in expanding those interprofessional teams, as you mentioned.

This is a province-wide issue; it shouldn't be on individual municipalities to make adjustments based on their needs. But there is a need to have equity in the system, so having a province-wide, sustainable plan that has a lot of these tools, like some of the progress that's being made on the Health Care Connect list or some of the rollout on the team-based models—these are all the positive steps we need to see. But we also need to see the day-to-day changes. That's why we're going to see a lot of these innovations in trying to decrease the administrative burdens, which we know can be as high as 10 to 19 hours a week. So as we work through the investments and get them in the right direction, we need to have more to stabilize primary care and support existing practices, as well as make team-based primary care the norm. We need to have the solutions that I outlined today, focused on—

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

Dr. Jobin Varughese: —turning progress into real, felt change, both for patients and for the physicians that care for them.

Ms. Bobbi Ann Brady: Thank you for that. Building upon that—and I hope I articulate this correctly—yesterday, we heard from folks in the community who go out there and do wonderful work in our community, and keep people out of ERs and keep them out of doctor's offices. They are encouraging us as policy-makers to invest in community services.

We've heard from Mayor Beddows about a community paramedic program, which I know works well, but as a policy-maker, I'm confused, because you're now asking us to prioritize family physicians. What does that model—where should we start? I know that it's connected, but what does the ideal model look like and where should we prioritize money?

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the time—no time for an answer.

MPP Kanapathi.

Mr. Logan Kanapathi: Thank you to all the panellists. Thank you for being here and thank you for your presentation.

My question is to Dr. Jobin. Thank you for your passion. Thank you for what you are doing, not only for us here, but for the patients in Ontario. I want to change the channel here, Dr. Jobin. You guys are responsible for the licensing of family physicians. Is that right?

Dr. Jobin Varughese: That would be the CPSO, the College of Physicians and Surgeons of Ontario.

Mr. Logan Kanapathi: Okay. I wanted to ask, opening that question. You advocate for—there's tens of thousands of doctor shortages, not only in urban areas, but especially in rural areas. We are having pre-budget consultations in the rural areas. We are here. The mayor was talking about the shortage of family physicians and primary caregivers.

There are thousands and thousands of IMGs, international medical graduates, coming out of Canada—went to high school, university, then coming back to the medical degree of five years. They have to start all over again. Internationally-trained doctors here—thousands them—are driving taxis and delivering pizzas. They had to start all over again.

Our government is opening up the door. We are hiring. We are moving in their direction. Tell me: Does your organization, the OCFP, advocate to carry more family physicians, especially primary care, into the system, building capacity? We are in a crisis.

Dr. Jobin Varughese: Thank you for that. As a reminder, the College of Physicians and Surgeons of Ontario are the ones that do the licensing. The Ontario College of Family Physicians helps support, and I think this is where the amount of changes that have been made to date have been making differences in ensuring that we can have more people both recruited and retained. Programs like Practice Ready Ontario have allowed for people to start practising earlier.

I think one of the things that we need to be able to do in order to do that is work towards investing in more communities of practice, like the ones we currently have that have been very successful. The \$500,000 investment per three years that I was mentioning would be leadership

academies that allow for highly reputable, valued services to family physicians of all types, including IMGs and including those that are early in their practice, within their first five years. These would be the go-to destinations.

We already saw what happened during COVID. There was a huge need to have a physician forum for knowledge translation. And so, as we get further provincial funding in this, we can actually become the trusted peer leader change management vehicle that allows for increased support of some of the uptake in team-based case in provincial initiatives, like centralized referral. This will allow us to have a stronger system that, regardless of where somebody trained, they're able to practise at the highest level in family medicine.

Mr. Logan Kanapathi: Thank you, Dr. Jobin.

I'll pass it over to MPP Tyler.

The Chair (Hon. Ernie Hardeman): MPP Allsopp.

1350

Mr. Tyler Allsopp: My question is for Anita Armstrong of the Odawa Native Friendship Centre. I wondered if you could expand a little bit on some of the programs that you were talking about that relate to youth homelessness, and the overrepresentation that we see of Indigenous youth within the foster system.

I used to work for an organization called the Enrichment Centre for Mental Health, and so we worked with a lot of people who were unhoused and may be experiencing addictions or mental health issues. What we found is that one of the number-one predictors for adult homelessness was people experiencing homelessness as a youth, and that often, youth end up in a homeless situation because of a breakdown within the family or disagreements with older family members. So, if you could talk about how those programs help keep kids housed and keep those families together.

Ms. Anita Armstrong: Yes, thank you very much for the question. I would say that with the First Nation, Inuit and Métis community, what needs to happen is a recognition and healing of intergenerational trauma, and that stems back, you know, over 250 years. When there is a breakdown of culture and tradition, and even passing on loving, healthy relationships, that obviously impacts our youth, our children, and they just don't have the tools to make it in an already difficult society.

As I mentioned earlier, they're not just facing the normal issues of regular youth. They have those intergenerational and unresolved traumas, as well as all the other complex issues that are being faced every day. So, yes, we want to start supporting early. We want to make sure that youth have programs to come to where they can feel valued, they can connect with tradition and culture. We believe culture, language, tradition is—

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

MPP Bell.

Ms. Jessica Bell: Thank you to the presenters for coming in today.

My first questions are for the Eastern Ontario Mayors' Caucus, John Beddows. Thank you so much for being

here. I wanted to change tack a little bit and talk about homelessness within your region, because it has come up as we've been travelling through eastern Ontario to talk to people about some of the issues that they're facing.

I was wondering if you could give us a bit of an understanding of the state of homelessness in the towns that your area represents. Do you know the numbers? Are affordable housing starts or shelter supports enough to address some of the homelessness issues that you're seeing? What impact is it having on municipal budgets and communities? Could you paint us a picture?

Mr. John Beddows: Thank you, MPP Bell. I'm going to go high level, because I didn't come prepared to answer those questions in detail.

Ms. Jessica Bell: That's fine.

Mr. John Beddows: And I don't have the aggregate information from my member mayors, so I can speak from my own perspective. I can speak from the perspective of the joint services committee of Leeds and Grenville. But I can do a high-level piece.

Housing affordability is a cross-generational, cross-cultural, cross-constituency challenge, as was just addressed by the question to my colleague—I'll call you "my colleague" at this table—and it touches on everybody. Housing affordability is an interesting challenge. Part of the homelessness prevention challenge is about the challenge inherent in supportive housing, because there's a large element of the population who are facing issues, which provide layers of challenges to enabling us to help them to remain housed in the long term.

Housing affordability is a challenge across the province. We have the government program to build more housing, of course, which is looking at addressing part of that challenge at the municipal level, and certainly at the DDA level, where social housing and supportive housing is actually enabled to be delivered. At this point in time, trying to meet demand is a challenge across the board. And this is the message I hear from my constituent mayors: that we have populations of people who are difficult to permanently house for a number of reasons. But there's a portion of that that has to be remembered: that people who won't be housed for various reasons because they either choose not to be, or they're choosing not to—for example, in Toronto—be on a by-name list, which means they're very difficult to track and to serve.

But what I will endeavour to do, MPP Bell, is I will speak to my constituent mayors and I will provide a written submission to this committee to address your questions before January 29, because I don't want to talk out of turn or give you bad information.

Ms. Jessica Bell: I really appreciate that. One of the reasons why I raise it is because municipalities everywhere are often being asked to provide services that the province traditionally used to do, or they do not have enough resources and their problem is growing. I can follow up with you on that.

I don't have a lot of time so I'm just going to move to the next question. My next question is to president Varughese from the Ontario College of Family Physicians.

I listened carefully to the recommendations you were making. The recommendation around moving forward with an AI scribe—I am curious to know if the college has done an assessment on how much time this would free up an average doctor and what impact that would have on how many patients that doctor could see as part of their roster.

Dr. Jobin Varughese: This has already been studied preliminarily and is showing early signs that three to four hours have been saved per week simply with AI scribe as a tool. In speaking with my colleagues, many people feel that even when it doesn't reduce the overall number of hours, they feel like they are able to practise in a better way because of the fact that they're able to really focus their attention on the patients. They're able to be eye-to-eye and—

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

Dr. Jobin Varughese: —they're able to spend that time in a strong way. So, really using those successes and investing in centralized referrals or other infrastructures like that that are digital would really help us keep family physicians in Ontario so that we can focus more on patients and allow us to really spend that time in a meaningful conversation with our patients.

Ms. Jessica Bell: Thanks for that. We don't have a lot of time, but as a follow-up, I'm also curious to know about the recommendation around expanding team-based care and how someone who is a sole practitioner—what their work conditions are like compared to a doctor that is working within a family health team setting and what that would do for doctor retention. But we can follow up on that question.

Dr. Jobin Varughese: Absolutely. I'd love to talk more about that, and we have been doing focus groups specifically on that to try to find that reality between people who have family health teams and access to teams and those that don't. We've been hearing immense benefits from having teams around you and the ability to focus on the care that's provided.

Ms. Jessica Bell: I'm looking forward to seeing the—

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

We'll now go to MPP Collard.

M^{me} Lucille Collard: Actually, I'm going to continue with the Ontario College of Family Physicians for a question. I am really interested in the internationally-trained-doctors solution. To me, it seems to be low-hanging fruit that we could access here in Ontario to address the high demand. I know you mentioned a practice-ready program when MPP Kanapathi asked you about it, but I see that program as having very, very limited success because its accessibility is not actually very good. It's costly, it takes time and doctors have told me that it doesn't work for them.

My question to you is, would the college be willing to work with the government to create bridging programs to allow those people who have extensive training and experience in practice—to get them to qualify and be licensed to be able to access the practice?

Dr. Jobin Varughese: I think one of the things that the Ontario College of Family Physicians is really great about being is that shared collaborating space, and so the ability to bring multiple partners together is one of our specialties. I think we're very willing to work with the government to find ways to implement that by bringing other providers like our academic family physician partners, those within other areas that have expertise in international medical graduate training, as well as ensuring that we can do this. I think being a change partner is something that we are very invested in being and helping with that change management. As the government brings solutions towards the idea of improving retention and recruitment, it's critically important.

I think we also need to counteract that with the ability to bring in some of the system needs that we have currently, so as we bring more people into the system, they're coming into a system that has things like a centralized referral, has interoperability of the electronic medical record, has the ability to have AI scribes or other digital tools built in so that as we continue to bring people into the workforce, we're able to do it in a way that allows our system to not have more people struggling to work through. I think that's where we've seen some of the commitments to date and I think we want to continue to see that move forward.

1400

Our ask being the \$500,000 investment for three years would work towards these community of practices and could continue to push forward on building more ability to understand what it would take to bring the international medical graduate solution into a reality.

M^{me} Lucille Collard: Thank you.

I'm going to turn my attention to Anita, because my riding is Ottawa-Vanier and there's a huge amount of Indigenous people. There is also a huge amount of organizations that serve Indigenous people in various capacities.

I have a couple of questions for you. I just wanted to understand, right now, where do you get your funding from? I know you are asking the government to provide additional funding, but where is your basis coming from?

Ms. Anita Armstrong: We receive funding from federal, municipal and provincial—

M^{me} Lucille Collard: All levels of government.

Ms. Anita Armstrong: Yes, all levels of government. The \$16.4 million that we're inquiring about is to supplement current funding of all 31 friendship centres across the board. Odawa has about \$6 million of funding from all levels of government, so I imagine all 31 friendship centres probably have roughly about the same amount. We are just asking for that supplementary increase for programs, for overall services and supports, and wages, of course.

M^{me} Lucille Collard: In relation to that, in Vanier, almost next to my office, we have the Wabano Centre. They organize a big event to raise funding every year. It's a huge success and it's very impressive. I've been going there for years, and I'm always so impressed by the

amount I learn from everything that they bring in that evening and they show us.

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

M^{me} Lucille Collard: All right.

What type of collaboration do you have with the other Indigenous organizations in Ontario?

Ms. Anita Armstrong: In Ontario or in Ottawa?

M^{me} Lucille Collard: In Ottawa, more specifically.

Ms. Anita Armstrong: We work very closely together. We all have the same goal to improve the quality of life for Indigenous people in Ottawa, so we do work closely together. Many of the organizations are on the committee, the Ottawa Aboriginal Coalition, where we have annual work plans, where we work together to brainstorm and try to increase supports and services for the Indigenous community. We collaborate with programming, annual events—

M^{me} Lucille Collard: Are you able to share resources to some extent?

Ms. Anita Armstrong: Definitely—but not funding.

M^{me} Lucille Collard: Right. Resources in terms of programs, accessibility—

Ms. Anita Armstrong: Totally. We refer to each other all the time. We share—

M^{me} Lucille Collard: Because you're very complementary, right?

Ms. Anita Armstrong: Yes.

M^{me} Lucille Collard: So the supports for one—

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

We want to thank all the participants for the time you took to prepare and ably presenting it here to us. We very much appreciate your help in our endeavour here to get a good budget in 2026.

CITY OF PEMBROKE

RENFREW COUNTY

DISTRICT SCHOOL BOARD

RENFREW COUNTY

FAMILY HEALTH TEAMS

The Chair (Hon. Ernie Hardeman): With that, as we are changing, the next panel is Ronald Gervais, the Renfrew County District School Board and the Madawaska Valley Family Health Team. The first one, Ronald Gervais, will be virtual.

Mr. Ron Gervais: Good afternoon, Mr. Chair. Ron Gervais, mayor of the city of Pembroke. I'm joined by Fire Chief Scott Selle as well as my CAO, Dave Unrau.

Interjections.

The Chair (Hon. Ernie Hardeman): Quiet. We're listening to the next presenter here.

Carry on, Ronald.

Mr. Ron Gervais: Thank you, Mr. Chair, and thank you for this opportunity to join you and give a quick presentation. We did submit a document dated January 5

of this year to provide some information in terms of some of the points that we wanted to make today.

