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Standing Committee on Finance and Economic Affairs

Estimates

Ministry of Labour, Immigration, Training
and Skills Development

Treasury Board Secretariat

Ministry of Economic Development, Job Creation
and Trade

1st Session
44th Parliament

Monday 28 September 2026

Comité permanent des finances et des affaires économiques

Budget des dépenses

Ministère du Travail, de l'Immigration,
de la Formation et du Développement
des compétences

Secrétariat du Conseil du Trésor

Ministère du Développement économique,
de la Création d'emplois et du Commerce

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Lundi 28 septembre 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

Monday 28 September 2026

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Lundi 28 septembre 2026

The committee met at 1001 in room 151.

ESTIMATES

MINISTRY OF LABOUR, IMMIGRATION,
TRAINING AND SKILLS DEVELOPMENT

The Chair (Hon. Ernie Hardeman): Good morning, everyone. I call this meeting of the Standing Committee on Finance and Economic Affairs to order. We're meeting to consider the 2026-27 estimates of the Ministry of Labour, Immigration, Training and Skills Development for a total of two hours.

We are joined by staff from Hansard, broadcast and recording, and legislative research. From the ministry, we are joined by the Honourable Trevor Jones, Minister of Labour, Immigration, Training and Skills Development, ministry officials and staff.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has arranged to have the hearings closely monitored with respect to questions raised so that the ministry can respond accordingly. If you wish, you may verify the questions and issues being tracked by the research officer at the end of your appearance.

Are there any questions from the members before we begin?

I'm now required to call vote 1601, which sets the review process in motion. We will begin with a statement from the minister for up to 20 minutes.

Minister, the floor is yours.

Hon. Trevor Jones: Good morning, Chair. Good morning, members of the Standing Committee on Finance and Economic Affairs. I'm so pleased to be here with you today to discuss the 2026-27 expenditure estimates for the Ministry of Labour, Immigration, Training and Skills Development.

I'd also like to thank Premier Ford for his trust and confidence in me to trust me with this important portfolio just earlier this month, as you know. I'd also like to offer my sincere thanks to Minister Piccini, to Deputy Minister Lebi and his team and all of our team members at the ministry for their support as I take on the very meaningful work at a very critical time for the Ministry of Labour, Immigration, Training and Skills Development.

Ontario is facing a period of major economic uncertainty. Ongoing trade disruption and US tariffs are putting

pressure on our workers, our businesses and key industries. Meanwhile, employers are looking for more skilled people to build homes and critical infrastructure, to strengthen our manufacturing and energy sectors and to keep Ontario's economy moving.

Our government's focus is clear: Protect Ontario—protect our workers, the jobs and paycheques that all their families depend on. Our workforce advantage has made Ontario one of the best places to work in, invest in and build. Every day, the ministry helps build people to gain the skills and find jobs, to stay safe at work, to build successful lives at home here in Ontario.

Responding to today's uncertainty is about more than managing the immediate challenge. It means making Ontario more competitive, self-reliant and better prepared for whatever comes next. That starts with investing in opportunities.

Each day, our ministry helps workers train for new opportunities; find good-paying, in-demand jobs on safe work sites; and build successful careers in Ontario. We're helping young people and job seekers enter the skilled trades and supporting experienced workers in upgrading their skills, adapting to changing workforce needs and advancing their careers. This is about developing the talent we need to build Ontario's future and helping employers develop and attract the skilled talent they need to grow, invest and create jobs. Ontario's ability to build, compete and grow depends on having a strong workforce to get the job done.

When workers have the skills employers need, businesses can respond to changing conditions, major projects can move forward without delay and more people can find good-paying, rewarding jobs. That's how we build a stronger, more resilient economy, and that's how we build our future. Today, I'll highlight some of the ways our ministry is putting that plan into action.

Chair, Ontario's workers are one of our greatest competitive advantages—we've all said that, regardless of political stripe. We've all said that our workers are our competitive advantage. As jurisdictions around the world compete for skilled talent, we need to make sure Ontario has the people required to build, grow and compete. That means helping people develop new skills, connecting workers with good jobs and making it easier for employers to find the talent they need. Employment Ontario is at the centre of that work and represents the largest area of investment within my ministry.

In 2025-26, Employment Ontario supported more than 237,000 clients through integrated employment services,

including more than 82,700 youth clients. Through Get SET—skills, education and training—over 45,000 adult learners strengthened foundational skills like communication, numeracy and digital literacy. These programs help people build the skills they need to find work and move forward with their careers, while connecting employers with workers and communities across all of beautiful Ontario. When workers are suddenly displaced, we're making sure those supports are there when and where they need them most—pardon the acronyms, Chair.

Through protect Ontario workers employment response centres, which I'll refer to as POWER centres, as we all know—POWER centres are bringing employment services power to retraining opportunities and community supports, directly to workers impacted by tariffs or any form of economic disruption. As of August 31 of this year, 11 POWER centres were operating across Ontario and supporting more than 26,000 workers.

We're also working with the federal government on the Canada-Ontario workforce tariff response. Through a \$228-million federal investment over three years, this initiative will help train 27,000 workers—to retrain, upgrade their skills and respond to any disruptions caused by tariffs in these global changing conditions, which are changing daily. At a time of economic uncertainty, we all want workers to know that if their job or industry is disrupted, there's a path forward.

Developing Ontario's workforce is only part of the equation. We also need to make it easier for skilled Canadians to put their training experience to work right here at home. In January of this year, Ontario's historic as-of-right labour mobility measures act came into effect. For eligible regulated occupations, certified workers from other provinces and territories can begin working in Ontario within 10 business days, after completing a required process, while they pursue their full Ontario certification. The framework applies to professions covered by more than 50 regulatory authorities and approximately 300 certifications. That means workers spending less time waiting on the sidelines and employers having faster access to the skilled workers they need now. At a time when businesses are facing labour pressures and uncertainty beyond our borders, removing barriers at home and within Canada is just common sense.

1010

Nowhere is the need for skilled workers more apparent than our skilled trades. Ontario is building homes, highways, hospitals, schools, transit, energy projects and other critical infrastructure at unprecedented scale, and we need enough skilled workers to build them. In 2025-26, almost 16,000 people registered as apprentices, nearly 11,000 completed their apprenticeship training and over 14,000 received financial support while attending in-class training. Those workers are building the skills we rely on for years to come, and we're supporting them every step of the way.

Through the Ontario Youth Apprenticeship Program, OYAP, one of my favourite programs, students in high

school can begin exploring and training for careers in the trades while they're still in high school.

Through the Pre-apprenticeship Training Program, we've invested \$47.6 million in 106 projects across Ontario, helping kids get hands-on experience to prepare them to be registered apprentices. Of those projects, 87 were selected to target historically under-represented groups and expect to serve more than 2,300 participants.

Through the Apprenticeship Capital Grant, we've invested \$10.1 million across 29 projects to help colleges, unions and other training centres and providers purchase modern equipment to expand their training capacity.

Through the achievement incentive, we've invested \$32.8 million to help employers take on and train apprentices by rewarding their progress with milestone payments. That means, as they're working and learning, they get paid along the way to build that career as young people. In 2024-25, more than 20,000 apprentices reached milestones, resulting in 26,000 payments to their sponsors.

We're also introducing thousands of young people to opportunities like Level Up! skilled trades career fairs, where students can try the tools of the trade hands-on, meet with workers and employers and learn where apprenticeship can lead them. Last year, we welcomed over 56,000 participants to our career fairs, and we expect more than 60,000 this year.

Together, these programs are helping more people see a future for themselves in the skilled trades and giving them a practical pathway to get there. I've spoken to many of these young people, like I'm sure my colleagues have, at the competitions, at career fairs. To see that twinkle in their eyes when they see this is meaningful long-term work—a horizon where they can build a family and build a future.

Building Ontario's workforce goes beyond apprenticeship, though. We're investing across our workforce to help people train, retain and move into opportunities where their skills are needed most. A major part of that work is the Skills Development Fund. Since its launch, the Skills Development Fund has invested more than \$1.7 billion to expand access to training and build the capacity we need to meet the rising demand for skilled workers across sectors.

For the training stream, more than 1,000 projects have aimed to help over 700,000 participants prepare for in-demand careers. All 48 capital stream projects expanded to support nearly 200,000 trainees over five years by expanding and upgrading training facilities themselves. Of course, these investments mean more training spaces, modern equipment and opportunities for workers to build the skills employers need now.

For round 6, we took the opportunity to strengthen the training stream with enhanced oversight, monitoring and, most importantly, outcome tracking. As of September of this year, 165 new round 6 training projects have been rolled out across Ontario.

We're also helping people retrain where and when they need to, to make a career change, and that can happen anywhere, at any time. Through Better Jobs Ontario, we invested nearly \$87 million in 2025-26 to help

unemployed workers access training for in-demand jobs. More than 4,200 people started training through the program last year alone. For someone who has lost a job or is looking to change careers or upskill, that support can help turn disruption into opportunity and stability.

Through Skills Advance Ontario, SAO, we're working directly with employers and training providers to build skills around the needs of specific sectors and workplaces—we know what they are. As of August of this year, 14 SAO projects were supporting nearly 2,000 workers from tariff-impacted industries. Taken together, these programs give us different tools to respond to a variety of workload challenges, and they're in all our communities—we know what they are. When we say, "Protect Ontario," we're protecting all of Ontario, everywhere in Ontario.

When someone's entering the workforce, changing careers, or responding to a layoff or upgrading their skills, we want to help them have a clear pathway to the opportunities being created across Ontario—again, long-term certainty, stability. We want employers in sectors like construction, health care, manufacturing, mining and energy to know they have the skilled people they need to grow their businesses.

Helping someone build a career also means ensuring they return home safely at the end of every day. Everyone in this committee and our colleagues know my background: It's all about getting home safely at the end of the day, and nothing is more important than the safety of our workers. Ontario continues to maintain one of the strongest workplace health and safety systems in Canada, supported by robust enforcement, prevention and education.

Last year, the ministry's occupational health and safety inspectors conducted more than 79,000 field activities at over 34,000 workplaces across the province. It's important; I've heard from both inspectors and employers and workers that they're welcome when they come in—when, maybe, that blue hard hat or whatever colour code they're using now—they're welcomed as a business partner by the employer, by the workers, by the union and by everyone involved.

That work resulted in more than 102,000 enforcement actions under Ontario's workplace health and safety legislation. These inspections identify hazards, they hold workplaces accountable and they make sure employers and workers both understand their responsibilities.

Enforcement is only one part of keeping people safe. We also need, most importantly, to prevent injuries and occupational illnesses before they happen. This means giving workers and employers better tools to identify hazards, understand risks and act earlier. Over the past year, we launched the first phase of Ontario's Occupational Exposure Registry, including a self-tracker that allows workers to record exposures to hazardous substances through every stage of their career. We expanded the silica control tool to help more workplaces identify and reduce exposure to respirable crystalline silica which can cause, as we know, serious illnesses.

We continue working with provinces and territories to harmonize health and safety training across the country—

and early in my apprenticeship here as our Minister of Labour, I've talked to some of our leaders in our provinces, and they've embraced this with open arms.

In July, we updated the joint health and safety committee certification standards that came into effect, making training more accessible, streamlining certification and strengthening leadership in workplace health and safety, violence and harassment—all critical components to a safe workplace. These initiatives are backed by more than \$100 million annually through the occupational health and safety prevention system, including funding for health and safety associations and research organizations that provide the training, expertise and support workplaces need across the province.

As we develop Ontario's next five-year occupational health and safety strategy, we completed 57 engagement sessions with over 700 individuals, along with written submissions from OHS system partners, other ministries and organizations outside of the traditional prevention system. We truly need to hear voices from everywhere. This critical input will shape the next phase of our work to prevent workplace injuries, illnesses and fatalities and help us respond to emerging new risks impacting our workers.

Protecting workers also means making sure people are treated fairly, they're paid what they are owed and they know their rates on the job. Through our employment standards system and our Employment Standards Program, we help workers understand and exercise their rights while supporting businesses in meeting their obligations. Last year, ministry officers closed more than 14,000 employment standards claims. That work helps workers recover what they're entitled to in a timely manner and ensures that businesses who follow the rules are not ever put at a disadvantage by those who do not.

1020

Over the last several years, Ontario strengthened workplace protections by expanding job-protected leaves, strengthened protections against exploitation and job-posting fraud and improved supports for workers impacted by layoffs. These changes provide greater certainty for workers navigating illness, job loss or a career transition, while supporting fair workplaces and responsible employers. This is something we can all celebrate.

Protecting our collective future, though, also means making sure Ontario can attract and retain the skilled people we need. The Ontario Immigrant Nominee Program is an important part of that work. Through the OINP, Ontario nominates skilled workers for permanent residence based on the needs of our economy and the needs of our labour market.

After the federal government reduced Ontario's allocation to just under 11,000 nominations in 2025, the province received 14,119 nominations in 2026. That gives Ontario greater capacity to attract and retain workers with the skills that employers need to support our key industries and communities. We talk to our communities; we know our ridings. We talk to employers, we talk to workers and we know the in-demand skills need to be built here but also need to be attracted from parts around the world.

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

Hon. Trevor Jones: And this is something we can all celebrate, how to move forward, because I can truly talk to you and our colleagues about this all day. Supporting labour stability is on our minds, and protecting Ontario's economic future is all our collective goal.

I want to thank all our ministry's employees, our agencies, our service providers and partners for their dedication and hard work on behalf of workers, employers and communities across beautiful Ontario.

Of course, I would like to thank my colleague Minister Piccini for leading that impactful work over the past three years. I look forward to continuing his work and our collective work as we make sure Ontario remains the best place in North America and the world to work, build, invest, grow and raise our families.

Thank you, colleagues. I look forward to good discussions and your questions.

The Chair (Hon. Ernie Hardeman): Thank you very much for the presentation. I'm sure the rest of it will come through with some of the questions.

We now will begin our question-and-answer segment and the remainder of the allotted time in the rotations: 15 minutes for the official opposition members, 15 minutes for the third party member, five minutes for the independent member and 15 minutes for the government members.

As always, your comments must be made through the Chair.

For ministry officials and staff, please state your name and title when you are called on to speak so that the proceedings can be accurately recorded in Hansard.

We will start with official opposition. MPP West.

MPP Jamie West: Thank you very much, Chair.

Thank you, Minister. Congratulations on the new file and congratulations on your son's wedding—on both of them.

Hon. Trevor Jones: Thank you.

MPP Jamie West: Also, in the spirit of congratulations, I see that MPP Susan Lahey is here, so congratulations on your election, MPP Lahey. For a minute, I thought that I forgot one of my colleagues and didn't recognize them because of the long break we had.

So, let's just rip off the Band-Aid: Let's start with SDF. For context, everyone here knows, but just if someone has not been following, on context, the Auditor General had a report that came out about the SDF funding that happened in the past. They concluded that the process was not fair, transparent and accountable. They said that poorly rated applications for SDF funding had still been approved because the minister's office got involved and that this happened more than half the time.

They found that \$742 million went to the minister's hand-picked applications, which was more than the entire amount of the federal transfer amounts—or just about the same amount; some \$126 million was traced to lobbyists connected to the Conservative government; over \$100 million went to clients of lobbyists who managed the Premier's campaign; millions went to companies that were connected to Ford's family dentist; and \$10 million went to train workers at an adult entertainment club. So how

much last year, how much this year is estimated to be spent on SDF?

Hon. Trevor Jones: Thank you for the question. The last component, MPP West, I didn't catch.

MPP Jamie West: The \$10 million to the adult workers? That's probably not the part you wanted.

There are a lot of scandals related to the SDF. I believe what's going on is that public confidence has been shaken on this fund and that agencies and workplaces that require it, because of the things that were highlighted that were not appreciated by the public by the Auditor General, could create a situation where the public has a backlash for SDF and we're not actually going to be able to allocate funding to where it needs to go. I'm wondering how much was spent last year for SDF and how much you're estimating to spend this year.

Hon. Trevor Jones: Thank you for the question, through you, Chair: The Skills Development Fund—this is a living process. It's meant to be innovative. It's meant to embrace change. The Skills Development Fund is meant to pivot at a time of need because we have no idea what to anticipate for the economic future. Who would have thought that our closest trading ally—

MPP Jamie West: Sorry, Chair. I don't want to be rude, but I only have a little bit of time and you're not replying to the question. I'm just wondering, how much are we expected to spend in the upcoming year.

Hon. Trevor Jones: Connecting people to real skills and real jobs is our priority. As far as specific numbers, we're building that process right now. I'll introduce my deputy minister, Jonathan Lebi, to provide a few technical aspects to the actual how we're building out that fund to respond to real and present dangerous threats.

Mr. Jonathan Lebi: Good morning, everyone. Jonathan Lebi, deputy minister for the ministry.

Thank you for the question. I'm happy in subsequent questions to talk about the improvements being made. You asked about the funding for this year. Round 6 was just launched in July and it will take us through this year. We have approved funding of around \$264 million for that.

MPP Jamie West: Okay, and then a quick follow-up question to either of you: How do you track the return on investment on this funding? Was it \$206 million you said was going out? Sorry, I forgot to write it down.

These are taxpayer dollars at the end of the day, so how do we track that return on investment? How do we assure taxpayers who are skeptical, because of what came out of the Auditor General's report, that the money is going to the right places? What is the return on investment and how do we keep track of it?

Hon. Trevor Jones: I can answer that. As I said, this is a living fund. It's meant to adapt and change and improve and be more rigorous and be better. We've taken the AG's comments seriously and we're working hard. Round 6 will require applicants to disclose registered lobbyists or consultants they use, and it will also have a time feature, a report back for three, six and 12 months for KPIs to measure that return, to make sure we're connecting people through those training opportunities to actual in-demand

jobs. Key performance indicators tracked, reports back, ongoing conversations like it should be in a—transparent, fair and living process that improves year-round.

MPP Jamie West: Thank you. I appreciate that. I think that's a good step forward.

I think it leads into what I was going to talk about and why I was bringing this up. I've had the labour file for a while. I'll go back to 2024 during estimates. I talked about Scale Hospitality back then and, at the time, it was reported that they had received \$5,397,501. This was one of the organizations that the minister's office got involved with that the Auditor General had already reported on that didn't seem fair and transparent. And so, I asked during that time if the minister or the ministry could respond in writing.

It's quoted here: "If you could follow up ... in writing to find out how many people were helped through this. Did they hit their target with the 2,500 job seekers? Were they able to build the training institute?" They had promised to build a training institute to train 2,500 job seekers. For context, this was about training people after COVID back into hospitality, which I think was important. I was asking what did Ontario taxpayers get for this investment? I'm quoting again, "I just want to know, in this specific instance, what was the return on investment for Ontario's taxpayers?"

1030

The 2025 estimates, again, I asked the minister. It's been more than one year. Last year, I had heard that the funding was over \$5 million. Now, my new understanding is that Scale Hospitality has received \$17 million to date. So I asked again, what was the return on investment? What did Ontario's taxpayers get for their \$17-million investment? How many people were trained through this? Did Scale hit their target with the 2,500 job seekers? Were they able to build the training institute?

So my question, Minister: Scale Hospitality received \$17 million. What was the return on investment for the Ontario taxpayers that paid into this? Times are tough right now. What did they get for their \$17 million? How many people were trained? Did Scale hit their target with 2,500 job seekers? Were they able to build the training institute? Could we all go visit the training institute and touch the walls and stuff? Because \$17 million—if someone gave me that, no strings attached, I'd retire and walk away forever. And that would probably save you in the future, for estimates.

But the reality is, we need—it's nice to hear the KPIs, but I'm looking at three years with one organization that got \$17 million where no one is able to provide any information to me. Can you provide this to me?

Hon. Trevor Jones: Thank you, MPP West, and through you, Chair: Through the first five rounds, 120,000 participants participated and found employment within 60 days—120,000 employed within 60 days; 700,000 people trained across those five rounds. Expected trainees over five years, through 48 capital streams—there's 190,000. In round 6—as I said, just announced; I rolled it out on August 31—164 new training streams that just rolled out. That's nearly 100,000 workers in round 6 projects aimed to help gain skills for in-demand careers. That's the project parameters.

To dive into specifics, over the course of the history of several rounds, I can let our deputy minister assign a few numbers to the actual specifics for the one component you're talking about.

Mr. Jonathan Lebi: I'd actually like to call a friend and call up the ADM responsible, if that's okay, with respect to the SDF.

Ms. Didem Proulx: Good morning. My name is Didem Proulx, and I'm the ADM of the employment and training division at the Ministry of Labour, Immigration, Training and Skills Development. Thank you for the question.

Given the number of projects that have been funded through the SDF over the years, over six rounds, there have been thousands of applications and over 1,000 projects funded. I don't have the KPIs associated with each of those initiatives here with me, but we are happy to take that question back.

MPP Jamie West: In the past, though, two years in a row, I have asked for this data. I was under the assumption, when people would reply, similar to how you replied—nothing personal against you, Didem—that I would be provided that information. It hasn't been provided. And this is the third year in a row asking about this \$17 million to a company, asking did they build a building? Did they employ the people they said they were going to employ? Those are, I feel, basic KPIs to give someone \$17 million.

When I asked this in a room full of ministry staff and the minister, no one seems to even be aware. I don't know if they're aware of who Scale Hospitality is, but it doesn't fill me with encouragement that this program is going to be well-funded in the future.

My concern—really, there's two, and one is the funding should be used appropriately. I think that's the concern that most taxpayers have. The second one is, the areas that require this funding—and perhaps Scale is one of them, but we're trying to get people into the skilled trades, and we're trying to build training centres. There will be a backlash against SDF where you just won't be able to do it. It'll be unpalatable to the public.

So for the \$17 million over three years, can I get in writing a commitment that this information will be provided to us so we can assure the public that their money wasn't wasted, that a training centre was built, that the people were hired, that those basic KPIs were met? Is that something that can happen?

Hon. Trevor Jones: Through you, Chair: MPP West, we will take that back. We will take that seriously. That's a fair question. We'll take that back and work hard on that, and furnish whatever we can to break those down into granular sections to make sure there's a good return on investment.

MPP Jamie West: Can I ask the Clerk to formally send a letter or do something so that it moves forward? Is that something I'm allowed to do? Because it's the third year of asking for this.

Mr. James Beange: We're tracking those as an outstanding question, and there will be a memo that is drafted after this that I'll share with the Clerk, that will then go to the ministry.

MPP Jamie West: How much time, Chair?

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

MPP Jamie West: Good.

With the stats that you have and the employment you have—and the numbers are impressive; I'm happy to hear that. Do you track employment after six months on these—do people get a job, do they continue to have their job? This is on the theme of return on investment.

Hon. Trevor Jones: Chair, through you: Yes, we certainly do. Again, in round 6, it builds that right into the formula. That's that new rubric, that new template. It builds in three-, six- and 12-month checks: What are the outcomes? Where are the applicants now? How did their training go? Did that provide fruitful, meaningful employment? That's what we're going to be doing, and that's going to be publicly disclosed.

MPP Jamie West: Taking a slightly different tack, just based on the time that we have, I want to talk about occupational disease. This ties into—tomorrow, we'll have mining and energy estimates as well; they're overlapping. There's a real concern underground with occupational disease when it comes to—you mentioned silica. You mentioned protecting workers and how important that was. There's a real concern when it comes to diesel particulate matter, silica and other carcinogens. I know a lot of what you talked about was the ability to record this already, but in the mining industry there's more than 30 years of data on this. In the budget and going forward, is there a pool of money, an estimate put forward, to look at this and to make a decision based on how to ensure that these workers aren't dying from occupational diseases at the end of their careers?

Just for context, the reason I'm asking this is because I live in a mining town—lots of mining, generational mining. My grandfather, my dad and my great-grandfather were miners. I worked at a smelter. You're getting to a point where people who love mining, who work in mining, are concerned about occupational disease and telling their kids, "Don't go into this field." I love it. My son worked in it for a while and chose a different path after a while; I'm happy he did.

I want to ensure that people who work in these good-paying jobs also are able to enjoy a quality retirement. Is there money set aside to really look at this and move forward on improving workplace conditions in underground mines?

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

Hon. Trevor Jones: Through you, Chair: The Occupational Exposure Registry is a priority. Like we just said, enforcement is one component, but prevention is the other, like you said. The self-tracker was launched in February of this year. It's voluntary, but most importantly, it's confidential.

To get to your question, though, to talk about the funding behind that rigorous system, I can pass to the DM.

Mr. Jonathan Lebi: Firstly, WSIB funds claims, as you know, but we also have a \$100-million budget that funds and supports health and safety across the board, including working with Workplace Safety North and

others on research to address enforcement and support and ongoing operations. We have a prevention strategy we're finalizing that's prioritizing mining and other diseases, as well, to focus. So we do have a budget allocation working directly with partners, as well, in the health space.

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

Mr. John Fraser: Thank you very much, Minister, for being here. Congratulations.

And congratulations to Susan Lahey on her election.

I'd like to thank the deputy and everybody who's here with the ministry. I'd like to thank you for all your work in the ministry. Things have been difficult.

I'm not going to start off with skills development; my colleague has done that. It's like you've been given a gift to embrace, but when it comes to the Skills Development Fund, it's more like a cactus and you don't want to hug it too tight. I do think we have to talk a little bit about history. I'll do that later on. My colleague has mentioned those things. We'll get back to it.

The thing I really want to understand is, given the circumstances that we're in right now with stubbornly high unemployment and stubbornly high long-term unemployment and really bad youth rates, in the last—when we look at the ministry's operating expenses here, you're \$119 million below the estimates of last year, but when you look at public accounts from last year, you spent roughly \$450 million less than budgeted. So when we take a look at just the estimates, Employment Ontario drops by \$117.9 million, or about 6.3%.

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Given that, in 2026, our labour force dropped by about 71,000 people—including 31,000 in manufacturing—and that youth unemployment is 6.2%, how is it that the ministry left \$450 million on the table? With these estimates saying you're going to spend about \$117.9 million less in the Employment Ontario budget, how can we be assured, how can we have any kind of confidence that you're going to be able to—you said you served 82,000 young people last year. How many didn't we serve? How many do we plan to serve next year? Because the investment's going backwards; it's not going forwards.

Hon. Trevor Jones: Thank you. Through you, Chair, I just had this image of a cactus.

Mr. John Fraser: It's a cactus.

Hon. Trevor Jones: I'm comfortable being uncomfortable. I spent my whole career in public safety, looking to prevent, looking to safeguard.

I wish it wasn't true, but it is true: A government can't control employment outcomes directly, but we can employ the supports there when and where they need them, at the time and place they need them. We can't control how a private sector business decides on what to do and how the workforce changes, but we can quickly respond to workers when and where they need us by having rigorous, robust programs that are really designed to upskill, retrain, re-skill, where and when they need them.

A worker who receives a layoff notice shouldn't have to navigate a bureaucratic red tape system to get supports they need to support themselves or their families. So our

response is always going to be immediate transition supports where and when they need them, retraining pathways into sectors that are hiring.

Now to delve into some numbers—and I know you had some numbers involved there—I will defer to my deputy minister to dive into those numbers for you.

Mr. Jonathan Lebi: Firstly, it's a pleasure to see you, MPP. We spent some quality time in the fall talking about the SDF, which I'm sure we'll get back to.

MPP, from the ministry's perspective, we didn't under-spend; we made adjustments for the timing. One of the most prominent adjustments was with respect to delaying the next round of the SDF, which itself represented \$265 million, to allow us the time to really read, review, absorb and make changes in response to the Auditor General's report, which were, as we talked about in the fall, remarkably important to us, and we've made significant adjustments. So that's a key component of the reason why it looks different, and I'm happy to go through the numbers for the rest.

I think, though, your earlier point with respect to youth and how we are supporting youth is really the fundamental piece to focus on as well. I'd be happy to go through the numbers where we're prioritizing, because I think that is—you talked about unemployment and long-term unemployment in the youth—a critical issue that we've identified as well as something that needs to be dealt with now and actually from a transformed perspective.

We have supported youth through a number of streams, not just the SDF. Through our employment services, we supported 82,700 youth last year. And that's through integrated employment services, which itself has a remarkably high success rate. To MPP West's point around tracking, almost 75% of those get employment through that process. We do support youth through the Level Up! fairs and SDF.

I don't want to use your time up. I'm just saying I'm happy to answer it.

Mr. John Fraser: I asked the question, so.

Mr. Jonathan Lebi: So we spent, through our Achievement Incentive Program for apprenticeships, \$32.8 million largely looking at youth through Get SET—skills and literacy. We prioritized 17,200 youth last year to try to upgrade them through skills upgrades through Better Jobs Ontario and the like—and OYAP as well, as the minister talked about as well, fundamentally, to get youth into the apprenticeship space: over 28,000 youth last year.

It's our perspective that we have to be able to do multiple things at the same time. One is look at the employment changes, but one is really to start to address and support youth across a variety of ways, including introducing them to skills earlier, to apprenticeships earlier and to try to get them paired.

Mr. John Fraser: We know how many youth you served in the last year. You're projecting to spend less money.

Mr. Jonathan Lebi: We respond to demand out there. So we have programs—

Mr. John Fraser: The demand is 16.2%.

Mr. Jonathan Lebi: For sure, the demand for youth. I'd say youth is—I'd actually really be happy to get into it because the problems for youth are multifold.

Some of them are around, how do we try and connect youth that need experiences and supports into jobs? Some of it is around what are called NEET youth—those that are not in employment, education and training, that are disconnected.

So we see 16.2% there as a youth number, but it doesn't fully represent youth that are interested in jobs. Some of it is youth that we're trying to get back into training because they aren't interested. So we're trying to actually take a nuanced approach to how we support youth.

Our programs, Employment Ontario and integrated employment services, are largely demand-driven. If the youth approach, if we can recruit them and entice them, we have the dollars there. But we need to try to get them through the door, and that's not always possible.

Mr. John Fraser: Does somebody want to talk a little bit more about how—I'm trying to square this, right? And I appreciate what you're saying, but we're looking to invest less. There's a reduction. You are reducing in this budget, and you spent—is that correct? That's my reading.

Mr. Jonathan Lebi: Our perspective is, it's not a reduction; it's a delay in timing and expiration on some one-time programs. That leads to appearing on the bottom line like less money in a year, but it also is a shift to now, a year like we are now, to spend, hopefully, more. We also have some tariff supports online as well that will hopefully lead to more direct spending.

But I will have my colleague Didem—you've met before—just add to that.

Ms. Didem Proulx: In comparing the numbers year over year, what looks like a drop is actually one-time funding that was in place in 2025-26. That time-limited funding and program is coming to an end, and then that's why the number appears lower. There are no reductions or cuts to any of the employment and training programs.

