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IN-24

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IN-24

Standing Committee on the Interior

Comité permanent des affaires intérieures

Estimates

Ministry of Energy and Mines
Ministry of Natural Resources
Ministry of Agriculture, Food and Agribusiness

Budget des dépenses

Ministère de l'Énergie et des Mines
Ministère des Richesses naturelles
Ministère de l'Agriculture, de l'Alimentation
et de l'Agroentreprise

1st Session
44th Parliament

Tuesday 29 September 2026

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44^e législature

Mardi 29 septembre 2026

Chair: Aris Babikian
Clerk: Stefan Uguen-Csenge

Président : Aris Babikian
Greffier : Stefan Uguen-Csenge

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE
ON THE INTERIORCOMITÉ PERMANENT
DES AFFAIRES INTÉRIEURES

Tuesday 29 September 2026

Mardi 29 septembre 2026

The committee met at 1001 in committee room 1.

ESTIMATES

MINISTRY OF ENERGY AND MINES

The Chair (Mr. Aris Babikian): Good morning, members, Minister and everyone. The Standing Committee on the Interior will now come to order. The committee is set to begin consideration of the 2026-27 estimates. We will begin with the Ministry of Energy and Mines for a total of two hours.

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

For any ministry staff appearing today, when you are called to speak, please give your name and your title so that it may be accurately recorded in Hansard.

Are there any questions from the members of the committee?

Seeing none, I am now required to call vote 2901, which sets the review process in motion. We will begin with a statement of no more than 20 minutes from the Minister of Energy and Mines. The remaining time will be allotted for questions and answers in a rotation of 15 minutes for each of the recognized parties.

Minister Lecce, the floor is yours. I will remind you at the 19-minute mark that you have one minute left. Go ahead.

Hon. Stephen Lecce: Good morning, everyone. Thank you, Chair. Thank you, colleagues, for being with us today. Let me just recognize the deputy minister is with us and a series of public servants from the Ministry of Energy and Mines. I want to thank them for their hard work in the public service. I want to thank my political staff who are with me as well and thank all colleagues for joining us for a riveting morning today as we discuss, really, the future of Ontario's energy build-out and how we are safeguarding our sovereignty and broader focus on affordability for the families we serve.

I want to just recognize that this ministry really touches on some of the key themes and areas of industrial focus for the province as we respond and punch back and push back against some of the insane pronouncements and economic warfare from President Trump. We are at the forefront of

this, and we feel very motivated in the service of standing up for our energy sovereignty.

We recognize electricity powers our homes and our businesses; it's an essential element of what fuels our industry and we know—with our minerals, too—it is foundational to building out an ethical supply chain for the world. And while there are a lot of individual files that fall within the ministry mandate, there's really one story I want to build out today, in that Ontario has always been a province that builds with an element of ambition and with a renewed focus on speed.

To understand where we're going, I think it's important to understand where we came from. More than a century ago, Ontario was already making bets on infrastructure and technology that had never been attempted before. In 1881, Canada's first water-powered electricity generating station opened in Chaudière Falls in Ottawa. Just a few years later, in 1885, Ottawa became the first city in the world to have all of its street lights illuminated by electricity. In 1962, the then-Premier made a determination to invest in nuclear technology. The nuclear power demonstration reactor at Rolphton became Canada's first nuclear generating station powered by Candu technology.

None of that had been done before, but the people of Ontario found a way of optimism, and more importantly, to focus on the innovations of our province and country.

The generations before us decided that Ontario could do big things. Those decisions gave us the electricity system that powers our province today and laid the foundation, I think, that has established Ontario as a global leader for engineering, for manufacturing, innovation in medical isotopes and so much more, and helped make us a tier-one nuclear nation with one of the most advanced nuclear programs in the world. This story is still being written, and this is part of our collective journey here today.

We are home to 16 of Canada's 17 operating nuclear reactors, with the province's nuclear sector employing 90,000 jobs and people across the province, supporting hundreds of companies directly and hundreds more indirectly. Just down the road, Darlington here in Ontario is advancing Canada's first grid-scale small modular reactor, positioning the province at the forefront of the next generation of global nuclear technology.

So when we talk about our energy advantage, we're not talking about something that appeared overnight. We're talking about decades of decisions, of investments—deci-

sions that ultimately were made by people who understood that if you want a stronger economy tomorrow, you have to build the infrastructure today, and that really brings us to the moment we're in today.

The Independent Electricity Systems Operator has provided their latest outlook on forecasted electricity demand, which is said to grow at the high of 90% between now and 2050, effectively, in the worst case, almost doubling the grid in the next 25 years, in part due to electrification, data centres, greenhouse expansions and, of course, population intensification. But we cannot wait for that demand to arrive before we build the infrastructure we need today.

As President Trump takes direct aim at our economy, we must, above all, ensure our energy system is self-reliant, that it's ready to power tomorrow's growth. That was the philosophy behind Energy for Generations. This is Ontario's first integrated energy plan, a long-term economic road map which we unveiled to the people of Ontario to create certainty, predictability and, frankly, to instill confidence in the market that we have a plan of action to generate, to transmit, to store power across the province.

That's why the government is doing what Ontario has always done, going back to the thesis, which is building: building big, building with ambition and speed, doing things that I think will leave our children better off. To protect Ontario, we must first protect the nuclear assets that generations before us helped sustain for our province.

If I may take a moment to infuse in this discussion a positive, a win that transcends politics as ratepayers, taxpayers, as Canadians, Ontario Power Generation refurbished and completed Darlington Nuclear Generating Station, the largest global refurbishment of its kind. That was achieved five months ahead of schedule and \$150 million below budget, making it the largest of its kind on earth.

It's not just at OPG, though, because Bruce Power's major component replacement for unit 3—that returned to service at a record we have not seen in the country or on the continent, completing that seven months ahead of schedule with another \$150 million savings to the ratepayers of Ontario.

These results tell us something important: We're not simply maintaining that infrastructure; we're proving that Ontario can successfully execute major, complex infrastructure projects on time and on budget and can use that expertise to build what comes next when it comes to our large-scale builds.

Nowhere is that now more important than Pickering, ground zero for the latest nuclear refurb, a project that would have been closed by the previous government. For nearly 60 years, the Pickering Nuclear Generating Station has really been a core part of Ontario's electricity expansion. We're proud of that reactor. We're proud of the thousands of workers who have made that one of the best heavy water reactors on earth. It has helped power millions of homes and businesses at the very time while this unit, unit 7 at Pickering, set a world record, operating for 894

continuous days. That has remained unchallenged for 22 years, the longest in-service, continuous operation.

1010

Now, we're giving Pickering another chapter. We're breathing new life into this incredible asset for another 38 years. We made this decision—the Premier actually campaigned on this commitment—to expand and extend the life of that asset, not just to protect the jobs in Durham, but fundamentally to maintain 2,000 essential megawatts when we need it more than ever. Through independent studies, the project will create 30,000-plus jobs.

We often think in abstractions: “What did you do?” We come home to our families and discuss our days. Well, last Monday, we as a collective—and for all of us who were there, all the skilled unions who stood with us—made a decision to create 30,000 jobs for Canadians, and that construction project starts today. It started this fall. It started this September, in fact. It's under way, and it really starts to peak in January as that refurbishment takes hold. A \$41-billion gain to the national economy: I think that's a huge achievement we should be proud of.

And so, we were proud to be there to kick-start this construction, get this project going and really help deliver meaningful value to our economy for the next 40-odd years. I think that's what it means to build on the legacy we inherited, across the parties, across the province, across regions. It's not about any one individual; it's a collective achievement for the benefit of Canada and the world. And we now have a duty to invest in those assets, maintain them, expand them and scale them for the next generation, and I think that's in part why we're here.