Just to talk about the city of Pembroke: Very high level, the city of Pembroke is a single-tier municipality located in the county of Renfrew. We are the only single-tier municipality located in the county of Renfrew, surrounded by lower-tier municipalities. We have a relationship with the county of Renfrew. The county of Renfrew has an agreement with the city of Pembroke on a number of different services, whether it be paramedics, Ontario Works, Ontario disability, all of those different items. We work closely with them and sit on a number of their different committees. The city of Pembroke is the hub for the entire region, so anywhere between Ottawa and North Bay, we are the service hub.

Welcome to the city of Pembroke; I understand that you're located here in Pembroke today.

The submissions that we made are knowing that you're looking for some pre-consultation in respect to the budget pertaining to that particular area. The city of Pembroke is thankful to be receiving to be receiving certain funds by OCIF as well as the OMPF funding. We do appreciate the funds that we receive in that manner. Those funds greatly assist our municipality. Like a number of municipalities, we have a lot of different infrastructure and other needs, and it provides funding.

The comment though that I would make is in terms of the sustainableness and predictableness of funding. Every year, we waited with bated breath to find out what amount of monies that we will be receiving for both OCIF and OMPF funding because it then greatly assists us in terms of being able to do things. Certainly, our ratepayers cannot go at it alone. We have a smaller base of taxpayers with a population of around 14,000 to 16,000, a very small commercial base and very little industrial. That poses some challenges when it comes to that.

We come to you indicating that we are very appreciative of the OMPF funding and the OCIF funding. However, having said that, it becomes an issue of, in addition to that, it's the sustainableness and the predictableness of the funding. We do apply for and take advantage of any grant that's put forward by the province and the federal government that aligns with what it is that we're trying to achieve as the service hub for the entire area.

We're very appreciative, we've been very successful in receiving a number of grants. We certainly know that we are on the same path, I believe, as the province of Ontario in reference to what it is that we're trying to accomplish and aligning what it is that we're trying to achieve for our ratepayers just as the province is attempting to do that as well.

We do very much acknowledge the asset management plan and the need. We certainly appreciate that the province implemented that and indicated everyone needs to have an asset management plan and it just makes sense. It's no different than your own household. You want to ensure that you know what the needs are in the future and where you're headed with various needs.

We get that, but we have presented to the province in the past to say that it's well and good to have an asset management plan—we do have a plan—and this is not only in relation to the entire city; it's also in relation to the fire department and the need for equipment. You have a plan, but you need to be able to fund it. We do our best and we have a long-term plan in terms of setting aside funds, but with a population of 14,000 to 16,000, that's very difficult to accomplish at some times.

Our municipality is about to celebrate it's 200th anniversary. That's how long the city of Pembroke has been in place. With that, it has a lot of challenges in relation to our infrastructure. As a result of that, we're constantly trying to do a lot of infrastructure work. I understand that we will be proceeding with a very major project that involves water, sewer, streets and so forth this year, which is great news, but it's always an ongoing effort to achieve necessary funding by way of grants or otherwise to be able to accomplish those works.

It's because we have an aging municipality of almost 200 years. With that comes—simply in the topic even of recreation: When you look at recreation, we have two rinks and a pool. We just spent over \$1 million—I think it was \$1.3 million—to put a new cover on the pool. It's a pool utilized by all the municipalities in the area, but not everyone provides the necessary funding to assist the city of Pembroke to provide that service to the community at large, not only the city of Pembroke.

Because we have an aging infrastructure—we have a rink that is well over 50 years old—a beautiful rink. We welcome you to go down to the PMC at the end of the day. Certainly, it costs a lot of money to either (a) keep those facilities going or (b) look at a new recreation complex which our municipality is having the foresight to do, but the last number I was provided was that such a complex would cost over \$90 million. Certainly, the city of Pembroke cannot do an infrastructure project of that nature on their own. We do have a committee. We are trying to work with one municipality—the other municipalities do not seem to be coming on board, probably because they recognize the cost of it and if the city of Pembroke is going to move forward, I suspect that they simply want to chime along and utilize the services, but that's not fair to the residents of the city of Pembroke.

1410

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

Mr. Ron Gervais: Another item I've contained in the brief is just to talk about OPP. I believe that we receive great service from the Ontario Provincial Police here in Pembroke. We transitioned, I want to say, around 2011 to the OPP—great service, excellent relationship with our inspector and now our acting inspector. However—and I think all the municipalities served by OPP share the same sentiment—there is an issue with the cost of the Ontario Provincial Police in terms of the service. The city of Pembroke being a hub is a very active and busy centre—lots of calls for service, lots of calls for areas such as mental health and addictions, which I understand the OPP often say really isn't an OPP function. However, the fact

of the matter is most people call 911 before they try to activate any other service. I commend the province for—

The Chair (Hon. Ernie Hardeman): Thank you very much, Mr. Mayor. That concludes the time, and hopefully we can get the rest in in the round of questioning.

Our next presenter will be the Renfrew County District School Board.

Mr. Leo Boland: Thank you for this opportunity to present to you today our thoughts on what should be included in the upcoming provincial budget. Welcome to beautiful Pembroke with all the snow you see today. I hope you enjoy your time here talking to the wonderful residents and taking in some of our 36 world-class murals featured in our downtown area—

The Chair (Hon. Ernie Hardeman): If we could just ask—we want to make sure everyone introduces themselves before they start their presentation.

Mr. Leo Boland: My next paragraph.

The Chair (Hon. Ernie Hardeman): Okay.

Mr. Leo Boland: My name is Leo Boland, and I'm the proud chair and 12-year trustee at the Renfrew County District School Board.

Our board educates about 10,000 students in 21 elementary schools and seven high schools. Last year, we issued over 2,300 T4 slips, making us the third-largest employer in Renfrew county behind Canadian Forces Base Petawawa and Canadian Nuclear Laboratories located in Chalk River.

Our board's jurisdiction encompasses the county of Renfrew from Arnprior to Deux-Rivières over to Madawaska Valley which includes Barry's Bay and Whitney. Of note, we have a small school called Whitney Public School which is located in the district of Nipissing. Our board is also a member of the Ontario Public School Boards' Association, which represents all 31 English public school boards and 10 school authorities. That is nearly 1.5 million students, almost 70% of Ontario's kindergarten to grade 12 student population.

I'm sure we can all agree on the important need to support a well-funded public education system and that investing in our young people—our students—is the right thing to do. Schools should be properly funded and supported to provide the conditions for success and achievement.

In fall of 2024, students of Renfrew county were without transportation until November. The main reason for this was that, at the time, the transportation funding that we received did not match what the companies were asking for in contract negotiations. With no public transportation and the majority of students relying on school buses to get to school, this pressure was felt by families directly having to take on the responsibility of getting their children to school. We are very thankful for the revised funding formula for the school bus transportation envelope allowing us to manage the transportation of our students over the next few years. A fun fact about our transportation system: Every day in Renfrew county, our buses travel over 37,000 kilometres. That is more than seven trips to Vancouver daily. I just want to reassure you

we have never left a child in Vancouver; we've always dropped them off at home.

While the overall funding for the education portfolio has increased, funding for K-to-12 education on a per pupil basis has not kept pace with inflation. It's down more than \$400 per pupil since 2018. There are several examples of underfunding within education, but one in particular that is universal across the province is special education. There continues to be a lack of funding and adequate resources to effectively support the increased demands and growing numbers of students with special education needs in our board. I'm sure many of you realize that school boards rely almost solely on the provincial government for funding, and when the funding does not keep pace with inflation, the impact is felt directly in the classroom. We are asking the Minister of Education to work collectively with boards to implement a review and revision of the present funding model.

Locally, we have been historically overspent in our board for special education, and our data is showing that students' needs are increasing and we are not receiving the funds to provide the services they need, such as educational assistants, speech and language services, autism services.

An example of this for RCDSB students is the wait-list for speech and language services, which is currently over 500 students. While Renfrew county neighbours the city of Ottawa, accessing services there requires families to drive anywhere from one to three hours, one way.

Our achievement data shows that students with special education needs are lagging behind their classmates, and we believe that one factor is that they do not have access to the services and supports needed to close the gap early.

The seven high schools within RCDSB have a student population from approximately 270 students to just over 600 students in the high school. Our secondary schools offer strong programming, from compulsory to elective courses. We have a variety of Specialist High Skills Major programs, French-as-a-second-language programs and many other school-specific courses that are unique to those high schools.

We do the best that we can with what we have; however, the ability to provide varied programming in all pathways is limited by the current funding model. With secondary programming, we are at a disadvantage compared to large boards with high enrolment in their high schools. We don't have the same economy of scale within the secondary staffing formula. Virtual learning is not effective for many students and their learning styles; as well, the Internet does not reach all our students within our large county. We would like to see the funding formula changed for small boards so we can offer more course selections for our students.

During the last round of provincial negotiations, the staff were given raises, but the province did not include the statutory contributions. We are asking the province for funding to fully cover the employer cost of federal increases to the Canada Pension Plan and employment

insurance statutory contributions which in our board would be roughly \$400,000 per year.

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

Mr. Leo Boland: If the province were to change the funding model and allocate more funds to our board, we would spend the money by enhancing and increasing our special-needs services. We would put more towards mental health services for our students and staff, as well as offer a greater selection of courses to our high school students.

As I conclude my remarks I would once again thank you for this opportunity to provide the real, on-the-ground funding struggles boards are facing. As somebody elected to the connector between my community and our public education system, I believe the voice of a local trustee matters. Trustees like myself know their community, schools and students, and are dedicated to improving our education system. Thank you.

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

We are now going to hear from the Madawaska Valley Family Health Team.

Ms. Diane Cross: Thank you. Good afternoon.

My name is Diane Cross. I'm the executive director for the Madawaska Valley Family Health Team, one of six family health teams in Renfrew county.

Today I'm representing five family health teams: Arnprior and District; Ancient Rivers, which is in Renfrew; Petawawa Centennial; West Champlain, here in Pembroke; and the Madawaska Valley Family Health Team.

We're presenting in support of the recommendations from the Association of Family Health Teams of Ontario. Collectively, our five family health teams provide care and services to over 66,500 individuals in Renfrew county. Primary care is also provided by community health centres, an Indigenous primary health care organization, two physician groups and fee-for-service physicians who are not supported by family health teams at this time.

The latest statistics provided by Health Care Connect in September 2025 state that 20,667 Renfrew county individuals are unattached, meaning that they do not have access to a primary care provider. This represents 18% of our Renfrew county population of 113,500 people in the county.

Family health teams employ interprofessional health care providers to support family physicians and their patients and although the configuration of professional varies by family health team, our teams include nurse practitioners, social workers, nurses, pharmacists, kinesiologists, dietitians, respiratory therapists, psychological services, a midwife and administrative staff.

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We collectively provide one-to-one appointments and run a number of group programs for both attached and unattached patients, including mental health programs, exercise and healthy eating, cardiopulmonary rehabilitation, diabetes counselling, smoking cessation, cancer screening, falls prevention exercise programs and integrated care, in partnerships with our community paramedics.

This collaborative model supports our core priority of improving access to primary care, irrespective of attachment status, and contributes to health outcomes, reducing avoidable hospital use, and lower-cost care delivery compared to hospital base services.

Despite being the cornerstone of primary care, our teams face severe staffing shortages, wage inequities and limited capacity to attach new patients. To meet Ontario's vision to ensure that every resident has access to a comprehensive, convenient and connected primary health care team by 2029, immediate action must be taken to stabilize the system and expand our access. We urge the province to adopt the Association of Family Health Teams' three recommendations:

(1) Release the remaining \$115 million in committed workforce funding. This already budgeted investment will prevent further attrition across teams and stabilize our team of nurses, social workers, dietitians and other inter-professional health care providers, who enable physicians and nurse practitioners to work at their full scope.

(2) Invest \$430 million over five years to close the structural compensation gap. Team-based providers face a persistent 50%-to-30% wage gap compared to other sectors. Closing this gap is essential to recruit and retain the workforce needed to attach patients, reduce system pressures and attract family physicians, nurse practitioners and interprofessional health care providers into team-based practice.

(3) Finally, remove policy barriers to increase system efficiency, and modernize governance structures to reflect primary care's central role in the health system. We need to shift to global budgets to allow for greater flexibility, enable family health teams to flexibly adjust their team composition and allow for contracting to fill gaps in response to community and organizational needs.

We need to ensure that the Ontario health teams have equitable primary care representation, modernize governance structures and provide greater transparency with decision-making, prioritize capital investments for primary care teams, improve the review and approval process, and, finally, allow FHTs to partner with other non-affiliated groups to increase capacity and meet our attachment goals.

Ontario is closer than ever to building a strong, equitable, high-performing primary care system. But to achieve the two-million-person attachment goal by 2029, the province must stabilize the workforce, invest strategically in the existing primary care teams delivering care and modernize the governance to fully leverage primary care expertise.

We, the family health teams in Renfrew county, stand ready with AFTO, the Association of Family Health Teams of Ontario, to help the province deliver on this opportunity. Thank you for considering these recommendations. I speak on behalf of Emily Van de Klippe from Arnprior and District, Kate Jones from Ancient Rivers Family Health Team, Judy Hill at Petawawa Centennial and Megan Jamieson in West Champlain Family Health Team. Thank you.

The Chair (Hon. Ernie Hardeman): Thank you very much for your presentation. That concludes the presentations.

We'll start the first round of questions. MPP Denault.

MPP Billy Denault: First of all, thank you, Mayor Gervais, for joining us today. It doesn't feel like it has been that long since we last talked, and it's good to see CAO Unrau there. He was here earlier, so he must have had his snowshoes when he came to visit the committee.

I just wanted to say we've had a number of announcements in the city of Pembroke and understand that there has been a lot of positive funding announcements. So I was just wondering if you could speak to some of those announcements; I think about the HART hub, the community sport infrastructure and rec funding, fire protection grant, OCIF, OMPF. I'm wondering if you could just speak to the importance of that funding, what impacts it has on our community and why it's so vital to continue that sort of a partnership between the province and your municipality.