And as the deputy mentioned, because our programs are demand-driven, if there is additional need, we do serve those clients, and if we have to go back and request funding—

Mr. John Fraser: Not to put too fine a point on it: It is one-time funding, but you spent the money. So the question is, if you have 16.2% unemployment in youth, even if it's one-time money, why would you spend less money? But more importantly, how many youth do you—because I want to get on some other stuff because we can go down a wormhole here and we could be here for the rest of the day talking about this—but how many youth do you plan to serve in the coming year based on these estimates?

Ms. Didem Proulx: We don't allocate specific targets to various groups. We serve all clients that arrive at Employment Ontario. So if more youth come—and we are actually working across the government with sister ministries like education and MCURES and others to support all youth in a coordinated way to make sure that, as the deputy mentioned, we can meet the differentiated

needs of students at school, be it secondary school or university—they need summer jobs or part-time jobs—or be it leaving post-secondary and looking for their first real job, or NEET youth, getting them back into the market.

Mr. John Fraser: I appreciate that answer and the work that you do, but I still have a lot of concern that—and even with some of what I heard, just in terms of there's not a specific target. There's not, you know—

Mr. Jonathan Lebi: I appreciate the question. Maybe I would put it a little bit differently. I'm not sure this will satisfy you, but this is our perspective as well.

I had mentioned a few things: in integrated services, 82,700 last year; in youth in Get SET, 17,200 last year; through OYAP, 28,000 last year; through Level Up! participants, 60,000 last year. For us, that's now the baseline. We want to do better and do more, given what you've said before. So it's demand-driven, but if you want a bit of a target, MPP, last year is now our baseline and we're striving for more than that. That's how I would respond.

Mr. John Fraser: Thanks very much, I appreciate it.

How much time do I have, Chair?

The Chair (Hon. Ernie Hardeman): You have 3.5 minutes.

Mr. John Fraser: Community response and foundational skills is funded at \$276.2 million, roughly \$60 million below last year's estimate. How much of that is dedicated in 2026-27 to rapid re-employment and training for those sectors most affected—for auto, steel, manufacturing workers laid off because of tariffs?

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Hon. Trevor Jones: Thanks for that. I'm going to defer to the deputy on this one.

Mr. Jonathan Lebi: While my colleague looks up the answer to that one, I would say a few things. One, again, the RRTS is demand-driven, so we have as much funding as we need to address to that, but I will get you the notional allocation.

But I would say, in addition, with respect to—I think you're aiming at, “What is the government doing to support tariff response?” and things like that. Just to clarify, is that where you're trying to go? Or is that where you're interested in going?

Mr. John Fraser: Well, actually, it's—

Mr. Jonathan Lebi: I just don't want to get it wrong.

Mr. John Fraser: I'll wait to get the answer, actually.

What I do want to ask about this fund is: This fund is used to allocate to workers money to retrain, to pay their educational institutions to cover their costs. Is that correct? Have I got the right fund?

Mr. Jonathan Lebi: We have a number of different funds, and Didem will come up here. Rapid Re-employment Training Service is really trying to connect employers, unions and communities when layoffs occur, in particular. We have a few different streams, as the minister was talking about, of funding. Better Jobs Ontario supports unemployed and underemployed workers to train for in-demand occupations. And really, when it comes to tariffs and those that are at risk because of tariffs, it's our

new \$228.8 million over three years with the Canada-Ontario workforce tariff response which helps those impacted workers for those impacted sectors you're talking about.

But, Didem, do you want to fix anything I said, or anything to add?

Ms. Didem Proulx: No, those are absolutely right. I was—

Mr. John Fraser: So for Better Jobs Ontario—just correct me if I'm wrong—funds are given to workers to be able to pay for retraining? Is that correct?

Ms. Didem Proulx: It is for unemployed people who want to go back to school to do retraining.

Mr. John Fraser: So they receive those funds directly, or do they go to the training institution directly? Or is there an option to do both?

Ms. Didem Proulx: The individuals who are interested in the Better Jobs Ontario program do submit an application. They do say, “Here is the program I would like to do.” They receive up to \$28,000, if it's a one-year program; up to \$35,000, if it's a longer duration. So that application is assessed, and if the person meets the qualifications as well as the program, they receive the funding—

Mr. John Fraser: They receive it. The only person that receives the funding is that worker, right? Is that correct?

Ms. Didem Proulx: It's the applicant.

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

Mr. John Fraser: Do we know how much of those funds are being used for our community colleges and how much of those are being used for private career colleges? Are there any restrictions? Does it matter who's training them?

Ms. Didem Proulx: The applicant chooses which program they would like to take, and whether that is in the private career college setting or the community college setting.

Mr. John Fraser: Do you have any criteria by which you decide whether or not that training is valid?

Ms. Didem Proulx: It is intended to support retraining in high-demand occupations. And—

Mr. John Fraser: What I am asking is, the people who are doing the training—

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

We will now go to MPP Brady.

Ms. Bobbi Ann Brady: Good morning, everyone. It's nice to see everyone after our long break. Welcome and congrats, Susan.

Minister, I'm going to follow up on my colleague's line of questioning because I'm still struggling to connect the demand we are seeing for Employment Ontario services with the broader labour market.

I'm going to repeat these numbers: In 2023, Ontario's unemployment rate was 5.6%. Today, it's approximately 7.9%—an increase of 2.3 percentage points, or roughly 41%. Yet, in table 2 of the combined operating and capital summary, we know that the Employment Ontario program is showing a 6.3% decrease, while inflation has increased by 2.5%.

I want to understand the rationale. At a time when unemployment has increased so significantly, and the cost

of delivering services has also risen with inflation, why are we seeing this dramatic funding decrease in Employment Ontario? Are we seeing it because nobody is walking through the doors anymore?

Hon. Trevor Jones: Through you, Chair: Thank you for the question. It's good to see you as well.

Again, I wish we, as a government, could come together and change outcomes, and decide on what private businesses could be doing to make sure we safeguard good employment for everyone—including youth. We can't do that. The nature and the scope of business has changed. You and I could walk through a Walmart and instead of seeing 50 lanes with maybe 10 having staff, we see one big corral with one person kind of monitoring it. That's the changing scope and nature and one example of how jobs and the job market are changing. You take that to youth, or to anyone at every stage in their career, and we're responding to, truly, a changing workplace; the global shock of tariffs; changing systems, business relationships, trade relationships; and increased cost of inputs all along the way in supply chains.

Tariff-impacted sectors will receive additional funding support through the Canada-Ontario workforce tariff response and, of course, SDF round 6. We can dive into some of those numbers more specifically.

Ms. Bobbi Ann Brady: So there really is, maybe, a savings of \$131 million. Where is that money being applied where we can see the most productive results? Can you give me concrete examples?

Hon. Trevor Jones: Through you, Chair, again, some of those funding streams had a sunset clause. They were a one-time response. It began with COVID. Post-COVID: the introduction, the understanding, the new reality of dealing with tariffs and our first response to those tariffs. Those programs are over, but the investments remain—like we said, over \$250 million in the last round.

Ms. Bobbi Ann Brady: So which programs are those monies being applied to?

Hon. Trevor Jones: Okay, let's get into specifics. Through you, Chair, I'll defer to the deputy and team.

Mr. Jonathan Lebi: Again, just while the team comes up, I'll remind you that Employment Ontario is demand-driven, so the funds are there for when they're needed.

You were asking earlier, just to start it off, about outcomes and making sure clients are served, and served in communities and served as they're needed. We have a very advanced catchment area where we work with partners to serve them.

I just would say that as clients come in, our job is to make sure that they're retrained and gain employment and that we monitor them at three, six and 12 months. It's not a cut as much as the demand isn't there. When the demand surges—and we're hoping it does as we reconnect people who are unemployed into our integrated employment services and our Employment Ontario programs—we hope to see those numbers go up. Last year alone, Employment Ontario supported more than 602,000 clients, and through integrated employment services since 2021, 553,000 of those clients found employment.

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

Mr. Jonathan Lebi: So we are working to—

Ms. Bobbi Ann Brady: Okay, but what I'm hearing is that we are adapting according to what we're seeing is working on the ground. Where is that \$130 million being spread out?

I do have concerns with respect to Employment Ontario because we know that this government has transitioned into third-party privatized management models. We're hearing consistent reports of severe front-line instability, which I wonder is part of the reason why we're not having people walk through the door at Employment Ontario anymore.

Mr. Jonathan Lebi: Can I ask you where you're seeing that \$130-million number, just so I can give you the best response?

Ms. Bobbi Ann Brady: It is in the combined operating and capital summary report, table 2.

Anyway, I don't think that's important at this point. I think the question is, are we seeing less people walk through the doors because of the third-party management of the program?

The Chair (Hon. Ernie Hardeman): We'll have to continue that in the next round.

We now go to MPP Racinsky.

Mr. Joseph Racinsky: Thank you, Minister, for appearing before the committee this morning and for sharing what your ministry has been doing. Congratulations on the new role. It's very well deserved. I know you will do an excellent job, as you have been this morning.

Minister, Ontario workers and businesses are facing increased pressure due to US tariffs and the global uncertainty that that's causing. We are in a trade war. We didn't ask for this trade war and we didn't cause this trade war, but we're in a trade war. As with every war, there is collateral damage, unfortunately. Tragically, it's the workers on both sides of the border that are caught in the crosshairs.

Our government has been clear, and our priority has been protecting workers. We won a third majority government on that promise. We won two by-elections—welcome, MPP Lahey; it's great to have you here—on that promise.

Minister, can you please explain what steps Ontario has already taken to support workers and employers impacted by tariffs?

Hon. Trevor Jones: Thank you for the question. Through you, Chair, you look around the Ontario Legislature at 124 hard-earned seats—people from all walks of life, all professions. I benefit so much from hearing about my colleagues that have worked in mining or construction or education or law.

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So we all have one thing on our mind collectively: protecting Ontario. Protecting Ontario workers means being ready to respond. These are the same salient questions we talk to one another about when the cameras are off: being ready to respond when global economic pressures, real pressures, are putting jobs and our home communities at risk.

I see this first-hand. I hail from Chatham-Kent-Leamington, our southernmost riding. I have a little island in the middle of Lake Erie called Pelee Island; a beautiful town of Leamington, where I was born and raised; and I raised my family in Chatham-Kent. This is a community impacted by trade. We are trade communities. We're agriculture-based, automotive-based and manufacturing-based. So trade across the border with major employers on both sides of the border and just-in-time delivery for manufacturing, automotive, agri-food, like we said—once that's disrupted, it disrupts our families, our businesses locally.

That's why our ministry really has the tools in place to respond quickly where and when workers are affected, through a rapid re-employment and training service, working directly with employers, with unions, with local partners, where and when layoffs occur. We organize information sessions and connect all affected workers with employment services, training and opportunities right in their home communities.

Last year alone, the ministry reached out to over 160 employers and offered service to 18,000 workers. We invested \$20 million in POWER centres, and these centres provided coordinated, community-based supports. So in Chatham-Kent-Leamington, if it's agriculture, agri-food, automotive manufacturing, it's there. If it's anywhere else in the province—if it's in Sudbury or Timmins—we know what the conditions are on the ground, and the members who report here for duty for their communities respond in kind and make sure that's highlighted.

We're also working with the federal government, of course, for the Canada-Ontario workforce tariff response, which includes almost \$230 million over three years to train 27,000 workers, again to retrain when necessary and upgrade their skills to remain competitive, in sectors such as steel, softwood lumber, automotive manufacturing and any other in-demand sector throughout our communities.

The Chair (Hon. Ernie Hardeman): Further questions? MPP Firin.

MPP Mohamed Firin: Through you, Chair: I would like to congratulate the minister, and I would also like to thank the deputy and his team for joining us today.

Minister, every worker in Ontario deserves to be able to work knowing that their health and safety are protected and that they can return home safely at the end of their shift. That requires more than legislation; it requires employers and workers to understand their responsibilities, strong prevention efforts and meaningful enforcement when workplaces fail to follow the law.

Can the minister explain how the ministry works to prevent workplace injuries and ensure employers comply with Ontario's occupational health and safety laws?

Hon. Trevor Jones: Through you, Chair: As I move through the process of apprenticing in this important role, I'm very thankful and grateful to have my colleague MPP Firin to help guide me with his experience, and also his priorities about safe communities and a secure Ontario, because workplace safety is one of our collective and one of our ministry's most fundamental responsibilities.

Ontario's Occupational Health and Safety Act establishes responsibilities for everyone in the workplace, including owners, employers, supervisors, trade unions and every worker there. At the heart of the system is the internal responsibility system. That means everyone has a role in workplace safety. Workers have a right to know the hazards in the workplace; the right to participate in decisions affecting their health, their day-to-day work relationship; and the right to refuse unsafe work.

Employers and supervisors, meanwhile, have very clear legal responsibilities to protect workers and comply with Ontario's health and safety requirements. Our ministry supports that through, most importantly, education, prevention and, if necessary, enforcement. Inspectors have a wide range of tools available, and I'll argue that prevention education is at the forefront of their minds and what they enjoy most in their workday: to educate, to prevent and, if necessary, to enforce.

In 2025-26, occupational health and safety inspectors conducted nearly 80,000 field activities. That might just include an education or information session. It could include enforcement action at more than 34,000 workplaces across every one of our ridings in Ontario.

The ministry also conducts proactive campaigns in sectors where particular hazards have been identified, like mining and like heavy industry. Those have included residential construction, of course; material handling; workplace violence in health care; and even things like slips, trips and falls, which can be catastrophic if not prevented.

The outcomes are clear. I want to thank all my colleagues because, really, every employee wants to return home safe to their families and deserves to do so, and every employer wants their employees safe, productive and content.

MPP Mohamed Firin: Thank you, Minister.

Chair, I'd also like to congratulate my colleague, Susan. I yield the floor to MPP Vickers.

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

MPP Paul Vickers: I also want to congratulate you, Minister Jones. We're going to miss you at OMAFA, but it was great working with you for the last year and a half. I know you're going to do a great job here in the Skills Development Fund and the ministry that you're in right now.

My question is, Minister, when we speak to young people about their futures, we know there are tremendous opportunities available in the skilled trades. But for many students, their first challenge is simply understanding what those careers look like, what an apprenticeship involves and how they can take that first step. At the same time, Ontario needs a strong pipeline of skilled workers in the years ahead, as experienced tradespeople retire and the province continues building houses, hospitals, highways, transit, energy projects and other critical infrastructure. Can the minister explain how Ontario is introducing young people to careers in the skilled trades and helping them move from the classroom into apprenticeships, training and employment?

Hon. Trevor Jones: Thank you, MPP Vickers, for that important question. MPP Vickers was also a master journeyman when it came to dairy farming and milk production. He helped guide me in that way in my apprenticeship as Minister of Agriculture. I thank him for his continued service.

This is something we talked about; it's another salient feature. We talked about awareness. How do we grow Ontario? How do we grow the best food, the best jobs, the best people? It starts early. It starts with awareness and exposure. Having a spouse as a teacher, I heard early on about Specialist High Skills Major programs, the Ontario Youth Apprenticeship Program, getting especially young people in grade 5, grade 6 to grade 8 to be exposed to, "I could have a meaningful career in the trades. I could be an apprentice. I could be a master journeyman. I could have a career to support my family for the rest of my life." It starts then.

Then, as the high school years roll in, now young people are selecting, in a very deliberate way, what stream they want to pursue. They've had that exposure. They're choosing the stream to say, "Here's my pathway to reach my full potential." Again, if young people don't know these careers exist or can't picture themselves doing it, it's much harder for them to be informed about decisions on what trade to pursue, what vocation or career to pursue.

Programs like Level Up! are so important. Level Up! has skilled trades fairs; especially kids through grades 7 and 12, it gives them the opportunity to be hands-on in activities, to meet employers, to talk about jobs. The number one question is, "How much will I make if I'm a welder, if I'm an electrician or a plumber or a millwright? What does a millwright even do?" Again, you see that sparkle, that twinkle in the eye of a master journeyman saying, "A millwright does this."

And so, we talked to operating engineers. We've talked to millwrights. We've talked to general labourers. The skilled trades of Ontario, they want to replicate that and see their future in our youth. We're going to work very closely with our partners, with our trade unions, with our schools—both elementary and secondary schools and post-secondary schools—to embrace that opportunity and make sure that can happen.

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

Mr. Dave Smith: One of the things that's been fairly obvious is that there is no simple solution to any of this. You just touched on a couple of things. You talked about Level Up! and you talked about OYAP. We have programs that are out there with Junior Achievement to get things done.

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We know right now, historically in Ontario, that the average person has five to seven careers in their lifetime. We know that the average person has about 15 different jobs that they have in their lifetime. We also know that we have a shortage of skilled trade workers. We're at 350,000 or so positions that are available. I think a lot of people kind of misunderstand what actually is a skilled trade, because it follows the full gamut. It could be somebody

who is involved as an electrician. It could be a plumber. It could be a hairdresser. It could be a cook. It could be an arborist. There are 140 different skilled trades right now. We had a few more at one point, but some of them have been retired. The likelihood of a blacksmith being needed as we move forward is much, much smaller than some of the other skilled trades that we have.

When we look at the entry points for it, there are a number of different ones. I'll use a block layer as a perfect example. In order to apprentice as a block layer, as opposed to a bricklayer, you need a grade 8 education and you need to be over the age of 18. That's removed a barrier for a lot of people on it, and we know that when people get involved in these different types of careers, they're doing so at different points of their lives.

If I go specifically to OYAP—and I know I'm rambling here—what I'm going to come back to is about removing barriers on this, because when we look at OYAP, we've introduced so many different opportunities for kids. I think one of the challenges that we all have is we don't really know what we want to do when we get older. I went to university originally thinking that I would do my bachelor of science and physics, and then I would go into aerospace engineering and I'd be a rocket scientist. Now that I'm in politics, there isn't anyone who's going to say, "He's a rocket scientist because he got involved in politics."

My point is that when you look at it from the perspective of a youth, they really don't know what they want to do. They want something that gives them flexibility. And when they look at skilled trades, specifically for automotive service technician, the different versions of 310—310A, 310B, 310C and so on, there are so many different opportunities for them.

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

Mr. Dave Smith: With the idea that job seekers need additional technical training and work experience, basic tools with stronger connections with employers, can the minister explain how Ontario is helping remove barriers to get more people into these trades?

Hon. Trevor Jones: Absolutely. We need a way to look at ourselves—and through you, Chair—among us we have people involved in the trades, people involved as professional art appraisers. We have people employed with start-up careers in technology. We have a colleague that milked cows and was an advocate. But I think we all came here to advocate.

It's interesting, you said five to seven careers over a lifetime. So what do we do? What can we learn about removing barriers? Job seekers need barriers removed, at any stage in their career, whether you're a professional art appraiser—

The Chair (Hon. Ernie Hardeman): Thank you very much. We'll have to save the rest of the answer. It's a good thing there's another round.

We'll go to MPP Burch.

Mr. Jeff Burch: Good morning, Minister. The government claims that they're protecting Ontario and protecting workers. WSIB is eliminating over 600 jobs across Ontario, and these are employees that work with

injured workers, employers and health care providers right across the country. A lot of those are up in the north and my colleague is going to talk about that. Even in Niagara, 43 positions—only four people left in Niagara.

If we're really listening to workers, the president of their union, Harry Goslin said, "It's a horrible gut punch to the organization, to the employees that have been loyal to this organization. The WSIB is turning their backs on these employees.... They worked hard to get the organization through the pandemic, made decisions at their kitchen table and kept the organization going so much so that it's on extremely sound financial footing."

Minister, we know that these cuts will have consequences for injured workers who rely on WSIB. Fewer experienced staff will mean longer claims processing times; greater delays for workers who need the income to pay rent, buy groceries and support their families. We also know that this government has withheld billions of dollars meant to be held in trust for workers who became ill or injured on the job, instead giving massive rebates to employers, including those with—many of them—abysmal safety records.

So, my question, Minister, is, how is laying off our workers and cutting services that injured workers depend on protecting Ontario, and who are you really protecting?

Hon. Trevor Jones: Thank you for the important question, MPP Burch. Through you, Mr. Chair, injured workers everywhere in Ontario deserve timely benefits, medical care, recovery support and, most importantly, dignity in what they do. We'll continue listening to injured workers, employers, unions and health care providers and their advocates.

We want to deliver a program that can fulfill a mandate to support workers who are injured or ill or become injured or ill because of the work they do. Financial relief to employers does not change the benefits and services an injured worker is entitled to receive.

If you want to dive into the numbers a little bit, I'll defer to my deputy minister to focus in on some of your question.

Mr. Jeff Burch: I think my colleague MPP West is going to have some more specific questions. We only have so much time, but I don't think injured workers would agree that cutting the people who provide the service to them protects them or enhances the service. That's a pretty outrageous claim.

I'm going to hand things over to my colleague.

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

MPP Jamie West: Thank you to my colleague for bringing this forward. This is a really urgent issue, and I agree with the minister on the importance of protecting workers and ensuring that workers receive benefits when they're injured.

Ontario has what's known as the historic compromise. What workers did is give up their right to sue the employer for a fair compensation system. We've seen over the years, probably starting with the Harris government, this getting more and more difficult, but this is a real slap in the face, particularly in the north.

Just some of the numbers: Thunder Bay is going to lose 67 workers. Timmins will lose 13. Sault Ste Marie will lose 24. Sudbury will lose 157. And North Bay will lose 20. They're losing them because they are forcing layoffs by closing all their northern offices—all the northern offices.

My colleagues from the New Democratic Party have been very vocal on this. Madame Gélinas and I have had press conferences and town halls. My colleague in Thunder Bay has spoken about this, as well as my other colleagues in the north.

I want to point out to the committee and anyone watching here that portions of Thunder Bay, Timmins, North Bay are held by Conservative members who, with every conversation, with every press conference, stand in front of a thing saying, "Protect Ontario" and a banner of it.

As well, we can throw in Sault Ste. Marie because that member was hand-picked by the Premier. I know he's an independent right now, but, I mean, he worked in the former MPP's office, who was a Conservative member—hand-picked by the Premier to run for them in the last election.

So I'm just wondering, Minister, in your role, Minister of Labour, when you're looking at 500-plus jobs being lost, nearly 300 in the north alone, all the offices in the north being closed down—workers in the north are going to be building mining expansion, forestry, resource extraction. We know when things go wrong in those industries, they go really, really wrong. My workplace, for example, my union that I came from, had two people working full-time—that's for one workplace—on WSIB. How does this make sense? How do you argue that this is protecting workers?

Hon. Trevor Jones: Thank you for that important question, MPP West. Through you, Chair, my primary concern, the reason that I would be up at night, is that injured workers continue to receive timely claim service, medical support, the customer service they deserve and return-to-work help, that they get the medical care they need and the supports they need.

Operationally, WSIB does operate as an arm's-length agency, so they make operational decisions that can impact some of their workforce, but they exist to protect injured workers and workers who become ill through their work. Fulfilling their mandate is what they have to do.

If you'd like to delve into some of the numbers, I will defer to my deputy to support our conversation here.

MPP Jamie West: Actually, I'm going to push back on what you said. The workers at OCEU have some of the highest mental health issues in the workplace. That falls under the purview of "Protect Ontario." It also falls under the importance of occupational health and safety, which is also part of your portfolio.

You have a workforce that is overworked, that are burning out. Now you're going to lay off more than 500 of them. I know you say it's arm's-length. I've heard the Premier also say it's arm's-length. However, when Crown Royal bottling was laying off workers, the Premier rushed over there and dumped out a bottle of Crown Royal. The Crown Royal bottling plant—absolutely, arm's length from the government; WSIB, not so much.

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The former Minister of Labour, Minister McNaughton, hand-picked Jeff Lang, the CEO of WSIB. The former Minister of Labour, Monte McNaughton, gave the marching orders to investigate what the restrictions and cut-downs would look like. And when the \$2.8 billion was given back to the employers, it was Doug Ford bragging about how good this was and how he brought these forward. He didn't say, "It's arm's-length. It wasn't me."

So now, when people are losing their jobs, when employers in northern Ontario don't get the same access as southern Ontario, you can't come here—with all due respect, Minister—and say, "It's not us. It has nothing to do with us." It has everything to do with you. If it was any other corporation, I would expect that you'd be stepping in to protect these workers' jobs.

Will you join me and my colleagues from the New Democratic Party in protecting these jobs?

Hon. Trevor Jones: Thank you for the question. I know you're very passionate about this, as we are.

My role is to make sure we have a legislative framework that supports a fair, responsive and sustainable support network, compensation network, insurance fund for workers who become injured or ill because of the work they do—that's all workers; that's occupational health impacts; that's mental health, physical health and critical illnesses.

The agency has a statutory authority over claims, adjudication, premiums, insurance fund, to fund its operations. It will make decisions based on that system—again, protecting workers from injury, illness, occupational injuries and anything else that impacts workers.

MPP Jamie West: You didn't say no, but what I heard was a no.

I'm proud to do the heavy lifting and protect these workers and speak on behalf of them.

It's unfortunate that you don't understand the investment required to ensure that workers keep their jobs when—this isn't tariff-related. This isn't due to Donald Trump. This is the WSIB—the CEO, hand-picked by the Ministry of Labour, deciding that he would force layoffs and close offices. It's—

MPP Mohamed Firin: Point of order, Chair.

The Chair (Hon. Ernie Hardeman): Point of order.

MPP Mohamed Firin: As the member himself has said, the WSIB is an arm's-length organization. I would urge the member to ask questions related to the estimates.

The Chair (Hon. Ernie Hardeman): Thank you. I'm sure if the member is not getting to the questions he should, he will be in a minute.

MPP Jamie West: I appreciate that.

Let's move on, because I don't think—we're talking about two different things, and we'll continue to go down that path.

On the theme of protecting workers, though: Right now, there's labour disruption happening at Stellantis, at the Brampton plant. We know that there has been interference from Roshel, offering to buy the plant. Unifor stated, I think, on Friday or Thursday that they're very concerned with this outside interference. They're hoping the province

and the federal government will step in to deny this from happening. They believe that this will open the door to corporations receiving public subsidies. Some \$513 million was committed to Stellantis for the Brampton plant. I'm hopeful that the minister will protect these workers as well and will do the right thing on it. I know it's not an estimates question, but I think it's important to get that on the record.

Let's go on to wage theft. Are you able to tell me how much money was recovered in 2025-26 and how much is estimated to be recovered in the next year?

Hon. Trevor Jones: Every question you ask, MPP West—I know it comes from a good place, a place of concern.

I agree with you that every worker deserves to be paid on time and in full. We're using stronger penalties, inspections and claims enforcement, collection tools to help employers be accountable and to make sure those wages get to every employee.

I will defer to my deputy, who can expand on some of our enforcement regime changes and recovery processes we have in place.

Mr. Jonathan Lebi: I would have loved to talk about the monitoring we're doing around the WSIB, but I won't go backwards.

With respect to your question around wage theft: In 2025-26, we recovered \$18.5 million. Over the past 10 years, we've recovered—\$302.6 million assessed, and \$207.1 million recovered from employers through our claims and inspections process.

If you would like to go into it, I'm very happy to—

MPP Jamie West: No, no. I appreciate it. I appreciate the number.

This is a concern we have, and I think it's amplified in this time when people go to grocery stores and can't afford things. They feel gouged at the grocery store—the threat of tariffs raising prices, the concerns people have with rent and affordability.

The number I had the last time, by memory, from questions in question period, was that there was \$60 million that was unclaimed. The Workers' Action Centre report is titled, The Crisis of Wage Theft in Ontario. It is getting easier for employers to steal from workers. It says the number now is \$80 million that has been stolen from workers.

In the report, they say that:

—over 60% of people working overtime have reported they do not ever receive the overtime premium pay, or they don't receive time off in lieu of pay;

—46% of the workers said they do not get public holidays off with pay;

—20% face wage theft over \$5,000;

—50% of workers lost wages between \$500 and \$5,000; and

—more than one in four workers report having to borrow money to pay bills due to wage theft.

So we're in a time right now where, every year, the number of working people going to food banks has been increasing. It's 1.7 million food bank users—it's a record

high, according to Feed Ontario's latest report. One in three food bank users identify as having jobs.

The FAO came out with a report recently about the growing unhoused population. They're saying that there are 76,741 people in Ontario living unhoused—homeless people—and they project that to increase another 15% by 2029. That number, the 76,741 people, was for 2025-26; it's a 23% increase from 2022-23. All of that is in context to understand why \$80 million stolen from workers doesn't fall under the banner of "Protect Ontario" or protect workers.

What the government is doing—and I don't think it's intentional, but what the government is doing is telling workers it's okay to have your wages ripped off, and it's also telling the good employers who don't do this, "We're going to allow people to compete against you by doing things that are criminal. We won't hold them to account."

So, in order to recover that \$80 million, how many people are working on this? How much money are we putting towards it? How many—

Mr. Dave Smith: Point of order, Chair.

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

Mr. Dave Smith: We're discussing the estimates for 2026-27, the current budget year, and I'm struggling to find—some of this stuff is interesting, but I'm struggling to find where in the estimates document this is something that is to be addressed. And if it is not in the estimates document, it falls out of scope for what we're doing today. This would be more appropriate for a question at question period. This would be more appropriate for a letter to be written, but—

The Chair (Hon. Ernie Hardeman): I'm sure the member will get back to it, if he's not on the right vein. He'll get back to—

MPP Jamie West: Thank you very much, Chair. I think that if we had question period, so if we sat more than 29 days this year—

The Chair (Hon. Ernie Hardeman): You have 33 seconds to do it.

MPP Jamie West: —it would be handy to have in question period.

I have to say, though: We have 12 people listed on the agenda here—I don't know if they're all in the room. I have six of my colleagues across the divide from me here. The minister is here. Every time one of the Conservative members says, "Show me in the estimates where that is"—it's me and Jeff with a room full of people; you can find it.

I'm looking for, in the estimates, how much is estimated you'll spend in the future to ensure that \$80 million—the way it increased from \$60 million was stolen from workers—

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

We will now go to the next questioner. MPP Fraser.

Mr. John Fraser: I agree with my colleague's point about question period. It would be nice to not get into an argument, for sure.

Listen, that cactus that I talked about—there are some pointy ends on WSIB, because we own it. It's our

legislation. We appointed the chair. We control it. So let's not kid ourselves, okay? And the fact that we're taking jobs out of northern Ontario and around Ontario at a time when we're trying to get jobs there, in other fields, is crazy—that we're allowing that to happen.

I just want you to know that, Minister. I think that's something you need to address, and you need to address it now. It's not right. And to pretend that somehow WSIB has nothing to do with us—we just put a bill forward, Bill 105, and you know what? Finally, there was something for workers—85% to 90%. Guess what? It got to second reading. We all remember that? It never got to third; we left early. Usually, we can do third reading these days—an hour, 45 minutes, a couple of hours. So the question is: What keeps you up at night, Minister, is that people get timely service. If people have been waiting for decades and decades for this increase, they've got to wait another five months. But here's the kicker: Why? Why did that happen?