But our plan does not stop with refurbs, because that alone will not get us the net new power we need. Going back to the problem I defined under the IESO, we need up to 90% of the power. The baseline was 65%. Even that is adding like three cities of Toronto to the grid by 2050. It's a real, sobering challenge. We've got to build out and invest significantly just to keep up with demand. But we have a plan. That's why the integrated energy plan really is the North Star for us. It's codified, it's timely and it's transparent, exactly where we're going as a province vis-à-vis our energy build-out. Now we are advancing early-stage planning for the next large-scale build and there are 14,800 net new megawatts—power for roughly 15 million homes, to convert that into sort of an understandable comparison.

You look at Wesleyville—this is in Port Hope, Ontario—and Bruce C, which is in Bruce county. In both of those communities, we're talking about some of the largest investments in nuclear in the world. In a moment when Canadians expect ambition, I think we are meeting this moment. We're not building with incrementalism; we're building the largest nuclear generator: up to 10,000 net new megawatts in Port Hope, a willing host community that has issued unanimous resolution of support for this. Active engagements with the First Nation—I mean, that's meaningful progress.

In Bruce, Bruce C, that next iteration of expansion will help make Bruce, that generating facility, the largest on

earth, eclipsing even the South Koreans. That's ambition. And 10,000 jobs in Bruce, another 10,000 jobs in Wesleyville: This is a massive lift for the economy and for the workforce, and so we're proud of this and we're proud to get these projects going. It's a \$235-billion gain over the lifespan for the Port Hope project alone, and for Bruce, it's \$217 billion of economic value, of GDP gain and, as I mentioned, approximately just shy of 10,000 jobs at that site alone.

We also are advancing the Darlington nuclear project, building Canada's first—really, actually, the Western world's first—grid-scale commercial small modular reactor. We're exploring new generation opportunities for nuclear in Lambton and in Nanticoke, where we have early resolutions of support from their municipalities and active engagement with the First Nations.

My point, simply, colleagues, is that we are building with ambition. When you take this together, it's 150,000 net new jobs. When people say, "Where is a jobs plan?", that investment alone could put the city of Guelph to work. It's 150,000 net new jobs for our children. These are long-term jobs—really, careers for life. They're 80-year assets, and they're the ideal job or vocation I know anyone would want their child to enter into. High wage, benefits, pensions—incredible jobs with dignity at the cutting edge of technology. These are the jobs of tomorrow. These are the cool jobs we want to encourage our kids to pursue.

We're proud of this. When you are adding three fourths of a trillion dollars of economic value, I think we can agree that meets the moment. But I don't think it stops there. The innovation of Ontario's nuclear sector is actually not just about civilian power that keeps the lights on today; it also saves lives, and I'd be remiss not to talk about the amazing work that the Candu reactors produce.

One of the many benefits of this technology, as a by-product, is the ability to harvest medical isotopes—the production of medical isotopes. We are a leader in the world. All of us have been afflicted by cancer, and I often want to speak about this, because it really is a material advantage to our nuclear fleet. We don't focus on it. It's often more focused on the power side, but let's be assured that when I announced as minister and our government announced the Nuclear Isotope Innovation Council of Ontario—NIICO, as I will refer to it henceforth—that was given a mandate to bring forth some of the best minds in science, engineering, technology and medicine into one space to build out and to double our isotope production. That was the mandate I gave them: Double it by 2030—which is a quick turnaround.

I think it's really important to reinforce our position as a global leader in nuclear medicine, when a quarter of a million Canadians this year will be diagnosed with cancer. We need to do everything humanly possible to support diagnosis and, obviously, treatments and the interventions that could extend or save lives.

At McMaster Nuclear Reactor—I just want to use this as a case study. It was the first microreactor of its kind in Canada in a university. It's a fabulous asset that they have carriage for. We decided, under the Minister of Colleges

and Universities' partnership and leadership, to fund that nuclear generator to generate and harvest isotopes 24 hours a day, seven days a week. We expanded its operations. The consequence of that, the result of that is we're going to support treatments annually for 84,000 Canadians and create jobs in Hamilton. But more than anything else, this is about scale and impact at a time when, frankly, cancer rates are rising.

The world has changed, and we recognize, from isotope production to nuclear generation, supply chains are under incredible levels of pressure. We see it on all sides of this portfolio, frankly. Trade relationships are being upended. Governments around the world are thinking more seriously about energy, economic sovereignty and the intersection of both. And so, for Ontario, that means we cannot take these inherited advantages—a legacy that we are blessed with, both in resources and the bounty of our resources and technology—for granted. And we will not. We have a serious duty as a caretaker, as a steward of that legacy, to build on it for future generations. We must strengthen these advantages. We must build on what we already do well and ensure that more of the economic benefits that we create stay in this province and in this country. More than 90% of our nuclear, well over 90% of our hydro fleet—these investments stay in Ontario. They stay in Canada. It's an incredible Canadian industrial success story that I believe is one of the best stories to tell the world, when 95% of investment at Bruce Power—this is unprecedented domestication of their supply chains—is staying in Ontario and Canada.

Even in a pre-Trump moment, that's the right answer. But in today's world, that is the only path forward, I think, really, to exercise value or to derive greatest value from the supply chain for our workers and for all the companies in Ontario that really could use support in the moment. It's about the welders, the electricians, the engineers, the manufacturers, the apprentices, the small businesses—the entire supply chain that can now compete here at home and around the world. And I think that's economic resilience. That's what it looks like in practicality, because we're not just about procuring electricity capacity that we absolutely need, as confirmed by the IESO.

The question is not, you know, "Do we invest, or do we do nothing?" There's no "do nothing" option, right? Governments, whoever is in this seat, will need to make investments and determinations of where is that firm baseload option. We're opting for the Canadian path: large-scale nuclear; hydro expansion; of course, an all-of-the-above approach, which can include renewables, biomass and natural gas as the ultimate insurance policy, which we stand by today to maintain the viability of all commodities.

And Chair, may I just do a time check? How are we doing?

1020

The Chair (Mr. Aris Babikian): Three minutes and 27 seconds.

Hon. Stephen Lecce: Okay.

I do want to talk about the competitive procurements, as I attempt to wrap up here—of where we came from. We believe fundamentally creating competitive tension in the market is what has drawn down prices as we've re-contracted some of the most egregious contracts signed by the former Liberal government, often 10 cents above the market—offensive projects that we pay for today. We still have liability costs; we actually have had to create taxpayer subsidies to stabilize rates because of the insane, ideologically driven energy approach of the government of the past, which we are determined to never repeat again. And so, what does that mean? It means using the IESO, the Independent Electricity System Operator, to do a cadenced, intentional, competitive procurement, following the advice of the Auditor General of Ontario, who criticized the sole-sourcing of governments past when we paid well above the market.

We launched a series of procurements for battery storage, the largest in Canada, 3,000 megawatts, the third-largest in North America, 1,000 already contracted, stabilizing the grid—a really powerful investment in all the above, a demonstration that we're not focused on one resource; we're leveraging them all, and we're doing it at scale, the largest in Canada.

We're proud to share that 1,200 megawatts have already been connected in Napanee, in Hagersville, the Sanjgon battery facility. So many more will be announced in the days ahead, but we're really excited about these investments, because it's going to make a difference to help a constrained system have that flexibility and help to stabilize rates with low-cost power stored off-peak injected into the grid when we need it most.

I want to talk about—beyond the generation, we have to speak about transmission. We've authorized nearly 2,000 kilometres of new transmission because we got to move the power; it's balkanized. A lot of it is in Durham, a lot of it is in Bruce, because that's where our large generating facilities are. We've got to move it to the province, and that means we need to have an intentional policy to move with speed. So I've accelerated every transmission line in my capacity as minister to build out our grid. More than 6,500 megawatts of additional capacity are being added because of these investments. Every single one of you—opposition, government members, everything in between—I can point to meaningful, large investments north, south, east and west that are going to help—

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

Hon. Stephen Lecce: —build it, make the difference across the province.