Mr. Ron Gervais: Thank you, MPP Denault. Any funding being provided is huge to the city of Pembroke. The city of Pembroke, again, with a population of between 14,000 and 16,000, attempts to generate as much money as we can by way of taxation dollars. We are in the process of dealing with our budget right now and heard from the public, and the public is certainly not pleased with proposed increases, year after year, but it's what's required in order to try and keep the books balanced, as we're required to do. So when you can't achieve the funding entirely by way of taxation dollars, then you're dependent upon both the province and the federal government in relation to funding from different streams. You've mentioned the OCIF and the OMPF funding, so we're always very appreciative. There was an increase again this year in terms of funding, and we're always ecstatic to receive an increase to those fundings, because it means less dollars that you're trying to achieve by way of taxation dollars.

But you're quite correct: We've received a number of grants in the recent past, whether it be in terms of the waterfront and a grant that I joined you, together with staff, in terms of the release of that announcement. I know that in relation to the HART hub, funding directed from the other government to Renfrew county, and this is what I mentioned before, is that we provide—I think it's over \$4.3 million to the county every year, but that's not enough on its own as well.

So being that we are the hub, it's huge to have the necessary funding, and I agree with this concept of a HART hub, the Mesa program that the county is putting out but needs that partnership, and certainly I very much appreciate the partnership with the province and the funding that comes from the province to make that program successful, because we are the front line in terms of communities. Pembroke is the epicentre, because we have the Pembroke Regional Hospital, we have all these other great services, but because we are that epicentre, the individuals are here, and those funds are huge.

So I do appreciate the question. I hope that I've answered the question, MPP Denault, but I'm very appreciative of the province of Ontario in terms of what you've done to date and I look forward to that ongoing partnership.

MPP Billy Denault: Perfect. Well, thank you, Mayor Gervais.

I'll just direct a question to Chair Boland. I just want to give you an opportunity, Leo, to just share with the committee what sort of supports you find the most helpful for students in Renfrew county, as well as any sort of capital projects or infrastructure projects that are on top of mind for the school board this year, if you can share with the committee.

Mr. Leo Boland: Sure. For capital projects, I think we have \$12 million to \$15 million in our budget this year for capital projects. One of the big things that we're working on this year is to renovate the Eganville Public School and just redesign the front entrance and also have an Indigenous component there. It was supposed to be finished in September. Unfortunately, just due to the construction costs and the overruns and just everything not lining up, it's been delayed.

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

Mr. Leo Boland: So we've also found that just even trying to get those projects done, it's been hard to get everything lined up, like engineers to do the projects, to get people to actually fulfill and build those areas, so it's been tough that way. I know you had another part to it, but I don't think we'll have time.

MPP Billy Denault: I guess not.

The Chair (Hon. Ernie Hardeman): Okay. MPP Bell.

Ms. Jessica Bell: Thank you to the presenters for coming in today and sharing your expertise, and thank you for your work.

My question is to Leo Boland from the Renfrew District School Board. Some of the issues that you talked about that face your school system also face the school system that we are dealing with, the Toronto District School Board. We just had the Ontario government strip the authority away from school board trustees and replace them with an individual with no classroom experience who earns about \$350,000 a year, and they're now supervising our TDSB system.

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We've already seen class size caps removed from middle school. We are seeing cuts to teachers, specialty schools and schools that specialize in helping kids with special needs. We're also seeing issues where we just can't get an answer, a straight-up answer, on very real concerns that we're facing. There is a possibility of a school that could be closed in our area. Parents want to know if they should keep sending their kids to that school, and we just can't get an answer.

How is your board reacting to Ontario's pondering of taking over more school boards?

Mr. Leo Boland: It's disappointing and disheartening that the minister has taken on that avenue to look at school boards. For me, I would have done it differently. I prob-

ably would have chatted with the school boards individually and had a discussion instead of bringing it out into the public.

But for us in Renfrew county, I think we just keep our heads down, look at the students that we need to focus on and just do our jobs here. We have a good board of trustees that are here for the right reasons. We have discussions, like we did on Tuesday; we had a board meeting. It was a healthy discussion, but it was respectful. Everyone had their voice, their opinion, but at the end, everybody had a chance to say what they had to say and we made a decision. And everybody now goes with that decision. I think that's the way to run.

Ms. Jessica Bell: Do you think removing school board trustees in Renfrew county is going to improve student learning and educational outcomes?

Mr. Leo Boland: No, not at all. As I mentioned in my speech, we are elected officials who represent the constituents in our areas. We bring local concerns and voices to the board.

We had talked earlier with some of the other MPPs about things happening in Toronto. What happens in Toronto is not the same, and you can't use the same things in Toronto as you can up here and vice versa. We are unique; it's a rural board. We're very spread out. We are one of the bigger boards district-wise for the county—one of the bigger counties, not the bigger board.

As I mentioned, for the transportation: Every day, we do 37,000 kilometres. Sometimes people are on the bus for an hour. We try and keep it as small as we can but—

Ms. Jessica Bell: I'll tell you, from Toronto, the decision to get rid of school board trustees in the Toronto District School Board is not working. It's clearly not working.

My additional questions are to Diane Cross from the family health team. These are very specific questions about some of the recommendations you have. I just need some clarity. When you're talking about removing policy barriers to increase system efficiency, could you describe those policy barriers?

Ms. Diane Cross: Sure. Some of the restrictions, say, on funding very specifically for human resources are that people who are working within the family health team have to be employed by your organization. If you want to share programs or work with other collaborators—

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

Ms. Diane Cross: I'll reference a program, say, for seniors, where we have groups like the Opeongo Seniors Centre and they need somebody to teach exercise programs to seniors. I can't take one of my staff and put them there for an hour twice a week because it doesn't work across organizations, or I can't take funding that I might have for an unfilled vacant position and support their staff because then they wouldn't be my staff.

We try to work with our communities, and it's really difficult to support one another in a collaborative way when there are so many structural barriers.

Ms. Jessica Bell: Thanks for that. I have some other specific questions about the policy recommendations. I'll

be following up with your association just to get that detail.

Ms. Diane Cross: Yes, sure.

Ms. Jessica Bell: Thank you so much.

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

MPP Collard.

M^{me} Lucille Collard: Actually, I will continue with you, Diane. Your first recommendation talks about releasing the remaining \$115 million in committed work-force funding. Did you get any kind of reasoning or rationale as to why this money is not being released?

Ms. Diane Cross: My understanding—so, across the province, family health teams had not had any budget increases since 2018 until 2025. Think about that period of time. Through the pandemic, through all of the changes and crises in health care, your family health teams received no funding increases. So we were working on shoestring budgets from 2018 to 2025.

We're very appreciative of what we did get in 2025-26, but it amounted to 2.7% increases for staff wages. These are people who had not seen their salary increase in seven years and they got a 2.7% increase, which basically amounted to \$1 more an hour. It felt like a gut punch because it really didn't address the inequity of—I'll use an example: I hire a nurse, a registered practical nurse, at \$28 an hour. Her counterpart across the hallway in the hospital makes \$35 an hour starting. Those differences are really difficult to attract and retain your staff, so we continue to have vacancies.

The remaining money: It was said to us—the government said there was more money coming but in future years, that it was committed in the budget but again not released in 2025-26. So, the family health teams are saying, "But if it's there, give it to us so we can pay our staff and recognize their contributions to health care."

M^{me} Lucille Collard: And even that \$115 million would be clearly insufficient because you're asking for \$430 million just to close that compensation gap, right?

Ms. Diane Cross: Yes, exactly. For future years, yes.

M^{me} Lucille Collard: All right, so it's definitely a big issue.

I'm just going to turn to Leo Boland, because I feel some proximity. I've been a school trustee for 10 years and I was the chair of my board as well, so I understand the reality you are working with right now and I know it can't be easy. It's not just the underfunding, but you can't catch up with the inflation and all that.

I want to give you an opportunity to speak a bit more about the kind of difficult decisions that your board has to make because of that underfunding. Like, you don't have enough funding for transportation or for special educators. What kind of decisions do you have to make to at least address the priorities and the basic needs?

Mr. Leo Boland: Say for special education, you get a lot of phone calls saying, "My child—I think we need special needs. We need some supports in the classrooms." And we can only afford to have so many, say, per school. To give a student five minutes of that EA's time when it

clearly shows that they should have more, a half a day or even more than that, that's where we have to make the tough decisions.

We have the EAs in the classroom, or in the school, and then they have to spread themselves out amongst their students that they're responsible for. It's not an easy job to spread yourself out. I'm not sure how many each person would have; everybody would have their own caseload. But I think it's a tough job to have. In an ideal world, you would have more EAs for that, because I noticed for this year, as compared to last year, with Jordan's Principle—

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

M^{me} Lucille Collard: It's okay, I have one minute.

Mr. Leo Boland: With Jordan's Principle, the federal government adjusted the rules around that, so that resulted in at least 30 EA positions less this year than last year. That affects our board. We try to hire a few more or retain a few more. But it's, again, how do you replace those 30—and even then, we are short—with the less funding that you are getting? You just have to spread out the EAs amongst more students and do the best that you can in the schools. They do a great job, but it would be better to have more. That's just one aspect.

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M^{me} Lucille Collard: And increase the class size, because you have less bodies.

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

We now go to MPP Brady.

Ms. Bobbi Ann Brady: Leo, I'll follow up on that as well. I've asked this question a number of times on committee, and you were just talking about spreading people out. The way I see it, we have a crisis in our classrooms and it's because there are not enough EAs, not enough OTs and not enough speech pathologists to go around. In my riding, those professionals are driving from school to school to try to support children. To me, that's very inefficient.

I'm wondering how you feel about specialized classrooms or specialized schools where we put the professionals that we have in those schools and we take the children there. That why the children who need the additional supports are serviced properly and those who don't need them are learning in a safe and healthy environment.

Mr. Leo Boland: My thought on that is that it's better to leave the child in the school and in their classroom and then bring the supports to them.

Ms. Bobbi Ann Brady: But the supports don't exist. Enough supports don't exist.

Mr. Leo Boland: Enough supports, right? But then if you take that child out of that classroom and put them into a central school in Pembroke, now we're with the logistics of trying to get that child to that school. Once they're in Pembroke, because let's say that's a central hub, you bring people down from Deux-Rivières, Arnprior, Whitney to come to Pembroke. For some, that's a long drive, especially if you have special needs. Some of them can't handle that long of a drive.

We've found that it's better if you stay within your school, you have your own friends in that school, and we try the best that we can to accommodate that child within that classroom within that school.

Ms. Bobbi Ann Brady: Even if this government were to increase funding for special needs, are there enough of those professionals to do what you just said?

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

Mr. Leo Boland: That I'm not sure.

Ms. Bobbi Ann Brady: I don't believe there are. That is why I'm suggesting we look at it differently. The definition of insanity is doing the same thing over and over and expecting different results.

I will move over to Mayor Gervais. I'm not sure that you had the opportunity to finish your piece on the OPP.

Mr. Ron Gervais: Thank you, MPP. I appreciate the question.

In terms of the OPP, I understand that the province put a cap in place. I know for the city of Pembroke, we're in the process of finalizing our budget, but for the longest time, we were estimating in terms of an increase on the OPP costing 10% because that's what we were told the cap was. So, 10% is not doable in terms of our municipality, and it has nothing to do with the service that we receive. It's great service from the OPP, but it's just the funding. I think that, informally, the OPP would probably share my sentiments that—

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

We will now go to the government. MPP Sarrazin.

Mr. Stéphane Sarrazin: My question is for Diane. I'm a little bit curious, because I have got a friend who works for the administration of a family health team. Also, my family doctor is part of it, and I often have discussions with them. It's really hard to understand. It's really complex, the funding system. I try to understand it.

I think you're funded so much money per patient, and then you've got different services. If you've got social workers, you might get some extra funding. But at the end of the day, I was really impressed to see you have 66,000 patients in five family health teams. Could you tell me how many family physicians and how many nurse practitioners there are in all of these?

Ms. Diane Cross: I don't think I have that exact number.

Mr. Stéphane Sarrazin: Okay. I was just curious.

Ms. Diane Cross: Yes. Sorry, I don't have the specific numbers.

Mr. Stéphane Sarrazin: All right. No big deal. Thanks, anyway.

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

Mr. Dave Smith: Thanks, Chair. I appreciate that.

Ron, I'm going to jump over to you because you mentioned OMPF and OCIF a few times. One of the things I really like about when we go through this committee process is when someone gives me the opportunity to make a change to something that doesn't cost me any money. I like that idea, so I'm going to jump all over that here. You want sustainable and predictable funding on

OCIF and OMPF. What's your budget process right now? When do you finalize your budget?

Mr. Ron Gervais: We just finished doing a public meeting Tuesday of this week, and then next Tuesday, we are bringing forward the budget. I commend the staff; they've been working at this since the fall. It came forward in reference to the greater mayor powers budget. We had two days of debate and discussion in December.

Mr. Dave Smith: So you already know what you are getting for OMPF and OCIF for this year, don't you?

Mr. Ron Gervais: Correct.

Mr. Dave Smith: When would you like to find out those numbers? Because that doesn't cost me any money to tell you earlier.

Mr. Ron Gervais: What I mean by that is that when staff have been working on it since, let's say August, and they've been trying to put together a budget and figure out how many dollars are available for different things and so forth—similar to the OPP where we just recently received the announcement in terms of, "Okay, your amount is going to be X." In December, when we were debating it and so forth, we didn't know—to my recollection—what the number was going to be yet. So we take a look at, "Well, the number last year was this. We hope that it's at least that number again this year."

So yes, I understand what you are saying is that we are going to finalize it on Tuesday and yes, we know the amount. Yes, for this particular budget, we do know what the amount is. I can tell you that there are some other items, such as how much we have to pay to the county of Renfrew for their budget, that are a guestimate because they haven't finalized their budget yet.