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In that bill—I want you to be aware because it's coming forward—is that there is an extension of rights for WSIB to residential care home workers. They've been waiting for 20 years—20 years—and no one should be able to walk into the Premier's office and stop or delay these bills. If the government doesn't make good on that promise, there will be hell to pay; I guarantee you. I promise, because that's what keeps me up at night, and that should keep you up at night too, because if this is what's happening to those workers, it's exceptionally unfair after a promise was made to them.

I'll leave it at that, unless you want to respond to that.

Hon. Trevor Jones: Thank you for the question, MPP Fraser. I will respond to that because what keeps me up at night, to correct the record, is to make sure people return home safely. But I am built—like you are, I believe—on customer service excellence.

Mr. John Fraser: I want to go back to what we were talking about earlier, youth unemployment. What I think I heard in the answer was, "You can't lead a horse to water"—I think that's the shortest way of putting it—

Interjection.

Mr. John Fraser: What's that? Can't lead a horse to water and make him drink. Thank you for adding that. Thank God Bobbi Ann is here, eh?

Hon. Trevor Jones: Thank God.

Mr. John Fraser: I'm just a little exercised about the retirement and group-home workers. I really am, so that's what's in my brain right now.

But here's the thing: How much money does the ministry project to spend on "Protect Ontario" advertising for the Ministry of Labour next year, and how much did we spend last year? Does anybody know? You don't have to answer that question right away. I would like to get the answer to that question.

Here's the thing: The horse has to know where the river is, and we're not going to find out—because the government is telling us what a good job they're doing, doing what they do: how they're protecting Ontario, how they're

keeping the streets safe, how they're building the Ring of Fire, how they're creating jobs—if people don't know where to get help.

How can we spend all that money on self-promotion when we have 16.2% of youth unemployed? The answer is, you can't lead a horse to water and make him drink. Well, maybe they need to be led and maybe advertising—instead of spending all the tens of millions of dollars—not in your ministry, but I'm sure there is some there, if we have the answer to that—why would we not be doing that? I think it's a legitimate question. What are our plans to actually get the horse to water? Because they'll probably drink.

Hon. Trevor Jones: Through you, Chair, that was very eloquently put, because the horse-to-water analogy—I was that horse. I came to the water and drank because I saw a Skills Ontario trailer, a mobile trailer unit with our staff on board showing kids and demonstrating to young people, targeting grades 6 to 9, “This is what a welder can do.” “This is an electronic circuit.” “This is what a plumber might do.” And most importantly, to answer those pressing questions of the kids, “This is how much you'll make when you complete your apprenticeship.”

So the horse-to-water analogy is, we're directing people through marketing campaigns, through awareness campaigns, through the Ontario Youth Apprenticeship Program, Pre-apprenticeship Training Program, Better Jobs Ontario, Skills Development Fund and Level Up!

The Skilled Trades Ontario fairs are the showcase. You go there; you'll be in awe. We will be those horses led to water saying this is good investment in directed marketing to raise awareness, to again get that twinkle in someone's eye saying, “I can do this. I can build a career.”

Most importantly, we may have some stats to back that up with my deputy minister.

Mr. Jonathan Lebi: Firstly, I appreciate the passion coming from a good place—just wanted to put that out there.

Mr. John Fraser: No, I agree.

Mr. Jonathan Lebi: I don't want to leave the impression from an earlier response that we're waiting passively for youth to come to us, because that's not the approach either.

To the minister's point, we are actively inviting youth through career fairs and Level Up! and things like that.

To your question, though—to be direct, because I know time is of the essence—I'm happy to go through our advertising spending, but I will say: \$2.7 million for Employment Ontario awareness advertising—we talked about, “How do we make sure people know of those programs and awareness?” And \$3 million for the skilled trades career fairs—that's to your point. Is it enough, or are we successful enough? I don't know. But for the fairs, we are advertising actively and working with communities and local partners to get kids to learn what is available to them and to connect them before they leave high school through career fairs.

Lastly, we had a \$1.1-million Skilled Trades Ontario marketing campaign. We're trying to do multiple things to get them interested, including working with the Ministry

of Education. The more important point is we're trying to do new things, because the point I was trying to make before was, clearly, from the stats, it's not enough.

Mr. John Fraser: That's what my point is, and I do very much appreciate, Deputy, all the work that the people in the ministry do. I know that we're all working towards the same goal. And my comments aren't directed at the ministry and the work that is being done, but the choices that people are making.

Like, “Protect Ontario” ads—they're ubiquitous. You can't go anywhere, and there is no intrinsic value in them. They don't do anything for people. So what I'm suggesting is maybe some of the money that's going there, if your ministry is indeed spending it there, and elsewhere, be put into a more aggressive campaign. Or maybe some of that money could be put into a way to help small businesses attract youth workers by supporting them, by supporting their wages.

The point I'm trying to make is, politically, we're making bad choices. We're spending money on something that has no value to the people who we elect. None. Zero. Nothing. Tens of millions of dollars. And then we look at a problem, and it's not the only problem that we have, but one out of six youth is unemployed—worst it's ever been. If that's not a crisis, why aren't the powers that be, whoever they are—well, we think we know who they are—saying, “Let's stop spending money on this.” “What can you do if I give you this?” “How can we get this number down to 12% or 10%?”

And just to follow up, I wasn't trying to denigrate the work of the ministry. But it's like, 16.2%—that's a big problem, and it's become normalized. And so, not from the ministry's perspective, but from the government's perspective it's just like, “That's the way it is. Go figure. What can we do? We've done all this.” It's not enough. It's not enough.

So, my suggestion to you, Minister, is to invest more than you're planning to invest in helping young people get that first job, get a chance. And one of the ways you can do that is with small businesses. I know we look at large employers, but how do we help our small businesses? That's not something that I see there. The Skills Development Fund has had a reset, but it remains to be seen how we're using that in an effective way—as I look at the estimates and look at the other things that government is spending on—to get youth a job.

Year over year, how has your advertising budget changed, from last fiscal to the estimates this fiscal—actual spending?

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Hon. Trevor Jones: Thank you, I'll bring that up.

Mr. John Fraser: Yes, I'm not in a—

Mr. Jonathan Lebi: I'm going to call my communications director up.

Mr. John Fraser: You come all this way; you get to come up and answer questions.

Mr. Jonathan Lebi: You don't want to hear from me any more anyways.

Ms. Paola Gemmiti: Good morning. I'm Paola Gemmiti, MLITSD. I'm the communications director.

As you know, the Auditor General publishes, on an annual basis, funding for advertising. As the deputy mentioned, in 2024-25, that was \$1.9 million, and in 2023—I'm just looking here, but it looks like spending was down overall, but I don't have that accurate number. I'd have to go back to the AG report and get that number for you.

Mr. John Fraser: Okay.

How much time do I have?

The Chair (Hon. Ernie Hardeman): Two and a half minutes.

Mr. John Fraser: Two and a half minutes—a lifetime.

Thank you very much for all the work you do. I'll just ask more specifically: Going forward in the estimates, you have a certain amount—and this is getting into the details, obviously—that you're using to support youth unemployment. I take it that their "Protect Ontario" ads that come through the Ministry of Labour that aren't specific to any program other than—is that budgeted in your budget at all, or is that through another ministry?

Ms. Paola Gemmiti: We do paid advertising for a number of programs—Employment Ontario, Better Jobs Ontario, skilled trades, the Level Up! fairs. They are program-specific, and they do target various markets, including youth.

Mr. John Fraser: I'm talking about the "Protect Ontario" jobs ads—are those part of your ministry's base—

Ms. Paola Gemmiti: Yes.

Mr. John Fraser: Okay, all right. Thank you very much. Thank you for all your work.

I have one more question that I didn't want to forget, but you made me forget it. I had it in my head. You'll have to bear with me for a second here. I've lost my track. Oh darn, it's coming out. Oh—better jobs fund.

So we're giving money to clients who then give it to a training institution. Are there any criteria for those training institutions when applications are assessed? In other words, I'm going to get retrained in this, I'm going to a private career college to get this training—

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

Mr. John Fraser: —or I'm going to a community college. Are there criteria there, or is it just ad hoc?

Mr. Jonathan Lebi: So it's definitely—sorry, go on.

Hon. Trevor Jones: Thank you for the question, MPP Fraser. You have the same passion we do. We have to connect young people to jobs in demand. Let's look into that. Every dollar we want to spend will drive people to those jobs, so use that marketing wisely. You and I can champion it together. Let's get the numbers.

Go ahead.

Mr. Jonathan Lebi: To your question around is it broader, are there actual specifics for states, not entitlement: We actually review every applicant. Applicants must demonstrate labour market demand, good employment prospects particularly associated with their proposed training. Training must be vocational in nature, lead to a recognized credential, provide sales—

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

MPP Brady.

Ms. Bobbi Ann Brady: Perhaps, Minister, we've determined that the government is seeing an actual decrease in demand for Employment Ontario services, but in the last round, we were in the midst of discussing if this reduction is related to a change in how these services are being delivered, including the use of third-party organizations, because looking at the metrics, things just don't make sense. So, please, make it make sense for me. Can you tell the committee when we started to observe that less people were walking through Employment Ontario doors?

Hon. Trevor Jones: Thank you for that question, MPP Brady. I will defer to the deputy minister on this one, please.

Mr. Jonathan Lebi: Firstly, just to go back to your question with \$130 million, which you asked last time: We looked it up in between, and it was a reprofiling for the SDF capital program because of construction schedules and project timelines. You'll see the \$130 million shifting out, not a cancellation. I just wanted to go back to that for you.

With respect to, I think, your suggestion around third parties, which is the question here in particular, I just want to emphasize that our transformation in integrated employment services, which you talk about moving to third parties, didn't actually replace the local providers. It actually just brought together previously separated employment programs that we have under one umbrella. As we worked through our regional model—because you talked about year-over-year—we actually launched prototypes and then moved to different phases of the rollout of integrated employment services across Ontario regions, trying to integrate those programs.

Actually, to your point about people in and out of the door and outcomes, I'm happy to relate right now some outcomes, if you would like to hear about them in terms of outcomes for priority groups and the like. I talked before about broader outcomes through the Employment Ontario program, through the integrated employment services program, but because of—

Ms. Bobbi Ann Brady: Sure, but—

Mr. Jonathan Lebi: You had suggested, I think—I don't want to put words in your mouth—that we've seen fewer people through the door and reduced outcomes, as well, and I'm happy to talk to you, if you're interested—

Ms. Bobbi Ann Brady: I guess my question is: Evidence indicates that there is a strong connection between declining client participation and the shift to third-party corporate management, basically, so I'm wondering if you can tell me what type of outcome testing you're doing of these third-party managers.

Hon. Trevor Jones: Thank you for that question. Is the question about employment? Like, the integrated employment services?

Ms. Bobbi Ann Brady: You guys have admitted that there are less people using Employment Ontario services. That's why we see the reduction of the \$131 million. If there's a correlation, where can we see the audits of these third-party managers, so that we know that there's not a

problem between the ways services are being delivered and that's why we're seeing less participation in EO?

Hon. Trevor Jones: Like we've said earlier—through you, Chair—client complexity and the client profile have changed, even dramatically since about 2019-20. People walking through the doors to seek out services and supports have changed, fundamentally. To get the numbers, I will defer to the deputy minister.

Mr. Jonathan Lebi: Just a few clarifying points: As I mentioned before, the \$130 million wasn't a reduction; it's a move out to next year because of the SDF capital for reprofiling from construction timelines. You had suggested that the evidence pointed to third-party leading to poorer outcomes. I don't know that I see that evidence. We haven't seen that evidence, but I'm happy to look at that. But we have been looking at employment outcomes and outcomes particularly for broader groups and priority groups, as well, to make sure that those outcomes remain as we transform the program.

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

Mr. Jonathan Lebi: Didem, would you like to talk to some of those points, or would you like me to?

Ms. Bobbi Ann Brady: I think that you're saying that you don't have those numbers right now. Is there a public space for them? Can the public see them?

Mr. Jonathan Lebi: No, we have them. We have them right now.

Ms. Didem Proulx: I can speak to them. In 2025-26, integrated employment support services served over 237,000 clients. Since the transformation of the system, 553,250 clients have been served and 74% of clients who completed service found employment. We work with the federal government and other provinces and kind of compare notes, and Ontario's results are actually very, very strong in this field.

And the deputy made references to the specialty groups—

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

MPP Racinsky.

Mr. Joseph Racinsky: I want to ask about the Skills Development Fund. For some reason, the opposition hasn't asked many questions about this fantastic program that I'm happy to support.

One of the distinguishing features of the Skills Development Fund is that it's not government alone delivering that training; we're partnering with different organizations: employers, unions, training organizations, Indigenous organizations.

In my riding, Landscape Ontario is one of the great organizations working with the Skills Development Fund and training people in my area in the landscaping industry. They've built, with the help of the Skills Development Fund, a fantastic new training facility, bricks and mortar. I would be happy to host MPP West to come by and touch the walls of that training centre in Halton Hills. They're doing fantastic work there.

I met a gentleman from Acton who was in a declining industry and did training through Landscape Ontario—

totally different from what he would have been doing previously—and he found meaningful employment installing sprinklers in this part of the GTA.

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Minister, can you just speak a bit about how the Skills Development Fund is supporting working with those different partnerships like Landscape Ontario to train workers in in-demand industries?

Hon. Trevor Jones: Thank you very much for the question, and through you, Chair: There are two main pillars, and that's flexibility and partnership. If you have two working symbiotically, you're going to have good outcomes.

Because we as lawmakers can identify broad labour market challenges, but employers and the unions and training organizations are the ones closest to the ground. They know exactly what is required for jobs of the future, and they know what's becoming harder to find. They know when retirements are coming, where there are gaps, because that's their livelihood. They know which technologies are changing the way work is done. Most importantly, many already have direct relationships with workers and other employers. The Skills Development Fund allows us to have that flexibility and that very key partnership to bring those groups together for practical solutions, real-world solutions.

Each of our calls for proposals focused on several objectives: developing a resilient workforce, improving access to the labour market, helping employers attract and retain workers—it's so expensive and so important to first identify, attract and retain those workers—and encouraging innovative training partnerships that support skilled labour needs all across the sectors, including the landscape folks in your riding, which I know of.

But most importantly, we have to come to the realization that tariffs aren't a threat; tariffs are a reality, and they have actually disrupted our economy. It's happening right now in all our communities. The scale across those impacts represents, again, partnerships—the need for partnerships, people with their ears to the ground and connections to the community and the flexibility to pivot away and go in a direction toward our needs.

The Chair (Hon. Ernie Hardeman): Further questions? MPP Firin.

MPP Mohamed Firin: Thank you, Minister.

Minister, we know Ontario needs more skilled workers, but not everybody begins from the same starting point, and some people actually struggle to get into some of the skilled trades. I recently met up with a buddy of mine who had moved to Alberta, Fort McMurray, because under the previous Liberal government he wasn't able to find a job in the construction sector. And fortunately, today, he's actually tunnelling in my riding of York South-Weston. He was part of the group that tunnelled the Eglinton line.

So some job seekers may need additional technical training, work experience, basic tools or stronger connections with employers before they are ready to enter an apprenticeship or start a career in the skilled trades. Can the minister explain how Ontario is helping remove those

barriers and creating more pathways for people who might otherwise have difficulty entering the trades?

Hon. Trevor Jones: Thanks for that question, to my colleague in labour.

We talk about working for workers and protecting Ontario; those are those two pillars. And again, to go back to our previous response, flexibility and partnerships—if those are our foundation, we'll have the ability to be agile, be resilient, and actually have jobs created for future generations and the current generation of workers that's being impacted.

Could you imagine? I'm a certain vintage, in my fifties now—celebrated the wedding of my first son. For me to have a job change now that came out of nowhere, it could be dramatic. But to have that support, that resilience built into a system, where you can go to someone with expertise, with service and most importantly, with connections—that ability to say, "I need to retrain."

There's a commercial playing right now about someone in their fifties that suffered a job loss unexpectedly. You bring your minds and hearts to that very same scenario, and you think, "We have a system in place with those safeguards we're building. We become more agile." Because again, partnerships, flexibility and making the right investments so we don't have to have the future generations look elsewhere for work. We have people bringing them here, welcoming them home to Ontario to find good, long-term, meaningful work.

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

MPP Susan Lahey: Through you, Mr. Chair, I want to first thank everyone in the room for their very warm welcome to me as the newly elected MPP for York-Simcoe. And it is such a deep honour to serve all of the residents of York-Simcoe, which includes East Gwillimbury, Bradford and part of King, as well as Georgina and the Chippewas of Georgina Island First Nation.

It is a privilege to be here today, and lots of firsts. This will be my first question for the minister, and it is with regard to labour mobility and getting Canadians working faster. Minister, Ontario is building at a significant pace and will need skilled workers, as we've spoken about today, to support housing, infrastructure, energy and other major projects coming over the coming years. At the same time, Canadians who are already trained and certified in another province or territory have historically faced different licensing, certification and training requirements when they move somewhere else in the country.

Ontario has taken action this year on credential recognition and has also been working with other provinces and territories on labour mobility and greater harmonization of health and safety training. My question, sir, is: Can the minister explain what has changed and how these reforms have helped qualified Canadian workers get on the job faster without compromising Ontario's health and safety standards?

Hon. Trevor Jones: Thank you for that question, MPP Lahey. It's an honour to receive that question from you. Your constituents are, I'm sure, very proud, but privileged to have you as their advocate and as their community

leader, so thank you. And thank you for bringing your skills to this beautiful place. But you asked that question like a seasoned pro. I thought it might be MPP Fraser asking that question, it was so eloquent and beautiful.

Mr. Dave Smith: Are you saying he's the most seasoned?

Hon. Trevor Jones: In the course of my many careers—

Mr. Dave Smith: That's why he's got the salt-and-pepper hair.

The Chair (Hon. Ernie Hardeman): Order.

Hon. Trevor Jones: Chair, bring this committee to order.

In the course of my many careers, I got a chance to see and work and live in communities coast to coast, while living in downtown Leamington my whole life. I got a chance to be exposed to workers in British Columbia and Alberta, all through the Prairies, all the way to the East Coast. We know we have a highly skilled workforce coast to coast, and we've seen workers—skilled workers—migrate to where the jobs are: Newfoundlanders going to Alberta to the oil sands, skilled trades workers from Ontario going the same places, and that migration is ever-present.

We have the skilled workforce. We have the jobs available. We know we can do this, but we have to remove those barriers. Our objective in Ontario's as-of-right framework was to do just that: remove those barriers and make it easier for someone credentialed in Alberta to be welcomed home to Ontario to work in one of those many skilled trades that we need. The framework covers more than 50 non-health regulatory authorities and more than 300 certifications. I think many of those were noted earlier today in our conversations.

But Ontario has strengthened labour mobility for regulated health professionals as well, including automatic recognition for physicians and nurses. Of course, it's as-of-right, but it's common sense. If you're practising somewhere in good standing anywhere in Canada, we'll welcome you home to Ontario.

Credential recognition is one part of the challenge. Take construction workers, the same ones we've seen working, going to where the jobs are. Construction workers can encounter different types of health-and-safety training requirements. So to harmonize those, to have those conversations at the appropriate level—someone who is credentialed or recognized anywhere in Canada can come to Ontario and work here, as-of-right. We've done that together, in this place.

MPP Susan Lahey: Thank you very much.

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

Mr. Stéphane Sarrazin: Thank you, Minister, for the presentation, and congratulations on your new role.

I have to say, it's always really interesting to hear with every ministry, everything that's going on, because often as an MPP, you often hear about what's going on in your region, but hearing about all the work you've been doing for training people and employing people in Ontario—it's actually a great opportunity to hear all this.

I have to say, I had the chance to go and visit a few organizations with your predecessor. The YMCA in Ottawa had a program that did get some—for the SDF, they got some for the construction framing program. And also, I

don't remember the other organization, but it was kind of a sports league, where they actually trained some people doing plastering and doing drywalling.

Honestly, it was simply amazing to see how you could get these young people to get into a trade and get them to work, really, in the jobs that we need. That's why I want you to elaborate, and I think you've done it before, but maybe you can add on how the Skills Development Fund is really preparing workers in high-demand careers and what exactly the Ontario labour markets need.

Hon. Trevor Jones: Thank for the question, MPP Sarrazin. Merci beaucoup pour votre service.

Pathways to potential: We talked about that. We talked about flexibility and partnerships. SDF, by its very nature, seeks out those opportunities. It says there are existing networks of professionals out there. Employers know the workforce they need. They mapped that out. That's their livelihood. To share that and communicate that and offer an investment tailored to those demands, that's our collective challenge here. But really our biggest opportunity—and you will hear me say this as your new apprentice Minister of Labour—is that our opportunity, our value proposition is in our youth. It's in early exposure to ideas.

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

Hon. Trevor Jones: It's bringing people into the skilled trades—a skilled tradesperson's legacy is to make sure that craft is carried on to the next generation. And we've had really skilled, hardened, hard-working people, they connect to the youth, and they explain what a millwright is. You see that connection there? That's our pathway for potential. That's going to keep Ontario resilient. That's going to keep us working. That's going to keep Ontario a global leader in all things we do, whether it's agriculture, agri-food, manufacturing, steel, mining for critical minerals or being an energy superpower. It comes in the workforce and it starts with our youth, so connecting those people to our youth to train them, identify those investments, that's our collective challenge and our greatest opportunity.

The Chair (Hon. Ernie Hardeman): Thank you very much for that. That concludes the time for that question. It also concludes the time for these estimates this morning.

The time has expired for the committee's consideration of the 2026-27 estimates of the Ministry of Labour, Immigration, Training and Skills Development.

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

Are the members ready to vote?

Shall vote 1601, ministry administration program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1602, pay equity commission, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1603, labour relations program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1604, occupation health and safety program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1605, employment rights and responsibilities program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 1607, Employment Ontario, carry? All those in favour? All those opposed? Carried.

Shall vote 1608, global talent and settlement services, carry? All those in favour? All those opposed? Carried.

Shall the 2026-27 estimates of the Ministry of Labour, Immigration, Training and Skills Development carry? All those in favour? All those opposed? Carried.

Shall the Chair report the 2026-27 estimates of the Ministry of Labour, Immigration, Training and Skills Development to the House? All those in favour? All those opposed? The motion is carried.

We have concluded the consideration of the estimates of the ministry, and I would like to thank Minister Jones and everyone here today for their participation. Thank you, Minister and ministry staff.

This committee now stands in recess until 1 p.m.

The committee recessed from 1204 to 1300.

TREASURY BOARD SECRETARIAT

The Chair (Hon. Ernie Hardeman): Good afternoon, everyone. The Standing Committee on Finance and Economic Affairs will now come to order. We're meeting today to consider the 2026-27 estimates of the Treasury Board Secretariat, for a total of two hours.

We're joined by staff from Hansard, broadcast and recording, and legislative research. From the Treasury Board Secretariat, we're joined by the Honourable Kinga Surma, minister and President of the Treasury Board—welcome, Minister—and ministry officials and staff.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has arranged to have the hearings closely monitored with respect to questions raised so that the ministry can respond accordingly. If you wish, you may verify the questions and issues being tracked by the research officer at the end of your appearance.

Are there any questions from the members of the committee before we begin?

I'm now required to call vote 3401, which sets the review process in motion. We will begin with a statement from the minister for up to 20 minutes. At 19 minutes I will say, "One minute," and at 20 minutes I will say, "Thank you." I'd just put that out there because I think this morning I forgot to mention that to start with, and some people looked surprised when they could no longer speak, or, I should say, when the microphone went off.

Welcome, Minister. The floor is yours.

Hon. Kinga Surma: Thank you very much, Chair. I will admit I'm a bit out of practice, so please be forgiving today.

This is my first estimates defence in my new role as Treasury Board president. I would like to take a moment to thank Minister Bethlenfalvy for stepping into the role during a time of transition, and also thank outgoing

Minister Caroline Mulroney for her important work in this office and in government. Caroline has been a fierce supporter and mentor of mine, and it is an honour to be continuing in her footsteps.

Now to the business of the day: We always welcome a review of our ministry's expenditure estimates in the spirit of transparency and clarity, which have been guiding principles for our government since we took office in 2018.

As Treasury Board president, it is my duty to make sure that taxpayer dollars are handled with due care and consideration. It is a responsibility I do not take lightly.

Before taking questions, I would like to highlight a few key areas of the ministry's work and responsibilities.

Fiscal transparency and accountability: A fundamental priority for the Treasury Board Secretariat is fiscal transparency and accountability. At the heart of this work is ensuring that public funds are managed carefully and that taxpayers receive value for every dollar spent. This is reflected throughout TBS's mandate and guidelines and the work we do each and every day. It also helps shape government decision-making as we work to deliver on our commitments to protecting the people of Ontario.

Accountability remains a core principle of our government, and TBS has an important role in supporting that commitment. One way we do this is by providing Ontarians with key financial planning and reporting documents, including the province's public accounts and estimates. TBS also supports sound governance and fiscal management through the work of the Office of the Treasury Board and the Office of the Comptroller General, which provides leadership in enterprise risk management, comptrollership and internal audit.

We take pride in providing Ontarians with regular reporting on the province's finances and operations. Consistent public reporting is an important part of maintaining an open, accountable and transparent government.

Chair, we are facing challenging economic times, so it is imperative that our government shows fiscal restraint and discipline in order to navigate pressures and uncertainties caused by unwarranted US tariffs imposed by the Trump administration. Against this backdrop, our government remains laser-focused on supporting Ontario families, workers and businesses.

Before I go further into the work of my ministry, I would like to offer an overview of the expenditure estimates process for everyone here today and everyone watching online. This process represents the government's official request to the Legislature for legal authority to incur expenditures during a fiscal year. Expenditure estimates are essential to the effective functioning of government.

There are two volumes of expenditure estimates. Volume 1 represents the estimates for the government, including government ministries. Volume 2 sets out the spending plans of legislative offices, such as the Office of the Auditor General, the Office of the Chief Electoral Officer and the Ombudsman of Ontario. These will be tabled at a later date. As well, supplementary estimates

will be tabled by TBS only when a ministry experiences substantial fiscal pressure that cannot be accommodated from within their available spending authority.

Typically, following tabling, estimates are then selected for review by legislative committees and ultimately voted on. Once the respective committees approve the expenditure estimates from selected ministries, these are then reported back to the House, at which point the government will seek a concurrence motion. This motion will allow estimates from selected and unselected ministries to be voted on together as part of the Supply Act. If the Supply Act is passed, the expenditures estimates then become the legal spending authority for government, ministries and the legislative offices. Through legislative committees like this one and the process of seeking concurrence motions, the government provides a high level of scrutiny and oversight on every dollar that is spent.

The Office of the Comptroller General: Chair, the estimates process is a cornerstone of the entire budgetary procedure because it supports the concept of good governance and underpins the public trust in how the government manages its finances. The people of Ontario deserve to have government programs run responsibly and with discipline, focus and transparency. Again, this is a philosophy that guides everything we do, and the Office of the Comptroller General is essential in this work. This office works with ministries to collaborate on effective risk management. Risk management is not an afterthought. It is an overarching part of the ministry's strategic planning processes and day-to-day operations.

In my short time at TBS, I have learned that the ministry is always evaluating risk at an enterprise level. This provides the ability to look at every decision with the best information and make prudent decisions. At the same time, it ensures that we have informed management and, together, that gives us the best outcomes. There is one end goal for all the work: to make sure that we are spending in a manner that is giving the people of Ontario the most value for their money.

On Thursday, I was pleased to announce that our government has achieved its ninth consecutive clean or unqualified opinion from the Auditor General on the 2025-26 public accounts of Ontario. The 2025-26 public accounts underscore the government's work to build a stronger and more self-reliant Ontario by fostering a competitive and resilient economy, keeping costs down and protecting workers, businesses and jobs from the impacts of US tariffs and economic uncertainty. They also show that we continue to invest in the essential services people rely on, including health care, education and justice, while building the infrastructure needed to keep Ontario a great place to live.

Internal audit division: Another key part of the Office of the Comptroller General is the internal audit division. This division provides audit expertise to ministries to support program efficiency and effectiveness and identify cost-saving opportunities. Throughout the fiscal year, TBS works with ministries to identify audit opportunities based on ministry priorities across government. It is of course

important to know that the existence of an audit does not mean that a problem has been identified. Audits are undertaken to provide assurance, support continuous improvement and strengthen governance and accountability, all of which the people of Ontario rightfully expect from their government.

TBS's process aligns with the professional standards and industry best practices. In fact, the Ontario internal audit division is externally assessed every five years and conforms to the international professional practices and standards of the Institute of Internal Auditors. After an internal audit, a review by a TBS investigation team may be triggered to further support a ministry if there are matters that warrant a more detailed review or the application of specialized skills. Again, to be clear, an audit or an additional review does not mean that any wrongdoing has occurred. They are the checks and balances that are put in place to ensure government programs and services are run as intended with the taxpayer front of mind. To maintain the integrity of these reviews, this work is confidential and independent of any political involvement.

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Role as the employer: Chair, as you know, TBS also assumes the role as the employer for the Ontario public service and supporting an engaged, inclusive and future-ready OPS is a key priority for TBS. We are working to ensure that the Ontario public service can attract, development and retain the skilled and diverse talent needed to deliver high-quality programs and services for the people of Ontario.

We also support youth and new professionals through programs that provide meaningful opportunities to begin and build careers in the public service. Just as importantly, we are strengthening the employee experience and supporting an equitable workplace culture where employees can contribute fully and do their best work.

TBS also provides enterprise-wide leadership for the oversight of provincial agencies. We establish policy and provide guidance to ministries and agencies to support strong governance, clear accountability and effective oversight. From requiring regular quarterly reporting by agencies to ensuring appropriate leader-to-staff ratios in the organizations, the government continues to ensure high standards of accountability and fiscal discipline are upheld across the agency sector.

Through mandate reviews, we assess whether provincial agencies remain aligned with government priorities, continue to serve a relevant public purpose and operate efficiently and sustainably. These reviews also help ensure that agencies have appropriate governance and oversight structures in place and remain accountable for delivering results for Ontarians.

This summer, the province began a review of Metrolinx, WSIB, Supply Ontario, LCBO, Ontario Cannabis Retail Corp., Legal Aid Ontario, Agricorp and the Alcohol and Gaming Commission of Ontario. These reviews will ensure a focus on efficiency, governance and productivity to ensure value for taxpayer dollars and to allocate more resources to improving core services.

Our government has already done a lot of work to get a better handle on agency spending in this province. Since 2018, we have reduced the number of agencies from 191 to 137, implemented quarterly reporting requirements and introduced a hiring freeze for non-front-line positions that generated nearly \$300 million in cost avoidance in 2025-26. Prior to the freeze, staffing and government agencies grew by more than five times the rate of the OPS, which has led to financial pressures that could jeopardize front-line service delivery. Front-line and business-critical positions are not impacted. In fact, we're taking this action to preserve and improve front-line services now and into the future.