Mr. Chair, what I would simply say is, on the mines side, we are blessed with a vast bounty of resources, but we were challenged with the slowest permitting regime on earth—among them—in the industrialized world. We got to work; we introduced Bill 5. It cut the red tape and the permit timelines for a project designated under One Project, One Process by 50%, on average. We've emerged as one of the fastest. That's ambition. It was a red tape reduction reform that has led to meaningful projects, \$5

billion of projects to date, designated with First Nations, with partnerships, but more than anything else, boosting the sovereignty of Canada. I think about lithium. I think about nickel: Two projects profiled, they're dominated by our adversaries. It's good for Canada, for our jobs, for our ethics and for the supply chain of Ontario.

We plan to go even further over the days ahead to further streamline, further accelerate our mineral deposits and to ensure we end the ripping and shipping of our resources by doing more domestic processing here at home. Thank you.

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

Now we move to the first round of questioning. We will start with the official opposition.

MPP West, you have 15 minutes.

MPP Jamie West: Thank you very much. Just give me one minute, because I always lose track of the time.

You finished on mining and didn't have a lot of time to speak about it, so I'll start with my mining questions. I noticed that the mines and minerals program is estimated to cost \$43 million less than was estimated last year. I'm just wondering, what's the difference? Why are we \$43 million? How come the estimate has dropped by \$43 million?

I see you looking at your book; sorry. It is on page 32.

Hon. Stephen Lecce: The program is called—

MPP Jamie West: Mines and minerals program.

Hon. Stephen Lecce: Mines and minerals program—maybe I'll start off, and then maybe for that specific program I may defer to the deputy.

What I'd simply say is, we have increased support within our mineral programs, frankly, across the board: \$500 million of investment have been allocated this year for the next three years for the Critical Minerals Processing Fund. That's net new. That's reflected in economic development estimates but is very much an input that we are leading into. We've already announced the first project.

I would also say we've added additional resources to the Ontario Junior Exploration Program, the critical minerals innovation program since 2018. So there's a series of investments to help unlock resource development in a responsible manner.

On that specific program, if there's anything the deputy may have—otherwise, I may just keep going, Jamie.

MPP Jamie West: No, it's okay.

Ms. Susanna Laaksonen-Craig: The decrease comes—

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

Ms. Susanna Laaksonen-Craig: Sorry, I should know this better by now. Susanna Laaksonen-Craig, Deputy Minister of Energy and Mines.

The decrease comes primarily from the two perspectives because there is also program funding included in that. One of the reductions is related to the Indigenous economic development aspect, which supports those initiatives like in the Ring of Fire. As the work has continued

and the support for the EAs—as the EAs have come to a conclusion, also the dollars disappear from the budget.

MPP Jamie West: Okay, I just saw it and I was thinking about all the Ring of Fire ads I saw during the World Series. I thought maybe the funding for that had been taken out of the budget; it was a lot of money, right?

Let's talk about the Ring of Fire because there was a lot of money spent on those ads, but also, I think the Ring of Fire is very exciting. We all agree on that. For at least 20 years, people have been talking about this. But the reality for the Ring of Fire is that you've got to construct a road to Eagle's Nest. You've got to build Eagle's Nest nickel mine. You've got to start getting ore out of Eagle's Nest. You sell that ore to help pay for the road and then to pay for the construction of the road towards the chromium deposit and then you've got to build the mine of the chromium deposit.

How far away is the Ring of Fire chromium deposit? How far away is completing the road, building the nickel mine, building the road to the next deposit and getting ore out of the chromium mine?

Hon. Stephen Lecce: Part of that answer is predicated on the speed by which the project proponent will want to move, but we're building the enabling infrastructure. I'll walk through each of the roads and give you a sense of construction starting, when we plan to complete them—I will gladly provide that on the record.

We have started three of the four links. To the member from Sudbury, I think the premise of your question is important. Mining is important to us both, and that region has been massively underleveraged and untapped. There has been a lot of rhetoric, over a generation of politicians saying they will get this project started. The difference is we have actually built a partnership agreement with First Nations to build roads, to build transmission, to build broadband.

For example, the Webequie supply road: We started construction June of this year, the first time in the province we have actually initiated a road into the Ring of Fire. We did that with the completion date of November 2030, four years ahead of schedule.

The Marten Falls community access road started construction August of this year. That will open November 2031, also four years ahead of schedule. Keep in mind that we petitioned the federal government to eliminate their duplicative EA and, after a long investment of time with them, they have accepted, which has allowed us to move a bit faster.

The Anaconda and Painter Lake roads began in June of this year as well and they are scheduled to be completed in 2030, which is two years ahead of schedule. We are step-by-step unlocking new roads.

The Northern Road Link is scheduled to start construction in 2028, with completion by 2031. That's the final link, which would be five years ahead of schedule.

My point, colleagues, is we're building enabling infrastructure, we're building transmission, we're building broadband, but it does not negate the capacity of moving. The challenge of it, as you know, is that access to these

roads is often restricted to winter, and so it removes the economics. Aerial options are not viable given the weight. We really have a duty to create the roads, which is why we have done—

MPP Jamie West: I'm just going to interrupt because I only have 15 minutes, but I appreciate—

Hon. Stephen Lecce: Okay, go ahead.

MPP Jamie West: Federally, the Ring of Fire wasn't listed as one of the Building Canada Act's nation-building priority projects, but Crawford nickel was. Why do you think that is?

Hon. Stephen Lecce: Look, the feds have taken a decision of continuously adding projects of national significance and consequence, so by no means are we at the end of this journey. We really are in the early days of them adding projects to that list, so it is very possible they may choose to do that. That would be a decision for the federal government.

Before they make a designation, I think what we're asking for is for them to deliver on the billion dollars that we have been asking for the feds to deliver to help build the roads. This is not a project of consequence to the north of Ontario or to all Ontarians; it's a nationally significant resource deposit. It is the largest undiscovered multi-commodity region on earth, and we think they need to put skin in the game. They have helped us on reducing the EA duplication. That's a positive; I'll acknowledge that. But there's still a billion dollars of funding. Should they make that determination, I would encourage them to consult with local communities as we have and for them to actually execute on the \$1 billion that they owe the province.

1030

MPP Jamie West: Okay. My theory on this, and we've talked about this in the past, is that the Ring of Fire is a long-term project, a long-term investment. It'll pay off years from now. You said, just the road itself, we're looking at 2030-31—that's the road. In previous debates, you've talked about how it takes too long to build a mine. You want to get it out in seven years, so we're looking at several years before we open a nickel mine in the far north that can only access ore during the winter, like you said.

Meanwhile, Crawford is so close to Timmins, I think they're going to move the highway to get around it.

Hon. Stephen Lecce: Yes.

MPP Jamie West: I met with Vale about a month ago. They told me they have four brownfield projects that are ready to produce critical minerals within two years.

I think that a lot of energy has gone to the Ring of Fire, a lot of advertising has gone to the Ring of Fire, but the reality is that's a long-term thing. The threat of Donald Trump's tariffs is short-term.

So for context—and I'm going to talk about MIRARCO and Dr. Nadia Mykytczuk, who we've talked about in the past; I think there's no time that I don't—for my colleagues, tailings is a by-product of mining. If you finish processing everything, you end up with kind of a slurry called tailings. Basically, you've got to continue to build these large dams to hold it.

There have been some notable disasters; I'll just do three of them. Two happened in Brazil. In 2015, the Fundão dam buried a village. It killed 19 people. The pollution travelled down the Doce River. Interestingly, if you're familiar with Vale, it used to be CVRD and the D stood for "Doce." In 2019, there was another dam that failed in Brumadinho that killed hundreds of people. Canada has also had failures with dams. I don't think anyone was killed, but environmental damage happened in Mount Polley, BC. Mount Polley is 400 kilometres from Vancouver, so it resonates with me because Sudbury is 400 kilometres from Toronto. But they released 24 million cubic metres of mine waste and water—so tailings. They can be dangerous. I want to assure my colleagues that in Ontario there's a lot of work and effort and engineering to ensure that ours are safe, but they're pretty expensive to store.