I understand what you're asking, but what I'm saying is that, if there's an earlier indication as to what it is—I'm not saying August—but if there was an earlier indication prior to December when we, in earnest, start debating it—yes?

Mr. Dave Smith: It was released in November of this year. Typically, we do it after the fall economic statement—it's a part of that—because the funding that would come into OMPF and OCIF can fluctuate a little bit based on what the finances are of the province at the time. We have the update as part of the fall economic statement.

If I was to get it to you say, October instead of the end of November, would that be beneficial?

Mr. Ron Gervais: It would be very beneficial to be able to allow our treasurer, who I didn't announce—she's also in the room. It allows the treasurer to be able to, when they are analyzing, "Okay, how many dollars we are going to have?"—and make no mistake, I am very appreciative of the city of Pembroke for the funding we receive and that there was an increase this year. It allows for a little bit easier—in terms of trying to figure out what those numbers are going to be.

Mr. Dave Smith: We had a fund for community investment in terms of arenas, parks and so on. That was about \$400 million. It was across a number of municipalities who got it. In mine, I think I ended up with about—

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

Mr. Dave Smith: —\$9 million or \$10 million in total as a result of that. Is that the type of fund—I'm thinking in particular of your 50-year-old arena and the pool upgrades that you did. Is that something that we should be looking at—at extending or continuing that type of a fund?

Mr. Ron Gervais: Certainly. Funding like that would greatly assist a municipality that has aging recreation facilities. As I said, we have a committee struck and we are trying to look at if we can collaborate and amalgamate all these different facilities, which is a huge cost. So if one was trying to be fiscally responsible, I'm in the other camp of "you fix what you've got." But funding from the province—exactly what you're saying—would be greatly appreciated.

Mr. Dave Smith: What's a 1% increase in property taxes for you?

Mr. Ron Gervais: Two hundred and fifty thousand.

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

We will now go to the official opposition. MPP Pasma.

Ms. Chandra Pasma: Thank you so much to all of our presenters here this afternoon. We've got some really diverse topics on this panel—health care, municipal issues and education—and I wish I had a lot more time to ask questions, but I'm going to focus on education.

Mr. Boland, you've sketched out a pretty clear picture for us of some of the challenges for the school board in such a large geographical region, covering a rural area. We heard from one of your colleagues in the other school board earlier, the Renfrew Catholic teachers, a very similar story.

As the Minister of Education is saying that he wants to get rid of elected school boards who are from the community, who consult with local members of the community and are accountable to them, and centralizing power in his own hands in downtown Toronto, I'm wondering if you feel like someone in downtown Toronto can ever truly understand the challenges and the realities on the ground here in Renfrew county and deliver an education system that will meet the needs of families and kids across Renfrew?

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Mr. Leo Boland: No, they can't—no different than many years ago when they had a big snowstorm and they had to shut down the city of Toronto. That's a regular day up here for us. It's night and day with what happens in Toronto, and where the schools are in Toronto and where they are here. We have a school in Arnprior, and then you've got to go two and a half hours or so to get to the next school furthest away in Whitney. That's a big distance to cover. For two and a half hours in Toronto—maybe in two and a half hours, you're still on the Gardiner Expressway, but here, in a rural area, we have big distances to cover.

When MPP Brady had talked about just having staff go from school to school, we do have that as well where—we have little districts. So for special education, student success or speech languages, those people, they have an area. It would be, say, Deep River, Petawawa, Pembroke—it had to be somebody's area. Or even for Indigen-

ous education, those support coaches. Also, then, like Barry's Bay, Opeongo and Eganville—again, they are spread out, and it takes a while to go from place to place. It would be nice to have more of those coaches, those staff, that they could actually be in the school and helping out all the time.

For the Indigenous coaches, when I've been talking to them, as soon as they get to school—let's say Valour—and they haven't been there in a couple of days, there are lots of people coming that want to chat, they want to smudge, they want to just interact and be with them.

Ms. Chandra Pasma: Again, it's a different reality from Toronto, where if you don't have the resource in your school, it's probably available in the community at least.

Speaking of moving around, you made a brief reference to the fact that, last year, for the first eight weeks of the school year, there was no student transportation running for the English boards, which caused chaos for families, parents who had to cut back on work or kids who weren't showing up at school, and that was the result of a decision that was made by a minister in downtown Toronto who was not familiar with the realities on the ground.

It's a legislated requirement in Ontario that school boards like yours have to contract with private bus companies. Those bus companies are small businesses; they're not charities. They're not going to operate at a loss. What funding you had wouldn't actually cover contracts that covered the cost of student transportation. And what ended this difficult situation last year was actually not additional funding from the Ministry of Education, it was the minister stepping in and directing your board and the Catholic board to move funding from other areas of your budget to address student transportation.

I'm wondering, what areas did you have to cut or what resources did you lose because of that transportation situation?

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

Mr. Leo Boland: I'm not familiar with if we had to cut anything. I'm not sure where the extra money came from. We always have a little bit of surplus and we also have reserves. To answer your question directly: I'm not sure where the money came from, but I don't believe any services were lost because of that.

Also, we were still given money to operate the service, even though we didn't operate it, so what we did then was that some of that money we gave to the families. We set up something so they that could apply for, for lack of a better name, gas money. I think we spent well into \$1 million reimbursing families for gas money to transport their children back—

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

MPP Collard.

M^{me} Lucille Collard: I would like, for that last round of questions, to go back to Diane about the family health teams. I will join my colleague MPP Smith on the fact that not everything has to cost money to bring relief or improvement.

You talked about policy barriers, and you didn't have a chance to complete your answer to MPP Bell. I know one of the things you are asking for is to modernize the governance structure and provide greater transparency with decision-making. Could you elaborate on that? And anything else that you want to talk about—those policy barriers—because I think it would help us better understand the functioning of those family health teams and how we can improve that.

Ms. Diane Cross: I guess one of the things with the policy barriers is really that, again, anything over \$10,000, we have to go to Ontario Health for approvals. So if you want to change funding—I'll use our family health team as an example. I have a vacancy for a nurse practitioner, very difficult to recruit in a small rural town. We'd like to be able to use those resources for other things, but knowing that we eventually want the nurse practitioner, but knowing we have the funding there, you can't use it for other things.

So let's say there's lots of mental health needs in our community. How can we better address those needs? We'd like to be able to have, let's say, a part-time staff member work longer hours or more hours. Those things, you can do for a couple of months maybe, but you have to have approvals at every level. So it feels like when you are running an organization, you have to ask for everything to change, because everything is so prescriptive in your budget as to how you can use that money.

I'd like to throw out a radical idea. We're talking about education and we're talking about health. Here's an example where kids in the school system—my understanding is there is certain money set aside to do student assessments for, let's say, if they've got learning challenges. There are very specific health care workers who do those assessments. The school board provide some funding, but in the Barry's Bay area, maybe two kids a year are funded for that. There are five or six of them that need that. Families would have to put out \$2,500 to \$3,000 to get those assessments.

I'm in the family health team; I've got extra funding because I have a nurse practitioner vacancy. I'd love to be able to say, "Is this a health care issue or is it the public school?" I'd love to be able to give that money to the families, to a health care practitioner who is going to help that child get the assessments and resources they need in the school system. But I can't, because that's contracting out services and I can't use health care dollars to contract somebody else. But there is something that would be a local solution, would cost less than \$10,000, and we are helping three or four families.

M^{me} Lucille Collard: Right. Is that what you are talking about when you're asking to allow the family health team to partner with other non-affiliated groups?

Ms. Diane Cross: That's an example. And I think of other—in lots of communities, we heard previously your sessions on Indigenous supports and others. I think of our seniors' groups, where, again, people are struggling to provide exercise classes to keep our seniors fit and healthy. It's seniors who are in those exercise rooms doing

the exercise classes, but they go away, they get sick and then, all of a sudden, they have nobody to teach the class. This is a real example, again, in our community. I've been asked to support and help our communities because maybe we have somebody on our nursing staff who has yoga training, who could go over for an hour and do this exercise class in the seniors' centre.

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

Ms. Diane Cross: But that's not allowed. It's very difficult to—health is more than just the health care in the four walls; it's in all kinds of other settings, and we'd like to be able to be more of a supportive, collaborative community agency in that regard.

M^{me} Lucille Collard: In the family health team model, do you have flexibility to hire the kind of specialists you feel are appropriate for the community, or is that regimented by—

Ms. Diane Cross: Our budget is very specific with one FTE for a nurse, 0.4 for a dietitian, 0.6 for a social worker.
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M^{me} Lucille Collard: Really? Okay. Thank you. I don't think there's enough time for another question.

The Chair (Hon. Ernie Hardeman): Thank you.

MPP Brady.

Ms. Bobbi Ann Brady: Diane, I like your idea on the assessments. I know that part of the backlog with respect to autism wait lists is the idea that we don't have enough of the professionals who are making the assessments we can direct families to core services faster.

When you are speaking about the \$150 million in workforce funding, I was heartened to hear you say we must allow our nurse practitioners to work to their fullest scope. They are being underutilized, they have been around since the 1970s, and I think they are an integral part of keeping our health care system from collapsing.

I support the idea of allowing nurse practitioners to actually bill OHIP, and I'm wondering what you feel about that. Would it take some of the burden off our family physicians who have to sign off on documents? The other fear I have with that is I have heard of nurse practitioners who go out into the community and to do mental health assessments sometimes are waiting five days for a physician to sign off on the paperwork, and those five days can be critical to somebody's safety or health.

Ms. Diane Cross: Certainly, the model that I've worked in is different—not just Barry's Bay; I've worked at Queen's. Nurse practitioners have that scope. Within our facility, nurse practitioners enrol and attach patients to them. They don't bill OHIP because, going back to I think it was MPP Sarrazin, it's a complicated system.

In the family health team, the nurse practitioners are funded on a salary. They attach patients, they are their patients. They don't need a doctor to sign off on any of their paperwork. So it depends on the model. There are other nurse practitioners who work within the family health team supporting the physician's patients but again, they are an independent practitioner who can, as you say, work to full scope providing full care to the patients.

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

Ms. Bobbi Ann Brady: But they themselves cannot bill OHIP?

Ms. Diane Cross: They do not bill because in the family health team, they are salaried employees.

Ms. Bobbi Ann Brady: Salaried, right.

Ms. Diane Cross: So as a salaried employee, they can see the patients, provide care.

Ms. Bobbi Ann Brady: How would you see us expanding the scope of nurse practitioners?

Ms. Diane Cross: Well, as I say right now, they're working to their full scope. They can see patients, provide pretty much all of the care—they can refer, they can prescribe, they can do pretty much a full scope of practice.

Ms. Bobbi Ann Brady: Within the family health team setting.

Ms. Diane Cross: And within nurse practitioner-led clinics, they can do that and working with physicians, they have that capacity.

Ms. Bobbi Ann Brady: Thank you.

The Chair (Hon. Ernie Hardeman): Thank you. That concludes the time for this question and this panel. Thank you, everyone, for your participation and all the time you took to prepare for your presentations and thank you for presenting it. I'm sure it will be a great assistance to us.

MÉTIS NATION OF ONTARIO

CAREFOR HEALTH AND COMMUNITY SERVICES

ROTHMANS, BENSON AND HEDGES

The Chair (Hon. Ernie Hardeman): We'll now move on. As we are changing, the next panel will be Métis Nation of Ontario, region 6; Carefor Health and Community Services; and Rothmans, Benson and Hedges. The Métis Nation of Ontario, region 6, is going to be virtual.

As we're coming forward, the first presenter will be the Métis Nation of Ontario, region 6, and it will be virtual. I understand we're ready to go, right behind the crest. As we go, there we are. Very good. As you are likely aware, you will have seven minutes for your presentation. At six minutes, I will say, "One minute", and at seven minutes, I will say, "Thank you." With that, the floor is yours, sir.

Mr. Dale LeClair: Good afternoon. I thank you, the Standing Committee on Finance and Economic Affairs, for the opportunity to speak with you today. Unfortunately, the weather doesn't allow us to do that in person. My name is Dale LeClair and I am the chief executive officer of the Métis Nation of Ontario, and I am pleased to be here on behalf of our government and the Métis citizens we represent across the province.

The Métis Nation of Ontario was established as a Métis government in 1993 to represent historical Métis communities, as well as Métis people from western communities who now call Ontario home. One of these communities is in Ontario; the Sault Ste. Marie Métis community was the first, and to date, only Métis community anywhere in the country to have their section 35 rights affirmed by the Supreme Court of Canada.

Today, the MNO, with 550 employees and 32 offices throughout nine regions, delivers programs and services across Ontario in areas such as housing, wellness, education, justice, and consultation, often filling the gaps by decades of underrepresentation in Métis-specific supports. We do so in full partnership with the federal and provincial governments, for which we are grateful.

Our 2026 pre-budget submission is focused on a small number of targeted high-impact investments that will deliver results this fiscal year, while aligning directly with Ontario's priorities around housing affordability, economic resilience and timely project delivery. I would like to speak briefly about these requests.

First, the MNO is an important partner in housing stability. Ontario is facing a housing affordability crisis and Métis citizens are not immune to this effect. In fact, many Métis households fall into a gap of earning too much to qualify for existing programs but not enough to absorb rising rents. This is why we are asking the federal government to invest \$1.5 million annually in a Métis rent supplement program, providing \$500 per month to 200 low-income Métis households most at risk of eviction and homelessness. This program has been in effect, and we work directly with landlords to ensure stability. Since 2020, the MNO housing department has supported over 1,200 households, preventing more than 140 evictions and helping families exit homelessness.

In 2023-24 a Métis nation pilot delivered the same \$500-a-month supports to 282 households with immediate stabilization and strong outcomes. The MNO believes that rent supplements are one of the most effective and fastest tools available to governments. They keep people housed now, reduce pressure on shelters and emergency services, and help families remain rooted in their communities, close to the schools and workplace, while long-term housing supply comes online.