These new hiring controls reflect a similar policy that has been in place in the OPS since 2018. The OPS has continued to serve the people of Ontario with professionalism, dedication and effectiveness, successfully focusing on front-line service delivery. As a result of the progress our government has made, Ontario now has the most accountable agency sector and one of the leanest public services in Canada.

Labour relations and compensation: When discussing our role as an employer, we also need to touch upon labour relations and compensation. Within our ministry, this detailed work is spearheaded by the centre of public sector labour relations and compensation. This TBS division represents the crown as employer in collective bargaining. As well, it manages grievance resolutions in the OPS, providing labour dispute contingency planning, as well as strategic policy advice on total compensation. This also includes pensions, benefits and pay. This division also represents the employer in all issues related to rendering job classifications and organizational management. Importantly, it is also responsible for the management of legislation with respect to executive compensation in the broader public sector as well as total compensation strategy initiatives. In addition, this division offers support to the Treasury Board and Management Board of Cabinet on oversight of the collective bargaining process in provincial agencies.

Our government's approach to all these matters is guided by the same principle: finding the proper balance between the needs and expectations of public sector compensation with the needs and expectations of the taxpayer. It's a very fine balance, Mr. Chair. We believe it can be achieved through honest dialogue and the building of strong relationships with our counterparts at the OPS bargaining units.

The goal with all collective bargaining is to negotiate fair agreements that fairly compensate Ontario's dedicated public servants and that are also in line with legislative requirements. Our government's position has remained steadfast: Any new agreements must support long-term fiscal sustainability for the people of Ontario.

Chair, it is more important than ever that the province show fiscal discipline, responsibility and focus so we can lower costs for families and businesses, and maintain the flexibility we need to respond to whatever President Trump sends our way.

In order for our government to deliver on the plan to protect Ontario now and into the future, some tough decisions will have to be made. But as I have laid out for you today, the government has the systems and processes in place to keep us on track and weather the storm brought on by the global economic pressures.

At TBS, it is our job to keep careful watch on taxpayer dollars to make sure that the government's aim to deliver maximum value to Ontarians is met. We are committed to building a stronger future and supporting families, workers and businesses through these tough economic times.

I look forward to providing additional details, and I'm here for any questions. Thank you very much.

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

We'll now begin the question-and-answer segment for the remainder of the allotted time, in rotations of 15 minutes for the official opposition members, 15 minutes for the third party member, five minutes for the independent member and 15 minutes for the government members.

As always, please make your comments through the Chair.

Ministry officials and staff, please state your name and title when you are called on to speak so the proceedings can be accurately recorded in Hansard.

We will now start with the official opposition. MPP Bell.

Ms. Jessica Bell: Thank you to the minister for being here today.

The Treasury Board is responsible for overseeing and approving the spending of all ministries and also ensuring that the money is well spent. So, essentially, you've got the credit cards and you get to oversee what ministries are spending on those credit cards.

I want to talk a little bit about government advertising. The government—it's the responsibility of the Treasury Board—spent \$111.9 million on government advertising in 2024-25; I believe that was an election year. This year, the government is looking at spending \$51.9 million, and you've already gone over budget by about \$14 million. So you're spending a lot of money on advertising. You're looking at spending a whole lot of money on government advertising next year as well.

I want to read out one of the ads that I'm hearing a lot of. My son listens to 99.9 a lot, and every time there's an ad break, I seem to be hearing a government of Ontario ad, and I want to read out one of the ones that I hear a lot of. It's called "Back to Basics." A bunch of parents who are sitting in a row say, "What do you think they'll be when they grow up?" "I'm not sure. I just want Olivia to be ready for whatever career she chooses. Good thing the government is going back to basics with what kids are learning, like math, science, literacy. And they're putting more money than ever into the classrooms." "So kids can be ready to tackle any career? Nice. Good thing they have the tools to succeed." This "Back to Basics" ad—has this ad been submitted to the Auditor General for review, and if it has, how did the Auditor General respond? Does it meet the 2015 test for being partisan or not?

Hon. Kinga Surma: Thank you very much, MPP Bell, for the question.

First of all, ministries are responsible for their own advertising campaigns. What Treasury Board is responsible for is the Bulk Media Buy Program, which, as you know, has \$51 million assigned to it; in the last public accounts, we spent \$37 million of those dollars.

What I can tell you—I can mention some of the ads that—

Ms. Jessica Bell: Just to be clear, I asked a really specific question. I'm fully aware that the Treasury Board is responsible for the bulk media buy ad, which is why I'm asking this question. Was this ad submitted to the Auditor General for review, and what was their response?

Hon. Kinga Surma: Every single government ad is reviewed by the Auditor General—

Ms. Jessica Bell: So the Auditor General reviewed this ad. And what was their response?

Hon. Kinga Surma: Every single advertisement is reviewed and approved by the Auditor General and follows the act of 2015.

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Ms. Jessica Bell: I'm under the impression the Auditor General did review the ad. You're essentially saying that. And you're reluctant to explain what the Auditor General said in response; that's my assessment of what you just said.

So when I listen to this ad, I think it's safe to say that this ad is pretty effective in making the Conservative government look good to parents. My question to you is, what tangible public service benefits does this ad provide to the one million kids who are attending Ontario public schools?

Hon. Kinga Surma: First of all, this question is out of scope because I cannot speak to advertisements that are run by different ministries. What I can do, MPP Bell, is speak to advertisements that TBS is responsible for, as part of the Bulk Media Buy Program. And what I can reference for you are recent ads.

We had an advertisement about Foodland. We had an advertisement for Remembrance Day. We had an advertisement for the Order of Ontario, an advertisement for measles—

Ms. Jessica Bell: I'm just going to take back my time.

What I'm gathering from you is that you cannot provide any specific examples of how this ad is tangibly benefiting students in Ontario. And the reason why this ad is really important is because it did come by the Treasury Board. It was paid for by the Treasury Board.

And it's happening at a time when the government has cut over \$6 billion in funding to schools, when you factor in inflation and population growth—and we are seeing class sizes that are overcrowded; we're seeing cafeterias, pools and outdoor education centres being closed; and we're seeing staffing for high-needs students being cut. So when we're talking about back to basics, what we're really saying is you're going down to the studs.

It's also happening at a time when we've just seen EQAO test scores for grade 6 students at, quite frankly, an appalling rate. Just over half of students in grade 6 are meeting the provincial standard for math.

My question to you is, how is this ad going to help kids do better in exams?

Hon. Kinga Surma: Again, MPP Bell, this ad was paid for by the Ministry of Education. I am not here to speak about advertisements that are paid by another ministry.

What I am here for, what I've been asked to do, is to speak about the advertisements that are paid for by the ministry of the Treasury Board Secretariat. And what I can, again, reference for you are advertisements that the Treasury Board paid for: measles and vaccines, organ donation, health care services, health care recruitment, cancer screening, youth wellness hubs. In my opinion, these are all advertisements that inform the public of very important services that are offered by the government of Ontario.

Ms. Jessica Bell: I'm pleased you're making that distinction.

Hon. Kinga Surma: For example, again, cancer screening—

Ms. Jessica Bell: I'm going to be seizing back my time.

I'm pleased you're making that distinction. What we're not talking about here is important public service ads, such as reminding people to get a mammogram or reminding people to get a colon screening. We're not talking about that. In fact, I think it's safe to say that everybody here would think that that would be a good use of government advertising money, and we expect government—

Hon. Kinga Surma: I'm glad you agree that cancer screening is a good use of taxpayer money—

Ms. Jessica Bell: I'm not asking a question—to use that money for the public service. What concerns we have is that when we see ads that are being used primarily to help the government look good, but they're not actually doing a whole lot to help Ontarians: not helping kids do better in school, not helping Ontario be safer.

I'll give you another example. This is an ad called the “A Safer Ontario” ad. This is the text: “A safer Ontario means playgrounds with no drug injection sites nearby. It means fewer cars being stolen, thanks to more police officers and prosecutors; new jails so criminals stay behind bars; public spaces without encampments; and bail reform that protects our neighbourhoods. We're making every corner of Ontario safer to make all of Ontario safer. That's how we protect Ontario.”

This ad aired during the Grey Cup. That couldn't have been cheap. How much did the Ontario government, the Treasury Board, spend on playing this ad?

Hon. Kinga Surma: MPP Bell, you referenced the total amount spent on advertising, but again, you fail to understand that I am here as President of the Treasury Board and my job is to talk about the spending that we do at Treasury Board.

So, again, I will reference some of the ads that the Treasury Board has paid for: Service Ontario digital ads—

Ms. Jessica Bell: So my question to you—

Hon. Kinga Surma: —Destination Ontario and winter driving—

Ms. Jessica Bell: So this does come out of the bulk media ad.

So my question to you specifically is, how much did the government spend on the “A Safer Ontario” ad? It's a specific question.

Hon. Kinga Surma: Again, that was paid for by a different ministry. That is out of scope as to why I am here today. I am here to answer questions about the budget and spending and expenses of the ministry of the Treasury Board. And I have already referenced for you what the Treasury Board has spent on advertising.

Ms. Jessica Bell: So let's be clear here: The objective of the Bulk Media Buy Program is to support government advertising that informs Ontarians about their rights and responsibilities under the law, as well as government programs and services such as public health and safety. Of the two ads that I read out, do you think that these ads meet that standard?

Hon. Kinga Surma: Again, I can only speak to the ads that we paid for as the Treasury Board, and I have already referenced them to you. They do not include the ads that you are mentioning. Those ads are paid for and run by another ministry.

Ms. Jessica Bell: Okay. All right.

The second line of questioning I want to ask you about is the high cost of infrastructure. The job of the Treasury Board is to ensure our money is well spent, so if a ministry wants to build something, they first go to the Treasury Board for approval to develop a plan. That information must include information on what they want to build and why. And then, they go back to the Treasury Board for a second approval, with information on what is going to be built, how much it's going to cost, how long it's going to take and any potential risks or cost increases.

Why I summarize that is that it's safe to say that the Treasury Board has a pretty good understanding of how much infrastructure projects are going to cost, whether there are cost overruns, whether they are late and if there are any risks or costs associated with it.

I want to talk about the Ontario Line—a good project; however, the cost of building the Ontario Line has gone from about \$10.9 billion to \$34 billion. The cost of it has tripled in price. A new report came out by the University of Toronto that showed that it costs more to build transit in Ontario than nearly anywhere else in the world. That's quite a record. Why are costs going up on the Ontario Line?

Hon. Kinga Surma: Again, I would remind the MPP that that question is out of scope.

What I can, though, talk to you about is the role of Treasury Board. The role of Treasury Board is to work with ministries on multi-year budgeting and in-year expenditures. We also—

Ms. Jessica Bell: I'm going to be very clear: The reason why I read out the definition of what the Treasury Board does—and I verified it with the Financial Accountability Officer—is that it's pretty clear that the Treasury Board has a pretty good understanding of what infrastructure projects are going to cost and what risks are associated with it. So it's safe to say that the Treasury Board has a pretty good understanding of what's happening with the Ontario Line. And I'm asking you, as the

Treasury Board president, to explain why Ontarians are now paying about \$20 billion more than they expected to pay for the Ontario Line. What's happening?

Hon. Kinga Surma: Again, Mr. Chair, Treasury Board works with all other ministries to prepare their budgeting to make sure that they have proper financial statements. And some of the work that we do—the great people behind me—we work with the Ministry of Finance on the fall economic statement and on the budget. We look at forecasting, we look at in-year spending, and we work very diligently with the Minister of Finance to prepare a budget for the people of Ontario.

Ms. Jessica Bell: Okay. I've got another question for you: Do you agree these high infrastructure construction costs are a worry?

Hon. Kinga Surma: Again, Mr. Chair, this question is out of scope. I'm here to talk about the spending within TBS.

But again, I will highlight the important work that the people who are sitting behind me do every single day in terms of making sure that all ministries have proper financial statements; that we work with ministries on in-year approvals, as well as multi-year planning, forecasting and projections; and the work that we do when preparing for the fall economic statement and the budget.

Ms. Jessica Bell: I think if someone was listening to this, they'd wonder why the minister is stonewalling on answering basic questions around why we have ballooning infrastructure costs that are costing Ontarians an extra \$20 billion, and not providing any adequate answers on that.

What I have found, looking at infrastructure costs, is that it's not just the Ontario Line. A lot of infrastructure projects are ballooning out of control when it comes to costs. I'll give you some examples. The Hamilton LRT: The project began 11 years ago in 2015, and costs have grown from \$1 billion to \$3.4 billion—triple. We have the Hazel McCallion Line. The Hazel McCallion Line was originally slated to open two years ago at a projected cost of \$1.4 billion, and it now sits at \$5.6 billion, with no completion date announced.

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I'll give you one more. There's a lot, but I'll just give you one more, so you can see the trend: The Yonge North subway extension. The Yonge North subway extension was initially estimated at approximately \$1.4 billion, and it's now expected to exceed \$3.5 billion.

Mr. Dave Smith: Point of order.

Ms. Jessica Bell: As I mentioned earlier, the Treasury Board is responsible—

The Chair (Hon. Ernie Hardeman): Point of order. MPP Smith.

Mr. Dave Smith: I appreciate that the member opposite is trying to ask some questions. Unfortunately, the scope of estimates at this committee is the estimates for the current fiscal year. This member is bringing up topics from previous years, from other ministries, that are 100% out of the scope. We would greatly appreciate it if the member could bring her line of questioning back so that we're dealing with what is in scope for the Standing

Committee on Finance and Economic Affairs for the estimates for the current fiscal year. Thank you.

Mr. John Fraser: Point of order.

The Chair (Hon. Ernie Hardeman): On the same point of order?

Mr. John Fraser: Yes.

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

Mr. John Fraser: I'm just going to say, it's always good to know where you've been, so you know where you're going. I think that's what the member is trying to do.

The Chair (Hon. Ernie Hardeman): I would just point out that the point of order is a point of order, and we would ask to make sure that the member sticks to the issues at hand, as opposed to what has been and what could be.

Ms. Jessica Bell: Thank you, Chair, and thank you to the member opposite. I think it's pretty clear a lot of these projects have not been finished yet, and the expenditure for these projects is for this year and for future years. The Treasury Board is responsible for ensuring that ministries spend their money wisely and that there is appropriate auditing in place. The issue I am raising here—

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the time. I didn't have time to put it at one minute, because I was dealing with points of order.

We will now go to MPP Fraser.

Mr. John Fraser: Congratulations, Minister, on your appointment and a whole bunch of other things.

I just want to pick up where we left off here. I heard you mention that the Treasury Board does audits of outside agencies. When is the last time you did an audit of Metrolinx?

Hon. Kinga Surma: There is a mandate review process that takes place every six years, and then Metrolinx is one of the six agencies that we're reviewing thoroughly. The reporting will come in in the fall on that particular agency.

Mr. John Fraser: The reason that I'm asking this question is that we have a situation where the government was sued by a government appointee—the government. Metrolinx was sued by a government appointee for something called air rights, which I'm sure you're familiar with, that relate to downtown Toronto. That appointee sued the government for \$500 million. The government settled. Except nobody knows, except for a few people, how much they settled for, literally for air that you couldn't build on or do anything with.

I guess the question is, as the President of the Treasury Board, do you think it's appropriate for an appointee of the government to sue the government—that's one thing—but more importantly, that the sum of that amount that was settled for is not disclosed to the public? Do you think that's fair? Do you think that's right? And I ask this question because, going forward, I don't think it's right. I don't think it's fair.

Your responsibility as President of the Treasury Board is to ensure the things you said: transparency, fairness, accountability and governance. So I have a problem with that. But what I want to know is, is that okay with you, the fact that it's undisclosed?

Hon. Kinga Surma: As president of the treasury, it is our job to make sure that we have an efficient, productive

OPS. It is also our job to make sure that all of our agencies are running efficiently and are sustainable in the long term.

Now, Metrolinx is a very large organization, and throughout the years, since 2018, they have been given additional information. They were selected as one of the six agencies so that we can ensure that they are fulfilling the main mandate, but that they are also self-sustaining in the long term, as well as doing the work in an efficient, cost-effective, respect-for-taxpayer way.

And so, we will have the reporting back of this in the fall and, of course, I will be out, facing the public and letting them know when the reporting has concluded.

Mr. John Fraser: As the President of the Treasury Board, irrespective of a full audit, you have the right to ask that question, am I not correct? Is that correct? You have the right to ask the question: What was that settlement? Is that correct? Does anybody dispute that?

Hon. Kinga Surma: Again, Chair, what I will say is that Treasury Board is responsible for the agencies and that's why we've decided to do a review of six agencies that are complex, that are large, that are financed by the taxpayer, to make sure that they are doing the work, fulfilling the mandate, but also productive, self-sustaining in the long run and very efficient.

Mr. John Fraser: They have more VPs than we have MPPs, which gives you the size of the scope of the problem here with Metrolinx. My question isn't that. My question is very specific as to what happens inside Metrolinx and whether or not, and I believe you can, simply request that information as the person who's responsible for literally how the government spends its money.

So, I just need a yes-or-no answer to that. If it's yes, that's all I need. If it's a no, no. Yes or no?

Hon. Kinga Surma: Mr. Chair, a big part of what we do at TBS are audits. We conduct audits. We have the audit committee, we have the internal audit division, and they work with other ministries to determine which programs and which agencies should be audited. That work is ongoing.

It is my understanding that about 70 audits will be completed this year. So they are working very, very hard to make sure that government is accountable and that every single dollar is well spent. But again, that work is arm's length from political parties. It's arm's length for the reason that we need to maintain integrity.

Mr. John Fraser: Okay, arm's length. They're spending a lot of our money. Don't you want to know how much we paid for something—

Hon. Kinga Surma: MPP Fraser—

Mr. John Fraser: —that you can't—I'm just asking you.

Hon. Kinga Surma: The auditors and the work they do is arm's length from elected officials and it is arm's length for the purpose to protect the integrity of the work that they do.

Mr. John Fraser: To be fair, you're elected, but you're also part of the governance and responsible for how the government spends its money. I'm going to stop; we're not going to get any farther than this because you're going to give me the same answer that you've given me, so we can stop right here. But I'm just making that point, right?

Hon. Kinga Surma: Am I able to respond?

Mr. John Fraser: There's a lot of money that's being spent.

The Chair (Hon. Ernie Hardeman): I think the member should take an answer when he gets it. He may not like the answer, but I think we should—

Mr. John Fraser: Well, I am, but she wants to give it to me again, so—the minister wants to give it to me again.

Hon. Kinga Surma: I wanted to thank the auditors for their work.

Mr. John Fraser: I want to thank them, too.

Hon. Kinga Surma: Great.

Mr. John Fraser: And what I was really interested in—it took me 20 times. I'm pretty persistent in questions. Your predecessor might remember when—

Hon. Kinga Surma: No, I'm at Queen's Park, or was, before my mat leave. I know you're persistent.

Mr. John Fraser: Yes. I'm particularly persistent on the issue of the forensic audit and Keel Digital Solutions, which I'm not going to ask about right now. But what I want to know is—

The Chair (Hon. Ernie Hardeman): If I could just have the member's attention, I would like to read this to the member as we proceed forward.

I would like to remind all honourable members that their remarks should be kept relevant to the matter before the committee.

Standing order 25(b)(i) states, "In debate, a member shall be called to order by the Speaker if he or she ... directs his or her speech to matters other than ... the question under discussion."

Further, it is noted on page 6225 of Bosc and Gagnon that "the requirement that speeches remain relevant to the question before the House flows from the latter's right to reach decisions without undue obstruction and to exclude from debate any discussion not conducive to that end."

I believe that that's where the member may be going, so I would call him to order and ask him to get on with his questions.

1340

Mr. John Fraser: I am. Thank you very much, Chair. I respect your comments and ruling. I'm just trying to prosecute this question, so I need to start somewhere.

The Chair (Hon. Ernie Hardeman): I may very well point out that there is no debate with the Chair. I know what you were trying to do, and I say: Don't do it.

Mr. John Fraser: I'll try not to, Chair. I'll do my best.

What I'm trying to understand going forward—because you've got \$31 million, I think, to the audit division and \$8 million to the Office of the Chief Risk Officer, and there is a bit of history in this—is, what does it take to trigger a forensic audit at the Treasury Board specifically?

Mr. Dave Smith: Point of order, Chair: I fail to see how this actually fits in with—sorry. You haven't recognized me yet.

The Chair (Hon. Ernie Hardeman): I would just ask to make sure that the questions are to the estimates before us.

Mr. John Fraser: I just mentioned the money that was audited, \$30 million, at the office of the auditor. I'm trying to stay within the scope, Chair.

The Chair (Hon. Ernie Hardeman): I would caution the member to stay to the topic.

Hon. Kinga Surma: As I mentioned, this year our ministry will be concluding 70 or so audits. They're routine. They're there to make sure that there is accountability, that there is oversight. Should there be non-compliance or lack of information, that team can then request a forensic audit. Just because a forensic audit is requested, it does not necessarily mean that the applicant or organization has committed any wrongdoing. They would then investigate. If they then feel that there was some wrongdoing, then they have procedures in place and can notify the necessary authorities.

Mr. John Fraser: So that forensic audit, is that amount included in the \$31 million? Would that be part of the estimates, that forensic audit? And is that internal or is that sent to an external agency to audit as well too? Would you use a firm?

Hon. Kinga Surma: It's internal.

Mr. John Fraser: It's all internal.

I guess the question is: If there were a government program, a program that was a grant program, I want to understand how we get to choosing a forensic audit. The ministry itself does, I guess, its own internal audits? Or is it just all specifically through the Treasury Board? In other words, they take a look at the program?

Hon. Kinga Surma: Well, how it would work—

Mr. John Fraser: Do you assist ministries in auditing their programs, or they have their own capacities?

Hon. Kinga Surma: If the ministry wanted to create a program or a grant program or a transfer payment program, they would design it and they would submit the request to Treasury Board. We would review the request, and they would then be responsible for the expenditure.

Mr. John Fraser: So if a ministry had a program that they put forward and you approved, and then the ministry goes, "Well, actually, they're fudging the accountability piece of it. The KPIs are being fudged. So, you know what? We're going to change the KPIs." And then the next year, they find out they're fudged again, that they have to change the KPIs because they're being played. I guess my question is, how long do we have to wait before we drill down when someone is trying to take advantage of us? Because it's happened. I'm not going to go back to it, because I can't go backwards, but it's happened recently. So what does it take? What triggers it? You've got this investment here for \$31 million. On a \$230-billion budget, \$30 million to audit—not a lot of money. What does it take to trigger it?

Hon. Kinga Surma: That's right. I'll just say a few words, and then I will pass it over to my deputy who can provide a little bit more information. What I will say is this is a large organization and enterprise: \$230 billion, 15 million people, and a lot of services that the province of Ontario adds. We are always looking to improve processes—we understand that—but ministries are essen-

tially responsible for the programs that they submit to Treasury Board and that they execute on.

But I will pass it over to my deputy to add.

Ms. Carlene Alexander: Through you, Chair, if I could maybe just provide a little bit of context: Every year, the Ontario internal audit division will prepare an audit plan based on the risks that we know might exist across government. That is in collaboration with ministries, and so there will be a comprehensive audit plan that typically consists of, as the minister noted, about 70 audit plans. It's very significant. We have several audit committees, including some subcommittees; there are nine subcommittees that include external members, as well as an overarching Ontario internal audit committee, which also has external members, as well as some internal members.

In the course of doing that work, which as I mentioned is done in consultation—

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

Ms. Carlene Alexander: —with ministries, there will also be, from time to time, the need for a forensic audit. What triggers a forensic audit would just be if there needs to be additional work done, because a typical audit didn't get the answers that it needed and it needed to go a little bit deeper. Perhaps there might have been some anomalies and there needs to be further investigation done. That's what generally triggers a forensic audit. This is ongoing work that the ministry does every single year, and it ensures accountability and it ensures strong operations of government.

Mr. John Fraser: How much time?

The Chair (Hon. Ernie Hardeman): Twenty-five seconds.

Mr. John Fraser: Thank you very much for that answer and for all the work that you do. I very much appreciate the work that everybody in this room does so don't take it any differently than that.

I will ask, and this might be a question for later: How did executive offices in the provincial government go from about \$32 million to \$74 million over a period of about five years?

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

We will now go to MPP Brady.

Ms. Bobbi Ann Brady: I'm hoping I'm sticking to the rules here. I'm looking at table 2, the combined operating and capital summary by vote. I see last year the Treasury Board support program had almost \$5 billion in its estimates, and I believe that the majority of that was a contingency fund rather than operating costs. Can you explain why such a substantial contingency was housed within TBS and how those funds were ultimately allocated?

Hon. Kinga Surma: Thank you very much for the question. I think before I get into the numbers, what I will say is that it's incredibly important for governments to have contingency plans. The contingency plans are there so that if there are unforeseen circumstances like natural disasters or unforeseen events take place, the government has fiscal room in order to provide assistance or to respond.

And so, if you're asking about the 2025-26 year or the 2026-27 year—

Ms. Bobbi Ann Brady: I'm asking why the estimates in 2026-27 is earmarked for \$1.5 billion and last year it was over \$5 billion.

Hon. Kinga Surma: Last year, there were significant supports that we had to provide for the health sector, because of pressures related to health care and utilization rates for OHIP and the Drug Benefit Program. We also increased funding for the autism program by \$1.1 billion, and then we also provided additional funding for wildfire management, as well as additional funding for the 2025 ice storm that occurred. So there were utilization pressures from the health care sector, as well as natural disasters and events that took place that needed additional contingency spending as opposed to this year.

Ms. Bobbi Ann Brady: Would we be able to get a written breakdown of where the difference has gone, the \$4 billion?

Hon. Kinga Surma: All of our public accounts are public information, as are estimates.

Ms. Bobbi Ann Brady: And given that the actual expenditure for the TBS financial planning component was only about \$39 million in 2024-25, what controls are in place to ensure that contingency funds are allocated based on demonstrated need and measurable outcomes?

Hon. Kinga Surma: The spending of contingency funds can only occur through Treasury Board approval, so there would need to be a significant case made to the Treasury Board in order for funding to be approved.

1350

Ms. Bobbi Ann Brady: I'm going to go back to the question about the media and bulk buying, and maybe we need to look at it a different way, instead of talking about specific ads.

What specific outcomes are you looking at, is the government requiring, before approving an advertising campaign?

Hon. Kinga Surma: In terms of the Bulk Media Buy Program, what I will say is, it's almost shaped like a contingency for advertising dollars that are necessary, and they're usually used at the end of each year.

Again, a pretty significant case would have to be made, and there would have to be support from the Cabinet Office, which helps coordinate between ministries. So—

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

Ms. Bobbi Ann Brady: So the case is made, the specific ministry makes the case, but then how do you determine if that was money well spent? Is it gauged by the number of impressions reached, dollars spent, or does the government require evidence that the advertising actually changed behaviour, public opinion? How do you actually gauge the success of an advertising campaign when ministries are coming before you the next year?

Hon. Kinga Surma: That's a fair question.

I will turn it over to my deputy, who has had many years of experience with this program.

Ms. Carlene Alexander: I would just like to clarify that it's actually Cabinet Office who reviews and approves ads and looks at the effectiveness of ads.

What Treasury Board does is, we house the Bulk Media Buy fund, as the minister noted, so the \$51.9 million. If ministries cannot offset the cost of advertising from their own allocations, they may come to Treasury Board to seek additional funding.

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

We'll now go to MPP Racinsky.

Mr. Joseph Racinsky: Thank you, Minister, for sharing with us this afternoon.

I'm going to be asking about estimates preparation, but before I do, I want to congratulate her on receiving this new position. She's doing an incredible job, and she's got big shoes to fill, with Minister Bethlenfalvy most recently, but Minister Mulroney before her.

It's great to have MPP Lahey from York-Simcoe here on the committee with us as well. I want to congratulate MPP Lahey on her election and for being here today.

I think our fiscal restraint is key, and respect for taxpayers is something that really motivates me and is something that my constituents care deeply about in Wellington-Halton Hills. I was really pleased, as a government, that we were paying, as a percentage of our budget, the lowest amount of interest on interest in over 40 years, and I think it's thanks to that great work that has been done before, and I know you will continue that.

Minister, on the estimates preparation: We know that Treasury Board Secretariat works closely with the Ministry of Finance on several files, including support on key processes involved in the government's public financial reporting. This reporting is a critical aspect of the many ways the government demonstrates its focus and commitment to the principles of transparency and accountability to the people of Ontario.

So I'd like to ask, Minister, please, if you could take some time to explain the expenditure estimates process; specifically, how coordinating with other ministries across government is handled. And what kind of expertise and advice does the Treasury Board Secretariat bring to the process? What does the Treasury Board Secretariat do to assist the government in implementing its fiscal, financial management and performance frameworks—if you could just provide a brief summary detailing the work that informs the preparation of estimates.

Hon. Kinga Surma: Thank you very much for the question.

I certainly appreciate your kind words. I too am very grateful for the work that Caroline Mulroney had done in the past. They're tough shoes to fill, but we will try our very best.

First and foremost, the expenditure estimates support the initiatives and investments that are outlined in the 2026 Ontario budget, A Plan to Protect Ontario. I know that in the midst of tariffs and economic uncertainty, the government continues to deliver on its plan to protect Ontario by building a competitive, resilient economy. The budget outlines that

we are continuing to accelerate and invest in strategic opportunities like energy, critical minerals, strong post-secondary education sectors, key infrastructure and critical technologies to protect workers and families.

The expenditure estimates represent the government's official request for legal authority to incur expenditures during the fiscal year for the Legislature. There are two volumes of expenditure estimates. Volume 1 is tabled in April and provides a detailed public record of the budgets of government ministries and offices. Of course, the content is very much aligned with the 2026 budget. Volume 2 is tabled later in the year; it outlines the spending plans of the Office of the Assembly, the Auditor General, the Office of the Chief Electoral Officer and the Ombudsman's office. Additionally, the Treasury Board Secretariat may table supplementary estimates at a later date in the event that a ministry experiences significant pressures.

I think it's important to note that estimates and public accounts are a very important process in order to make sure that we are very transparent with the public as to where the dollars are spent.

Mr. Joseph Racinsky: I also just wanted to congratulate the minister on becoming a mother, which is probably an equally if not even more important role.

Hon. Kinga Surma: Tougher—much tougher.

Mr. Joseph Racinsky: Yes, congratulations.

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

MPP Susan Lahey: Through you, honourable Chair, my question I would like to ask is about financial reporting. I would like to ask the minister, which you referred to in your introductory comments this morning, about Ontarians expecting transparency and accountability when it comes to the management of public funds, which help shape government decision-making.

Would you expand in further detail, please, how the Treasury Board Secretariat supports these principles through regular financial reporting and oversight?

Hon. Kinga Surma: Thank you very much. I appreciate the question. Congratulations to you on becoming a newly elected MPP; you'll be joining us at the very first question period in October later in the month.