Also in there are critical minerals; literally, there's gold in them. There are hills and then there are ponds. There's gold, silver, copper, cobalt and platinum-group metals.

So you go to Sudbury, which is the original Ring of Fire—Nickel Belt, its name is because if you look at Sudbury, the belt looks like the Ring of Fire, but that's what the impact is, and Sudbury's the nickel capital of the world. Let's talk about nickel in tailings ponds. Just in Sudbury, with Glencore and Vale, there is between 560,000 to 800,000 tons of nickel there: \$8 billion to \$10 billion, just in these ponds in one city.

Dr. Mykytczuk—excuse me; I provided the spelling to Hansard earlier—is the president and CEO of MIRARCO Mining Innovation. She's the executive director of Laurentian University's Goodman School of Mines, and they're using bioleaching to extract the minerals which also reduces their environmental impacts.

I texted her, saying, "Good morning, Dr. Mykytczuk. I have mining estimates next week. Is there anything you'd like me to ask about the project?"

She replied, "Thank you for thinking of us. Yes, we're looking for funding to set up the centre for mine waste biotech for tailing reprocessing in the old Lactalis facility." It's a plant-based milk-product facility. "The stainless-steel infrastructure in the building is perfect for tailings. We're looking to purchase and convert the 36,000-square-foot building to accelerate pilot- and demonstration-scale tech for metal recovery from different waste materials, and looking for \$5 million to \$10 million—total project, \$20 million."

Interjection.

MPP Jamie West: I'm getting to the question.

I said, "Have you already received provincial funding? Perhaps I could thank the minister and let him know they're ready for the next round"—so not for this current project. "We did get CMIF, Critical Minerals Innovation Fund—for the tech developers when Vale was partnered with them—and really could use a big grant. Also, NOHFC funded my research share in 2023, CMIF in 2024, but that's it. We're looking forward to a future announcement."

So my question is, in the estimates, could we be looking forward to a future announcement for this product, which would be bringing critical minerals just sitting on the surface already?

Hon. Stephen Lecce: Look, I appreciate the question because it's actually very relevant. What was yesterday's waste has really become, for many mining companies, the reclamation of these tailing ponds and creating economic value—billions in Sudbury alone, billions across the province. So I agree with that as an opportunity for investment. It reduces the environmental, ecological footprint. It creates greater value. It's a win-win-win. Everyone, I think, sees why we ought to be doing more of that.

In my capacity as Minister of Mines, we never had a permitting regime for, essentially, reprocessing tailings. So I authorized the first permit—it was for Stellarix, if I'm not mistaken—for a project to essentially reprocess tailings. I think it's a gold project where there is a significant amount of value for that company. That was the first; I think it's been the only one among a very few that have been authorized. They may be the only one to date. It happened this year. But I think you should expect more of that, because it's a smart way of effectively doubling down on sustainable practices within the mining sector.

I'd welcome it with respect to the request for funding. This would be a first for me to be lobbied at estimates, but I respect the advocacy. Dr. Nadia is someone I have a lot of time for. So maybe you and I can talk offline about that, because Sudbury is an important—we talk about Rings of Fire in the future. It is an existing Ring of Fire, and it's a blessing to have that geology in our province. We've got a great partnership with the mayor and council and First Nations. I'll respect the outcome of the election, but just to simply say we really have a good partnership on the ground, so I want to scale that and I'm happy to work with you on that.

MPP Jamie West: Thanks for that. I appreciate that. And just for my colleagues, the reason I'm pushing for this—also, it's in Sudbury—but it's cutting-edge technology, and if they don't receive the funding, they're going to look outside of Ontario for the funding. In the States they don't really have nickel deposits. I think they have one mine.

Hon. Stephen Lecce: They have one.

MPP Jamie West: Their primary source of nickel is recycling. If they can get this project and they can sell it around the world—because, you know, Brazil—the two disasters they had in Brazil—would want to do this as well. It's very lucrative in the same way—we'll get to SMRs in the next round of questioning, but in the same way that we invest in something and we own that in the future. So, that's why I'm pushing for it.

The other part is Talis opened this plant and I think like less than a year later, they closed the plant under threat of tariffs. So it would be a great way to elbows-up and show what we can do with the infrastructure we invested in.

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

MPP Jamie West: I want to ask you about the MLAS, the Mining Lands Administration System. What's hap-

pening right now is that from anywhere around the world you can stake land claims. In the estimates, there was a statement that said, “The system continues to be updated and improved in response to stakeholder feedback, such as enabling online payment of mining lands rents and taxes ...” That’s great, but I think that’s for industry. I want to talk about First Nation treaty rights holders who are struggling under this, because as you stake these claims from around the world, they’re being overwhelmed. Many of our First Nation areas are looking at cleaning the water and providing housing and other things like that.

So, I am wondering, in the estimates, is there an allocation of money to support First Nations so they can manage the amount of claims that are coming from MLAS?

Hon. Stephen Lecce: There was \$70 million for the Indigenous opportunities fund which I know was transferred to IAFNER, but that was from our ministry. That supports capacity-building for First Nations with respect to just the journey on resource development, in which there are many complex legal and administrative requirements—

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

We move to the third party—Mr. Hsu, 15 minutes.

Mr. Ted Hsu: Thank you, Minister, for coming today. I wanted to start out with vote 2905 and the Ontario Electricity Rebate. The increase this year—it went from 13.1% to 23.5% to offset a 29% rate increase. The Ontario Electricity Rebate is now \$3.03 billion this year. The rebate goes to every household regardless of income. I’m wondering if your ministry happens to know what part of this \$3.03 billion will go to households in the top income quintile in 2026-27. Do you happen to know how it breaks down by income quintile or decile or however you’ve done it?

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Hon. Stephen Lecce: Thank you for the question. The short answer is we created the Ontario energy rebate in 2018 to help stabilize rates after they increased about \$1,000 a year. We made that determination using taxpayers’ subsidy to reduce ratepayer bills. It is accessible to every ratepayer in the province. I don’t want to get ahead of your following questions, but you may be defining a problem of its universal application. I would welcome from you—and I mean this—and others of how do we bell-curve—as you notice in the estimates year over year, that \$3.5 billion has been generally increasing, meaning we’re investing billions of tax dollars to reduce ratepayer bills.

Mr. Ted Hsu: I guess my question is, have you tried to even look at how the different income quintiles of households—what portion of this \$3.03 billion would the highest 20% of households receive?

Ms. Susanna Laaksonen-Craig: How the data that is used to calculate—it’s based on consumption. It has no connection to people’s incomes. You can probably appreciate that that would require each local utility to have some kind of access to people’s tax information or some other information to be able to understand that here’s an indi-

vidual with this level of electricity consumption but also this level of income. It gets very complicated and there are all kinds of privacy, transparency, all kinds of issues related to that.

Mr. Ted Hsu: I can appreciate that getting at a very highly detailed level might be hard, but we know, for example, if you go to Stat Can, you can get income by postal code and things like that. People with similar incomes tend to live together. I think it might be something that could be estimated.

Let me do a follow up. We have the Ontario Electricity Support Program, which is meant to help low-income households when it comes to protecting against the cost of energy. Currently, it receives \$226 million. Do you happen to know how much it might cost to fully protect low-income households? If you don’t know, do you have the capacity to figure out how could we fully protect, say, the lowest-income-quintile households? How much would it cost more than the \$226 million in today’s estimates?

Hon. Stephen Lecce: Sorry, could you repeat the question? You want to know the difference on if we were to expand that program to reach all low incomes?

Mr. Ted Hsu: If we were to expand that program to fully protect low-income households, to fully protect all households at the lowest quintile of income, is that something you look at? Maybe you don’t have the number handy.