This is a program that can be activated quickly and measured clearly, and it addresses housing affordability where it hits the hardest today. Today, the MNO already has a current demand of over 200 families taking part in this program. These families are low-income and are struggling but are not eligible for the Canada-Ontario Housing Benefit because the threshold of the program is too low.

Second focus: Adding new affordable housing supplies for Métis families. Stable, affordable housing is fundamental not only to the individual's well-being but to the labour force participation, educational attainment and economic stability. For Métis families, it's about remaining connected to community, culture and kinship networks.

The MNO is requesting \$3 million in provincial capital funding to construct 14 affordable rental homes for Métis families in the rights-bearing Georgian Bay area of Midland.

This project is shovel-ready. The site is already set aside. Community consultations have been cleared, completed, and construction can begin this year. The development will include 12 semi-detached and two detached

homes, all offering affordability at 80% of the market rate, ensuring long-term affordability and stability for families.

This investment aligns with Ontario's goal of accelerating housing delivery. It adds new supply, supports local construction activity and helps prevent displacement that would otherwise drive higher downstream costs in health, social services and emergency response.

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Thirdly, the MNO is seeking consultation capacity and major project certainty. Ontario has a constitutional duty to consult Métis rights-bearing communities, and with the implementation of the "one project, one process" system, consultation timelines are expected to be tightened.

The Acting Chair (MPP Billy Denault): One minute remaining.

Mr. Dale LeClair: To keep projects on schedule and to avoid late servicing issues that create delays, consultation needs to be timely and orderly. We are requesting \$1.5 million per year for five years to support the delivery of consultations throughout the MNO land.

Mr. Chair, that will be my presentation. I know I will cut it a bit short but thank you for your time on these matters.

The Acting Chair (MPP Billy Denault): Thank you.

We will go to the next speaker. Please state your name and position for the record.

Mr. Steve Perry: Thank you, Mr. Chair. My name is Steve Perry. I am happy to be here. I'm the president and CEO of Carefor Health and Community Services.

We are the largest not-for-profit community services organization in Champlain. We've been delivering home care and community support services for almost 130 years. We're governed by a community-based volunteer board of directors, and we employ approximately 1,200 employees, both unionized and non-unionized. We deliver government-funded home care services, community support services, palliative hospice, medical transportation etc. We also offer a variety of non-government-funded charitable programs as well, as part of our mandate.

I first would like to recognize the investment that the government has made over the last couple of years as we navigated and emerged from the pandemic. Those investments helped to stabilize a very destabilized home and community care sector by allowing us to start to close the wage gap between our sector and hospitals, long-term care etc. In so doing, that allowed us to improve our capacity to deliver services.

I'm here today advocating for a continued but modest investment in the home and community care sector, not on behalf of my organization but on behalf of this sector as a whole. This comes at a time of unprecedented challenges for our system. I noted, as I sat here previously, there was an individual leading a family health team, so I'm sure you've heard about many of the challenges that our sector and our health system face.

I think it's worth highlighting that demand for services is escalating. The oldest boomers are just now hitting their eighties, which is a time when service needs are going to

spike and the youngest boomers are starting to exit the workforce. So that's a bit of a recipe for a major challenge.

There is a significant shortage of primary care resources. Our hospital emergency departments are under tremendous pressure and many hospitals, as we know, are more than 100% occupied. There's a serious shortage of long-term-care beds; wait-lists in some cases are years. We're experiencing an obvious mental health and addictions crisis, and declining socio-economic conditions are driving a rise in homelessness now evident in just about every community in the province.

The home and community care sector is, and can continue to be, a solution in addressing these very significant pressure points. To give you an example and context, the publicly funded home care system supports over 730,000 individuals a year. That's about 60 million visits per year, and it does so while occupying only about 6.7% of Ontario's overall health budget. We can do more with increased investments.

The return on investment, in our opinion, is very high. For example, a hospital stay averages about \$730 a day, versus long-term care, which is about \$201 a day, versus home care, which represents about \$103-a-day cost. That's based on 2023 figures from Ontario's Financial Accountability Office.

I mentioned earlier the previous investments made since 2022 that led to overall service increases of more than 21%. That means more people have received more care. These investments were contract rate and base funding increases, specifically targeting compensation increases for personal support workers and nurses, but largely overlooked therapies. As a result, therapy has only seen a 5% improvement in volume over that same time.

The 2025-26 budget, however, provided no increases for home and community care funding to be invested in front-line compensation increases. This means that this year, if left unaddressed, the wage gap we are working hard to close between our sector and hospitals in long-term care has started to widen again, which will have a direct impact on hiring, retention, capacity. This is evidenced by recent wage settlements and arbitrated rewards ranging from 2% to 5.25%.

For Carefor for fiscal 2025-26, for example, the absence of a contract rate increase or base funding program increases will result in a budget shortfall of more than \$1.8 million this year. As a not-for-profit charity, that shortfall needs to be made up somehow. With an operational cost profile that represents 80% of our costs as wages, it's kind of obvious where those cost-savings are going to need to come from.

In 2025, Home Care Ontario commissioned Deloitte to deliver a report on the analysis of the investments that have been made by government in the last couple of years. Deloitte, in looking at that data, found that, going forward, a \$256-million investment in home care would result in \$373 million in savings elsewhere in the system, be that reduced hospital occupancy or delayed long-term-care placements. That's a return on investment of more than 46%.

The analysis forms the base of our ask for the upcoming budget. We are respectfully requesting government consider a \$256-million increase, or an 8.3% increase, to increase front-line wages by 5.8% across the sector, with the remaining 2.5% to offset other rapidly increasing costs such as cyber security, insurance, technology etc.

We are also proposing a one-time investment of \$32 million in front-line therapy's wages, given it has been a health human resource group that has been relatively underfunded in the last couple of years—interesting story to share, if I have time later.

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

Mr. Steve Perry: Without these new investments, the capacity of our sector will quickly diminish, and any recent gains will be lost. Adjustments and decreases to programs, services or workforce capacity in the coming year are likely to happen, and our sector's reduced capability and capacity will add existing pressures to an already over-pressurized system, obviously negatively impacting health outcomes for the citizens of Ontario. Thank you very much.

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

Our next presenter is Rothmans, Benson and Hedges.

Ms. Lexi Ensor: Good afternoon, everyone. To the Chair and members of the committee, thank you for the invitation to speak with you all today. My name is Lexi Ensor, and I am responsible for Ontario government relations at Rothmans, Benson and Hedges.

Ontario stands at a crossroads in tobacco control and public health. RBH has contributed to a smoke-free future, guided by a simple message: If you don't smoke, don't start; if you smoke, quit; if you don't quit, change.

Before I turn to the two priorities we're bringing forward for the 2026 budget, I want to recognize the government's efforts over the past few years to bolster Ontario's response to contraband tobacco. We're encouraged by the direction of this work and look forward to its continued momentum.

With that, I will turn to RBH's two areas of concern, each with three steps government could take to move these files forward. First, Ontario should strengthen its tobacco-control strategy in a way that supports adult smokers in making the switch to less harmful alternatives while also ensuring that policies remain firmly grounded in evidence.

As of 2024, Ontario's smoking rate sits at about 11% of the adult population, or roughly 1.4 million Ontarians. Globally, having a smoking rate below 5% indicates that a jurisdiction has achieved smoke-free status. This would mean that to become smoke-free, Ontario would need to transition 750,000 adult smokers away from cigarettes. This is a complex challenge, and to solve it, we need practical solutions that support a reasonable shift in consumer behaviour for adult smokers while also being mindful of the need to keep these products out of the hands of youth. At the same time, we must also ensure that policies are enablers of responsible progress and that they're not inadvertently preventing government from pursuing other objectives like protecting the environment.

To strengthen its tobacco-control strategy, Ontario could encourage the recycling of vaping products through a regulatory exemption within the Smoke-Free Ontario Act, which allows for communication about recycling programs so that we can keep these products out of landfills. Government could also create a new product category in the Tobacco Tax Act for non-combusted alternatives to cigarettes with a lower comparative tax rate, demonstrating through taxation that lower-risk products are a better choice for adult smokers.

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Finally, we urge Ontario to call for a modernized, practical approach to tobacco and nicotine control at the federal level, which ensures adult smokers can access and understand lower-risk alternatives to cigarettes. This would better reflect international best practices and support Canada's public health objectives.

In summary, these steps would help Ontario strengthen its tobacco control strategy by supporting adult smokers in moving to less harmful alternatives, reducing environmental impact and aligning policy with modern, risk-based principles. With that, I will move to our next recommendation.

The second recommendation is that Ontario should build upon recent commitments to fight contraband tobacco. While the government has made progress in recent years, this issue continues to grow, putting communities at risk. Contraband tobacco still represents between 39% and 50% of the total tobacco market in Ontario, meaning that potentially one out of every two cigarettes sold in our province is illegal. As a direct result of the growing contraband tobacco market, Ontario lost between \$990 million and \$1.7 billion in potential tobacco tax revenues between 2019 and 2022.

It is well documented that organized crime is directly involved in the contraband tobacco trade. We see this time and again. Contraband tobacco busts almost always include other illegal products, like guns and illicit drugs.

In fall 2025, the government committed to reviewing existing authorities and potential amendments to the Tobacco Tax Act to support police officers with the proper training and education to conduct timely and legally sound roadside searches for suspected contraband tobacco without requiring real-time Ministry of Finance authorization. Exploring changes like these are an encouraging step in the fight against contraband tobacco.

To reinforce government's established interest in this fight, RBH recommends building on the call-out from the 2025 budget: Urge the federal budget to develop a comprehensive, cross-Canada strategy to combat all forms of contraband tobacco, not just online sales. We recommend realizing the items for consideration in the aforementioned review of the Tobacco Tax Act by removing the in-plain-view provision within the act and finally expanding existing licensing requirements by requiring anyone in possession of tobacco manufacturing materials to also have a tobacco manufacturer's licence.

Taken together, these measures would help Ontario strengthen enforcement, curb the influence of organized

crime and protect hundreds of millions in lost revenue each year. They build on the province's existing commitments and offer practical next steps in the fight against contraband tobacco.

By advancing these two priorities, strengthening Ontario's tobacco control strategy and taking firm action against contraband tobacco, the province can support adult smokers in making informed and better choices while still protecting youth and prioritizing community safety.

Thank you for your time and attention, and I look forward to your questions and continuing this discussion.

The Chair (Hon. Ernie Hardeman): Thank you. That concludes the presentations.

We'll start the first round with MPP Pasma.

Ms. Chandra Pasma: Thank you so much to all of our presenters for being here.

Steve, it's nice to see you again. I'm going to start with you. You laid out some pretty startling numbers, I would say: a \$1.8-million shortfall for care for this year. With most of your budget going to staffing, that could have some huge implications for clients and patients in Ottawa and across the Ottawa Valley.

I'm wondering if you can give us some examples. If funding isn't forthcoming, what is that going to mean for the programs that you provide and for the patients who depend on them?

Mr. Steve Perry: Sure. Thank you for the question.

Human resource capacity is a challenge already, and so the inability to be competitive in a health care market in terms of compensation is a significant challenge for organizations like ours. Currently, there is more demand for home care services than there is supply because of the lack of capacity, so that gap is only going to widen.

Referral acceptance rates are quite low in our region. That's not so much the case in other parts of the province. For example, in Toronto, where there's obviously a significant population density, a prevalence of public transportation and a larger labour pool, it's a little bit of a different story.

But in our region, it's going to mean that wait-lists are going to grow. Needs aren't going to be met at visits. There may be delays for admission to programs like end of life, meaning people may end their life in a venue where they would otherwise prefer not to. It really goes down to the ability to create capacity in the system, and we're already over-pressurized now.

On the community support services side, that means programs like meals programs or friendly visiting, home maintenance, PSWs, supportive housing programs. It's going to become increasingly difficult to provide those sorts of services as well if we have the inability to recruit and retain. Attrition is at a very high rate right now in our sector, and certainly in our region and for us as an organization.

Ms. Chandra Pasma: Can you give us an idea of what the wait-lists are like? It would be great if you could do it by those different types of programs that you listed, and if not, a more global sense for Ottawa.

Mr. Steve Perry: Oh, gosh. I don't have those specific numbers offhand. I can tell you, though, for a program like our adult day program in Ottawa, the wait-list currently is already about a year, I think, or longer. As it relates to home care, it's very difficult to tell, currently. But given referral acceptance rates are not at 100%, I would suggest that wait-lists are pretty significant. I can certainly provide the committee with that number after the fact, with my presentation notes.

Ms. Chandra Pasma: Okay. So, within Ottawa, that would mean, again, adults in the hospital who could be at home, but there is no home care provided through—

Mr. Steve Perry: That's correct. The more capacity we can build in the system, the more we can support hospitals with discharge or, ideally, avoid to begin with, because if we can care for people in their homes, where they want to be, that will keep them out of the hospital system and out of long-term care longer.

Ms. Chandra Pasma: Well, I'm sure what you're hearing, which is also what MPPs are hearing, is that people would prefer not to go to the hospital if they are able to stay healthy and stay at home.

Mr. Steve Perry: That's correct, and I think you would also hear from hospitals that they would prefer that people stay in their homes as well.

Ms. Chandra Pasma: Right. You said you had a story for us if you have time. Would you like to share that?

Mr. Steve Perry: Yes, it was just a very telling story. I had the opportunity at a fundraiser on the weekend to—I mentioned the investments that weren't keeping pace on the therapy side. We received contract rate increases over the last couple of years that were really targeting personal support workers and nurses, and rightly so, but therapies were largely overlooked.

I had the opportunity to talk with a former employee of mine, a recently departed employee, an occupational therapist, 12 years of experience in the organization, fully tenured—

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

Mr. Steve Perry: —represented by OPSEU. A full-time employee with pension and benefits recently left to take a parental leave position at a local hospital where they fully recognized his tenure with our organization, and he's earning \$15 an hour more. So it really speaks to capacity building in the sector.