I will say that it is a very difficult thing to do, to juggle supporting all of the programs and all of the infrastructure that one has to build and the budget and also being very fiscally prudent. We have estimates. We have public accounts. I know that, through Treasury Board, we work with other ministries on regular quarterly reporting, and then there's also the work that we do with the Ministry of Finance, the work that is involved around the fall economic statement as well as the budget.

So throughout the year, actually, we are constantly working, whether it's on projections, numbers, reporting out to the public or preparing for the budget and then the fall economic statement. It is a very difficult job to do, but I think that with a great team—mentioning the people behind me—we are in a good spot for year 2027.

MPP Susan Lahey: Thank you.

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

Mr. Aris Babikian: Minister, congratulations on your new appointment and your portfolio. My question is related to the public accounts process.

Through you, Chair, to the member: The public accounts are an important financial milestone. These retrospective documents compare Ontario's actual performance to what was planned in the budget. We recently released the 2025-26 public accounts, and I am proud to note that, for the ninth consecutive year, our government received a qualified or clean audit opinion.

To the minister: Can you speak more about how the public accounts are prepared and tabled? I am particularly interested in how the government works with the Auditor General's office and what this year's results revealed.

Hon. Kinga Surma: Thank you very much for the question.

I would say that Treasury Board works very closely with the Auditor General year-round in order to make sure that we have the highest standard of financial reporting.

I would say that on Thursday of last week, that was my first experience as being the one to communicate the public accounts for 2025-26. I think that's really important for the public to know because we plan the budget, but we also need to be very clear about how those dollars were spent. The budget is based on projections and information about spending, and then it's equally as important to make sure that we communicate with the public on the actual spending of government.

1400

What I will say is that through the public accounts, it's become very clear that the government has spent and continues to increase and spend money on health care, on education, on post-secondary education, children and community services, and justice. We've spent \$10 billion more than previously to make sure that hospitals are functioning, to make sure that family doctors are within community, to make sure that we support the OPP, to make sure that universities and colleges receive stabilization funding when there was a big policy change by the federal government.

I think the public accounts demonstrate that we certainly have been investing in public services, the very public services that the people rely on each and every single day, and it will be an honour to continue that work with the Minister of Finance as we prepare for the fall economic statement and the future budget.

Mr. Aris Babikian: Thank you.

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

Mr. Dave Smith: How much time do we have left?

The Chair (Hon. Ernie Hardeman): You have 5.47.

Mr. Dave Smith: About five and a half minutes, okay.

Hon. Kinga Surma: Try not to take up all the time for yourself, Dave.

Mr. Dave Smith: Thanks, Minister; I appreciate the vote of confidence on that.

I want to talk about supporting a strong Ontario public service. I'm going to give a few stats and, yes, I'm going to eat a bunch of time because that's just how I talk.

If we take a look at 2018, when we were first elected, the population of Ontario was about 14.3 million people. Now we're looking at about 16.2 million, 16.3 million, somewhere in that neighbourhood. We've seen an increase in population by about two million.

In Canada, we've seen an increase in population by about 10% over that same period of time. We saw an increase here in Ontario of about 14%. Nationwide, it was about 10%. In Quebec, they saw an increase in their population of about 5% during that time period.

When we look at the public service, then, across a couple of jurisdictions, the federal government increased the number of public servants by 26.2% in that time period, with only a population increase of 10%. Quebec increased the size of their public service by 17% over that time period. We saw an increase of about 5.5% over that time period.

So, obviously, we're taking a look at how we serve the people of Ontario in the most taxpayer-efficient way. I think that there's been some changes that have been made in different public service positions, where I would say people have come into my office and have actually been quite happy with those public servants.

When we look at 68,000 public servants right now who are contributing to the vital work of our ministries and how we're advancing the government's priorities, the Treasury Board Secretariat plays that crucial role as the employer. And when we look at the good work that those public servants are doing and how they're acting in a responsible fashion, contributing to what I would say is the best, world-class type of service, they're doing a really, really good job for the people of Ontario, and they're doing it in a way that is not a hardship on the taxpayer.

When I compare it to the federal government that increased their size by 26%—that's an awful lot of people. In fact, just as a side note on it, they increased the public service federally by more than we actually have as a total number of public servants in Ontario. So kudos to the public service staff for doing all of that work, doing good work without disrespecting the taxpayer.

As the President of the Treasury Board, can you explain how the government is both maintaining and strengthening our already strong, efficient and professional Ontario public service that Ontarians currently are relying on?

Hon. Kinga Surma: Actually, you referenced stats that I wasn't aware of, like in Quebec. What I will say is that a big part of this, I would like to say, is part of Minister Mulroney's legacy as former TBS chair. We oversee 68,000 public servants and 43,000 employees across our agencies, boards and commissions, which is a lot of people.

But to your point, we've done a really good job of managing and sort of maintaining a pretty steady slow growth within the Ontario public service. I would say the point where I was the most proud of the public service was during COVID, because we were launching and initiating new initiatives overnight, super quickly, and I think it showed the machinery of government: how quickly people can work or how productive they can be, especially during times of crisis.

What I will say is that TBS, as part of planning for the budget—we work very closely with ministries to evaluate their budgets, their programs, how many FTEs they have, whether their mandates are being fulfilled, whether they need more support or less, sort of making sure that each ministry and agency is staffed up appropriately.

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

Hon. Kinga Surma: But to the same degree, we also do reviews to make sure that they're being productive and self-sustaining and efficient and respectful in the long run.

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

Mr. Dave Smith: Since we have less than a minute left, I'm going to defer the last 30 seconds or so of our questions, and we'll go over to the opposition.

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

We'll now go to MPP Bell. I'm not giving you the extra minute.

Ms. Jessica Bell: I didn't think so. I wouldn't expect anything less.

I want to go back to the question around high infrastructure costs. I just gave a summary earlier about some of the ballooning costs we've seen with some major infrastructure projects, especially public transit. We have the Ontario Line's cost literally tripled. We've seen the Hamilton LRT's costs triple. We've seen the Hazel McCallion Line's costs literally triple, and the Yonge North subway extension is going up from \$1.4 billion to \$3.5 billion. So it's across the board. There's a lot of costs.

As the Treasury Board president, those costs are something that your ministry sees, so I'm going to ask you this question again: Do you agree that the ballooning infrastructure costs are a concern? Are they of concern to you?

Hon. Kinga Surma: What I will say is that the ministry of the Treasury Board doesn't actually pay—it's not in our estimates, for any capital projects. I would say—

Ms. Jessica Bell: I just want to be clear: It is the responsibility of the Treasury Board to evaluate and audit and ensure that there's good value for money. That means when big infrastructure projects come your way and you're seeing an across-the-board increase, that is something that the Treasury Board is responsible for. Does this personally concern you?

Hon. Kinga Surma: What I will say is that we work with ministries on their multi-year planning. We know that, for example, the Ministry of Transportation is responsible for approximately 50% of the capital plan, and we work with the Ministry of Finance on the fall economic statement and on future budgets. But the ministry of the Treasury Board does not actually spend any dollars on capital—

Ms. Jessica Bell: Goodness me. I'm going to take back my time.

It is surprising to me that as the Treasury Board president, you are not expressing the level of concern that I would expect an everyday Ontarian would think when they see infrastructure costs ballooning as they are ballooning, given that it is your job to evaluate, audit and

ensure we get good value for money. Has the issue of ballooning infrastructure costs been raised by ministry staff?

Hon. Kinga Surma: What I will say is that we work with ministries on their submissions through Treasury Board. But, Mr. Chair, it's surprising to me that the member opposite does not understand the fact that we are here to discuss the estimates of the Treasury Board, not the estimates of the Ministry of Transportation or the Ministry of Infrastructure.

Ms. Jessica Bell: I'm not discussing those estimates. I am discussing—

Hon. Kinga Surma: The Chair had already read out—

Ms. Jessica Bell: —the Treasury Board's responsibility to investigate, evaluate and audit to ensure we get good value for money.

So I asked you that question—"Has the issue of ballooning infrastructure costs been raised by staff?"—and you chose not to answer that question.

1410

Mr. Joseph Racinsky: Point of order.

Ms. Jessica Bell: I'll move on.

The Chair (Hon. Ernie Hardeman): I'm going to remind the member to stick to the estimates.

Ms. Jessica Bell: I'll move on.

I recently read, and you mentioned this earlier, the Treasury Board made a decision to conduct a review, an audit of, I believe—was it eight agencies, including Metrolinx? Is that correct?

Hon. Kinga Surma: Six agencies.

Ms. Jessica Bell: Six agencies, including Metrolinx—and that's correct?

Hon. Kinga Surma: A review, yes.

Ms. Jessica Bell: Yes. And the review was to ensure good value for money, essentially, correct?

Hon. Kinga Surma: That's correct.

Ms. Jessica Bell: And those reviews will be finalized sometime in the fall. I believe you said that earlier.

Hon. Kinga Surma: That's correct.

Ms. Jessica Bell: And those reviews—I assume they'll be made public.

Hon. Kinga Surma: Again, I've been very clear about this. Once the reports are provided to the Treasury Board, we will review them, and then we will update the public on the findings.

Ms. Jessica Bell: Are you looking at making those reviews public?

Hon. Kinga Surma: Again, we will share information with the public. We are conducting the reviews. The reporting will come in to us. We will review it, and we will share information with the public.

Ms. Jessica Bell: So I think, as a committee, it would be reasonable that those reviews were submitted to this committee so that we could review them. I think it's safe to say, when there is transparency with government expenditure, it can lead to good value for money, because ministry staff, consultants understand that their finances will be scrutinized.

Hon. Kinga Surma: Well, I'm glad you're endorsing the review and the program.

Ms. Jessica Bell: Certainly.

Because there is a review of ministry agencies, is there a plan to review the costs of infrastructure projects given their ballooning costs?

Hon. Kinga Surma: The cost of infrastructure projects or the submissions that come in through Treasury Board—the ministry that is leading the work is responsible for cost assessments and budgeting. They do that with Metrolinx and Infrastructure Ontario, and they make that submission to TBS. We work with the ministries to make sure that there are appropriate financial statements, that there are appropriate projections and that there's appropriate budgeting moving forward. But the actual budgets themselves for projects are done through the leading ministry. So, if you have questions on projects, I would recommend that you speak to the Minister of Transportation and the Minister of Infrastructure.

Ms. Jessica Bell: My question to you is, given that the rising infrastructure costs are affecting multiple ministries and the Treasury Board is reviewing these projects, that the ministry conduct a review of rising infrastructure costs similar to what they've done with their review of other agencies. Is that something that you think is something that you can do?

Hon. Kinga Surma: Thank you for the suggestion. We will take that back.

Ms. Jessica Bell: So that is something that you will consider.

Okay, I want to get back to the issue around the purchase of a private jet. I believe that the Treasury Board was aware—

Mr. Dave Smith: Point of order, Chair.

The Chair (Hon. Ernie Hardeman): Point of order.

Mr. Dave Smith: That is way out of scope for the estimates for treasury. The purchase of the private jet was through the Ministry of Natural Resources and Forestry. That's already been addressed multiple times in public on it. I would ask that you remind the member of section 25 of the standing orders.

The Chair (Hon. Ernie Hardeman): I would indeed. It is a point of order, and I do remind the member: As what I read out, it has to relate to the accounts that are before us. I've been hearing a lot of the questions wanting to debate public accounts. That's a different meeting. This is about expenditures for the coming year and having the minister tell us how we can, along with her, observe how the money is being spent, not how the money last year was spent.

So with that, we'll go back to the member—MPP Bell.

Ms. Jessica Bell: I just thought I'd ask.

Mr. John Fraser: I'm glad you did.

Ms. Jessica Bell: I can't help it.

I want to go back to the question of Metrolinx. MPP Fraser mentioned the issue around the number of vice-presidents that sit on Metrolinx's board. Can you just clarify for me how many it is again?

Hon. Kinga Surma: Again, thank you very much for the question.

Metrolinx is a large organization. They have a huge mandate in the sense of capital projects and managing operations. They were selected as one of six of the

agencies that will be reviewed because of their complexity, because of how large they are and the mandate they were given. The purpose of the review is to understand—to make sure that they are productive, self-sustaining in the long term and cost-efficient. That reporting will be coming back in the fall, and I will be sharing that information with the public.

Ms. Jessica Bell: To my understanding, Metrolinx employs 135 executives—and I believe 124 of them are vice-presidents; is that correct?—and about 2,300 managers to oversee roughly 4,700 front-line employees. My goodness, that is very top-heavy.

When you're looking at doing the review, has there been some direction from the TBS around addressing the top-heavy nature of Metrolinx and the very large number of vice-presidents and managers that are employed by Metrolinx?

Hon. Kinga Surma: Look, it was the previous TBS president, Caroline Mulroney, that issued the hiring freeze for agencies and also asked for the review. I would say that the span of control will be part of the review and will be provided to government in the fall. We will update the public on those findings.

Ms. Jessica Bell: Thank you. I believe that's all I have for questions.

The Chair (Hon. Ernie Hardeman): Thank you. We'll now go to MPP Fraser.

Mr. John Fraser: Thanks very much, and I just want to correct my record, Chair. It's actually—

The Chair (Hon. Ernie Hardeman): Well, we haven't got time for that.

Mr. John Fraser: I've got to correct my record. Well, it's a long list, right?

The Chair (Hon. Ernie Hardeman): I know.

Mr. John Fraser: I had my numbers wrong. The spending in the executive offices was \$34 million in 2018, and in this year's budget, it's projected to be \$82 million. That's a growth of not quite three times, but two and a half times over a period of eight years.

I guess my question is—I'm seeing that you're looking at having a better staff-to-management ratio of 50-50 to move to 60-40, right? Is that correct, in terms of the ratio? Is that a head count, or is that a dollar amount?

Ms. Carlene Alexander: Through you, Chair, that is a head count.

Mr. John Fraser: So in terms of compensation, how has that changed in terms of staff to—I know that the ratio would be obviously very different because of the size, but how has that changed over the last eight years? In other words, has the growth in executive offices compensation outpaced the growth in regular staff compensation?

Ms. Carlene Alexander: Through you, Chair, I would just like to clarify something. I believe when you are speaking about executive offices, you are speaking about the Premier's office and ministers' offices—

Mr. John Fraser: Yes.

Ms. Carlene Alexander: That is separate and apart from the 60-40 ratio. The 60-40 ratio has to do with OPS staff and what portions are public-facing and on the front

lines versus what portion are doing enabling functions such as finance, IT etc. So that's what the 60-40 ratio is referring to.

Mr. John Fraser: And so the executive offices that I'm talking about—I'm just clarifying this with you—are solely for ministers, offices, political staff, not public servants.

Ms. Carlene Alexander: I believe that that's the number that you are referring to.

Mr. John Fraser: I think that's the number. Yes, that's the number.

So that's an incredible growth. You don't need to comment on that. That is big growth over a period of eight years, to go from \$34 million to \$82 million. That is not exactly lean. I don't think that's on the public service. That's obviously on the politicians, and that's something that, going forward, the president may want to reflect upon when using the term “lean government,” because to be lean you need to lead by example. Thanks very much for clarifying that.

I did want to ask a question that related back to a finding of the Auditor General. I don't want to go back over and relitigate the Skills Development Fund because I don't want to get somebody excited over there and have the Chair have to interject and use up some of my time.

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The Auditor General recommended that ministry staff, not the minister's office, should approve SDF agreements, consistent with the financial management authority. Has the Treasury Board either amended the financial management authority—or actually, better put, have they given a directive to all ministries to follow this authority in terms of decision-making when it comes to—I'll use the vernacular—doling out government money to grants?

Hon. Kinga Surma: Thank you, MPP. We have a lot of respect for taxpayer dollars here, so I don't like that language. What I will say is that the government is making a lot of improvements to our transfer payment system. We want to make sure that ministries are doing it effectively, that there's proper information that is shared, that it's shared at the right time, and so we are continuously making improvements to the transfer payment system enterprise-wide.

Mr. John Fraser: I'm sorry if you took offence to the “doling out,” but when we're giving \$10 million to train adult entertainment workers and money for family dentists and grants are subject to an OPP investigation, an Integrity Commissioner's investigation, I think that that's fair and—

Mr. Dave Smith: Point of order, Chair.

The Chair (Hon. Ernie Hardeman): Point of order.

Mr. Dave Smith: Section 25 of the standing orders—just ask the member to keep things to the Treasury Board Secretariat.

The Chair (Hon. Ernie Hardeman): Consider it done. The member will make sure we stay to the topic of estimates.

Mr. John Fraser: I do. I was just addressing the minister's concern about me using the term “doling out.” I just used it with a purpose.

You know, “respecting taxpayers' money” is a line that gets repeated to us over and over and over again. And I

know the work that's done inside the Treasury Board Secretariat, because I know. I've been in government, so I understand the role of the Treasury Board Secretariat.

What I am concerned about is that, like in some other ministries, it becomes increasingly difficult to perform your mandate, which is to protect taxpayers' money. And so, going forward—because, you're a new minister, right? This is why I'm not just talking about estimates; I'm talking about what you're going to do going forward.

My recollection of the Treasury Board Secretariat is, if ministries come back and they require a further allocation for a project that they've already budgeted for, that they seek the approval of Treasury Board. Is that correct?

Hon. Kinga Surma: That's correct.

Mr. John Fraser: And that Treasury Board says, and I can recall—maybe not more often than not, but often enough it's like, "No, no. Go back. Come back with a different number." So I am just concerned that their performance of the Treasury Board's duties is being hampered because we're in situations where we have Metrolinx going forward, what's happening there, and that we are continuing along the line with spending money because of political will, not because of the financial propriety of it.

With respect to Treasury Board Secretariat, let's face it: We're politicians. There are people here who work for us, with us, to provide us advice. And as politicians, we can decide whether or not we're going to take that advice. So what I'm saying, Minister, is I think you've heard—whether it's Metrolinx, whether it's the Ottawa Hospital or over here in Mississauga—where costs are getting out of control. I am just concerned, and I think you should be aware, Minister, maybe we're not taking—I'll say "we" generally because I'm not part of the government but we're all government—the advice that we're being given, in terms of trying to protect taxpayers' money. This government has added more to the provincial debt than any government in the history of Ontario. It will be \$600 billion. It's half a trillion dollars now, essentially; by 2030, it's going to be like—I think it's \$600 billion. Although you're not a line ministry, the job that your ministry does is critically important to the financial stability of this province.

I know that's not a question about a specific line in your budget—you don't have a lot of lines—but the role that you and the people who work for you play is really critical. That's just a piece of unsolicited advice, because there's some stuff out there that I see, especially with regard to projects and cost overruns in health care and transportation that are really, really deeply concerning.

I'll just leave it at that and I'll just yield the floor to my colleague.

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

Ms. Bobbi Ann Brady: Thank you, Chair, and through you to the minister: In my last round of questioning, I was asking about the reduction in contingency funds and where some of those monies have gone. I just want to clarify: You said that \$1.1 billion was transferred to the autism file; I don't actually think that's correct. I think that maybe \$1.1 billion went to children, community and social services as a whole, but not necessarily to the autism file.

If I'm incorrect, can you please tell me how much was actually transferred to the autism file?

Hon. Kinga Surma: My apologies; that is correct. It's \$1.1 billion to the ministry, of which a portion of it was transferred to the autism file.

Ms. Bobbi Ann Brady: Do we know that portion?

Ms. Carlene Alexander: I can find it.

Ms. Bobbi Ann Brady: Thank you, and I'll move on.

I noticed that there is \$1 million budgeted in 2026-27 for grants and supportive effective financial and risk management practices. I believe that the previous transfer payment agreement was a three-year agreement that expired at the end of 2025-26. I suspect it's been renewed for the coming fiscal year. I'm just curious. It's not a huge sum of money, but I'm curious why that agreement would have been renewed.

Ms. Carlene Alexander: I think we're going to have to call someone up.

The Chair (Hon. Ernie Hardeman): Don't everybody answer at once.

Ms. Beili Wong: Hello. My name is Beili Wong, I'm the Comptroller General and the associate deputy minister. Sorry, MPP; can you please clarify your question?

Ms. Bobbi Ann Brady: It's the grants in support of effective financial risk and management practices. It's a \$1-million grant program and I'm just wondering.

Ms. Beili Wong: Yes, it was a renewal with an organization by the name of GRI. It is a best practice of risk management practice. Basically, I think the federal government, Ontario government and also the major financial institutions are the key members and also supporters for such organizations and institutions. It's very much with the purpose of elevating enterprise risk management practice in governments and also in financial institutions to elevate risk-based, evidence-based decision-making in governments and also in private sectors.

Ms. Bobbi Ann Brady: So the monies go to whom?

Ms. Beili Wong: I believe it's an organization by the name of GRI, Global Risk Institute.

Ms. Bobbi Ann Brady: And it's always the same institute?

Ms. Beili Wong: I don't know about always the same. I believe the current and also the last one is with this particular institute.

Ms. Bobbi Ann Brady: And what do they have to demonstrate in order to receive the \$1-million grant?

Ms. Beili Wong: I believe that, like any transfer payment, we have a very rigorous process making sure that through the design of the TP we implement, we design the key performance indicators to have the grant recipient to demonstrate that they have done the work in accordance with the grant's agreements. I'm probably going to come back to provide more details to you, maybe through email or others, to demonstrate this particular agreement and the detailed key performance indicators we have.

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I also work with the Chief Risk Officer very closely because that individual is monitoring the—

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

Ms. Beili Wong:—implementation of this TP very closely. We work very closely to make sure that the requirement for the TP is implemented, is provided, on a regular basis and also a complete basis.

Ms. Bobbi Ann Brady: I just have one last question. The Office of the Comptroller General is responsible for providing oversight of internal audit risk management and financial controls, but you're part of Treasury Board Secretariat. So what safeguards exist to ensure that an internal audit remains independent, and is there the ability—have we gone to third-party audits?

Ms. Beili Wong: That's a great question.

I take great pride in the work that our internal audit function does. One of the key elements of our internal audit function is independence, and when I say independence—they decide what to audit, how to audit, based on their expertise, and the auditors do get audited as well. So every five years, we do have, through the standards issued by the global Institute of Internal Auditors—

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

We'll now go to MPP Lahey.

MPP Susan Lahey: I would like to ask a question regarding the agency modernization. But before I do that, as the new MPP for York-Simcoe, I would also like to acknowledge my predecessor and her dedication and commitment—the Honourable Caroline Mulroney, who made such a dramatic impact on York-Simcoe and all of the projects that we are moving forward, including the Bradford Bypass and the new acute-care hospital. She was instrumental in advocating for many projects and initiatives throughout York-Simcoe, which includes East Gwillimbury, Georgina, Bradford, and part of King, all the way up to Lake Simcoe and the Chippewas First Nation.

I want to say, as a new MPP representing York-Simcoe, that I'm deeply honoured to serve all of the residents of York-Simcoe in the future years.

My question with regard to agency modernization is about the recent hiring freeze last year, and then also the summer work that has been done with reviews. Would you please expand upon those and provide us with a status update on what is taking place with regard to agency modernization, Minister?

Hon. Kinga Surma: I think it would be appropriate to speak to some of the work that we did before, tied into the agency review.

Back in 2018, we had a hiring freeze at the OPS, which also helped contribute to make it a very lean organization. We reduced government agencies from 191 to 137, and then we issued the hiring freeze for agencies and helped avoid costs of \$300 million.

I think the purpose of the review of some of the larger, complex agencies is really to make sure that they are fulfilling mandates, but also doing it with respecting taxpayers in mind. So I think it's important as we plan in the long term, especially given some of the economic challenges that we are faced with, that not only do we have a lean machine, in terms of the OPS, that we can be proud of, but also agencies that are sustainable in the long term,

fulfilling the mandate and doing it in a way that's respectful of taxpayer dollars. We are very much looking forward to the review of the reporting of these agencies, and of course our goal is always to make sure that they are fulfilling the mandate, but again, respecting taxpayer dollars.

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

Mr. Joseph Racinsky: I want to ask about the contingency fund that was mentioned a little bit earlier.

I look back at everything that has happened since we formed government in 2018. I don't mean to age myself here, but I will anyway: I was in high school in 2018. We've gone through COVID. We've gone through, now, a trade war—we are in the midst of a trade war. So I want to ask about the contingency fund and the importance of flexibility. I would like to hear more about the role the contingency fund plays when it comes not only to estimates but also the long-term planning necessary to protect Ontario.

Can you share with us the approach and factors that are considered when deciding on the amount of money that the government sets aside in the contingency fund as part of your prudent fiscal planning?

Hon. Kinga Surma: Thank you very much for the question. As I said earlier, the contingency fund is extremely important in government finances. It is extremely important because it is usually there. We set that money aside for unforeseen circumstances. In the case of, for example, natural disasters—we've seen many of those throughout the years, whether it be flooding, whether it be ice storms, whether it be the wildfires that we saw rage in the province of Ontario—it's extremely important to have that contingency aside so that if the Ministry of Natural Resources needs additional funding to support the people that are fighting the fire, we have that flexibility.

Of course, currently, right now, the Minister of Finance and myself are working together on the fall economic statement as well as the upcoming budget, and so we will be reviewing past spending, of course, and the economic circumstances that we find ourselves in, and that will be the driving factors in determining what the contingency fund should look like, what we need to keep an eye on.

It is a very difficult situation to be in when you're having tariff disputes with your biggest trading partner. We had that once before in our Canadian history with the United States, and it had very big economic consequences.

So when the Minister of Finance and myself were out on Friday—this relates to the contingency fund in the sense that the message we wanted to share with the public was that we want to be very thoughtful and careful moving forward on fiscal spending. We want to be thoughtful and careful moving forward because we really need to see the impacts of the tariffs that are coming in on Tuesday, that will be brought in tomorrow, that will be brought in in January—how they will impact our economy. We want to be ready for that. We want to make sure we have the fiscal capacity to respond, should we need to respond, to initiate programs, should we need to initiate programs, to be able to provide a specific ministry with additional funds, should we need to.

So the contingency fund is an extremely important part of fiscal planning, and it will be extremely important in this upcoming year.

Mr. Joseph Racinsky: Thank you.

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

Mr. Aris Babikian: Minister, my question is to value for taxpayers. Our province and Canada, in general, we are facing many economic challenges because of the current development happening south of the border and around the world, and that is creating uncertainty for the people of Ontario. And, of course, this is increasing the cost of living etc.

The issue is how we are managing all these challenges. As long as the tariffs are enforced, our government's role as the steward of the taxpayers' dollar is more critical than ever.

It is not a secret that the Treasury Board Secretariat plays a central role when it comes to working with ministries and agencies to improve programs and services throughout streamlined government processes. Could you provide additional details on how TBS continues to preserve the integrity of Ontario's high-quality public service while balancing the needs of the fiscal responsibilities during these uncertain times?

Hon. Kinga Surma: Thank you very much for the question. It's a very good one.

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Value for taxpayers is exactly why we push and drive having an efficient OPS. It's exactly why we're driving and pushing agencies to be very efficient, why we're doing the review. It's exactly why we have such a strong audit function as well. We want to make sure that everything is verified, that there's good governance, that there's oversight. That's exactly why we're being so thoughtful about future spending. It was a very difficult decision—not difficult, but it's difficult to face the public and let them know that we need to be very, very cautious moving forward. That's something that we will consider in future spending, and the Treasury Board will continue to have a very big role to play.

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

Mr. Dave Smith: How much time do we have left?

The Chair (Hon. Ernie Hardeman): You have 5.2 minutes.

Mr. Dave Smith: I promise you, Minister Surma, I will leave you time to answer the question. I will probably ramble on a little bit, though. I have to give you a heads-up on that.

I want to talk a little bit more about the OPS. We did talk a little bit about how, really, they are world class. They are the best, in my personal opinion, in Canada right now, when we look at an employment force—it doesn't matter where it is—when we look at the people who do that work.

I'm going to reference something from prior to your time, so you may not remember it. There was a time when Apple computers almost went out of business, and Steve Jobs came back in, and they changed the entire focus of the company. It's now the most valuable company in the world. The change that they made was to focus on their end-users, their clients, the people who were using their product. Steve Jobs was very famous for saying, "I don't

care what can't be done. I want to know what can be done." And the entire focus, then, was on the end-user experience.

I wrote software for a living before I got into politics. I hated Apple. I referred to them as the evil empire because every time they came out with a new operating system, it wasn't backward-compatible, and they forced me to rewrite everything that I ever did, and I hated them for it. But the one thing that they did very, very well was that they focused on what the technology could do for the end client, and they made sure that the experience for the end client was the most important driving factor.

We know that when we went through COVID, there were some changes that were made to the OPS. We know that people were working from home. We know that there was a lot of shift on it. And I'm sure that all of our constituency offices heard complaints from people saying that they couldn't get access to this, they couldn't get access to that, they didn't want to have to talk to a computer, they didn't want to have to do everything online, they wanted to be dealing with an individual. I know that we've come back and we've brought the OPS back to work in the office now five days a week, and there is a real focus on customer service.

Leading into where I want to go with it, though, customer service is only good when the employees feel valued, when the employees recognize that there are things that—that they're being treated better.

Can you elaborate a little bit for us—and if you have to defer to the deputy minister on some of the details simply because you've only been in the role for about three weeks now—

Hon. Kinga Surma: Less than that.

Mr. Dave Smith: Less than three weeks, yes.

What work is being done for the OPS, for the people plan, multi-year accessibility planning, and other measures that are taken to ensure the continuance of high-quality public service? Ultimately, we can come up with ideas here on what we think we should be doing, but they're the ones who are implementing it. If they're not happy, they're not going to be able to implement it, and they're not going to do it in a way that the public is going to be happy.

I know that the secretariat is trying very hard to make sure that the public servants feel valued, that they feel that there's a great contribution and they want to come in to work. Could you elaborate for me a little bit on what's being done to make sure that they know that we truly do value them?

Hon. Kinga Surma: What I will say is that this is an important component of our ministry, the human resources side.

And I'm not turning it over to my deputy because I can't answer the question, but I am turning it over to my deputy because she's actually the chair of the commission and in charge of the culture, human resource elements of the OPS, beyond her role as just my deputy, so—

The Chair (Hon. Ernie Hardeman): And he only left you a minute.

Ms. Carlene Alexander: All right. Thank you so much, Minister, and thank you so much for the question, MPP Smith.

So you touched upon the OPS people plan, and that is a really important document for OPS staff. It's really our North Star.

And we are actually coming to the end of our 2023 to 2026 people plan, so we are actively in development of our next plan. And what that plan really looks at is how we are supporting our staff, how we are ensuring that staff can grow and prosper, and we look at all strategies from hire to retire and everything in between.