Hon. Stephen Lecce: What I do have handy is there is an existing program for low-income families which we increased the eligible income threshold by \$17,000 for an average family of four, \$15,000 for a couple. We’ve tried to expand or enfranchise more low-income families, seniors, couples, to be eligible for the program by elevating the income threshold, which I thought was a very important step forward. We’re not talking about hundreds of dollars; it was a \$17,000 and \$15,000 increase relative to when we started in 2018.

We have expanded energy savings programs, to your point, with a disproportionality of really trying to target those most in need. The largest energy savings program in Canadian history was unveiled by our government. It may be a bit counterintuitive but it was a \$10.9-billion investment and the IESO believes it’s a 2-to-1 savings for every dollar we invest. We think that will help every family, particularly the lowest-income families. We’ve expanded the scope, we’ve expanded the eligibility, we’ve expanded the income threshold because I appreciate fully that for many families, particularly low-income, seniors, families etc., it is a very difficult economy.

Mr. Ted Hsu: Thank you, Minister.

Related question: The OPG has asked to raise its regulated nuclear price of electricity from \$78 per megawatt hour to about \$110 per megawatt hour in 2027. If that’s approved, do you happen to know how much more the government will need to add to the Ontario Electricity Rebate and other programs in vote 2905 to keep the bills where they are? Has that been built into a fiscal plan? When will we see that in a budget?

Hon. Stephen Lecce: So the first part of your question dealt with the nuclear build-out and if that is going to increase the OER?

Mr. Ted Hsu: Well, yes, the OPG has asked for an increase.

Hon. Stephen Lecce: It is true that they are undertaking a very large build-out to meet demand, and so we have to invest in the grid.

We've done so by demonstrating large-scale investments for the people of Ontario, be it refurbishments or building—look, for nuclear or certainly for hydro, we can do so on time and on budget, including battery storage, which has often been completed ahead of schedule and below budget. So we have a great track record.

The OEB will render a decision on that. So it would be imprudent, I think, just to essentially project what the OEB will determine is prudent or not.

Mr. Ted Hsu: But is it your intention, if they approve it, to also increase the Ontario Electricity Rebate?

Hon. Stephen Lecce: Look, it is my intention to come up with a thoughtful way to bell-curve that down.

One of your colleagues from your party asked this question last year about the sustainability of the Ontario energy rebate. And I was honest; I could have just deflected. I said I accept the premise. It is on an unsustainable track. We need to free up those tax investments for other social programs, tax relief, whatever. So it is not our inclination to increase the OER, certainly, over time. We want to bell-curve it down.

I would just say, broadly speaking, since 2018, we've targeted around inflation when it comes to energy rate increases. That's generally been the target, plus or minus, but that's been the average. And I think that's a good thing. Very few commodities have been tied to that. I'm not suggesting that it will be the forever commitment, but we're just trying to create some downward pressure on bills given the increasing challenges on families.

Mr. Ted Hsu: So have you or your ministry told the Ontario Energy Board what it thinks and given it some direction and guidelines in that respect?

Hon. Stephen Lecce: We don't direct the OEB. But we have committed government policy, which is to support an affordable energy build-out leveraging Canadian technology, which is why we have obviously doubled down on nuclear. But we've taken an all-of-the-above approach. They are very aware of our intention, but it would be government policy, not the OEB's. If we decided to come up with a new policy on the OER, that would be for government to make, and the OEB would ultimately respect it and the utilities would be implemented.

Mr. Ted Hsu: I want to ask about the Darlington SMR project, which, in your opening remarks, you called "the next generation of Canada's nuclear technology," if I've got that quote correct. It's budgeted at \$20.9 billion. The first unit and the shared infrastructure between the four units is a substantial chunk—\$7.7 billion.

That makes sense. We expect the first unit to cost more, the second one to cost less and the third one to cost less than that. I think that when it comes to the commercial

prospects for SMRs, international buyers want to see that the cost is coming down with every single one that's built, and Ontarians want to know because we're helping to pay for this.

Would your government commit to publishing every six months going forward the project's spending to date, the per cent complete and the forecast cost at completion? I want to think about this from the commercial point of view. Think of this from an international buyer who wants some transparent numbers to see that the cost per unit of something that they would buy is going to be reasonable. Would you commit to publishing these numbers every six months?

Hon. Stephen Lecce: Look, in 2016-17, I believe, the former government actually started down a path of SMRs. The province then, our government, made a determination, based on a variety of negotiations to maximize value, with 80% of the investment we make in unit 1, 2, 3 and 4 and anything beyond staying in this province for our supply chain.

You are right. First-of-its-kind technology comes with inherent risk, particularly for unit 1; it's ground zero. We are doing something—just to contextualize, because I don't want us to trivialize or make it seem like we're on the precipice of doing some normal action. Other than China, in the Western democratic industrial world, there is no nation that has built a small modular reactor commercially, at a commercial scale. So I accept that unit 1 and the early development of a new technology, at least for the West, will be challenged.

Mr. Ted Hsu: But you'll publish the numbers so that you'll get the attention of potential buyers. I mean, that's what my question is.

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Hon. Stephen Lecce: Yes, I understand. OPG obviously has public undertakings with respect to the projects they lead, and I have confidence in OPG to execute those projects.

But I think for us in the province, the take-away that Ontarians should be reflective on is how the project is adding broad value to the industrial supply chain of Canada. I think if people want an element of transparency on the companies being used to build them out, the Canadian businesses and components that are being leveraged to support that construction, the—

Mr. Ted Hsu: I don't think that's a good answer, because you could build Candu reactors and you could have a lot of industrial benefits and then benefits to the overall economy, because of the enormous domestic supply chain. If we don't have customers in the end, this SMR project is—

Hon. Stephen Lecce: That's a good point. It's a very important point.

Mr. Ted Hsu: We don't have enough customers in Canada.

Hon. Stephen Lecce: We need to build confidence. OPG does—

Mr. Ted Hsu: If you don't put out the numbers, people are going to wonder. There's risk associated with not knowing

the numbers. Couldn't you commit to putting some numbers out every six months?

Hon. Stephen Lecce: Every quarter, OPG does filings which reflect their project builds. I would just point you to the existing authorities that happen on an even faster tempo than biannually. OPG provides them as they're required.

But I do think your point, though, about building public confidence or global confidence is important, because at the end of the day, the reason why Ontario—the government of the past on the early exploration of this, and the current government when we doubled down—is because it secures the supply chain for Ontario.

When Poland is procuring a significant amount of SMRs, it is Ontario's supply chain given the first-mover's advantage to build. I was in Paris and London 24 hours apiece—

Mr. Ted Hsu: I totally agree with that—

Hon. Stephen Lecce: —and companies like Velan are building the components for every SMR being built—GE Hitachi—in Europe. Our supply chain builds first. That's a massive advantage—

Mr. Ted Hsu: And that is great, and that's why the government is going into this. Let me ask a different question.

Hon. Stephen Lecce: Okay.

Mr. Ted Hsu: Let's get back to budgeting and the estimates. What's the SMR project's approved contingency, and how much of it has been used so far? It's been budgeted for \$20.9 billion. There might be some contingency in there. Have any contingency funds been used when things come up?

Hon. Stephen Lecce: The SMR project—through the normal quarterly reporting of OPG, they would provide that. You are right that there's an allocation of a budget that has been set aside to build out units 1 through 4. You are also right that there's an element of contingency. OPG is best positioned to speak to that execution, but I think broadly speaking, when we planned for unit 1, we understood at the front end, as with every government that has taken this path, there will be challenges along the way. I think we recognize that.

But you mentioned Candu, and I just want to say that Candu is not building an SMR. I keep hearing this in the public discourse, as if there was an alternative that is Canadian. Could you name the Canadian SMR that we should have procured? Name me the company, because there isn't one.