Ms. Chandra Pasma: I was going to ask, who is your biggest competitor for staff? Is it the hospital sector?

Mr. Steve Perry: Yes. Hospitals, long-term care—yes.

Ms. Chandra Pasma: Right. So it's a little bit ironic when you are able to keep people out of hospitals and we're paying the staff in the hospital far more than the people who would keep people out of hospitals.

Mr. Steve Perry: We certainly feel our value to the system is in keeping people where they want to be, which is in their homes, and keeping them out of hospitals and long-term care.

Ms. Chandra Pasma: Thank you for the work you do.

Mr. Steve Perry: Thank you.

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

MPP Collard.

M^{me} Lucille Collard: I will continue with you, Steve. Given you're non-for-profit, what are your sources of funding?

Mr. Steve Perry: Well, for our home care programs and services, those are contracts that we have with Ontario Health atHome. Many of you might not know, but Carefor is formerly a VON branch. Until 2005, we were a VON branch. We were the very first VON in the country, actually. We were the founding branch. Our home care model is the original home care model, so we've been delivering home care and community support services for an awful long time.

About half of our organization's revenue is derived from contracts that we have with Ontario Health atHome to deliver services like nursing, personal support services, allied therapies. We also deliver a very full basket of community support services right across the Champlain region. Those are essentially fully funded programs. So whenever that base program funding does not include inflationary increases, it means that we're unable to keep pace with our compensation levels for our staff.

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I would say approximately 75% of our organization's revenues are derived directly from government sources. The remaining revenues are either fundraised dollars—we do have other non-government-funded programs like care facilities, two of which are right here in the community of Pembroke, so we deliver a not-for-profit-based subsidized model of assisted living, retirement care living, for largely individuals who are significantly disenfranchised—those sorts of programs and services.

M^{me} Lucille Collard: Okay. Thank you. I think the figures that you shared with us regarding the cost of health care, whether you're in a hospital or long-term care or at the home—it's very compelling, and it should be a compelling argument for the government to invest more. I think that the Ontario Health atHome initiative is certainly a great one, but it definitely needs to be expanded.

So you do have that experience in providing home care. Can you give us some examples of what it looks like and how much it improves the lives of those people you're providing care for?

Mr. Steve Perry: I had the opportunity to do what I call a "ride-along" this summer with the nurse who's worked with us for quite some time, and I was just in awe of the work that this front-line staff professional did. In that day, I saw her deliver a wide range of services, from very complex wound care in an individual's home, to perhaps more minor dressing changes in a retirement care setting, to urgent emergency calls interrupting her planned day, which meant redirecting en route to address a medical emergency in the home.

Through it all, those professionals who deliver home care in the home have to navigate traffic. They have to navigate weather. They have to navigate some challenges—I can tell you, that day we were in a very challen-

ging residential setting for a significant issue that had to be dealt with. We expect an awful lot from our staff who work independently, often in unsafe environments, without direct supervision. It's a very rewarding job, I must say, but not for the faint of heart. And certainly, as we think about new professionals entering home care for a career, I can only imagine how daunting it is for them as well.

Mme Lucille Collard: For sure. So those health care professionals who provide home care—is their compensation adequate in comparison to other sectors? I know you mentioned the difference about somebody going to the hospital getting \$15 more per hour. That's quite incredible. But generally, where is the gap?

Mr. Steve Perry: I'd say the gap across the board for home care versus funded environments—

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

Mr. Steve Perry: —like hospitals and long-term care is about a 20% gap, at least.

As an organization, Carefor is highly unionized and so we pay by the hour, not by the visit. We offer a significant complement of full-time positions with group pension benefits etc. I would say in an hourly basis, our compensation levels are probably at the higher end for our home care sector. But the primary difference for organizations like ours as a not-for-profit is that we pay hourly. Most others in our sector compensate their staff by the visit, so that allows their staff to be able to earn more based on their activities of the day, whereas we're unable to do that.

Mme Lucille Collard: Okay. Thanks. Do you have the capacity to provide services in French, and is there a demand for it?

Mr. Steve Perry: Yes, we do, and there is.

Mme Lucille Collard: You do? Okay. Thank you.

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

MPP Brady.

Ms. Bobbi Ann Brady: Thank you all for your presentations this afternoon and the work that you do in our communities.

Steve, we've heard about the community care gap over and over on this committee, and I repeat that a tree cannot stand if its roots are rotten, so I'll just leave that with you.

I'll turn my focus, though, over to Lexi from Rothmans, Benson and Hedges, because Norfolk county, within my riding, is Canada's tobacco heartland, so I thank you, Lexi and RBH, for the work that you do on this file.

Tobacco is one of the most common illegally traded goods in the world. It's disheartening that Ontario has become ground zero with cigarette volumes on par with places like El Salvador, and as you said, Ontario is also Canada's epicentre when it comes to illegal manufacturing. I've worked on this file for over 25 years, and despite more intelligence that we get on this file, the problem has only worsened in this province. I've personally seen the effects of illegal tobacco on small towns like mine in Haldimand-Norfolk because, as you said, the industry is operated by organized crime.

So I'm asking you, Lexi, what is the single biggest change Ontario could quickly make so that we could reduce contraband tobacco in Ontario immediately?

Ms. Lexi Ensor: Thank you for the question. Yes, I think the quickest piece would be removing that “in plain view” provision. It's one of our recommendations. Essentially, what this would do is it would remove the requirement for police officers to call the Ministry of Finance to receive delegated authorization to enforce the Tobacco Tax Act. This would increase the number of people who have eyes on the issue from probably below 50 right now to—I think there are about 26,000 police officers in the province—overnight.

One of the important pieces that I think the government was interested in looking at was education and educating officers as part of this change. So not only would you be delegating authorization essentially overnight—

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

Ms. Lexi Ensor: —but you'd also be educating them on the issue.

Ms. Bobbi Ann Brady: Can you explain to the committee how the contraband market is evolving here in Ontario?

Ms. Lexi Ensor: I mean, it's evolving like any other industry. It's increasingly found online. RBH has a monitoring program where we essentially play whack-a-mole to try to remove some of these online ads. But the issue remains that the manufacturing is mostly located in Ontario, and it does need to be addressed at the source.

Ms. Bobbi Ann Brady: And is the province—are we doing enough to keep pace with the innovations from the criminal element?

Ms. Lexi Ensor: We're moving in the right direction, but there is definitely more to do, and I think taking steps like giving more officers the authority to enforce the act would be a really excellent step to try to keep up with the quick changes of the industry.

Ms. Bobbi Ann Brady: How much time do I have there?

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

Ms. Bobbi Ann Brady: That's it? Okay, thank you.

The Chair (Hon. Ernie Hardeman): It is gone.

Okay, we will now go to MPP Smith.

Mr. Dave Smith: Thanks, Chair. I appreciate that.

We're obviously dealing with some pretty serious conversation here, but I want to inject a bit of levity first. Lexi, what's your favourite TV show?

Ms. Lexi Ensor: That would be The Littlest Hobo.

Laughter.

Mr. Dave Smith: Thank you very much. I appreciate that.

One of the challenges—one of the things that you had suggested is that, if you possess tobacco product or tobacco-making product, that you should have a manufacturer's licence. Could you expand on that a little bit for me? Because I think that one of the things that people don't truly understand is that all of the products in making a cigarette are very specific to making cigarettes.

Ms. Lexi Ensor: Yes. Essentially, I can't take this piece of paper and use it to roll a cigarette. It's very specialized. Right now, there is a regulation under the Tobacco Tax Act which focuses on cigarette filter components. It's a product called acetate tow. It's a type of plastic. That already has a system in place. You have to have a tobacco manufacturer's licence to be in possession of this product because there really isn't any other reason to have it in your possession.

What we're finding is that criminals know that this is the restriction, so acetate tow is transported separately than any other material, including things like cellophane wrapping that would have illegal product branding all over it. So you know exactly what it's going to be used for, but there's no law against having it in your possession. So giving officers the tools to be able to—more tools in the tool box. If you pull over a truck that's filled with manufacturing materials right now and it's not illegal, that truck goes to its destination. If you can stop it before it makes it to the manufacturing destination, then we're on our way to starting to address this problem a little bit more.

Mr. Dave Smith: So I want to take that and lead into the next part of it. There was a significant drug bust in Tyendinaga this past year. It was actually the first time that the Tyendinaga council had reached out and asked for the OPP to come in and be involved. And in that process of the drug bust, we found cigarette manufacturing machines, for lack of a better term, and you guys were brought in to dismantle that. How frequently are we finding that now in areas where it is illegal activity and it's combined with not just the opioid issues, but tobacco as well? How often are we seeing that?

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Ms. Lexi Ensor: In terms of the manufacturing, I can provide a little bit of colour on that. RBH works closely with police across the country, including CBSA, to help identify machinery. Last year alone, we helped stop machinery coming into the country that was illegal and if that machinery had made it to its destination, it would've been able to produce 49,000 cigarettes per minute. So that was stopped.

But that's only part of the problem. We are seeing most of the busts will have something other than cigarettes. I can't speak to specific busts per se. I know that some things are still under investigation. But whether it's cannabis or guns or other illicit drugs, you are seeing it almost every time that these large-scale busts are happening.

Mr. Dave Smith: Quebec has seen a reduction in their contraband tobacco side. What is it that they are doing differently than Ontario that has allowed their police to be more effective?

Ms. Lexi Ensor: They have a different model. We like to call it the gold standard model. When that was introduced in the early 2000s, they saw significant reduction in contraband. It's a different operating model with more of a focus on enforcement, a lot more officers who were able to enforce the act. Ontario is focused on this "in plain view" piece. It would be really interesting to see the impact

of that. Quebec sees this as a revenue issue, first and foremost.

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

Ms. Lexi Ensor: We see the same in Ontario. It's just a different cultural focus on the issue. It's allowed them to be a little bit more nimble and a little bit more direct in their approach.

Mr. Dave Smith: During COVID, did you see a reduction in contraband tobacco, and was it measurable?

Ms. Lexi Ensor: It was measurable. A really good case would be on the east coast because they really had closed borders. But we definitely saw a decrease in contraband tobacco as soon as borders closed down. Legal sales went up.

Mr. Dave Smith: Okay. Thank you.

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

We will now go to MPP Bell.

Ms. Jessica Bell: Thank you to the presenters for coming in here today. I will be focusing my questions on the home and community care issue, because it's really acute in my area as well. For us, we get a lot of seniors who want to live at home. They want to stay at home for as long as possible. They don't want to go to long-term care. They can't afford a retirement home. They certainly don't want to end up in hospital. But in order for them to stay at home, they need support: people to help them get up in the morning, sometimes to help them get dressed, Meals on Wheels, trips to the doctor and so on.

I am hearing this frequently, that the request that the home and community sector is making to the government for increased wages and increased funding is something that might not appear in the 2026 budget. If your sector does receive the funding that you're requesting to increase wages and cover increased costs, what kind of impact is that going to have on home care and community care?

Mr. Steve Perry: As stated earlier, our capacity is going to continue to diminish and the situation you just described is going to get worse, quite simply.

Ms. Jessica Bell: Not good for anyone.

I have some more specific questions. This one is more around the staffing shortages piece. In the last few weeks, we keep hearing from community and home care agencies that are having a lot of difficulty recruiting staff and keeping staff. What is the extent of your staffing shortfalls? How many positions do you have open? What kind of positions? And what impact is this having not just on the programs that you deliver but on workplace culture and staff morale?

Mr. Steve Perry: Those are great questions—loaded questions. I've been with my organization 28 years and so I have a long sample size. I can tell you our experience as it relates to recruitment, retention, attrition over the past six, seven, eight years has been really quite incredible. We basically, as an organization, turn over as many people as we hire every month. And in some months, we net lose.

When you think about the cost to hire, as well, the impact is just incredible on an organization, and you can imagine it's likely demoralizing for front-line staff. I know

it's a reason why—the specific example I gave you—we lost this particular occupational therapist. And so, it's a challenge.

Just yesterday, I had a conversation with a front-line staff person, a unionized nurse, and we're talking about very committed employees, very committed professionals working in our sector. They can see the pressure points. They don't need to have a presentation from a CEO or their director or their manager. They can see the pressure points in the system. She asked me if we were going to lose our nursing contracts because of capacity. I assured her that, no, that wasn't the case. But given we're three quarters through a fiscal year where there's been no allowance for funding increases this year for compensation, another year like that creates a further significant gap. When we factor, as an organization, wage inflation at about 3%, which is fairly conservative, it doesn't take long to understand the compounding impact that that can have on your workforce.

At the same time, having said that, health care is a vocation, home care is a vocation. We're very dedicated, caring individuals who really do put clients first. And so, overall, I would say morale in the sector is as good as one could expect.

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

Mr. Steve Perry: I'm really proud that despite all of the challenges—and it's not just funding-related challenges or compensation levels. Staff who work in our sector really do see the needs of individuals because they get to see that right in their home and the impact that they have each and every day. It's the reason why I've remained committed for as long as I have in my career. You get to see the impact directly that you have on individuals' lives every day, whether it's patients in our waiting rooms, clients in our retirement homes, what have you. That's a tremendous experience to have and it draws a certain type of person to our sector as well.

Ms. Jessica Bell: Thank you for that. We also have, like I said, a lot of issues retaining and recruiting staff. What I'm hearing is that it also impacts patient outcomes. If you're a senior, you don't want a different person coming to help you get dressed in the morning and help you shower. You just don't.

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

We now go to MPP Collard.

Mme Lucille Collard: I'm going to ask Lexi a question, and it's a question I asked the first time I met representatives of Benson and Hedges at Queen's Park. I just want to see what kind of answers I can get.

Benson and Hedges is a tobacco company. Yet you are committed to a smoke-free future. I just want to understand, how does that jive with the objective of the company—which is to make money—to go towards that future? Please explain to me.