Another thing that I just want to touch on is that we do do surveys—employee experience surveys—so that we can hear from our staff in terms of how they're feeling about the organization and what we need to do better. And a couple of stats that I do want to share is that our 2026 survey, which was just launched in the spring, shows really strong employee engagement during a period of change, so during that return to the office. It's the third-highest response rate in the survey's history, and it shows a turnover rate of just 5.1%, which is the lowest in the country. So this public service has the lowest turnover rate, even though we are the leanest, even though we just implemented a huge change. And 83% of employees reported a very strong relationship with their direct managers, and that's important; 79% say that they have clarity about their roles; 76% say that they are treated respectfully at work; and 71.9% say that their ideas and opinions are valued by their colleagues—

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

We'll now go to MPP Bell.

Ms. Jessica Bell: How much time do we have?

The Chair (Hon. Ernie Hardeman): Fourteen minutes.

Ms. Jessica Bell: And is it me, or is it divided between—

The Chair (Hon. Ernie Hardeman): You.

Ms. Jessica Bell: I don't think I'm going to be using all that time. So if I use the whole time, will it move over to—

The Chair (Hon. Ernie Hardeman): Okay. If you quit, then it goes on.

Ms. Jessica Bell: Okay, sure.

Well, I just want to make some concluding remarks, actually, with my time.

I brought up some pretty reasonable things around how much money the government is spending on advertising. And it's pretty clear to me—it goes through the bulk purchasing program; a lot of it does—and there is a real reluctance to acknowledge that we are spending taxpayer money to make the government look good. It's questionable whether there's any direct benefit to people, whether it's going to help kids in school, whether it's going to actually make things safer out there, whether it's actually going to help teachers make a good deal with the government when it comes to bargaining, because I know the government has a plan for an ad related to that.

I think that's a concern. The Auditor General has been pretty clear that taxpayer money for ads should be used to

benefit taxpayers and not just to make the government look good. And every time I turn on the radio or watch a sports game, it seems like I'm watching an ad—that I am paying for—that is not actually directly benefiting me. And we're not talking about ads for screenings; we're talking about ads that are a lot of fluff, that don't actually convey any tangible or specific information that's going to make people's everyday life better. I've got a lot of concerns about that.

I did raise some questions today about the rising cost of infrastructure. And I heard from the minister, "This is not us," "Other ministers are doing it," or "Other ministries are doing it," "It's not my responsibility." "It's not my responsibility"—I don't think people want to hear that answer right now.

If the Treasury Board is approving significant infrastructure projects from the same ministry that keeps coming back every time saying, "I'm really sorry, but costs have gone up again," and they keep asking for more money, and you keep approving it, the buck has to stop somewhere, and it does stop with the Treasury Board.

If my teenager kept coming up to me and saying, "Hey, I need your credit card to keep buying another pair of sweatpants," and they come back with a pair of sweatpants that costs three times as much, like \$300 or whatever they cost these days at Aritzia—I would not be giving her the credit card again.

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And what I'm seeing here with these infrastructure costs is from ministry to ministry to ministry to ministry, the costs just keep going up. I think a responsible Treasury Board would really think through, "Okay, what can we do, as a board that is responsible for the money, to make sure that we can keep our costs down, so we can get good value for money for these really important projects?" And my hope, as you move into this role, is that that's something that you prioritize.

That's all I have to say today. Thank you very much.

The Chair (Hon. Ernie Hardeman): We'll now go to MPP Fraser.

Mr. John Fraser: I didn't think I'd get another kick at the can, as they say—another round in here. But I just want to start because—

Interjection.

Mr. John Fraser: I'll give you another chance to do a section 25, is it? Yes, okay. No, I won't give you another chance unless you want to.

We've been through some questions here today. I do have some other questions regarding outside consultants.

I do want to thank you, President of the Treasury Board, and the deputy and everyone who's here on behalf of the Treasury Board. It's two hours of sitting at the back of the room, listening to politicians talk and sometimes preach—

Interjection.

Mr. John Fraser: What's that?

Hon. Kinga Surma: Speak for yourself, MPP Fraser.

Mr. John Fraser: I am including myself. That's why I said "preach."

I want you to know that from our perspective, we very much appreciate the work that you do. It's not easy work. The questioning, and any of the preaching, is not to denigrate that work. Hopefully, what it is, is to elevate that work and impress upon the government the need to listen to and take advice. It's a very important thing. I wanted to let you know that.

I had one further question—which I'm lucky I got this. I want to know if there's any increase or plan for a decrease in the use of outside consultants in government. Do we know what we spent in government on outside consultants as a whole—or even inside Treasury Board—and how much that growth is going to be in the next year? And, specifically in Treasury Board, in terms of outside consultants with regard to, internally, your own compensation for public service employees. I hope that isn't too confusing a question, but I'm rambling.

Hon. Kinga Surma: No. Thank you very much.

Actually, with the hiring freeze for government agencies, we were able to avoid consultant use by 20%. That is something that we are looking at and, certainly through the closer review with the six agencies, that's something that we are keeping an eye on.

Ministries have discretion over the use of consultants when they don't have that expertise in house, but that is determined by the ministry itself.

For Treasury Board and the use of consultants, I would say we've used consultants for IT support in the past and today. Do you need specific numbers?

Mr. John Fraser: I was just asking in terms of what you spent, what you're intending to spend this year. That's all.

Hon. Kinga Surma: For IT support?

Mr. John Fraser: For outside consultants in whatever inside Treasury Board.

Hon. Kinga Surma: Okay. Is there anybody who can—

Mr. John Fraser: Yes, that's a drill-down question so maybe somebody gets—

Ms. Carlene Alexander: I can tell you our actuals. In terms of our current plans, we have very few plans to use outside consultants. For Treasury Board, we generally have used outside consultants for an IT project that we were implementing, which is called Planning, Budgeting and Forecasting. Last year, it was only \$9.1 million that we spent on that project, which was a decrease of \$22 million from the year before. Now that we are done that program, we don't have very large plans for the use of consultants.

As the minister mentioned, and I just want to reiterate it because I think it's a really important point, we only use consultants when that expertise does not exist internally and it's generally for IT programs or IT projects that we would use consultants.

Mr. John Fraser: Yes, through some of those numbers in there, I just was trying to figure out where that was allocated. Thank you very much. I appreciate your answer. I was just trying to give somebody else a chance to come up, but you knew the answer already. Thanks very much.

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

Ms. Bobbi Ann Brady: I have no further questions. Thank you.

The Chair (Hon. Ernie Hardeman): Anybody but MPP Smith? Any further from the government?

Mr. Dave Smith: No. We're good.

The Chair (Hon. Ernie Hardeman): If there are no further questions, that concludes the time for this hearing.

The time has expired for this committee's consideration of estimates for the Treasury Board Secretariat. Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates.

Shall vote 3401, ministry administration program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 3402, labour relations and compensation, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 3403, Employee and Pensioner Benefits (Employer Share) Program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 3404, Treasury Board support program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 3405, centre for people, culture and talent program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 3411, Bulk Media Buy Program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 3412, Office of the Comptroller General, carry? All those in favour? All those opposed? Carried.

Shall the 2026-27 estimates of the Treasury Board Secretariat carry? All those in favour? All those opposed? The motion is carried.

Shall the Chair report the 2026-27 estimates of the Treasury Board Secretariat to the House? All those in favour? All those opposed? Carried.

We have concluded the consideration of the estimates for the Treasury Board Secretariat. I'd like to thank the minister, Minister Surma, and everyone here today for their presentation.

This committee now stands recessed until 3:30.

The committee recessed from 1457 to 1531.

MINISTRY OF ECONOMIC DEVELOPMENT, JOB CREATION AND TRADE

The Chair (Hon. Ernie Hardeman): Good afternoon, everyone. The Standing Committee on Finance and Economic Affairs will come to order. We're meeting to consider the 2026-27 estimates of the Ministry of Economic Development, Job Creation and Trade for a total of two hours.

We're joined by staff from Hansard, broadcast and recording, and legislative research. From the ministry, we are joined by the Honourable Vic Fedeli, Minister of Economic Development, Job Creation and Trade; the Honourable Nina Tangri, Associate Minister of Small Business; and the Honourable Vijay Thanigasalam,

Associate Minister of Artificial Intelligence Adoption; and ministry officials and staff.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has arranged to have the hearings closely monitored with respect to questions raised so that the ministry can respond accordingly. If you wish, you may verify the questions and issues being tracked by the research officer at the end of the appearance.

Are there any questions from the members before the committee begins?

If not, I'm now required to call vote 901, which sets the review process in motion. We will begin with a statement from the minister for up to 20 minutes. I will let you know at the end of 19 minutes that you've got one minute to go, the punchline is coming up.

With that, the floor is yours, Minister Fedeli.

Hon. Victor Fedeli: Thank you to the Standing Committee on Finance and Economic Affairs. My time will be split with Minister Tangri and Minister Thanigasalam, and I'm here today with Deputy Minister Cadeau.

There's no question that Ontario is navigating one of the most uncertain periods for our economy in decades. President Trump's tariffs have disrupted a long-standing economic partnership that has brought prosperity to both Canada and the United States. Our deeply integrated supply chains were built over generations because they made both of our countries stronger and more competitive.

Over the last months, we have been relentless in our advocacy with our US partners, reminding them at every opportunity that tariffs hurt workers, businesses and consumers on both sides of the border. But it has become increasingly clear that we can no longer take our economic relationship with the United States for granted. They are no longer a reliable partner.

And our response cannot simply be to weather the storm. Our goal is to emerge from this period stronger, more competitive and better positioned to win than we were before. That means reducing our dependence on any single market, strengthening our economy here at home and building deeper relationships with reliable partners around the world.

Ontario has the workers, the resources, the industries and the talent to compete with anybody in the world, and that's exactly what we've set out to do. Since 2018, we have seen our non-US trade increase by 75%. In fact, last year alone, we saw it go up by 17.5%. That's because Premier Ford and our government realize the importance of diversifying our trade, not only to reduce the dependence on the US, but to build new partnerships in high-growth markets around the world.

We have one of the most diversified and competitive economies in the world. We have everything the world wants, from critical minerals and clean energy to aerospace and advanced manufacturing. These features have allowed us to increase our trade with the UK by 194%; Poland, up 96%; South Korea, up 94%; India, up 88%. Chair, these aren't just numbers; they mean more

Ontario goods sold around the world and more choices for Ontario's consumers and businesses.

That growing, global presence is also helping us attract new investment here into Ontario. A key part of our plan—to build new alliances and forge deeper relationships with partners that can be trusted—is with international trade. Last year, we had 30 sales missions to 20 different countries. This year, we've held missions in 17 different countries and will reach 21 by the end of the year. These give us an opportunity to make the case for Ontario and showcase what we have to offer. Everywhere we go, we hear exactly the same message: Amid global uncertainty, Ontario stands out for our stability, our reliability, but mostly, nowadays, our predictability. Global companies know that when they invest in Ontario, we will be there to help them succeed.

Just look at our record: We've never raised a tax, we've reduced the cost of doing business in Ontario by \$12 billion now, annually, and we're speeding up permitting and approval times to get shovels in the ground faster. When we take that record on the road, we have the results to back it up.

Here are some of the 2025 mission successes: After meeting with France's Massilly, the company invested \$85 million in Brantford, bringing tin can manufacturing to Ontario. Sweden's Sandvik invested \$85 million in a new facility in Sudbury, Ontario, following our engagement with the company. And after several meetings with Japan's Marusan-Ai, they made a \$24-million investment in Morrisburg to build Canada's very first, non-GMO, soy milk powder processing plant. Every one of those wins tells the same story: We get on a plane, we sit across the table, we make the case for Ontario and turn those conversations into shovels in the ground, and that turns into good-paying jobs for our families.

Last year alone, we landed \$35 billion—\$35 billion—in new investment; 750 companies, who alone hired 64,000 new employees. That included AtomVie: They invested \$138 million to expand their radiopharmaceutical manufacturing capacity. They created 445 of those jobs. Element5 invested \$107 million to expand their mass timber operations in St. Thomas, creating 150 jobs, but Chair, that was their second more than \$100-million investment in Ontario since we started meeting them in Austria years ago. Hilton Foods: a \$192-million investment in their first North American food processing facility, 150 jobs.

Since 2018, we have landed \$235 billion in investment from companies at home and abroad. Our approach is working. Companies want to be here in Ontario, and we're doing everything we can to ensure that Ontario remains the best place anywhere for companies to invest, to hire and to grow. Whether it's defence, advanced manufacturing, life sciences, technology, Ontario has one of North America's most diversified and competitive economies.

We have over 300 defence companies; they employ 13,000 workers. These are good-paying jobs: They have salaries of 60% higher than the average Canadian industrial wages. When we unveiled Ontario's first-ever defence industrial strategy at the CANSEC show in Ottawa in May, we made it clear that with our industrial might, our

skilled workforce and competitive business environment, there's no better place to build defence products than right here in Ontario.

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We're also positioning Ontario to lead in the technologies that will define the economy of the future. We already have North America's second-largest tech cluster with 450,000 workers—that's 150,000 more than when we took office in 2018.

Ontario continues to lead in life sciences. Just earlier this month, we joined Premier Ford to celebrate Sanofi's opening of their \$925-million vaccine facility, which will create 300 new jobs, adding to the more than 76,000 workers already employed in life sciences. From vaccine manufacturing and nuclear isotopes to life-saving medical technologies, Ontario has the talent and the expertise to compete with anyone in the world.

We know that President Trump's tariffs are creating tremendous uncertainty for our businesses and our workers. These tariffs are not only unjust, but they strike at the foundation of our shared economic prosperity. Nine million Americans wake up every morning to go to work to make products to ship to us, and we're the United States' third-largest trading partner—China, Mexico, Ontario. That's the power of our trading. Despite these facts, Ontario and Canada continue to face tariffs and face uncertainty.

But we cannot let that stop us. We have everything here in Ontario that we need to be successful. We've seen Ontario businesses demonstrate tremendous resilience, Chair. In fact, since March, we've seen the creation of over 100,000 new jobs in what we call the Trump accelerator. We were always going to be doing these things, but President Trump's tariffs have pushed us to a breakneck speed that's only reinforced our competitive advantage, helping us stand out as a beacon of hope in an uncertain world—a stable, reliable, predictable place to invest and grow.

We've seen that confidence translate into results. Again, Chair: \$235 billion in investment, more than one million new jobs since our election in 2018. But these, again, are more than numbers. They represent people's livelihoods, their careers and, most importantly, they represent new opportunities. Our job as government is to create the conditions for success. It's businesses that turn those conditions into investments, into jobs and into opportunities for people across the province.

Chair, when we look back at this period and judge whether we met the moment, we know that people will see that by making Ontario a predictable, reliable and stable jurisdiction that businesses can count on, we did more than just land investments; we created new opportunities for the people of Ontario. Thank you.

Hon. Nina Tangri: Thank you, Minister. Thank you, Chair and colleagues. It's great to be here with all of you.

I want to talk about the investments our government is making in Ontario to support our small businesses. As we know, small businesses are the backbone of our economy, making up to 98% of all employer businesses and supporting over 2.5 million jobs across the province. That's why the Premier and our government are focused

on cutting taxes, keeping costs down and making Ontario the best place in the G7 to do business.

As a former small business owner myself, I understand the unique challenges entrepreneurs face, and we know that these challenges have been even more pronounced in the face of President Trump's unjustified tariffs and attack on our economy. It's the reason our government continues to take significant action that puts more dollars back in the pockets of hard-working small business owners across our province. Through the practical measures we've taken, Ontario businesses will benefit from close to \$12 billion in estimated cost savings in 2026 alone.

In the 2026 budget, our government introduced a \$1.1-billion cut to the small business corporate income tax rate, reducing it from 3.2% to 2.2% over the next three years. Now in effect, this tax cut provides over 375,000 businesses with up to \$5,000 in much-needed relief every year. It helps Ontario businesses better manage rising costs, retain and hire staff and remain competitive.

We're also protecting small businesses and safeguarding jobs through Succession Ontario. Earlier this year, we announced nearly \$2 million in funding to establish Ontario's first-ever business succession planning services hub, to prepare entrepreneurs for the critical process of smooth ownership transition. Succession Ontario offers free tools, training, consultation and resources to help entrepreneurs sell their businesses, find buyers or explore employee ownership opportunities. By supporting smoother transitions, the program helps protect local jobs and keeps successful businesses operating in communities across our province.

We're also helping the next generation of entrepreneurs build a more resilient economy by making it easier to start, grow and access capital. We know access to capital is a significant barrier for very young entrepreneurs. That's why we've invested \$15 million in Futurpreneur to date, including an additional \$6 million that we announced this June to provide early-stage start-ups with up to \$75,000 in financing. This investment has helped more than 1,700 entrepreneurs start or grow a business and created over 7,300 jobs across Ontario. Through Futurpreneur, we're helping to build the next generation of Canadian brands and drive long-term economic growth across the province.

In today's rapidly changing digital economy, it's critical for businesses to keep pace with new technologies. That's why our government created the Digital Competence Centre. Launched in 2022, DCC has connected over 800 small and medium-sized enterprises with the training and expertise needed to adopt leading digital technologies to improve operational efficiency and enhance customer experiences. Our government's \$24-million investment in the Digital Competence Centre to date has led to \$600 million in increased sales revenue, supporting 3,000 new and existing jobs and decreased operation costs by 23%.

Our government is proud to continue the momentum on small business supports. Just last week, we rebranded Ontario's network of small business enterprise centres as Ontario small business advisory centres, or OSBAC for short. The new OSBAC brand will make it easier for entre-

preneurs to find recognized services available through over 50 locations across Ontario. Through this network, entrepreneurs can access business advice, mentorship and programs such as Summer Company, Starter Company Plus Program and Succession Ontario that can help them start, buy and grow a business.

In 2025-26 alone, the network answered over 182,000 inquiries; delivered nearly 40,000 consultations; and launched, supported and expanded more than 16,000 businesses, helping create over 16,600 jobs. To meet growing demand, starting in 2026-27, we're investing a record \$49 million over three years to expand these services and support new initiatives, helping businesses start, scale up and expand more than ever before.

As we continue to face economic uncertainty and US tariffs, our government remains focused on making sure entrepreneurs have the tools they need to succeed, grow and adapt. Through tax relief, digital modernization supports, access to capital and entrepreneurship programs delivered through the OSBAC network, we're helping businesses navigate today's challenges while creating opportunities to grow. Together, these investments are helping entrepreneurs start businesses, grow their operations, create jobs and strengthen communities across Ontario today and for years to come.

With that, I'll now pass it on to Minister Thanigasalam. I want to thank you very much.

Hon. Vijay Thanigasalam: Thank you, Minister Tangri. Thank you, Chair. It is a privilege to appear before the committee today in my new role as Associate Minister of Artificial Intelligence Adoption. This position was created to help capitalize on the promising opportunities that AI's rapid growth brings for Ontario's economy, businesses, workers and public service.

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By 2035, it is projected that AI adoption will generate up to \$122 billion in additional cumulative real GDP while creating more than 17,000 jobs every single year. The government has a responsibility to ensure Ontario can capture the benefits of this technology while protecting workers, our communities and people of this province.

Ontario enters this technological transition from a position of strength. We are home to world-class researchers, high-skilled workers, leading post-secondary institutions, innovative companies and a strong technology ecosystem. We also have globally competitive industries, reliable electricity and advanced manufacturing capabilities. These strengths give Ontario an important foundation for AI development and adoption.

Today, approximately 18% of Ontario businesses use AI to produce goods and deliver services, and that number is growing. Adoption remains uneven, particularly amongst small and medium-sized businesses that can face barriers involving costs, skills, data readiness, cyber security and technical capacity. Many also need help identifying where AI can deliver practical value to their businesses and how to move—

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

Hon. Vijay Thanigasalam: —from an initial pilot to a broader implementation. That's where my role as Associate Minister of Artificial Intelligence Adoption comes in.

Chair, the potential of AI is hard to overstate. Whether we are helping farmers apply new data to improve their crops to grow, or supporting health providers to detect diseases sooner, or assisting small businesses to reach new markets, AI will increasingly shape how the work gets done. Our task now in front of us is to transform those assets into practical results for businesses and workers across the province.

I'm looking forward to working with my colleagues, our partners and people across Ontario who are building and using these technologies to create a strong economy and a better future for all Ontarians.

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

We'll now begin with the question-and-answer segment for the remainder of the allotted time, in rotations of 15 minutes for the official opposition members, 15 minutes for the third party member, five minutes for the independent member and 15 minutes for the government members.

As always, make your comments through the Chair.

Ministry officials and staff, please state your name and title when you are called on to speak, so that the proceedings can be accurately recorded in Hansard.

We will start with the official opposition. MPP Fife.

Ms. Catherine Fife: Thanks to all of you for being here today. Estimates is an important part of holding government to account and increasing transparency in where the money is going and what we plan to spend in the upcoming budget year.

Before we start, it's important for us to acknowledge that just an hour ago, Stelco announced major layoffs of 350 workers, up to 500. These are indefinite layoffs. Stelco, obviously, is very trade-exposed. This will have a devastating impact on the Hamilton community. Standing up against Donald Trump means standing up for workers in Ontario. In cases like this, because there has been a series of announcements like this, where Canadian companies cannot compete with the tariffs—it's not fiscally possible. These workers contribute to their community. Stelco is an anchor corporation in the province of Ontario. And we keep seeing this pattern play itself out.

So, Minister Fedeli, I'd like to put that question to you.

Hon. Victor Fedeli: Stelco has been an anchor, as you say. For 100 years, they've been in Hamilton. This is certainly a significant blow to the hard-working men and women who showed up there this morning for work to find that news. But they are part of a very proud century-long tradition. And really, the steel that comes out of there helped build our economy.

Now, the very first thing we did was set up a POWER centre in Hamilton to be able to ramp up employment services for the existing partners who are there and to provide all of the workers with the supports and the resources that they need.

I will say that we have been engaged with the company like we have been engaged with all Ontario companies—

Ms. Catherine Fife: What level of engagement? Because you can't change the chessboard at this point in time. Or can you? Because nothing so far in your litany of supports addresses this specifically. So I want to know what kind of engagement is the government having with Stelco right now to try to stimulate the economy, create new supply chains, procurement chains and provide new resources so that the jobs stay here in the community.

Hon. Victor Fedeli: We passed the Buy Ontario Act—buy Ontario, buy Canada—which mandates that we use Ontario-made steel in our products, anything that we're building. And if it's not available, for the rare steels that aren't, that they be Canadian-made steel. That's a big part of what we're doing.

We've done the same thing, by the way, in the auto sector that uses so much of that steel, that if you're a member of the public service or the broader public service—hospitals etc.—that you must buy an Ontario-made car, which uses Ontario-made steel. These are part of the things that we've put in place.

Ms. Catherine Fife: I know. I mean, "Buy Ontario" sounds great—

Hon. Victor Fedeli: Because it is.

Ms. Catherine Fife: And the elbows are up. But I think you should actually send that memo to the Premier, because a number of contracts now have gone to US distributors, namely the Staples deal—\$66 million, right? And it's not even working. I mean, there are good companies in Ontario that could provide school supplies to Ontario schools, for instance.

But I wanted to start off with Stelco, because it definitely sets the tone, I think, when we lose that many jobs. And I appreciate the fact that you've set up a POWER centre to help people find jobs, but if those jobs aren't there, it's not going to work.

Hon. Victor Fedeli: So you asked for some of the supports, then. In this particular case, there is the Protect Ontario Financing Program that was put on offer to all companies in Ontario.

Ms. Catherine Fife: What has been the take-up of that? Can you provide some numbers?

Hon. Victor Fedeli: Thank God that that one is a very low take-up. I'll go to the junior of that, called the OTTF, and I'll talk about that.

That Protect Ontario Financing Program—I call it the "break the glass." When you're there, you're at the end of the line. You will have had to have exhausted all federal opportunities before you can, quite frankly, break that glass open. So, thankfully, the take-up on that has been low.

But the take-up on its junior partner, the Ontario Together Trade Fund, has been remarkable. We put \$150 million out; \$139 million has already gone to 89 companies. Those companies—talk about resilient: In the middle of all of this trade war, those 89 companies, MPP Fife, invested \$1 billion. These are small and medium-sized businesses found throughout Ontario. They put \$1

billion, and they hired 64,000 people. That's just since the program began.

Ms. Catherine Fife: I do know that businesses are really looking. I mean, they're hurting, right?

Hon. Victor Fedeli: That's why they took this program.

Ms. Catherine Fife: And we do know from the Ontario Chamber of Commerce that business confidence is at an all-time low—that's their words.

I just want to get into some of the tariff-relief funds. We send out whatever we can to businesses, because by the time they come to our offices, they're scared. They are at the end of their rope.

I do want to point out that on page 5 of the estimates—this would be vote item 902-13—the government talks about Invest Ontario, which is supposed to attract investment into the province. It seems like it's one of your flagships. You talk about it a lot, and it's supposed to be attracting major job-creating investments to local communities and supporting growth across the province.

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But when you go through the estimates and you follow the money, I would like for you to explain why there has been a \$17-million cut to the Invest Ontario Fund, especially given the desperation of companies that are here. So, that \$17-million cut—

Hon. Victor Fedeli: I don't know what page you're on. I don't see it here.

Ms. Catherine Fife: It's page 5, tariff relief funds, vote 902—

Hon. Victor Fedeli: Of this estimate briefing book?

Ms. Catherine Fife: Yes.

Hon. Victor Fedeli: That's the one?

Ms. Catherine Fife: Yes. So \$17 million has been reduced in that fund in the middle of a trade war. I would like for you to explain why that's happened.

Hon. Victor Fedeli: While I have page 5 here and I don't—

Ms. Catherine Fife: Page 65 lists all the transfers for these programs.

Hon. Victor Fedeli: Oh, page 65.

Nonetheless, no matter what it says, there's been no cut to Invest Ontario. It would be a timing issue of when monies are released. This would capture everything at a moment in time, but there have been no reductions in Invest Ontario, only growth in Invest Ontario funds that we put in.

Ms. Catherine Fife: Okay, I'm going to send you over the sheet. We'll make sure to get it to you.

Hon. Victor Fedeli: I'm suggesting to you here and now that there are no cuts in Invest Ontario—oh, I see the sheet, page 65; let me just find the Invest Ontario line, if you don't mind. In Invest Ontario, it would only be a matter of timing of when dollars are released. If the company isn't ready or hasn't signed the final term sheet, their money would be held up or distributed later, but there is no reduction in Invest Ontario—only growth in Invest Ontario.

Ms. Catherine Fife: I'm just looking at what the estimates say.

Hon. Victor Fedeli: But be clear—

Ms. Catherine Fife: I do want to thank you, though, for one thing: Septimatech Group, which is a Waterloo company—they're a Waterloo-based manufacturer—wrote to me and I forwarded the correspondence to you. I want to thank you for reaching out to them. All of their products, their entire product line, are tariffed because of the trade war with the US. So the long-standing business relationships and livelihoods of their employees—these are 55 employees. They hire out of the University of Waterloo and Conestoga for engineers. They do not fit neatly into the current slate of supports that is on offer by the government because they're not looking for project-based funding, right? They are looking for direct support to see us through the storm of tariffs with the United States. They feel they've been left out of the conversation when it comes to supports that the Ontario government can provide.

Is this an evolving process? Because these companies, they're going to go under. No company can compete at that level with 50% tariffs when all of their business is primarily with the United States. They can't pivot to Ontario or Canadian markets fast enough to save the company. They even said they are considering going to the States, but even that seems not very manageable.

Can you talk about these companies that don't fit into the current slate of supports that are on offer?

Hon. Victor Fedeli: I won't talk about that specific company or any specific company, but I can tell you we have a full suite of programs. The advanced manufacturing and innovation competitiveness stream is a fund that can offer up to \$5 million, and it's involved with using advanced manufacturing and more tech work in your company. It's been a very popular program. We have a 60-day business delivery guarantee from the time the file closes. We have, in your neck of the woods, the Southwestern Ontario Development Fund. In eastern Ontario, we have the Eastern Ontario Development Fund. In the north is the Northern Ontario Heritage Fund Corp. All have very, very active programs that offer a different set of offerings for companies. And again—

Ms. Catherine Fife: Do you think that those programs are transparent enough? Because we hear from companies when they apply for these—

Hon. Victor Fedeli: Every one of these—

Ms. Catherine Fife: I know you're pointing to all the Conservatives—

Hon. Victor Fedeli: I'm pointing to everybody.

Ms. Catherine Fife: I know the Conservatives do get the money.

Hon. Victor Fedeli: They've all made announcements, or should have made announcements, or have announcements available—

Ms. Catherine Fife: Well, I don't know; I don't get invited to the announcements.

Hon. Victor Fedeli: —because these things are happening in every city across southwestern Ontario, across southeastern Ontario, throughout the north.

The Northern Ontario Heritage Fund has \$100 million. It's public. Every dollar that they've awarded is listed on

their website. SWODF is the same thing; EODF is the same thing. You can go on the Ontario Together Trade Fund. I'm telling you, we have put \$139 million out to top up the billion dollars that those 89 companies—I've done news releases. Other members have done news releases.

Ms. Catherine Fife: I do read the news releases. They're very interesting.

Hon. Victor Fedeli: So these companies have confidence and have invested, and then above that is the one I call the "break the glass" fund. When you're there, you're at the end. I won't talk about any specific companies that are there in that room right now, but there are companies who are there.

Ms. Catherine Fife: I know that you don't want to talk about specific companies, and I understand that. However, I've given you one example of many, many companies that are so tariff-exposed that we're going to lose them. I asked you, are you still in the process of evolving some financial assistance to keep these jobs in Ontario, because there's a cost, obviously, to the economy, to the health care system, to the justice system when those jobs get lost.

Hon. Victor Fedeli: I would say yes, because just last week, at a news conference, we announced an expanded POF, we've announced an expanded Ontario Together Trade Fund. We're looking for more new applications, especially in light of the fact of the new tariffs that will come tomorrow. So, yes, I think we've been very fluid, very mobile. As the needs grow, we grow.

Ms. Catherine Fife: I do want to say, I was surprised last Friday when you had your cabinet meeting. You did a press conference, and you talked about AI, of course. The story that came out of that is that you're deprioritizing the Protect Ontario Financing Program.

Hon. Victor Fedeli: I don't know where that story would come from.

Ms. Catherine Fife: It came from the Minister of Finance's mouth; that's where it came from. And the rationale was surprising, too, Minister, because he said we're going into this storm and we need to set aside some money, and there is actually a considerable amount of money that has been put over into the contingency fund for a rainy day. But I'm saying the rainy day is here; the storm is here. So deprioritizing—

Hon. Victor Fedeli: I don't think he was referring specifically to the Protect Ontario Financing Program—

Ms. Catherine Fife: He was. He definitely was.

Hon. Victor Fedeli: That's a billion-dollar program.

Ms. Catherine Fife: I'm going to move on—

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

Ms. Catherine Fife: I'll come back to that—only one minute?

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

Ms. Catherine Fife: Oh, for God's sake.

The Regional Opportunities Investment Tax Credit: What businesses are saying to me as I visit them is that they want a COVID emergency response to the tariff war, and yet—

Hon. Victor Fedeli: I don't know what that regional opportunity tax credit is.