Mr. Ted Hsu: Well, there are other ones in development.

Hon. Stephen Lecce: There was one in New Brunswick, and it failed. I just feel like, let's keep this focused on—there are different technologies, different applications—

Mr. Ted Hsu: That's fine, yes—

Hon. Stephen Lecce: Large versus small, heavy versus light water reactors: These are differences—

Mr. Ted Hsu: Yes, but my question is, are you going to be more transparent about numbers or not?

Okay. I probably only have, like, 15 seconds or something.

The Chair (Mr. Aris Babikian): Fifteen seconds.

Mr. Ted Hsu: I will just surrender those 15 seconds.

Hon. Stephen Lecce: Okay. Thank you.

The Chair (Mr. Aris Babikian): Okay. Thank you.

We move to the government side—MPP Cuzzetto.

Mr. Rudy Cuzzetto: Thank you, Minister, for being here, and I want to thank all the staff that are here as well from the ministry. Thank you for being here today with our minister here.

As we're embarking on one of the largest nuclear build-outs in the world, we're building the first small modular reactor in the G7 at Darlington. We're investing in other nuclear builds with Bruce C and Wesleyville, with nuclear refurbishment and planned nuclear expansion expected to add over 150,000 jobs and more than \$800 million to our economic benefit. Minister, can you explain what this means for the province of Ontario and Canada?

Hon. Stephen Lecce: Thank you very much for this question. Broadly speaking on our nuclear build-out, this is one of the exciting areas where we're very proud to profile a win for the province, a win for the country and, I think, for Western supply chains.

Nuclear power, I think, at its core, is a Canadian leadership story. We were among the first in the world to develop a heavy-water Candu technology that has been exported to a global application. The member from Mississauga—Lakeshore will know in the early days when I arrived, you were here—the institutional knowledge. I went on day three to Romania, to the Cernavodă nuclear reactor and generating station, which is a Candu technology. The government of the day decided to refurbish and then later expand the Candu footprint there. So we see global application.

What I think is a positive story is that it uses Canadian fuels and SCATR radium processing in Ontario, in Port Hope. It uses a Canadian supply chain, Canadian workers. It's a great story to tell the world.

We are expanding at a scale not seen in Canada, the largest in North America, about 150,000 jobs—an \$800-billion gain to the national economy over the next century, effectively, because these assets will last 90-plus years. They're longer than the current Darlington for example, and certainly longer than Pickering.

That's a positive story. And I feel like sometimes these numbers become very difficult to comprehend, even for myself—150,000 net new workers. So for all of us who have constituencies and families and children seeking employment—we talk about youth, challenges of young people getting jobs. There are, from OPG to Bruce, to the entire supply chain, the transmission companies of Hydro One, Fortis—everyone is looking for meaningful work and skilled labour. Every skilled union has stood behind our government and Premier when we made this decision.

I will conclude with this: Pickering was an asset that the former Liberals were going to close, right? Some 6,500 net jobs would have been closed. It would have devastated Durham. But perhaps more than anything else, it just dem-

onstrates the short-term nature sometimes of decisions based on political cycles, not the long-term interests of the province.

This is a 38-year life extension. I don't know about you, but I don't plan to be here at that time, I can assure the members. So this actually will go beyond a government's life. This is about investing in the grid for future generations. I think there's real virtue in that. And that inter-generational lens is what is going to pay dividends for our kids.

Mr. Rudy Cuzzetto: You know, this is great news: 150,000 new jobs in the province of Ontario. For someone that came out of the automotive industry, I know this is more than the automotive industry combined in this province.

But I want to talk on refurbishment here. We have a track record of refurbishment on budget and on time. Look at Bruce unit 3: We refurbished that seven months ahead of schedule and \$150 million in savings. Darlington: four months ahead of schedule and another \$150 million.

What does that mean for the Ontario economy and our energy system in the province of Ontario?

Hon. Stephen Lecce: Well, I think when it comes to large-scale nuclear, it demonstrates a track record that sets us apart from the world. There is no one in the G7. There are certainly, for the Americans and the British government, as you see, large-scale builds in France. In every nuclear nation, no one is delivering large-scale builds on time and budget, let alone ahead of schedule and perhaps even below budget. That is a strength. It is a competitive advantage. It's a message we tell the world everywhere we go and it's what sets us apart.

Even on the Canadianization of that investment—often nuclear is compared to other resources; often they are romanticized. And yet, the anchor of our policy is based on an industrial policy that gives Canada's supply chain the win. Because when we're buying, say, an alternative resource—like, for example, wind or solar—80% to 85%, respectively, of the manufacturing of those materials and components come from China. Roughly 90% to 95% of our nuclear spend stays in this country—90-year assets versus 20-year, 25-year assets. Land acquisition that is comical when you compare them—of a few acres versus that you would need often the size of Toronto to get the same sense of scale, of reliability. You've got to build three times above to get the same yield. Even just the SMR is 1,200 megawatts, power for about 1.2 million homes. You would need, essentially, the city of Toronto, 600 square kilometres, to buy and use to generate your wind power, and then a battery equivalent to the size of Lake Ontario.

So, look, we could have the debate. In fact, I welcome this debate because the evidence and facts are on our side. We didn't come into this with a bias for a resource. We came into this with a bias for the triumph of simple, objective truths.

The supply chain is Canadian, the fuels are Canadian, the manufacturing is Canadian, the components, the workforce. The IP is Canadian, which is something we ought to

be talking about more: the intellectual property stored in this province, that for Candu was created in this province.

So I do see this as a strength and we're very proud to profile it. We obviously need to maintain caution and a heightened level of discipline on OPG and on Bruce and on others. And we do, I assure you, to make sure that we're stewards of the ratepayer. But so far, our message and our track record have been very promising.

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I just want to frankly express gratitude to the workers. This is not an achievement for the government of Ontario. Governments come and go. To be fair to the workforce, they delivered a win that no one could have done, and for that, I say thank you to every nuclear worker, every skilled union that has stood with us on Pickering, on Darlington, on Bruce, on the SMR at DNNP—I thank the First Nations in Williams Treaties that invested in the DNNP, the small modular reactor project, the first time First Nations have bought into a nuclear generation project in Canadian history, a massive investment of equity partnership, a beautiful case study of economic reconciliation, but beyond that, just making sure there's skin in the game, that they benefit from, in that case, a 65-year asset.

So, a lot of momentum, but look, we are very much on high alert to maintain that discipline, and OPG, Bruce, they all know the Premier's expectation, our expectation is to maintain that when it comes to large-scale builds, and that's something I think you can count on.

Mr. Rudy Cuzzetto: Thank you, Minister.

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

Mr. Andrew Dowie: Thank you, Minister, for being here. It's funny; this moment in time is one where we look back at whether the right decisions were made, and I'd say unequivocally in the case of some of the decisions that the Ministry of Energy—absolutely, the right decisions were made.

We had, in 2015, an era where farmers in Leamington and in southern Essex county were lamenting the lack of electricity supply in southern Essex county and speaking of how they might have to go to Ohio in order to expand their operations. Fast-forward to today, the southwestern transmission lines were completed on your watch, \$30 million under budget and a year ahead of schedule. The main impetus for that project—I'd say, accelerating that project—was the NextStar Energy battery plant, which has a significant need for critical minerals. So I'd say there is no better example of government and industry working together than that project and its tremendous success. It's pivoted very well in our economy.

Your ministry has brought forward a \$4-million investment through the Critical Minerals Innovation Fund this past June. I'm hoping, Minister, you might be able to share more about this program and how it's helping Ontario unlock future opportunities for critical minerals development.

Hon. Stephen Lecce: Thank you; you were able to blend in some hometown advantages of our investments in transmission in the southwest, but thank you for your advocacy.

A 50-50 partnership with Hydro One, with local First Nations: We accelerated those projects to get on with them. Your community right across—Windsor-Essex, Chatham-Kent—that whole region has just taken off, greenhouses and so much more coming down your way.