Ms. Lexi Ensor: It's a good question. RBH is the subsidiary of Philip Morris International. We are a global company and, you're right, we are a for-profit company. But at the end of the day, we understand that the future is

not in cigarettes. We also understand that there are still a lot of people who smoke. If people are going to continue to smoke, we want to allow them to still consume nicotine, which is the driver behind the smoking, but giving them the option and the opportunity to do that in the least harmful way possible.

We understand that while we are still in the cigarette business, the goal—and this is publicly stated, that we are a publicly traded company. Frankly, the share price depends on us actually achieving this and so the focus is to get out of the cigarette business eventually. We're moving in the right direction. It's slower in Canada than in other countries, but in other countries, we have achieved more than 50% of revenues coming from smoke-free products.

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Mme Lucille Collard: If you achieve that goal of having a smoke-free future, what's going to happen to the company?

Ms. Lexi Ensor: The company will still exist. Smoking and using nicotine are not the same thing necessarily. While the products still have nicotine in them, the risk profile of these products is substantially different. If a cigarette is sitting at 100—and again, I'm not a scientist here, but for discussion purposes, if a cigarette is at 100 for risk level, a vaping product or a heated tobacco product would be sitting at a five. It's quite a significant difference.

Mme Lucille Collard: So the objective of the company is to shift its production from cigarettes to vaping products. Is that what it is?

Ms. Lexi Ensor: Smoke-free products. There are a range of products, just like there are a range of products in the smoking cessation world. There are a range of different products out there; some of them are vaping products.

Mme Lucille Collard: So it's smoke-free not in a sense of no more tobacco, but no more smoke?

Ms. Lexi Ensor: Smoking, yes.

Mme Lucille Collard: Okay. That's an important nuance. I was just curious. I think you explained it a bit, but how is the fight against contraband tobacco helping with that goal of a smoke-free future?

Ms. Lexi Ensor: It's an important question. Contraband cigarettes are incredibly cheap. You can get a pack of cigarettes for around \$5; you can get a carton for about \$40. For comparison, a legal product could cost you \$20, \$25 for a pack, so the difference is five-fold there in the price. It's very difficult to get somebody away from a product when it is so cheap for them to consume it.

And the contraband market does not adhere to any of the other rules that the rest of us have to abide by: no marketing; no imagery. So the incentive for someone to switch away from that product is non-existent, essentially.

Mme Lucille Collard: Okay. Thank you.

Steve, just one last question from me: If you were getting your wish and getting the funding you are asking for, do you believe you would be able to access the workforce, the professionals, that you need to hire?

Mr. Steve Perry: Yes, based on the improvements that we saw over the past recent years where there were—

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

Mr. Steve Perry:—specific investments made to be directly allotted to compensation-related cost, we did see retention rates improve, capacity improve and wait-list for services decrease.

M^{me} Lucille Collard: So with the funding, you would be able to increase compensation to be more competitive, to get access to the health care workers?

Mr. Steve Perry: We would begin towards closing the gap.

M^{me} Lucille Collard: Okay, that's fair. Thank you.

The Chair (Hon. Ernie Hardeman): Okay. MPP Brady.

Ms. Bobbi Ann Brady: I first want to point out to MPP Smith that I don't think Lexi is even old enough to remember The Littlest Hobo, so nice work on meeting the challenge. Good for you.

To follow up on MPP Collard's line of questioning: I'm not a scientist either, Lexi, but I think the difference is, with liquid tobacco, you don't light it. When you light a cigarette, it's the lighting of the cigarette that creates nitrosamines, which can be carcinogenic.

During estimates recently, I questioned the Minister of Finance on what Ontario was spending with respect to the Contraband Tobacco Enforcement Team—it's about \$3.8 million in Ontario with eight to nine officers working on the file. You were telling MPP Smith about Quebec's model; they're spending about \$15 million with about 60 officers on the file. Our incidence rate sits at about 50% while Quebec's sits at about 12%.

So while you described the model for MPP Smith, I'm wondering, Lexi, if you could tell us if the Quebec model—which we were, I understand, to adopt in 2019 and it was pulled from the budget a few days prior to printing. Should we be adopting Quebec's model here in Ontario?

Ms. Lexi Ensor: The short answer would be yes.

Ms. Bobbi Ann Brady: Okay. I believe that, over the next few years, legal tobacco sales in this province will continue to decline and outpace the smoking-rate decline. Right now, in this province, legal carton sales have plummeted from \$36 million in 2017 to about \$17 million today, all the while smoking rates have only declined 5% over the same period.

If we don't crack down or step up our game on contraband tobacco, are we inviting the criminals to create financial force multipliers with things like vaping and nicotine pouches, and is this already happening in Ontario?

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

Ms. Lexi Ensor: Yes, it definitely is happening. Vaping is a little bit more difficult because there are more players in the market. Nicotine pouches: Right now, there's only one legal product on the market in Canada, and it can only be found in convenience stores.

I mentioned our online monitoring program. As of November 2025, we had removed almost 17,000 illegal nicotine pouch ads from online in Canada, and that was just for 2025. The products are everywhere, and if they are not regulated appropriately and accessible to adults who want to use them, they're going to end up on the black market.

Ms. Bobbi Ann Brady: So, this is a concern as you guys move to liquid as well?

Ms. Lexi Ensor: Absolutely.

Ms. Bobbi Ann Brady: Thank you.

The Chair (Hon. Ernie Hardeman): Thank you.

We'll go to the government. MPP Rosenberg.

MPP Bill Rosenberg: Thank you, everyone, for sitting here today and bringing all of these ideas forward to us.

Steve, you talked a little bit about the baby boomers. It's my understanding there's about 3.8 million baby boomers coming into the system—me being one of them. I'm not at the top of the scale, but I am down a little bit on the ladder.

Home and community care is a foundational part of Ontario's health system and helping ensure that people receive the right care in the right place. This is why our government is investing more than \$1.1 billion over the next three years. My question to you is: With this expansion of the hospital-to-home program, can you please tell us how this investment has a potential to improve access and quality home care and how relevant is this as we continue caring for aging Ontarians?

Mr. Steve Perry: Thank you for the question. You are—

MPP Bill Rosenberg: I'm 65, not 80. I know that was the question.

Mr. Steve Perry: I'll leave that there.

I would say we are not yet having to compensate for your loss from the contributing workforce. Please stay in there for a while yet.

The announcements in the fall economic statement, for example, were welcome because they were real investments. They were directed at new service delivery volumes. Our challenge in this region and as an organization specifically is that that's great, but if we don't have the capacity to deliver, it's not going to mean anything for the consumer—in this case, the patient.

Having said that, the model that you referred to, the recently enhanced hospital-to-home programs were announced pre-Christmas. We applied for and we were awarded one, actually. They are models that offer tremendous opportunity to promote any model delivering home care, which is not at all actually based on a unit-of-service type of contracted model and more about a funding envelope that can contribute towards one's overall needs to keep them safe, healthy, out of hospital, discharged from hospital and remaining in their home.

To answer your question: Those models do show tremendous value. It's very early in the current environment to prove that out and I think the results of which will be borne out over a number of years. It's also why it's incredibly important that, at minimum, we look at providing funding to the system so we can at least keep pace as a sector with compensation levels. Because if we continue to drain out our health human resources assets from our sector, we're not going to be able to deliver those services and help other parts of the system.

MPP Bill Rosenberg: Other programs, such as hospice, respite and meal delivery, which one are you seeing as the most in demand these days?

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Mr. Steve Perry: You know, they're all—hospice is a significant area of need, both in terms of home care—a tremendous area of need in terms of home care, residential hospice. Carefor operates one in the eastern counties region. It's a very successful facility, so there's significant demand for access to those services.

I would say, given the population profile—an aging population—demand for services like palliative care services, hospital services and meals programs are going to increase. A social determinant of health is access to healthy food and housing. That evokes meals programs. Diners club programs are tremendously important for seniors to keep them well and independent and in their homes. Medical transportation—again, a service that we deliver as a community support services agency, getting people to access not only medical appointments but also groceries, social outings.

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

Mr. Steve Perry: Activation keeps them healthy and in their home. So those are programs within the community support services profile that grow year over year, and I would suggest will continue to be oversubscribed in the future.

MPP Bill Rosenberg: Thank you very much, Steve.

Thank you, Chair.

The Chair (Hon. Ernie Hardeman): MPP Allsopp.

Mr. Tyler Allsopp: I have a brief question for Lexi for Rothmans, Benson and Hedges. I do want to thank Madame Collard for her question as well, because it did raise my eyebrows. I thought, you know, we have vision for a smoke-free future from a tobacco company. It's sort of like in the horror movie when the call is coming from inside the house. So I was a little bit surprised by it, but you're right. I mean, it's patches. It's gums. It's vapes. It's all those other products as well.

I had a gentleman from a local company that makes e-juice for vapes called Stinky Canuck which was concerned about the taxation rate on non-combustible tobaccos and the increase in the federal—

The Chair (Hon. Ernie Hardeman): Well, thank you very much. It's nice that it was a short question, because it's going to get an even shorter answer.

Thank you all. That does conclude the time not only for that question but for this panel. We want to thank all the panellists for having spent all that time preparing and to be here, and share that with us, and even cause some serious questions about how we can become that. We very much appreciate all the work you've done to help us along with our pre-budget consultations. So thank you very much.

While we're saying goodbye to that panel, our next panel is a rather short one.

TOWNSHIP OF BONNECHERE VALLEY

The Chair (Hon. Ernie Hardeman): There's only one delegation. It's the delegation of the township of Bonnechere Valley. It is a virtual meeting, and I believe we have it already on the camera. So if everybody will get in their seats, we will start the festivities. As you likely have heard from the other presenters, you have seven minutes to make a presentation. At six minutes, I will give notice that it's one minute left, and at seven minutes, we'll conclude that and then we'll have a round of questioning from the committee.

So with that, the floor is yours. We do ask that you introduce yourself for Hansard to make sure that we can attribute the comments to the right person. With that, the floor is yours.

Ms. Annette Gilchrist: Thank you so much. My name is Annette Gilchrist. I'm the CAO, clerk and deputy treasurer for the township of Bonnechere Valley in beautiful Renfrew county. We appreciate the opportunity to bring forward the challenges that municipalities are having raising revenues to achieve fiscal sustainability. Without sustained revenue, municipal governments will continue to struggle with their fiscal well-being while trying to make their communities strong places to live, work and play. We just wish to highlight three issues of critical significance.

One, across Ontario, municipal costs and responsibilities are growing, and municipal revenue is not keeping pace. Even prior to the pandemic, the municipal fiscal gap and aging infrastructure were creating challenges too large to address through property taxes and user fees alone. We now have additional pressures related to the opioid crisis, homelessness and a lack of resources for health, mental health and local trades, as well as increasing public demand for services and provincial regulatory and reporting requirements.

Municipalities own two thirds of all public infrastructure, and in the fall of 2008, the Provincial-Municipal Fiscal and Service Delivery Review put the cost of bringing municipal infrastructure into a good state of repair at \$22.4 billion, with an additional \$3.7 billion investment needed annually to meet current and future needs.

Municipal infrastructure accounts for nearly half of the province's public infrastructure stock. Municipal governments have been taking on more debt; however, debt can only finance capital projects, not operating costs. Municipal operating costs are growing at \$1 billion annually just to maintain current services. Costs are driven by factors such as rising insurance, electricity rates, increased demand for services, provincial legislation and areas like emergency services. However, not all municipalities—especially those with limited fiscal capacity—can afford to take on debt. The right balance of intergenerational equity is another key consideration.

In this time of economic uncertainty, and recognizing the unique challenges our communities are facing, we ask the committee to review options to support municipalities

through the provincial budget so that we can build a stronger Ontario together.

One option would be to consider a rebate on 100% of the HST. On services where municipalities paid GST at the 5% rate, we now pay an HST at 13%. Of this tax payable, we receive a 100% rebate from the former GST of 5% and a 78% rebate on the former RST of 8%. This means there's a portion of the tax paid on services that is not recoverable for us.

Previously, there were also cases where the RST payable is there now because it's charged through the HST at 13%, but wasn't charged before. Examples of cases like that include:

- energy—diesel, gasoline, electricity, natural gas;
- conferences;
- membership fees;
- landscaping;
- snow removal;
- professional fees—legal, audit, consulting;
- service contracts; and
- all of those things that are contracted, like public transit services, garbage collection, security, janitorial.

As much as the municipality bore no taxation liability on these items under the previous regime, an additional tax levy of 22% of the provincial portion, or about 1.76%, has become payable and added to the cost borne by every municipality. For Bonnechere Valley, in 2024, it was about \$66,402, which required a 1.6% tax increase to be borne by our residents. According to the provincial summary, 1.76%, when applied to the expenses of contracts and materials on the FIRs across Ontario for all the municipalities was about \$285,835,808.

The province of Ontario received \$3 billion more in HST revenues, net of rebates and refunds, in 2022 than in 2021. The previous annual increases were about \$1.5 billion and \$500 million. That's double the revenue, and it is probable that going forward in 2023-24 and all the way up to 2025, with inflation continuing, these will again be doubled and might be as high as \$6 billion.

One per cent of this 2022 net HST revenue would be about \$368 million, more than enough to cover the 1.76% unrecovered portion paid by municipalities, or enough to implement a 1% sales tax dedicated to municipal infrastructure out of the annual increase.

Other funding considerations that we would like to ensure the committee continue to support would be the Ontario Municipal Partnership Fund and the continuation of the Ontario Community Infrastructure Fund, at not less than \$400 million beyond its current five-year term, which is ending in 2026, with no reductions in subsequent provincial budgets, and also that it be indexed to the Ontario Consumer Price Index on a calendar-year basis and disbursed in the first quarter of each fiscal year to municipalities. That would be a guaranteed annual envelope and allocation percentage, by municipality, to enable long-term capital planning and stable cash flow management.

We also really appreciate the \$77 million that the province provided last fall to offset unusually large OPP billing increases and the 11% cap on 2026 increases.

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

Ms. Annette Gilchrist: Okay.