Ms. Catherine Fife: You don't know what the Regional Opportunities Investment Tax Credit is? The business investment and region—

Hon. Victor Fedeli: The investment—oh, the Ontario-made manufacturing tax credit. I do know that one.

Ms. Catherine Fife: Yes. But you're pulling back on this—

Hon. Victor Fedeli: Not for a second. That has grown from 10% to 15%. It's the other way.

Ms. Catherine Fife: No, it's being cut by \$9 million. Vote item 902-13—\$9 million.

Hon. Victor Fedeli: It depends on who applies for the program. We make an estimate of what is going to be used.

Ms. Catherine Fife: People want this program to be in place. They want access to it.

Hon. Victor Fedeli: Yes, but when they apply and they are—

Ms. Catherine Fife: How can they do that with a \$9-million cut, though, Minister?

Hon. Victor Fedeli: There's not a cut to it; that's a timing issue. It's—

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

We'll now go to MPP Cerjanec.

Mr. Rob Cerjanec: Through you, Chair: Thank you all for being here today and all the public servants as well. I know all of you are working very hard in very difficult circumstances as we continue to deal with the trade impacts, because of, as the minister does say, President Trump's tariffs, and really what we see going on around the world as well.

Congratulations, Minister Thanigasalam, on your appointment as minister, and I'll just take the opportunity to congratulate MPP Lahey as well on her election in York-Simcoe. Congratulations to both of you.

We had some pretty bad news today, unfortunate news today, impacting what could be up to 550 workers in Hamilton and also in Nanticoke as well, in Haldimand. Right now, we know 350 people will be laid off. My thoughts—and I'm sure all of our thoughts—are with those individuals who are leaving a workday today with some uncertainty and potentially some tough decisions for their families.

Just to pick up on MPP Fife around Stelco, I understand you've said, Minister, that you have been engaging with Stelco. Was this something that your government was foreseeing to take place?

Hon. Victor Fedeli: Well, we have been engaging with all of the steel, aluminum, copper and lumber companies to show them what we've got available when they feel that it's the right move for them, like Algoma did.

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Algoma took us up on \$100 million in assistance, and I expect to see Algoma being in a position to make I-beams with all of the buildings that are being built in Ontario and with the amount of capital that we're putting in, \$220 billion of construction. There are a lot of I-beams. We don't make I-beams in Ontario, so we are working, along with the federal government within Algoma, as a for-

instance—this is all with their blessing—to help them make products that we're importing 100% of. These are the kind of things—when I say we're engaging with these companies, that's what we're engaging with: solutions.

Mr. Rob Cerjanec: Are there any opportunities or solutions with Stelco in Hamilton? We know it was purchased a couple of years ago by a US-based firm. They said that there would be no job losses. I don't believe there was any public money attached to that, but just given the gravity of the situation in receiving this news today, are there any engagement solutions that we've identified with them or that are in the works right now?

Hon. Victor Fedeli: As I mentioned earlier, we have ramped up the POWER centre in Hamilton to help the actual employees there, to provide them with the supports and the resources that they're going to need in the immediate.

We continue to see President Trump attacking our economy. He doesn't want us to make steel; he's making it almost unavailable to be able to be made here. He doesn't want us to make cars. We're fighting. We're fighting it every day. We're putting every tool that we have—we've said to the federal government, "We think you need to lower the import quota of steel." It was lowered from 60% to 50%, but we're not entirely sure that that 50% is monitored. It needs to drop down to about 10% so that there is a market in Canada for Canadian-made, Ontario-made steel.

These are the kinds of things that we're doing on a daily basis, where we're continuing to show these steel companies, "We hear you. We're lowering the taxes—we haven't raised any taxes. We're doing everything we can to make the marketplace appealing for you," but President Trump is doing everything with a bigger hammer to fight back.

Mr. Rob Cerjanec: Mentioning steel in Algoma, I believe through the Protect Ontario Financing Program, in the first phase of that Protect Ontario account, the only loan the government has announced—and correct me if I'm wrong, because there might be others; it's hard to sift through, sometimes, the different press releases—was \$100 million to Algoma Steel. Was there anything else distributed through the Protect Ontario Financing Program?

Hon. Victor Fedeli: Yes, the \$100 million actually came out of the Protect Ontario Financing Program, and it matched the federal government's LETL program. There have been others since then.

Mr. Rob Cerjanec: So with Algoma, I believe the federal government had contributed around \$400 million.

Hon. Victor Fedeli: Exactly.

Mr. Rob Cerjanec: The Ontario government contributed about \$100 million. With the Protect Ontario Financing Program, have we distributed any other monies other than Algoma Steel through it?

Hon. Victor Fedeli: Yes, we have. I'll send it over to the deputy to just outline the specifics of it, but yes, we have done other Protect Ontario Financing Programs.

Mr. JP Cadeau: Thank you for the question. The province is taking a careful, responsible approach in

delivering the POFP to protect taxpayer dollars and ensure value for Ontarians.

Given the nature of the program, applications require extensive due diligence. There are strict safeguards in place to protect public funds, and applicants must show that they've explored available federal supports first. We continue to work closely with industry partners and the federal government to identify needs and provide supports to help impacted businesses remain resilient and competitive.

The Chair (Hon. Ernie Hardeman): Can I stop you? First, if you would identify yourself as you're speaking to make sure that we can record you in Hansard.

Mr. JP Cadeau: Apologies. Of course.

Mr. Rob Cerjanec: I thank you for the response, Deputy Minister, but it doesn't answer the question. Have we distributed other funds through the Protect Ontario Financing Program?

Mr. JP Cadeau: We have, yes. We'd be pleased to take it back and respond back in writing—apologies, Chair.

The Chair (Hon. Ernie Hardeman): Now your identification.

Mr. JP Cadeau: JP Cadeau, Deputy Minister of Economic Development, Job Creation and Trade.

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

Mr. JP Cadeau: Yes, we would be pleased to take it back and revert back in writing.

Mr. Rob Cerjanec: We're not prepared to share that number today? Because right now, my read is, we've only used \$100 million out of \$1 billion on that right now. That would be my read.

Mr. JP Cadeau: No—JP Cadeau, Deputy Minister of Economic Development, Job Creation and Trade.

To give the most up-to-date and precise number, I would be pleased to come back to the committee with the specific number in writing after this.

Mr. Rob Cerjanec: Do we know approximately what that number would be—ballpark?

Mr. JP Cadeau: Again, to give—JP Cadeau, Deputy Minister of Economic Development Job Creation and Trade—

The Chair (Hon. Ernie Hardeman): You just have to do it once.

Mr. JP Cadeau: Thank you.

To have the most precise, up-to-date, current number, I would need to come back to the committee in writing.

Mr. Rob Cerjanec: Through you, Chair, I find that puzzling a little bit, that we're not able to ballpark what that number has been. Minister Fedeli—and I think rightfully so—in most of the debates, including the statement today, that—we're essentially in a war. We're in an economic war with the United States because of President Trump's tariffs and we don't have a good estimate of how much money's been distributed through that account that was set up over a year ago now in order to deal with, essentially, this economic war.

We know, a year later now, that out of the \$5 billion that was originally announced to the Protect Ontario account in 2025—in this budget, now, a year later—we're

in a war and we've got to be all hands on deck. We're not really certain how much money's going out the door. And only this year—now we're creating a different account—the \$4 billion into the new Protect Ontario Account Investment Fund, which will be deployed by an independent private sector manager in order to assist us.

If we're in a war, businesses aren't necessarily feeling or receiving that support—the workers, the people who are waking up at Stelco, Minister.

Hon. Victor Fedeli: Remember that this particular fund is a “break the glass” fund. This is your last one. We've had 36 applications received and we've approved 18 of them.

Mr. Rob Cerjanec: So you've approved 18 out of the Protect Ontario Financing Program?

Hon. Victor Fedeli: Yes.

Mr. Rob Cerjanec: Do we have approximate amount of what that would be?

Hon. Victor Fedeli: This is a “break the glass” fund. I'm fairly sure that you'll receive the accurate information from the ministry to the committee.

Mr. Rob Cerjanec: Thank you, Minister.

I think we're in a “break the glass” situation right now. We look across the border and President Trump isn't going to let up. We don't know what side of the bed he's going to wake up on. We don't know what he is going to do next and we can't control that. But what we can do, Chair, is control our response and what we do. Looking at the pace of what's been going out the door in order to grow our economy, in order to protect existing businesses here that are asking for that support, Minister, it appears quite slow.

Hon. Victor Fedeli: That's why the \$139 million that's gone out the door on the OTTF to those 89 companies who invested \$1 billion—those are companies who aren't “breaking the glass.” They have decided to fight back and grow and make investments—very serious business investments. We were able to react to that very quickly because we are in an economic war. We acknowledge that. But the POFP is strictly to help them pay their salaries, pay their rent. This is survival. Again, we call it—this is, really, a last attempt for them.

Mr. Rob Cerjanec: I think we've got a false fire alarm, Minister.

Hon. Victor Fedeli: They have had to go through and exhaust all federal programs before they come there.

Mr. Rob Cerjanec: In some of these cases, Minister—and this goes to the program design, but why would we be waiting for the federal government to bail us out first or to bail out businesses first?

Hon. Victor Fedeli: Because we have other programs to help them. It's a full suite of programs. You're talking about one of the programs when we have many.

Mr. Rob Cerjanec: When we look at Algoma Steel, for example, our share proportionate to the federal government's share proportionate to our population doesn't necessarily line up.

Hon. Victor Fedeli: Yes, it does, if you look at our share of the tax revenue versus the share of the federal tax

revenue. This is exactly lined up. This is precisely lined up.

Mr. Rob Cerjanec: Well, tell that to folks in the Soo.

Hon. Victor Fedeli: We did. We said to them, “What do you need?” They said, “\$500 million.” We gave them everything they needed, and we divided it amongst the federal and the provincial government. That’s basically how the sausage is made. That’s not anything to do with the investment. They asked for \$500 million; they got \$500 million.

Mr. Rob Cerjanec: Thank you, Minister.

You mentioned the Ontario Together Trade Fund, and in September 2026, the Canadian Federation of Independent Business found that 46% of small exporters and 49% of small importers have products directly affected by tariffs. We know from previous surveys that small and medium-sized automotive businesses—more than one third were ineligible for Ontario’s auto support programs. So—

Hon. Victor Fedeli: I don’t know what you mean by that.

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Mr. Rob Cerjanec: Well, one third of Ontario’s small auto parts manufacturers were found to be ineligible.

So would we be considering, with the Ontario Together Trade Fund, looking at adjusting those conditions, including the \$200,000 minimum project cost, in order to provide that support to more small businesses in the province?

Hon. Victor Fedeli: A huge percentage of the Ontario Together Trade Fund went to small auto parts makers. If you look at the releases, you’ll see that a tremendous amount of them—there was one just the other day that was announced. That was a \$70-million investment; I think our investment in it was \$5 million. This was an auto parts producer. They are taking up this file to great lengths.

We also have O-AMP, the Ontario Automotive Modernization Program. It’s 100% for small and medium-sized enterprises that are 100% in the auto business.

Again, you’re looking at one program; we have many. We have a full suite of programs.

Mr. Rob Cerjanec: What I’m saying is, more than a third were found to be ineligible for that. I’ll leave that—

Hon. Victor Fedeli: That would be news to both the deputy and myself. We’re the ones who look at these applications when they come in and understand them and their needs. In order to be eligible, you must be affected by the tariffs. Well, if they’re in the auto business, they’re affected by the tariffs. So I would be very surprised at that statistic that you’re quoting from an agency—not a government agency.

Mr. Rob Cerjanec: From the CFIB.

Hon. Victor Fedeli: From the Canadian Federation of Independent Business.

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

Mr. Rob Cerjanec: No problem. I’ll leave the time and go in the second round.

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

Mr. Joseph Racinsky: Thank you, Ministers, for coming out this afternoon and speaking with the committee.

My question is for the Minister of Economic Development, Job Creation and Trade. The most im-

portant thing investors look for when expending their capital is certainty. You made reference to that in your opening remarks, Minister. It has been our government’s objective since day one to foster a business environment that is predictable, stable and competitive to attract investments from global companies.

Ontario is already home to world-class sectors, including advanced manufacturing, technology, life sciences, critical minerals. Just last week, I was able to host Minister Holland at Stella-Jones in my riding. They manufacture hydro poles there. They supply most of Ontario’s hydro poles out of that facility just south of Fergus. These sectors benefit from highly integrated supply chains, world-class talent pipelines through our institutions, and structural stability.

An important part of growing these sectors and ensuring they remain competitive is attracting investment from around the world, especially where they may not be immediately familiar with all that Ontario has to offer.

I know, Minister, you have an extremely busy schedule, travelling the world promoting Ontario. I was wondering if you could highlight what we are doing as a government to attract investment from around the world.

Hon. Victor Fedeli: Thank you very much for the question.

As I said earlier today, since 2018 we’ve attracted \$235 billion in new investment across the province. And that is seeing 750 different companies invest \$35 billion and hire 64,000 people—this is just last year alone. So this speaks to the resiliency that we’re seeing here in Ontario.

We hear loud and clear from companies around the world and countries around the world that in this really turmoil-filled world, they look across and they see this one bright light, and that’s Ontario. That’s why, in the 20 countries that we visited on the 30 missions, we heard over and over that they see Ontario as this place that’s safe, first of all; a place that follows the rule of law; a place that’s reliable, dependable and, in this current Trump era, predictable. That’s why when we were in Italy this last couple of years or last year, the Ferrero investment was 550 jobs, \$739 million; their first ever new product outside of Europe came here to Ontario. Sanofi was part of that investment—\$295 million. We met with them in France and talked about an AI centre that they opened, downtown Toronto—\$295 million. I’ve mentioned Sandvik earlier—\$85 million from Sweden into Sudbury. We’re leaving, really, no stone unturned when it comes to what we’re doing and what we’re saying to these investors and what we’re doing to lure them into Ontario.

Mr. Joseph Racinsky: Thank you.

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

Mr. Logan Kanapathi: Thank you, Chair. Sorry. I’m getting my voice back; I have a sore throat.

Thank you, Minister. Thank you, Associate Ministers, for being here and appearing at this committee. Thank you for bringing the hopeful messages. I lost my voice; I’m getting my voice back because of your hopeful messages, bringing a lot of investment during this challenging time. I’d like to thank you for the great work you do. I would

also thank Associate Minister Nina Tangri. I know I have 1,800 small businesses in my riding alone. Markham is one of the high-tech capitals of Canada. But my riding alone has a lot of small business. Thank you for your support; you visited several times. I'd also like to especially thank Associate Minister Thanigasalam for being AI associate minister. Thank you. Thank you for your new role.

Minister, my question to you regarding Ontario's challenging time—to diversify trade amid global economic uncertainty, more than ever before. We know US tariffs have disrupted Ontario's trading relationship with the US, despite our long-standing trading relationship which has brought prosperity and jobs to both sides of the border for generations. Now our allied and trusted partners are turning their back, so we need to look to export Ontario products to new markets and to grow our trade with reliable, like-minded allies.

Can you talk more about the steps you are taking as the Minister of Economic Development, Job Creation and Trade to find more reliable trading partners and the vast economic opportunity that will come from diversifying our trade?

Hon. Victor Fedeli: Thank you very much for the question and your comments.

There's geopolitical instability right around the world. If anything this uncertainty, caused by President Trump, has taught us a really important lesson: that you cannot simply expand trade with one partner. You need to search the world and find these partners. Premier Ford has said there's not one thing that we can't build in Ontario. Think about it. We build planes, trains, automobiles. We make chips, whether it's computer chips or potato chips. We make one of everything here in the province of Ontario.

We are busy trying to make as many free and fair trade opportunities as we can. You see us either following the federal government or leading the federal government, depending on where each is headed. They're looking at trade deals with India. We're in India twice a year already. We're leading the way in India. That's why our trade with India is up 88%. They're looking at a deal in the ASEAN region. That's why we opened an office in Singapore. That's why we opened an agent general in Thailand. They're looking at a Mercosur deal, that's why we were in Brazil last year. That's why we were in Argentina. That's why we're headed back to Peru and Ecuador. We were already in Uruguay. These are countries, other than Peru, that will be joining the Mercosur deal. That's why we continue throughout Europe.

These are really important. Our ASEAN trade is up 120%. These are big trade deals that we're making with companies that are landing here. That's why, again, our trade around the world, non-US trade, is up 75%—17.5% just last year alone.

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

MPP Susan Lahey: Through you, Mr. Chair: As the new MPP for York-Simcoe, I wanted to thank everyone

for their warm welcome here today, and I also wanted to congratulate Minister Thanigasalam on his appointment.

I would like to acknowledge my predecessor, the Honourable Caroline Mulroney, for her dedication and commitment to York-Simcoe—whether it was East Gwillimbury, Georgina, part of King, all the way up to Lake Simcoe, Bradford and beyond—for the contributions that she made to York-Simcoe. My intention is to continue with those initiatives and projects. I'm greatly honoured to be representing all of the constituents of York-Simcoe.

My question for you, Minister Fedeli, is with regard to the conditions in the global economy, which are volatile and uncertain, which you have spoken to. Old relationships have become increasingly unreliable and economies across the world are feeling the consequences of that.

In my riding of York-Simcoe, having knocked on thousands of doors this summer, I heard from the constituents who fear the implications to the broader Canadian economy. In the 2025 election, we received a mandate from the people to protect Ontario. The voters knew we had a clear plan, and we would leave no stone unturned in supporting businesses and workers as we navigate these uncertain times, including never raising a tax.

Can the minister—you touched upon it in your opening remarks—provide further detail on how Ontario's economy is becoming more resilient in the face of global economic uncertainty?

Hon. Victor Fedeli: Thank you very much, and welcome. It's great to see you again.

Since we've taken office, we have seen the creation of over one million new jobs in Ontario. It's not just the fact that we've removed 14,000 regulatory requirements—we have the lowest regulatory burden now per capita in Canada. It's also the fact that we have never raised a tax. In fact, we've lowered the cost of doing business by \$12 billion a year, most recently by Minister Tangri cutting the small business corporate income tax rate by \$1.1 billion. That saves 375,000 small businesses up to \$5,000 a year. That's what happens when you lower taxes and you create jobs.

Since March, we've seen over 100,000 new jobs created in Ontario; 30,000 of them were in manufacturing. This is all despite these tariff challenges. We've proved how resilient the businesses in Ontario really are, that they are creating jobs in times of a global economic uncertainty.

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

Mr. Dave Smith: How much time do I have left?

The Chair (Hon. Ernie Hardeman): Three point three eight.

Mr. Dave Smith: Minister Fedeli, you've been in the hot seat here, so I'm going to pivot over to one of your associate ministers for a minute and give you a break so that you can get back into the groove when MPP Fife comes at you hard again.

Minister Tangri, I want to talk about small business, the SBECs in particular. You came into my riding this summer. We had a fantastic meeting with Community Futures Peterborough; it's one of the few that actually does the SBEC as well. We had some great meetings with about 30

different women-led small businesses that had been through the program. You had an opportunity to try pickleball with one of the companies that started.

Really, small business is the backbone of our local economies. About 98% of people work in small businesses across Ontario. We talked a lot about the tariffs and how all of that has hit us hard. But when we look at the small business side of it, there is just as much opportunity for growth there as there is for impacts on things.

But small businesses give back to their community. I've said this a number of times. When we look at hockey teams, or soccer teams, or basketball teams, or baseball teams, the name that you see on the back of those jerseys is "Uncle Joe's Automotive," or it's the small business downtown. What you're not seeing on the back of it is, for the most part—you're not seeing the major corporations. GM is not sponsoring a kids' baseball team, or a hockey team, or a soccer team. These small entrepreneurs are giving back to our local economies, and it's important for us to be supporting these small businesses.

So, Minister, can you please share what our government is doing to help those local entrepreneurs grow and build more resilient economies in our communities? Because they're the ones who are giving back to the community.

Hon. Nina Tangri: Thank you, MPP Smith.

Yes, we had a great tour out in your riding, and those amazing female-led businesses showed us what it was like to be resilient and to really step up their game. But we all know that when small businesses succeed, Ontario completely succeeds.

Just last week alone, I was very proud to announce the \$49-million investment, which is historic, into our network of small business advisory centres over the next three years.

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

Hon. Nina Tangri: One minute? I'll be as quick as I can.

We have 50 locations across our province, so we make sure that everyone has access to the advisory services. And we know that, especially with new entrepreneurs and young founders, they need that timely service and support.

Again, this is the largest investment that we've made in our history. It also addresses the growing demand advisers are seeing on the ground, and we need to provide them with the tools they need to support more businesses.

We also invested \$2 million to launch Succession Ontario, the province's first-ever succession planning hub. That's in partnership with the Kingston Economic Development Corp., and that was critical as we were hearing from many businesses that only one in 10 businesses today have a succession plan. So we want to encourage more business owners to prepare for either transferring over to the next generation or—

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

We'll now go to MPP Fife.

Ms. Catherine Fife: Thank you. And just for the record, I was being nice to the minister.

Interjections.

Ms. Catherine Fife: I mean, that's me being nice, because—you know.

But I also just want to clarify. I referenced the cabinet meeting on Friday, and then the Minister of Finance had said that the government might have to tighten its belt in the days ahead and has deprioritized the \$4-billion investment fund to fight tariffs because the province needs to have their powder to fight the trade war.

I ask you this question because I was surprised to see that. I mean, this is a fund that has been announced in 2025 and then reannounced again in March 2026 through the budget. And it seems to me that you might not be accessing or accessible to the funding that you need.

The FAO actually confirmed this, Minister, when he did his report. The Q4 reported a \$505-million decrease to Medjet's 2025-26 spending plan, including on page 7. In total, from your ministry—it got clawed back to a contingency fund—there was \$226 million from the strategic investments, which is one of my favourite funds; the \$118 million from the industrial land development; and \$90 million from Venture Ontario.

I guess I want to know, why was the funding returned to contingency? Were the projects or commitments associated with that funding delayed, changed or moved into future years? Because to just back up my colleague here, I mean, businesses and communities need the money now. And now, those funds—like almost \$505 million—is now in contingency instead of in community, creating jobs. So can you shed some light on this for us, please?

Hon. Victor Fedeli: Yes, thank you very much.

First of all, there is no change whatsoever in the funding to any of those programs. When they claim the dollars, it's a timing issue only. So, if by the end of the fiscal year, they haven't used those funds, they go back into the—

Ms. Catherine Fife: Contingency fund.

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Hon. Victor Fedeli: Back into the contingency, but they're not removed from them. They're right back out.

Venture Ontario has had an increase of \$40 million or \$50 million this year alone because of the work that we want to do in the defence sector. None of those whatsoever have been reduced. The only time—

Ms. Catherine Fife: But they didn't get out the door. That's my point: The funding did not get out the door, and so I'm trying to get a sense from you why it didn't get out the door because there's of course a desperate need. I guess one of the—

Hon. Victor Fedeli: The company probably just wasn't ready to have it out the door or hadn't signed the terms sheet yet. We only work at the speed of the companies. When they're ready to go ahead with their project is when we release their funds. When the building is built, that's when the funds are released. When the people are hired, that's when the funds are released.

Ms. Catherine Fife: Companies do tell us that the process to apply for funding is burdensome and it takes a lot of time. The administrative burden of applying for this—are you planning on streamlining? You've talked about a one-stop shopping portal, if you will, because that's what

businesses are asking for. They're having a real difficult time, a challenging time navigating the changing market.

Hon. Victor Fedeli: We have a 60 business-day guarantee from the time they applied to the fund to when the fund is closed. It's 60 business days. This is, by the way, remarkable in Canada, and I thank our staff who are here today for never, ever, one time, ever missing that 60 business-day guarantee. That's how fast we're getting back—

Ms. Catherine Fife: Well, clearly I want to thank the staff as well. Obviously there's an effort here to support businesses but it's not translating because if \$226 million was pulled back to contingency from strategic investments, for me, that's a problem. That's a lot of money. Do you identify that as a problem or a challenge to overcome?

Hon. Victor Fedeli: First of all, we work very well with all of the companies in making sure that we can award them the strategic investment funds or any of the other programs that are available. It's all about their timing. If they're delayed in any way—we only pay upon the delivery. That's the prudent thing for the taxpayer. It might have been the next day, the next month or the next quarter.

Ms. Catherine Fife: But then it's not, if the money didn't get out the door. That's the problem.

Hon. Victor Fedeli: But what I'm saying is that money will have gotten out the door by the time we're sitting here and you're looking back at estimates of the year that ended. There's money that hasn't gone out the door yet, and it would've gone out the door either since then or we're waiting for the company to be able to sign off on the final requests. And we do have a holdback, by the way, of 10% on most of our programs.

Ms. Catherine Fife: You have a 10% holdback?

Hon. Victor Fedeli: Yes, to protect the taxpayer.

Ms. Catherine Fife: And what is the tracking process like? Because when I'm looking at some of the bad debt expenses that are also recovered here, in the 2026-27 estimates, there was \$128,726,000 for bad debt expenses, compared with only \$426,000 in 2025-26. That's a huge increase, I would say, and it's indicative of, obviously, companies either foregoing or defaulting on the projects.

Hon. Victor Fedeli: No, actually.

Ms. Catherine Fife: Why not?

Hon. Victor Fedeli: That's an accounting number only.

Ms. Catherine Fife: It's a real accounting number.

Hon. Victor Fedeli: But it's an accounting number. You have to take a certain percentage of all of the programs that you have and you have to set up a portion of that as a bad debt. If that number is huge, it's because we had a very, very, very huge year. All that is is a timing issue and only an accounting entry and mandated right across the country.

Ms. Catherine Fife: I want to know how much of that debt is associated with business support or economic development programs. Do you track that? Maybe the deputy minister will know.

Hon. Victor Fedeli: I'm going to turn that over to the deputy, please.

Mr. JP Cadeau: Just to reiterate the minister's comments here: That is a provision which is taken

consistent with public sector accounting rules. It does not mean taxpayer funds have been written off, nor does it indicate that funding recipients have failed to meet their commitments. Recording a provision is a proven accounting measure and should not be interpreted as a determination that these projects will not be repaid. We fully expect to be repaid. It's a mandatory provision consistent with public sector accounting rules.

Ms. Catherine Fife: Well, a lot of people expect to be paid, okay? It's still indicative of an issue. I know that the minister has said that it's just a timing or an accounting issue, but it's an increase in bad debt.

I'll go to Associate Minister Tangri. You mentioned the Futurpreneur program in your opening comments.

When I was going through the estimates, I was really focused on Ontario's youth labour because, as you know, we saw the largest decline in Canada from Ontario, reaching 14.4%. That was really the largest decline in our youth labour force of any province since July 2025—down 26,000 people. And these are the people that are looking for work. There are a lot of people who have just sort of stopped. And we do know that these are future workers, so Futurpreneur is a good name for a program.

But I did want to say, the only mention, really, of youth unemployment, which many regard as a crisis in Ontario, is through the Futurpreneur program. This is supposed to address some of the unique economic barriers facing youth, women, racialized and Indigenous entrepreneurs. Right now, it stands at \$2 million over three years to support 300 young entrepreneurs.

Do you think that's adequate? Because 300 when we're looking at 26,000 lost jobs—do you think it's commensurate with the crisis that we're seeing in youth unemployment?

Hon. Nina Tangri: Thank you, MPP Fife, for the question.

We have a number of programs to help support our young entrepreneurs, starting off with Summer Company, which helps young people who are going back to school after the summer open their own company. Many of them go on to become entrepreneurs after they've finished school, college or university. That is funding up to \$3,000.

We've seen some phenomenal stories. I've actually, with many of the members here, visited recipients of that program—up to \$3,000—and we've made it much more flexible so they can get more money in advance. Think of a young landscaper who is now able to purchase a lawn mower and cut lawns throughout the summer.

So that's just one of the programs. Futurpreneur is specifically for those young people, 18 to 39, who are looking to open their business because maybe they don't have a lot of credit, or they don't have their business plan. Futurpreneur will help them build that case, and they can get up to \$75,000 of financing through BDC within that program.

We follow through on that program, and we see many of the entrepreneurs that have gone through there. Many who have been declined by the regular banks have been supported with Futurpreneur.

Just to show you, since 2021-22, we've actually invested \$15 million into Futurpreneur, including the additional \$6 million announced this year alone. Again, I'll just reiterate: It's started and grown over 1,700 businesses, created well over 7,300 jobs. So there are a lot of successes here—

Ms. Catherine Fife: But it's not my question. I mean, 300 young entrepreneurs when we have 26,000 unemployed youth in Ontario—do you think that we're meeting the moment of a youth unemployment crisis with this kind of program?

Hon. Nina Tangri: This program is specifically targeted, of course, to young people to help them start and grow a business. For those people who maybe were thinking, once they're done school, university or college, to maybe go and look for a job or to go into entrepreneurship—this allows that group of people to be able to take a look and see if entrepreneurship is for them.

And again, through our OSBACs and through Futurpreneur and through racialized and Indigenous supports and through women's economic security, we're able to help support many of those businesses start and grow their businesses.

Then, in turn, they also hire many people. Many young people have been able to be supported through jobs through those programs as well. So it is a success. This helps remove those barriers for those young entrepreneurs.

Ms. Catherine Fife: Right now, municipalities have said they would love to partner with the provincial government. There are 444 municipalities. They would love to see some provincial funding flow so that we could actually get students.

Because right now, the numbers are pretty alarming: From 15 to 24 years of age, it's 16.2%. This is the highest youth unemployment in the country happening right here in Ontario. I was surprised that—I'm not going to knock the Futurpreneur program, but I just don't think that it meets the needs of the level of youth unemployment that we're seeing right now in Ontario. I just wanted to get your thoughts on that. The fact that Ontario's youth labour force saw the largest decline in Canada—I would think that the ministry would be forward-looking and have strategic investments that far surpass those \$2 million over three years. I don't think that meets the moment right now.

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I will also go to the associate minister. You have a new portfolio: AI is now under the economic development ministry. It's a very layered issue, artificial intelligence, and there's a lot of fear around the impact it will have on the labour force going forward. There's a need for some guardrails to ensure that we're not creating something that's going to take over our jobs. There's a growing body of research and evidence that says that we are creating something that we don't know how to control. In fact, many believe that horse has already left the barn.

What are your thoughts, as the associate minister, on how we're going to navigate the need for guardrails on artificial intelligence, and also creating jobs of the future and not putting workers out of work?

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

Hon. Vijay Thanigasalam: Thank you for the question, MPP Fife. We are working on a responsible use of AI in Ontario. There's already a lot of work that's been done previous to my role here. For example, we are working with world-class researchers. We have over almost—

Ms. Catherine Fife: I guess, are you proposing legislation? Are you seeing legislation coming forward in the fall?