In Sarnia region, not too far off, we're also looking at scaling the refinery of our petroleum in the petrochemical hub for Canada. Three of our refineries in Canada are centralized there. We were in Alberta yesterday; the Premier led this effort to make the case for a sovereign pipeline, to make the case for a strategic petroleum reserve. We are the only G7 nation without one, and I think, given the challenges we faced with Line 5, it makes the case for pipeline redundancy.

But because your question had a lot, I'm going to go a little bit everywhere here, but going back to minerals, this is important. You are right that NextStar—I mean, among the largest investments in Canadian history—landed in Windsor, building out next generation technology for EVs and batteries, and we see the connection point of downstream conversion of our minerals.

I think one of my observations as a Canadian—and this happens across the country—is just this propensity to export our raw materials, leaving all the value-added investment off the table for us, sending it to the US, sending it to Europe, sending it anywhere but ourselves to do processing, refinery and fabrication. The Premier says we are going to end the ripping and shipping of our resources and do more here at home; I think everyone agrees with that premise. The \$500-million, three-year Critical Minerals Processing Fund was designed to fix this basic problem, which is that we should be able to scale our processing. Indeed, the stranglehold of China principally as a geopolitical adversary—have control over nickel, lithium, and the list goes on and on. For allied supply chains, that is a real risk. Energy sovereignty and access of secure supply is a real risk, which is why at PDAC 2026—and it will very much be our message for 2027—it was, “Ontario is a reliable partner,” underpinned by a democratic value system, high ethics, the highest environmental labour standards and human rights obligations. I mean, we really are the gold standard in this space. We want to keep promoting that.

In the meantime, we've already made an investment in Generation Mining—a really important investment, the first investment that Minister Fedeli and I announced just over a week ago with the First Nations chief present, expressing enthusiastic support for the project and for further economic development within his region, in partnership.

I thought that was a really solid story of investment that's going to create thousands of jobs and infuse an additional—this project is not just the mine. It's a mine. It's a mill. It's manufacturing. So it has the full spectrum. The whole end-to-end supply chain stays in Ontario. We're not sending our resources and our ore abroad. That's the ultimate case study of success. Every component and journey along that path is domesticated to the province, for the benefit of the world.

Expect to see, over the coming literal weeks, a series of additional announcements that will help profile how government can provide a small, enabling investment to help make the economics work, given the market-manipulative tactics of the Chinese and other adversaries, who try to create downward pressure on commodity prices to destroy or undermine Western industry.

So we're playing a role, we're stepping up, and it's nice to see private investment being catalyzed to actually build out these projects. As I say, it's not just going to be a mine. It's a mine. It's a mill. It's the manufacturing downstream conversion that gives us the full spectrum of success, and there's a lot more to come. We've announced one of dozens that will be profiled through that \$500-million fund, and as I mentioned to you, that's a three-year commitment for the next three.

Mr. Andrew Dowie: Thank you, Minister. I appreciate that, and I look forward to a brighter future for industry all across Ontario and particularly back home.

Thinking of NextStar, one of the areas that's been able to pivot initially was intended to be for EV batteries, but they have now moved heavily into battery storage. I know that our government, in August 2024, launched the largest competitive procurement for new electricity in our history. Through that process, our government has secured around 1,755 megawatts of new energy supply through 16 new projects all across the province. This is truly, Minister, a major step forward to meet the growing demand for energy that we have, while keeping the cost down for families and businesses.

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

Mr. Andrew Dowie: Minister, I'm hoping you can explain how this procurement delivers better value for Ontario ratepayers.

Hon. Stephen Lecce: Sorry, say the last sentence. I just missed it.

Mr. Andrew Dowie: Can you explain how the procurement delivers better value for Ontario ratepayers?

Hon. Stephen Lecce: Yes. In short, we entered the government in 2018 with a legacy of sole-source contracts, paid 10 times above market, often 80 cents a kilowatt hour for FIT contracts, which are deeply offensive, and the ratepayers want their money back. We will never repeat that. That's an insane legacy of the former Liberals. We campaigned to upend that, to cancel expensive, bad energy projects that did not have social licence to build them on farmland, prime agricultural land—the story goes on.

We decided to use competitive procurements. I can report to you today: 73% reduction in costs for procurements relative to the FIT projects under the former Liberals. That's the savings to procure the same amount of capacity, same amount of megawatts. We're doing it 73% lower than where they started. That is the competitive—

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

We move to the second round of questioning. MPP West, you have the floor.

MPP Jamie West: Before I start, I had meant to congratulate MPP Beattie on his by-election. Congratulations

on your by-election in Hamilton East–Stoney Creek. I meant to come over to see you, and then the time started. I meant to say it in the last round, so I just apologize if that was—I feel rude, not saying it earlier, so congratulations again. I know how important it is to win an election; all of us do.

Let's talk about electricity rates. I really do wish this was two separate ministry files, because we have 30 minutes less time to ask questions when they're combined.

Part of this was discussed in the past: the OEB rate increase application. So last year, OPG submitted an application to the OEB—lots of acronyms—to nearly double its rates for nuclear generation.

I remember, in your opening statement, you said we need to double the grid in 10 years. So I understand the need to get this done, but the reality for consumers is that they rely on three things for energy: dependable, reliable and affordable. And as much as, in previous questions, you've said we made a lot of ground since the government increased prices of electricity, the reality is the price of electricity continues to go up.

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If this is approved, households' monthly budgets are going up about \$8 a month in 2027. That means an increase of 5% to 7%, which is two to three times the rate of inflation. Then there will be four more years of this, and I don't know if my math is right but I think it's about eight bucks a month afterwards, so ongoing increasing bills, just from the single generator.

Does the minister believe that OPG's rate increase demands are fair or reasonable?

Hon. Stephen Lecce: So OPG builds out—let's talk about the subcomponents of that. They put forth the rate application predicated on refurbishing Pickering. We could go one by one to see if members opposite disagree with the investments. We invested in Pickering. I would like to know where we all stand on the Pickering refurbishment.

We invested in Darlington. We invested in the first SMR with a supply-chain advantage, conservatively, of roughly \$500 million of contracts already secured. They're doing the entire hydro refurbishment of every single contract—5,000 megawatts. They're adding new natural gas generation as an insurance policy as the refurbishments are down. We're using more natural gas—Alectra, one of the subsidiaries, is building that out with a cost-competitive framework—and renewables, which we've done 73% lower than where the former Liberals did. So it reflects the build-out, because we need more power.

The option for any government is how they are going to secure reliable power. Investment is required, and thus we've got to pay to make those investments or prepare to make those investments. There's no other way. It's an essential element of our economic growth strategy.

I have confidence that OPG has brought forth the most economical path, but there's no free or low-cost option to add 16,000 megawatts to the grid when our population, our industry and our economy are growing. That is the aspiration. We cannot allow this debate to be the OPG model or

the "utopia" model where we pay for nothing and everything is free. There's no option for that. Colleagues, respectfully, we've got to spend billions.

Using the 90%, which is the highest figure—their baseline is a 65% forecast—we have to spend tens of billions of dollars just to keep up. So I really feel that it is important to level-set with the population. To do the level of scale of our build-out, we need to invest. And therefore, we need to be mindful that ratepayers—

MPP Jamie West: I'm just going to jump in, because I'm going to run out of time, and I think you've made your point. It is a tough situation to be in, because the fall of the previous government was—I mean, the theme was "heat or eat," right? People were having a hard time putting food on the table because their bills were so high.

Hon. Stephen Lecce: Yes.

MPP Jamie West: And one of the promises the Conservative government made coming in was to address this and bring the rates down. Rates have not gone down; they continue to climb. And I'm not saying it's an easy thing to solve—and I'm not the minister, so it's not mine to solve—but I will say it is a concern for people, particularly in the north, particularly in areas that only have access to electricity to heat their homes. In the north, if you don't heat your homes, the pipes will burst, not to mention all the other outcomes.