The fiscal challenges municipalities are facing extend beyond the OPP billing model, and we are concerned that year-over-year increasing costs of 26% to 34% requires some review. We do acknowledge that many of these duties for the police are not as originally envisioned and are mission creep or wide policing. We are going to be asking the Solicitor General to conduct a comprehensive review.

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However, in the interim, we would ask the committee to consider preserving short-term stability, while pursuing reform through caps on municipal increases into the single digits, similar to other municipal policing counterparts, such as Ottawa or the Toronto Police Service, which are only reporting increases of between 1.7% and 4.3%. Thank you.

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

We will start the questions with MPP Collard.

M^{me} Lucille Collard: Thank you, Ms. Gilchrist, for your presentation. There was a lot that you unpacked in terms of the financial pressure put on your municipality. I'm just wondering if you could recap your specific ask to the province to take into consideration for the next budget.

Ms. Annette Gilchrist: Yes. The specific ask would be a completely funded HST rebate. Right now, we are not getting 1.76% back for all the 444 municipalities across the province. Also, just a continuation of the OMPF fund, the OCIF fund and a cap on policing to single digits, as opposed to double digits.

M^{me} Lucille Collard: All right. We've heard from other municipalities earlier that the levy that the MPAC is collecting for assessments it's not doing is also a financial pressure. Are you going through the same motion?

Ms. Annette Gilchrist: Our levy that's paid to MPAC is through the upper tier for Renfrew county, so I don't see those dollars, but yes, that is a pretty large number, based on anything that I have seen in the past.

M^{me} Lucille Collard: You mentioned, at the beginning specifically, the added pressure on the municipalities to deal with the opioid and homelessness crisis. I'm from Ottawa, so I totally understand. We need to do so much more on that front, because it's having an impact on our communities, our health care system and everything else—and municipalities, for sure.

But money is not everything in this case. Do you have recommendations for the province to intervene and help municipalities deal with that crisis?

Ms. Annette Gilchrist: Right now, there's an overdose media message that the health unit just put out in Renfrew county, in Renfrew and Arnprior right at the moment, unfortunately. We have a kit here. I think continuing to make those naloxone kits available, continuing to make services available for mental health and addictions is very, very important.

I do understand that that's impacting, as I said, the spread of the cost of policing, where that might not be their

core role. How do we help them? I know we have the Renfrew county VTAC that is working very hard to fulfill some needs in the health sector where, if an OPP officer has taken somebody to the hospital, they don't have to sit with them the whole time. They can call in a paramedic to be able to sit with them.

I just think continued funding for those types of programs, where we can relieve a little bit—that's not the officer's job, to sit there at the hospital for three or four hours. It's very expensive—lots of overtime—but if we can have funding for paramedics, who are at a lower salary and probably have more medical training than the OPP officers, more funding for those types of situations where they're able to assist and sit with them. We have a mental health unit that travels around and someone very specific with the OPP as well. Any funding that the province is able to provide for those types of initiatives would be appreciated.

M^{me} Lucille Collard: I don't know the amplitude of the opioid crisis or the homelessness crisis in your particular community. You talked about that program about having a mobile health care unit. What other types of initiatives do you have to deal with that situation? What's the situation also with your food bank, if you have one?

Ms. Annette Gilchrist: Yes, we do have a food bank, and the numbers in the food bank are very, very scary. They are continuing to increase. So many more people used the food bank in the last year, and so we continue to work with them and try to assist them wherever we can. They actually have space in one of our old fire halls, so it allows them to have space rent-free.

The county of Renfrew has the Mesa program. They have a HART hub in the city of Pembroke, so we're working very hard to have spaces that people can go to, and turn to, and also—

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

Ms. Annette Gilchrist: —that we have the situational leadership table, so coordinating services between medical and policing and family services and all of those types of things. I think they're doing a very good job but we always could use more support if there is support available.

M^{me} Lucille Collard: Yes, and it's much needed, I'm sure.

Ms. Annette Gilchrist: Absolutely.

M^{me} Lucille Collard: Thank you very much for your responses.

Ms. Annette Gilchrist: Thank you.

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

Ms. Bobbi Ann Brady: Thank you, Annette, for your passionate presentation.

As an MPP for a very rural and agricultural area, I grow increasingly worried about how areas like my riding—and also your area—cope with managing development pressures. I'm not convinced that people pay for themselves and that bigger is better, and I feel as though if people did pay for themselves, we wouldn't be hearing from municipalities that have seen accelerated growth. We wouldn't be hearing them articulate the same concerns and struggles that you have articulated today.

So I'm wondering how your township utilizes its official plan and zoning bylaws to actively protect prime agricultural areas.

Ms. Annette Gilchrist: We do have some agricultural areas in Bonnechere Valley, and they are very fiercely protected through the official plan for the county of Renfrew. So there's no severances and there's no building unless it's obviously farm use.

Also, we do always look at add-ons for farm use because we do want to promote agriculture and tourism, forestry and aggregates. All of these things are very important to our local economy here.

So we try to make sure that development is more in settlement areas. We have the village of Eganville, which is our small urban centre. We just had a couple of large apartment buildings go up there in place of an old convent building that had been abandoned, that was torn down, so that housing is there. We worked very closely with that developer to make sure that we had everything that we needed. We don't have an engineer on staff, because we're small, so we have to contract out for that. Basically, what we did was a peer review and that developer was able to pay for that.

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

Ms. Annette Gilchrist: And actually, the additional people on our water and sewer allowed us to have an increase of only 3% this year because it added 7% to our user fees for water and sewer, so that actually really helped for that service.

Ms. Bobbi Ann Brady: I've been to Eganville, it's a beautiful area, on my way from Grumblin' Granny's in Barry's Bay.

Thank you for your answer, and I'll just leave one last comment that I fear that we see these increased needs for addictions, mental health and homelessness because we continue to move people around and they're growing in areas where we're not accustomed to growing that quickly. But I appreciate your response on protecting farmland, and thanks for coming today.

Ms. Annette Gilchrist: Thank you.

The Chair (Hon. Ernie Hardeman): MPP Sarrazin.

Mr. Stéphane Sarrazin: Thank you, Annette, for the presentation. I have to say, I was a mayor myself, and one thing I noticed is that municipalities in the past didn't increase taxes. I don't know if it was the same story in your area. It seems to be, if we're looking at a 20-year trend, they would raise taxes by almost 1%. I guess, at the end of the day, we got caught in this because everything—we should have at least increased it by the cost of living over the years. I don't know if you agree with that.

I think, if I'm not mistaken, in 2022, you raised tax by 0.39%, is that—

Ms. Annette Gilchrist: No.

Mr. Stéphane Sarrazin: No?

Ms. Annette Gilchrist: No, we were much higher than that.

Mr. Stéphane Sarrazin: Okay. But one thing I want to say, though, I know what we've been hearing lately is that municipalities are really having problems with funding.

Everything costs more, the services, all of these engineering firms, all these service providers. What I've noticed—I don't know; I can compare it to my area—but I've never seen so much money flowing from the provincial government. We doubled the OMPF, or almost doubled it. In my region, we had the water, sewer, road infrastructure grants. Some of the municipalities, they got \$30 million, a lot of money.

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I'm just wondering: I can't say, because I haven't been in politics for 30 years, but it seems like in the last six, seven years with this government, we've been financing, funding a lot of projects in my riding. We're adding an arena. We just received \$10 million. I don't know. It would be fun to give out more money. I think the government is really doing well with municipalities, but we don't get the credit for it. I don't know if you can comment to this.

Ms. Annette Gilchrist: What I would say is, yes, we do appreciate the increasing of the OMPF, the increasing of the OCIF and the funds that are coming, but I think it's a bit of both ways. I think you're right. I think you have to look at the economy, because right now, we have a couple of businesses that are closing. We have a major bank that's leaving us. We have to kind of wait it out. We don't want all the jobs to go. We don't want people to lose their homes, so we have to gauge that, but I agree with you.

CPI plus 1% for capital reserves is the policy that we follow here and that we like to stick to, but we're conscious of the challenges that people are having, that they need to go to the food bank. So we want to make sure that we keep things affordable. Usually, we try to stay about 4% or 5% to continue on, but, yes, there were times in the past where maybe things were not going up 2% for a lot of local municipalities.

But I would say the same thing for the province. The OMPF fund wasn't being indexed. The infrastructure funding wasn't being indexed. That fund, even though it's been doubled now, probably really just followed a trend and hasn't been indexed to the full degree that it could. It was cut significantly, so it's probably not even that. I don't know if it's back to where it was when you go back to 2008.

If we're working with the same amount of dollars we had in 2008, it's great that we just doubled it, but if it's the same dollars from then, that's not really a great system for us. We talked about farmland earlier. We can only tax them at 25%. The province used to kick in the 75%; they don't anymore. Policing, as I said, has gone 35% in some cases. How do you keep up with those types of things? Our 4% or 5% is not going to cut that.

Of course, the province is in the same boat. It's all aging at the same time, all of this infrastructure, this great growth that the province of Ontario had. Now we have to maintain it all and, yes, that's just going to cost. I think that, yes, we need to get on a track with the province and with municipalities where we are looking at the consumer price index. Yes, I certainly agree with that.

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

Mr. Stéphane Sarrazin: Just if I can add, every time we announce some funding, like a billion dollars of funding for the water and sewer infrastructure in my riding—I've got maybe nine municipalities, and I think within the last four years, we got over \$150 million. I'm thinking I've never seen that kind of money flowing in my riding. I don't know. I'm just thinking—

Interjection.

Mr. Stéphane Sarrazin: No.

You must have must have some good grants with these projects, water infrastructure, water safety and even the one for recreation buildings. Did you manage to get some of this funding?

Ms. Annette Gilchrist: We received some funding—nothing in the amounts that you are speaking about, even in the entire Renfrew county, but yes.

No, absolutely. We apply for everything that we can. We get some approvals. We get some denials. Sometimes—

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

We'll now go to MPP Bell.

Ms. Jessica Bell: Thank you so much for coming and speaking today. As you were talking, I was so impressed by the figures, the details and the specificity you had on the numbers. I thought to myself, "Could this be a CAO?" Then I looked at your title and I realized, yes, you are a chief administrative officer. Thank you for holding our attention this afternoon. I have some very specific questions about your presentation.

You mentioned the request to fully recover the amount you pay on HST. You mentioned it was about 1.6%, I believe. How much would it actually save if you were able to recover that money? And if you had that money, what would you spend it on as a municipality?

Ms. Annette Gilchrist: It depends on how much we're investing, right? As was talked about earlier, if we've received some funding approvals and we are investing \$5 million, obviously our HST on that increases. But just in 2022 alone, the amount of money that we invested would've brought us—if we would have got the full HST back—about \$60,000, which is over 1.5% on our tax levy. Looking at that across the province, everyone is probably in the same boat. I'm sure the bigger areas would have spent more on HST, so their portion would be more, of course, than ours.

But I think that, yes, \$60,000 probably doesn't sound like a lot for certain people, but for us, if we don't have to put that out on our infrastructure projects, we can put that back—we can extend the project; maybe we can do another half kilometre of road, or we can add a little bit more pipe, or do some more catch basins or whatever it is we can do, whether it's recreational for the arena. Really, that's where I see the money going. We're paying it to the province; the province is rebating a portion. It would be really nice if we could get the entire amount rebated, especially knowing that HST income has gone up substantially because of inflation.

And the ability to pay, right? It really does spread it across. If I'm going to buy a \$50 pair of shoes and you're

going to buy a \$5,000 pair of shoes, you're going to pay more into that HST. When you're talking about who should pay for things, I think that's a good way to get the funding.

Ms. Jessica Bell: I can imagine your property tax base residents would also be pretty appreciative of any kind of savings that the province can give your municipality as well. Things are very expensive. Property taxes are going up and up, at least in my riding. I get a lot of concerns about that.

My other question, and this is also very specific: Can you just explain a little bit more about what the OCIF fund is for? What do you spend it on?

Ms. Annette Gilchrist: Usually, we spend it on roads, but in 2026, we're going to spend some of it on water and sewer. It's basically spent on our infrastructure, and the infrastructure that we're actually doing this on is 50 years old. It's awful. It took us some time to get the project together and make everything happen and get some additional funding to go with the OCIF.

But, yes, most of the projects that we're doing are projects that are really—this is old infrastructure. We're still working off trying to meet our asset management plan needs from 2013—it's 2026. Like I said, I'm sure the province is in the same boat. Everything is aging, and we're doing our best to invest whatever we're given.

Ms. Jessica Bell: I wonder if this is an issue in your area. In some areas across Ontario, the lack of high-quality infrastructure—water and sewage—is putting upper-tier and lower-tier municipalities in a situation where they can't approve new housing starts because they do not have the resources to connect these new homes, these subdiv-

isions, to the grid, essentially, and to the services that already exist. Is that a situation that you're also experiencing in your area?

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

Ms. Annette Gilchrist: We are very close to capacity. As I said, we just had two large apartment buildings—30 units each—get built, so that's helped immensely. But yes, we are just about at capacity. We're getting to a point where, if we get more interest, we're going to have to upgrade the plant, and that is expensive. That's not just pipes in the ground.

Ms. Jessica Bell: Yes. In order for us to grow as a province, it's very important that we're building the infrastructure as we're trying to increase housing starts at the same time. Thank you for identifying some of that tension that you face on a local level.

These are all of my questions. Thank you so much for your time today.

Ms. Annette Gilchrist: Thank you.

The Chair (Hon. Ernie Hardeman): Thank you very much. That does conclude the time for this time slot. We thank you very much for making the presentation, and good luck with getting all those jobs done. We really appreciate all the help you have given us in our discussions.

That also concludes the events of the day. This concludes the public hearings for today. Thank you for your participation.

This committee now stands adjourned until 10 a.m. on Tuesday, January 20, 2026, when we will resume public hearings in Kitchener, Ontario.

The committee adjourned at 1630.

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