Hon. Vijay Thanigasalam: No, the question that you asked is regarding how it's going to impact the workforce. For example, just in July, we have created 52,000 new jobs. If you look at Stats Canada, from 2021 to 2025, despite AI rising in these last few years, in every sector across Ontario, we've seen net new jobs growing, in the era of when AI has been actually, pretty much drastically, moving up.

Ms. Catherine Fife: Are you going to be bringing forward legislation to—

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

MPP Cerjanec.

Mr. Rob Cerjanec: Through you, Chair: Just to pick up on this topic, actually, the minister, the associate minister will know—and I think everybody around the table will know—that I'm quite passionate about innovation, I'm quite passionate about AI and the need for the province to develop a strategy. It was good to see in this year's budget there was a heck of a lot more references to AI versus the previous year.

I'd introduced a private member's bill for the province to create a strategy around it which does need to deal with and think about what MPP Fife was mentioning, which is how do we prepare for the future, how do we ensure that workers and businesses that may be impacted by the growth of AI, that the province has a plan in place, that we're doing stuff within our education system? I'll give the associate minister the opportunity to comment or not on whether the government will be introducing something more in this area.

Hon. Vijay Thanigasalam: Thank you, MPP Cerjanec, for the question. I'm working with Minister Fedeli and our team on an AI strategy to move forward with.

I would say one thing that we are working on is a worker-centric AI strategy that would complement our workforce that we have here in Ontario and also augment the next generation of talent that we are producing from across the talents. What that means is when we create this strategy, it's people-centric—for example, to train and retain our workforce so that they are ready for this new AI economy that is coming upon them. Rather than a waiting game, rather than sitting back and seeing what happens, we are moving forward in a responsible way so that we are ready as a workforce.

As I said, there are already 40,000 AI jobs here in Ontario and almost 450,000 tech jobs. Now they've started using at least one digital tool. We are talking about a 500,000 workforce, and we are leading.

Of course, the researchers who are coming and inventing the technologies and engineers who are building and commercializing this in the market, they are working together. For example, last week, Minister Fedeli and I went on to announce \$30 million to Vector Institute to adopt AI in a responsible manner for small, medium-sized businesses so that we can boost the economy. That obviously benefits the GDP.

Mr. Rob Cerjanec: Through you, Chair, a somewhat similar topic—and you mentioned it: In Ontario, we have world-class universities. Some of the researchers and talent coming out of our colleges and universities are world class, yet we see a lot of them go to the United States. In fact, only about one third of high-potential start-ups that are founded by Canadians are headquartered in Canada; that's two thirds that are headquartered somewhere else in the world, and nearly half of those headquartered in the United States. So we're really good at coming up with ideas, but we're not nearly as good as keeping that talent here and, quite frankly, keeping those companies headquartered here in Canada. That concerns me because that means that other parts of the world are reaping those benefits. The accountants, the other small businesses, the main streets that are going to benefit from those companies being headquartered here—we're not seeing that benefit nearly as much.

We're prepared to spend hundreds of millions of dollars attracting foreign investment here. Should we be equally investing in companies that start here but then putting in plans, putting in hooks so that those start-ups can stay here?

Hon. Vijay Thanigasalam: Absolutely. The brain drain that you are mentioning is something that this government is already putting work into.

For example, 91% of AI master's graduates from Ontario are staying in Canada. This is some solid work done by Minister Fedeli and Premier Doug Ford. They have brought \$10 billion of investment related to AI and \$40 billion related to tech jobs, and because of this private capital, Minister Fedeli—no one can make a case for Ontario to the world better than him, and bring this much capital. These are numbers provided by Vector—that 91% of AI master's graduates are staying in Canada.

How are we making this environment work right now to stop the brain drain you are highlighting—rightly so. By providing investments and providing opportunities to create companies right here. We have seen from Waterloo or University of Toronto—they have been going south. That's why we are focusing on a plan where we work with all the regional innovation centres, whether it's in Ottawa, Waterloo, Kingston, or wherever. We want to provide this funding.

I'll give you an example. I was just in Waterloo, and I met with two undergrad students. They were working on an AI-at-work program, which is funded by Minister Fedeli, a couple of months ago. What they are doing is they are helping a furniture manufacturing company in Waterloo to provide codes faster through AI tools. They custom-made AI tools—so instead of four days to give custom codes to the customers, they do it in one day. What

that means in real life is, they are giving more codes to customers—more sales. That boosts the productivity. This is just one example.

We are enabling the environment to stop the brain drain, and it is working.

Mr. Rob Cerjanec: I would encourage the ministry—and this has to really be in collaboration with the ministry responsible for colleges and universities as well. We're essentially—and I hate to say it—almost giving away our best and brightest to other parts of the world. They train here, they grow up here, they're inspired here, and they end up going somewhere else.

Specifically, again, we know that only about one third of high-potential start-ups founded by Canadians are headquartered in Canada—so they're leaving for the world.

Looking at the estimates, we see \$27.7 million for start-ups and scale-ups; we see \$90 million for Venture Ontario.

I think it's really important that the minister is travelling the world and attracting Ontario businesses here. I think all parties can agree on that, because we need to attract more business, we need to attract more investment, especially in areas where we have the workers for right now.

But my point is, within Ontario, when I look at the numbers between, for example, Venture Ontario start-ups and scale-ups in comparison to other areas, I don't think we're doing nearly enough in creating and incentivizing and working with our colleges, our universities, our entrepreneurship centres, to be able to create the new businesses, the new ideas, that are going to grow Ontario's economy from within.

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So I would be very curious, I guess, for your take within this ministry on how the funds are currently divvied up, and should be there be additional efforts to ensure that we're creating and doing more from within Ontario?

Hon. Vijay Thanigasalam: Absolutely. I'll start, and I'll pass it on to Minister Fedeli.

For example, we have companies that have been homegrown technologies here in Ontario being out in the world and becoming a unicorn. I'll give you an example: Aidan Gomez co-founded Cohere here. Now, it's Canada's most valuable AI company right now.

Mr. Rob Cerjanec: I appreciate that, Associate Minister—

Hon. Vijay Thanigasalam: And that's one example. It's a homegrown U of T grad—

Mr. Rob Cerjanec: I'll reclaim my time, Chair.

Hon. Vijay Thanigasalam: I'll pass it over to Minister Fedeli—

Mr. Rob Cerjanec: I appreciate that, Associate Minister. We've got some really great companies that have come here and that have grown during this government's time—during previous governments' time as well, when there was a Ministry of Research and Innovation. This has happened. We have the talent here.

But my point and my question specifically is, when we look at the estimates and we look at the different program areas and where things are divided—okay, we've got \$90 million for Venture Ontario. We've got \$27.7 million for

start-ups and scale-ups. But when we compare that to other areas within the estimates, it's not nearly as high. It's not nearly as much in comparison. So, I guess my question is, is what we're doing enough?

Hon. Victor Fedeli: I think when you see this year the critical technology fund—I won't be able to announce here the actual number, but last year it was \$107 million divided by five different companies.

This year Vector, as Minister Thanigasalam said, we provided \$30 million last week. That's a 10% increase to Vector. They've got 1,438 AI master's enrolled, about 1,700 researchers employed. We have 1,600 AI companies today, 17,000 new AI workers last year. If you look at the Ontario Centre of Innovation, one of the recipients of part of that \$107 million last year, they have a great start-up fund. They have a great scale-up fund. You see companies like G-nome that have now taken AI and reduced critical clinical trials from four to six years down to 12 to 18 months. So we have these success stories. Cohere wasn't moved here; it was started here.

Mr. Rob Cerjanec: I appreciate that. I think my point is, when we compare it to other efforts of the provincial government, I do believe, when we look at the numbers, that it's lagging itself. Look, I know the government's interested in doing more on this, and they have been, and I think that's great. I just think there's more—

Hon. Victor Fedeli: One number you should know, though, one number I would throw at you then, is we have 94,000 STEM grads every year. We've just invested \$750 million in annual increase now to be able to graduate, at the next cohort, 115,000 STEM grads.

Mr. Rob Cerjanec: I appreciate that—

Hon. Victor Fedeli: So, we are keeping up.

Mr. Rob Cerjanec: But when they walk out the door to the United States or somewhere else, it doesn't do Ontario any good for that money and investment—

Hon. Victor Fedeli: That's why we have OCI. That's why we have IPON—

Mr. Rob Cerjanec: —that we're making, right? When we—

The Chair (Hon. Ernie Hardeman): Order. One at a time.

Mr. Rob Cerjanec: Thank you; I'll move on.

Hon. Victor Fedeli: That's why we have IPON, Intellectual Property Ontario, so that they will help pay for their legal bills so that they can get their patents and keep their materials here.

So again, if you look at one program, it may show a different picture. If you look at the suite of programs, then you get the spirit of what we're doing in Ontario.

Mr. Rob Cerjanec: With respect, Minister, we do look at the suite of programs, and we see them walking out the door, right? We see companies continuing—because those companies are having difficulty competing for capital in their funding rounds when we look at the US and Canada and other people that are making those offers—

Hon. Victor Fedeli: Well, that's easy to say, but it might not be the same as Waabi, having one of the largest raises in Ontario, or with Xanadu, with their raise—

Mr. Rob Cerjanec: When we look at the numbers writ large, it's not there.

Hon. Victor Fedeli: —these are all happening. Or Cohere—these are all homegrown businesses.

Mr. Rob Cerjanec: I think we'll agree on some parts and maybe disagree on some parts, for now.

Hon. Victor Fedeli: Fair.

Mr. Rob Cerjanec: Fair enough.

Just a question around PowerCo. It was in the news recently. I'm looking at—we've probably provided, through this ministry, about \$380 million or so in infrastructure spend for an industrial park in St. Thomas that will do a lot of good for St. Thomas and that part of southwestern Ontario. We know, though, that there's going to be a two-year delay in construction itself. My question here is, has any money gone out the door to PowerCo specifically right now or no?

Hon. Victor Fedeli: No. We saw, like you, their release. Of course, we've been working with them for some years now. The real news last week was we're in the ground. There are people there today. The trailers are there; they've mobilized—

Mr. Rob Cerjanec: There's work happening, yes.

Hon. Victor Fedeli: They're now building a \$7-billion plant. That's the good news. Of course, it can't open until 2029. It's a \$7-billion plant, and they're starting at the end of 2026.

Mr. Rob Cerjanec: And I know we're hoping for other businesses to be located there in that industrial park as well.

Hon. Victor Fedeli: Well, I fully expect it. Just like what happened in Windsor, when LG Energy built and all of the other companies surrounded them. We expect the same thing to happen.

Mr. Rob Cerjanec: I do have a question—just switching gears a little bit. It's around meals and travel for staff of the ministry. Just so I'm clear: Under the current rules right now, is it a per diem, or is it just when receipts are submitted up to a certain amount, that then they would be reimbursed? In terms of what the rules are right now—that's my question.

Hon. Victor Fedeli: There's a per diem, but nobody in my ministry—none of my staff, nor have I—ever submitted a per diem or submitted an invoice to the Legislature for any meals whatsoever. It's just the way we chose to operate, and it has saved the taxpayers in the last two years of travel alone \$90,000, by not putting per diems in.

Mr. Rob Cerjanec: And it is currently a per diem for minister's office staff, not for a public servant travelling, right?

Hon. Victor Fedeli: I don't know anything about the public service, but for minister's office staff the ability to apply for a per diem exists, although we don't use it.

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

Mr. Rob Cerjanec: Thank you.

Through you, Chair, around small businesses—and look, I think the small business tax cut was a good thing. I think it responded to the call for Ontario Liberals to cut the Ontario small business tax rate in half and increase the income threshold from \$500,000 to \$600,000. How come we didn't go further on that?

Hon. Nina Tangri: As you can appreciate, it was only 3.2% before, and now we've dropped it to 2.2%—a 31.25% reduction. We are calling on the federal government—and we ask you to do the same—to reduce their small business corporate income tax rate from the effective tax rate of 9% to 6%. I think that's very doable for them.

We're putting many, many options on the table to help support our small businesses. We've helped our smallest businesses. When we think about a retail store, we helped them—

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

MPP Lahey.

MPP Susan Lahey: Through you, Chair, my question is about internal trade, for Minister Fedeli.

The economic attacks from our closest trading partner have sparked a renewed importance regarding boosting interprovincial trade. As we work to diversify trade relationships, it's imperative that we bolster our domestic trade relationships too. For too long, internal trade has been hindered by our ability to ensure that true free trade exists within our own country. Under the leadership of our government, Ontario has been the leader in all of Canada when it comes to breaking down internal trade barriers.

Can the minister highlight for us the actions we are taking to continue reducing the trade barriers within Canada?

Hon. Victor Fedeli: Thank you very much for the question.

Internal trade barriers cost the country \$200 billion a year in lost GDP. Premier Ford led this at the Council of the Federation of the Premiers getting together and said—think about it. In 2017, all of the provinces got together and signed an historic document, and then they all got their pens out and started saying, “Well, I don't like this corner. I don't want these words. That paragraph has got to go for me.” They all signed it, but then they have exceptions. And here in Ontario, Premier Ford said, “Enough. Ontario removes all its exceptions—period. Done.” And a couple of months later, the federal government did exactly the same thing. And now, we are in the midst of encouraging all the provinces to do the same as Ontario: Remove your exceptions and let's have some open and free trade.

Now, we've passed legislation here in Ontario. We've passed a mutual recognition legislation, we've passed labour mobility legislation, we've passed direct-to-consumer sale of alcohol, and we're going to expand all of these opportunities. In fact, this coming Friday, all the trade ministers will be back here in Toronto along with Minister Dominic LeBlanc, the federal minister, as we pursue more and more breaking down the trade barriers.

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But since April 2025, Ontario has signed economic co-operation memoranda of understanding with 10 of the provinces and territories. We've led the way on labour mobility. If you're an architect in Alberta and you want to come to Ontario and work, you show up and in 10 days you're going to work. You've got six months to get your paperwork in order, but that's essentially what our labour mobility is. We're working hard with the remaining prov-

inces now on mutual recognition. We like to use the phrase, “If it's good enough for you, it's good enough for us.” We shouldn't have differences.

Then, of course, if you go to Niagara and pick up a couple of bottles of wine or a case of wine and you like it enough, you want some more, you can't get it unless you show back up at the winery. So if you're in BC and you want some of our good ice wine, soon you will be able to go online or pick up the phone and have it shipped direct to you. We're making big, big, big headways. That's the one I call the Trump accelerator.

We didn't do much for all these years arguing over commas; now we're doing it.

MPP Susan Lahey: Thank you.

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

Mr. Stéphane Sarrazin: Thank you to all of you for being here today and doing that presentation, and thank you to the whole team because, I have to say, I'm really thankful for all the work you're doing, and I find them amazing, these trade missions. Every time you come to us and you say, “We're bringing business from around the world,” I can just imagine what our economy would look like if it wouldn't be for these issues we're having with our neighbours across the border. I think we're still doing good, but we would be doing even better.

I have to say, I visited a lot of businesses in my riding, from small businesses to larger businesses. I even announced some funding from your ministry. I have to say that they all know the people from Invest Ontario, and they're doing great work with them. So many of them got some help from them, and it's amazing.

Maybe we've touched on the subject of the Ontario Together Trade Fund. I think you had a chance to elaborate on it, but maybe, Minister Fedeli, you can highlight what our government is doing to ensure that businesses remain protected in the face of tariffs and to help them come out once this one-time crisis is done, when we're done with it.

Hon. Victor Fedeli: Thank you very much. Thank you and, in fact, everybody in the room, all of the MPPs who are working so hard for those businesses throughout Ontario.

I've got to say, the Ontario Together Trade Fund, to me, is one of the best funds that we have out there and that we've been working with because it inspired a lot of companies. It's \$150 million. As I said a couple of times, we put \$139 million out the door. It really is exciting.

When you read these applications, as I do, and you see these companies, it's not that they're gambling. They're saying, “I'm doing this. To hell with what's going on down south. I'm going to do this,” and we've seen them. They're going to invest—some companies—\$2 million, \$3 million, \$4 million; some \$70 million; some over \$100 million. It's \$1 billion these 89 companies are investing, and you've got to say to them, “Wow.”

I'm a lifelong entrepreneur. I've never really worked for anybody else but myself, and I tell you, I know exactly what it's like to make that decision: “Am I going to make this investment? Am I going to sit down with my bank,

negotiate a big loan and put my family and our future on the line here for this?"

Boy, they're believing—they believe in what's happening in Ontario. I've got to tell you it's inspiring to see those 89 businesses and all the others that have applied along the way as well.

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

Mr. Aris Babikian: Thank you, Ministers, for coming and sharing your uplifting and promising policies and reports with us and, through us, with the rest of Ontario's residents.

Minister Fedeli, my question is regarding the defence sector. Under the previous government, we saw a manufacturing sector that was on the brink of collapse. In fact, in their own words, the Liberals wanted to get Ontario out of manufacturing.

Our government reversed course immediately, reshoring jobs and factories that had left under the previous government. Now, in an unprecedented global economy and uncertainty, it has never been more important to maintain critical supply chains and ensure that a strong, robust manufacturing sector exists in Ontario.

One of the sectors that is being discussed a lot is the defence sector. NATO has established an updated benchmark, aiming for a total of 5% of the GDP dedicated to defence investment and security by 2035. Canada is making historic investments, committing an additional \$81.8 billion over the next five years to support our defence sector and, by extension, our sovereignty.

Minister, can you explain what we are doing to ensure Ontario's defence sector is ready to support Canada's national security commitment?

Hon. Victor Fedeli: Chair, what's the time remaining?

The Chair (Hon. Ernie Hardeman): Six minutes.

Hon. Victor Fedeli: Oh, good.

Well, think what's happening around the world. You've got the European Union that has pledged trillions of dollars in new defence spending. Germany released their debt brake that they had; this is, like, €600 billion for new defence. Canada has now committed to 4% by 2030, 5% by 2035. So there's billions, tens of billions, in Canada alone and trillions around the world.

Now, you've heard Premier Ford: "I want every nut, every bolt built here in Ontario." Our goal on defence is clear: We want every piece of defence equipment that we build to be built right here in Ontario. We already have—I've said it earlier—300 companies. They generate about \$5 billion in revenue. This is 13,000 people. But now the demand for defence is growing around the world, and Ontario is being looked at as a centre of expertise.

We have the complete ecosystem already in existence. Whether it flies or floats or is on the ground, we can build it here in Ontario. We've got a dedicated shipbuilding fund. We have all of our programs ready. We've got an expanded Invest Ontario that's ready to go. We've got new monies put in Venture Ontario: \$40 million to devote towards defence purchases. We're ready.

We're at every defence show you can imagine, showing Ontario. We're standing beside Ontario companies. We

were in Poland a couple of weeks ago with the various federal ministers talking Canada, but specifically we were there in our Ontario booth talking Ontario. It really is our moment right now, and we're meeting that moment in defence especially, where we see all of this demand and we have all of this know-how. We're putting it together.

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

Mr. Dave Smith: How much time is left? About four minutes?

The Chair (Hon. Ernie Hardeman): Three point five.

Mr. Dave Smith: Thank you.

Minister Fedeli, I'm going to move away from you again. I'll give you a minute to take a break, grab some water or something. I'm going to go to our associate minister of artificial intelligence.

I'm going to start with a comment that was brought into my office just after this ministry was created and you were put in there. The comment was from a gentleman—I'll refer to him as "Frank;" I won't say his actual name because he didn't give me permission. He said that we should focus on natural stupidity before we start focusing on artificial intelligence and address the natural stupidity part of it.

I think there's a lot of confusion around what artificial intelligence actually is and what the importance of artificial intelligence is. And I think that, by creating this associate ministry, we're demonstrating that Ontario is taking it very seriously, that we recognize that this is one of the emerging economies, and that if we fall behind on it, we will fall behind for a generation.

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I greatly appreciate that Premier Ford has recognized this is something that we need. I congratulate you on being put into this position, but it is a foundational shift in technology and technology innovation. AI adoption is something that is not just here in Canada; it is global. We are pitted against every other jurisdiction on it. There's a lot of misinformation, I'll say, that's out there about what it is, how it would function, but I do think it's imperative that Ontario leads the world in this because it will be an economic driver for generations to come. It is going to be transformational.

We talk about the Internet having been transformational. When I first went to university, the Internet did not exist. I got an email account; I've had it now for 30-plus years—37 years, actually—because at Trent you had to be a computer student to get an email account. Again, this is prior to the Internet as we know it today.

Our province is already leading the way as a global hub for AI. We have more than 450,000 tech workers in it. We've got about 26,000 firms in Ontario. Can you please talk about the current success that we have in that tech sector in Ontario and what our government is doing to ensure that we remain as a global leader in AI and this technology sector?

Hon. Vijay Thanigasalam: Thank you, MPP Smith.

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

Hon. Vijay Thanigasalam: That is correct. AI is here. I can say that confidently. AI is here and it's going to impact every corner of our province. Whether it's schools or communities or families, businesses, organizations or even government, it is going to impact them.

Thanks to Minister Fedeli, Premier Ford—they have brought investments ready to face this new economy. Almost \$10 billion in AI money is private money coming from across the world here, and of course, \$40 billion in technology investment.

What we have is good infrastructure, we have world-class talent and now we are putting together all that work to close the gaps for AI adoption in a responsible manner. Once AI is adopted, by 2035—a prediction from Vector Institute's research—we can add a \$122-billion in addition to GDP to Ontario. That means, every year, we're going to add 1,700—

The Chair (Hon. Ernie Hardeman): Thank you very much. We have everything except time.

We'll now go to MPP Fife.

Ms. Catherine Fife: How much time is left?

The Chair (Hon. Ernie Hardeman): You have 9.43.

Ms. Catherine Fife: Okay, I'll share some time.

I'm going to continue on this, to the associate minister, because the reason I was asking about regulation is that I chair the Commonwealth Women Parliamentarians, which is international. So 56 Commonwealth countries are grappling with AI. Governments are not known to be forward-thinking and ahead of this, and many governments and Parliaments are trying to catch up.

But I will say that when the creators of AI and senior researchers are warning that the rapid, unregulated race towards self-improving super intelligence poses an existential threat, I think that we should take that into consideration and at least explore what it means from a legislator perspective. This is why I was asking about guardrails and asking you specifically.

You mentioned your research, you mentioned the groundwork, but what are you going to do to protect people in Ontario from the perhaps unintended consequences of an accelerated AI engagement?

Hon. Vijay Thanigasalam: Thank you, MPP. There is a twofold answer here.

First, of course, we need to have our guardrails in place to protect our data, protect our children online and protect those who are using AI. That's why there is a very good collaboration between our ministry and the federal ministry—Minister Solomon—to put guardrails in place as they are working with G7, G20 countries to have a comprehensive AI regulatory body and safety so that we can have national regulations for AI.

What we are working on is working collaboratively with the federal government. At the same time, we are working to adopt and accelerate AI in local communities and businesses. I'll tell you why. There are the frontier models—executives are warning, the signals, and that is happening in the United States. That is happening in China. In Canada, we are moving at a pace—we are not

there, but at the same time, we are already ahead of the game to put guardrails—

Ms. Catherine Fife: We are not ahead of the game on data sovereignty. This is—

Hon. Vijay Thanigasalam: No, we're talking about the guardrails that you—

Ms. Catherine Fife: So I look forward to the legislation, then.

The Chair (Hon. Ernie Hardeman): Order. One at a time.

Hon. Vijay Thanigasalam: In terms of guardrails, we are ahead of the game—

Ms. Catherine Fife: We are not ahead of the game on guardrails. There's no legislative option that we've explored as a Parliament here.

I just want a yes or no: Are you going to be introducing legislation? Legislation is needed, and there are other jurisdictions that are moving this way. Will you be introducing a bill around AI adaptation?

Hon. Vijay Thanigasalam: We are working on an AI industrial strategy, and that will be coming in the weeks and months ahead.

I would like to finish my thought on the guardrails piece. Canada is actually at the forefront when it comes to AI safety—

Ms. Catherine Fife: No. I totally disagree with you. And we're not going to get into this debate because it's my time.

I'm going back to the minister on an important issue: the Protect Ontario Account Investment Fund. This was announced in the last budget, just in March. The \$4 billion in public money is going into the initial investment and work to lure other private funds to invest in our economy. Did that go out to an RFP, to a private investor? How far down the process was this before the finance minister decided to shelve it? What is the status of this fund right now? Did it go out to an RFP? Did you find a public investor to manage the \$4 billion in public funds?

Hon. Victor Fedeli: That fund does not reside with MEDJCT—

Ms. Catherine Fife: It does impact jobs, though.

Hon. Victor Fedeli: —but it resides with the Ministry of Finance. And to be blunt, you literally have to ask them. I don't mean to pass the buck—

Ms. Catherine Fife: But you would like to have access to it, right? I mean, \$4 billion would go a long way to supporting businesses and industry and innovation as we navigate the tariff trade war.

Hon. Victor Fedeli: It doesn't reside with MEDJCT and—

Ms. Catherine Fife: So you don't want it.

Hon. Victor Fedeli: We're here to talk about our estimates—

Ms. Catherine Fife: But it does impact your ability to leverage programs and strategies to address the tariff pressures that we're facing, which is why I was asking about it.

Hon. Victor Fedeli: Yes. That's why we have so many programs—other programs, as well.

Ms. Catherine Fife: The point that I have been trying to get across is that that suite of programs has gaps, and that's what businesses are telling us.

But there is one program that is working, and it was developed during COVID. That's the Regional Opportunities Investment Tax Credit. It's going to expire at the end of this month.

I look at the Labour Force Survey that came through in March 2026. It showed that regions of southern Ontario—London is 9.1% unemployment; Kitchener-Cambridge-Waterloo is 8.6%; Windsor is 8.5% unemployment; Barrie is 8.5%; Toronto is 8.1% unemployment. So these cities are struggling, and they're looking for regional approaches. You mentioned earlier the southwestern development fund and what have you.

Don't you think that if something is working, we should actually keep it? I'm just asking you for your opinion on this.

Hon. Victor Fedeli: That's why we have programs through our Regional Development Program, like the southwestern development fund, like the Eastern Ontario Development Fund, like AMIC. These are programs that companies in your own riding use.

Ms. Catherine Fife: Yes, but there doesn't seem to be an urgency here. I mean—

Hon. Victor Fedeli: We get applications on a daily basis. We're processing things—

Ms. Catherine Fife: Yes, you're processing them right to the contingency fund.

Hon. Victor Fedeli: We have a full team here who work non-stop—they can tell you—on these applications. That's why we put the 60-day service guarantee in place. You cannot process paper faster than we do.

Ms. Catherine Fife: That 60 days may need some flexibility because the funding is going back into the contingency fund. That's a concern for me.

Hon. Victor Fedeli: Go back to that. That is a timing issue only. That is not lost funds. That's not—

Ms. Catherine Fife: Well, time is of the essence, I would say.

Hon. Victor Fedeli: But it's up to the companies. If they're not ready for the funds, we can't just push it out the door to them. That's not responsible. We set it aside for them, and when they're ready, it comes back out to them. Maybe a day, a week, a month—again, it's a point in time on the estimates. That's not lost money. There are no cuts. There are no cuts to Invest Ontario.

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Ms. Catherine Fife: Yes, I mean, that's what you say about the FAO as well.

Hon. Victor Fedeli: There were no cuts to that tax fund. There were no cuts in any of these programs

Ms. Catherine Fife: How much time is left?

The Chair (Hon. Ernie Hardeman): You have 2.2.

Ms. Catherine Fife: Oh, damn.

Just to clarify: In the supplemental estimates under vote item number 902-13, we see a reduction of \$4.7 million in jobs and prosperity. Under vote item 902-13, we see a reduction of \$506 million in strategic investments. When

the supplemental estimates come forward, we will see these corrected, right? Because you say it's just the timing.

Hon. Victor Fedeli: It's the same issue. It's purely timing.

Ms. Catherine Fife: Just timing?

Hon. Victor Fedeli: It's purely timing. There are no cuts in those programs.

Ms. Catherine Fife: Speaking of timing, I'm going to give the remainder to my colleague.

Mr. Rob Cerjanec: We'll jump right into it—a whole minute.

The Chair (Hon. Ernie Hardeman): Jump in. Don't breathe.

Mr. Rob Cerjanec: Thank you.

Through you, Chair: We know the Stellantis Brampton plant has been idle since December, and we know that in the middle of negotiations with Unifor, Stellantis and the defence contractor—we need to do more defence here and get our share of it; I agree with you, Minister—they signed an MOU with Roshel around this.

We know the president of Unifor and the Canadian Automotive Parts Manufacturers' Association have said this manufacturer will not be comparable to the job and economic stimulus for the area that Stellantis was. Can you tell the committee what the government of Ontario is prepared to do to ensure the maximum benefit to those workers that are there right now?

Hon. Victor Fedeli: We want another product from Stellantis brought to that plant, plain and simple, period.

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

Hon. Victor Fedeli: Stellantis has not received any funding from the province of Ontario for the Brampton site. There are monies available for Stellantis to put a new product into that site and that's what we want, plain and simple.

Mr. Rob Cerjanec: Perfect. Thank you, Minister.

Just one last question, just around the bad debt expense—I think it's vote 902-13. It jumps up from about \$426,000 to \$128.7 million. Is there any information that you could share with the committee on that amount?

Hon. Victor Fedeli: Again, to me, that's a good-news thing, because you have to take a percentage. It's absolutely accepted accounting principles. We're forced to put a bad debt allotment aside. So to me, we've got a great year; a lot of money is ready to go out the door. You've got to put up a bad-debt assignment, plain and simple.

Mr. Rob Cerjanec: And we don't expect to be reaching anywhere near there?

Hon. Victor Fedeli: Anywhere near that? It would be a fraction of that.

Mr. Rob Cerjanec: Thank you.

The Chair (Hon. Ernie Hardeman): Thank you, and that concludes the time for the questions and concludes the time for this hearing.

The time has expired for the committee's consideration of the 2026-27 estimates of the Ministry of Economic Development, Job Creation and Trade. Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates.

Are the members ready to vote?

Shall vote 901, ministry administration program, carry? All those in favour? All those opposed? The motion is carried.

Shall vote 902, economic development, job creation and trade programs, carry? All those in favour? All those opposed? The motion is carried.

Shall the 2026-27 estimates of the Ministry of Economic Development, Job Creation and Trade carry? All those in favour? All those opposed? The motion is carried.

Shall the Chair report the 2026-27 estimates of the Ministry of Economic Development, Job Creation and

Trade to the House? All those in favour? All those opposed? The motion is carried.

That concludes our consideration of the estimates of this ministry. I'd like to thank Minister Fedeli, Associate Minister Tangri, Associate Minister Thanigasalam and everyone here today for their participation.

The committee now stands adjourned until 9 a.m. tomorrow, Tuesday, September 29, 2026, when we will meet to consider the estimates of the Ministry of Finance.

With that, this meeting stands adjourned.

The committee adjourned at 1735.

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