So as more and more things are taking effect on you—with the price of food, you feel like the grocery stores are gouging you; diesel now, I think for the first time in my life, is higher than the price of gas—people are struggling all over the board with electricity climbing.

We know that the rates rose substantially with the previous Liberal government. It was an increase of about 70% in some cases. In November 2025, there was—this is under the Conservative government—29% to 30% across all the pricing tiers. It climbed again. Then we use the Ontario Electricity Rebate to artificially lower that, but we're paying that through taxes. So it's not really lower; it's just that you're not seeing it on your bill, but we're still paying for that.

And then in May 2026, they made structural changes so that your on-peak hours were shifted to the middle of the day, and the tiered pricing threshold dropped from 1,000 kilowatts a month to 600 kilowatts. So if you're in a larger home, you hit that threshold partway through the month and your rates go up. Then, in 2026 as well, local distribution charges added another \$2 to \$5 a month depending where you were when the price changes.

We're also expecting, next November—two months from now, I guess, a couple days after we return to Queen's Park for regular sittings—that there will be another regulated price adjustment, and experts are expecting that it's also going to climb as well that time.

IESO's own projections show the average market electricity price is increasing by 165% over three years. It is going through the roof. It's becoming unaffordable for a lot of people. What is the plan to fix this, and how long can taxpayers continue to pay the subsidy that's artificially bringing it down? We're not even seeing the true price.

Hon. Stephen Lecce: It is true that the cost of living is incredibly challenging for people today, especially. And I think it demonstrated the fortitude of the government to launch the largest energy savings program in Canadian history.

I want to put this into context: What we inherited from the former Liberals was a program that only allowed energy savings to 30% of the province. It was only for constrained regions. Through the legislation we introduced in the past, we allowed it to go to 100% of—every one of our communities now has access to that program. We then expanded it after announcing it and unveiling it. That \$10.9 billion gives a 2-to-1 conversion of savings. We did it for families. We expanded it from home renovation to home appliances. We then expanded it to industry through the XRate program. Altogether, 750,000 homes and businesses are now part of the success of Save On Energy.

We also cut the gas tax and the diesel—10 cents per litre—which was very important. We really believe that's fundamental. We encouraged, if not lobbied, the feds to match us and to support us on this. At least they did an extension, whereas we did a permanent reduction of the provincial excise tax.

You are right that we need to be attentive. As we build, as we invest, as we refurbish, as we add capacity, that investment will require a significant contribution for the people of Ontario. But our obligation is to safeguard that through three things: competition to get the lowest cost, following the advice of the AG; the second is energy savings that have been universalized to every Ontarian; the third is tax relief specific for energy when it comes to gasoline and diesel. Altogether, we have maintained a massive level of support for low income, First Nations, for northern—the NEAP program, the two-cents-per-kilowatt reduction relative to the rest of the province. All those programs are, at the worst, maintained, but often we've enhanced them.

MPP Jamie West: Okay. I'm just going to jump in because of the amount of time we have.

Hon. Stephen Lecce: Okay.

MPP Jamie West: With all that happening, the price is still getting up there. People are still feeling it in their pocketbook. The AMAPCEO, when you think of the industrial rates that are coming up—I won't have time to talk about data centres, I don't think, today, but there is a lot of energy that's going to be required. You said as well, "We're going to double it in the next 10 years."

How do we attract large industry when Ontario rates are very high? Quebec's are lower; basically, the same access to water, structure, everything else. How can we compete if the price of electricity for the workers going to the workplace is going to be higher, the electricity in the workplace is going to be higher? How do we attract the investment here in those situations? They're very concerned about this. They're projecting that industrial electricity costs will increase by up to 55% by 2029.

Hon. Stephen Lecce: It's a very important question. A couple of thoughts: The first is Ontario has one of the

lowest class A for large industry in the Great Lakes region, still much lower than Pennsylvania, New York, Ohio, Michigan—the list goes on. That's the first principle.

The second is, we have a series of investments, including the Comprehensive Electricity Plan, that helps stabilize rates by roughly 9% to 13% on average.

The third is, we've liberalized behind the metering to allow industries, if they want to produce power for their own purposes, to depend less on the grid. We've gotten out of the way.

The fourth element is the industrial carbon tax, which is the elephant in the room. If any one of us cares about the cost for industry, then we should champion, to the federal government, to eliminate an uncompetitive tax that is imposed on Ontario industries, but not on any other Great Lake states, at least, in the US, which we're competing against. By eliminating the industrial carbon tax on natural gas generation, we would, today—like, effective the day it takes effect—reduce bills by 9% to 10%. I would love to have some unanimity in the Legislature around that issue, because that's something that we can do today, that no other economy in the US is doing, at least in the Great Lakes area, where we're competing for our lives.

So, I agree with you: We've got to keep bills down for industry. We've stabilized them. We've introduced the XRate program for large industry, large loads, and that's been highly effective. We've effectively removed the equivalent, or the plan would be to take, essentially, Pickering—the equivalent of, like, 2,000 megawatts of power is what we're going to save through our energy savings program, which means power we don't have to produce. They often say the cheapest megawatt is the one you don't have to generate. We agree with that, but unfortunately, we've got to save it and we've got to generate it because the scale of growth is just unprecedented in Ontario.

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MPP Jamie West: But for some industries, the way that they save on energy use is they shut down. For example, I used to work at a smelter, in mining companies, and they would have P3 days in order to save money on electricity. They would stop production. So we just would idle. They would pay employees to stand around in care and maintenance, make sure that flooding didn't happen. But that's not a process that's going to bring us forward. That's long-term sustainable as well.

Hon. Stephen Lecce: When was that?

MPP Jamie West: I've been elected for nine years, so in the past.

Hon. Stephen Lecce: I just want the record to be clear: This is before we were elected, to the member from Sudbury, but thank you so much.

MPP Jamie West: But I think it's still in place, right? I still hear people talking about this happening. It's still a situation that's brought to me. I'm sure they talk to you about it as well.

I want to talk about the SMRs. I think the number is \$29 billion for four small modular reactors, and they're giving us 1,200 megawatts of capacity. My concern, especially

with Donald Trump, is it's US-controlled technology, US-controlled fuel.

Candu: We did Darlington's refurbishment. Congratulations for the—not to you but to those workers—to you as well; you're the ministry. Take a victory lap—but, you know, on time—I think ahead of time—and under budget. But it was \$13 billion, and they gave us 3,500 megawatts. So you have the US SMR and it's \$21 billion for 1,200 megawatts; Canadian Candu reactors, \$13 billion for 3,500 megawatts. Does it make sense for us to invest in SMRs to pay more to get less energy at the end of the day and have a US-controlled fuel source and Donald Trump, who, I think, at any time can say, "I don't care if Ontario did the heavy lifting; it's mine now"?

Hon. Stephen Lecce: Look, I think we probably agree vigorously about our opinions about what's taking hold in the US administration. There's no love lost with myself on that matter, but I hear you very clearly about the element of sovereignty.

A couple of thoughts—let's go through this discussion, because I think it's relevant today: The first is, let's talk about the intellectual property. OPG, Ontario, the government of Ontario, owns part of the IP for the SMRs we're building. Every time they are sold abroad, it could be to TVA, Tennessee Valley Authority—the largest public utility. Today, in fact, if I recall correctly, they will announce that they will be building the same SMR, de-risking our decision, somewhat courageous as it was to invest in the GE Hitachi BWRX-300 SMR. As a basic principle, the IP is partly owned by the province. We make a sale; we actually accrue revenue upon the sale.

The second is fuels. I think that is important, given that we don't have enrichment facilities—

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

Hon. Stephen Lecce: —and that would be a very serious public policy discussion we should have one day. But we have secured access through using a Canadian company, Cameco, that operates with global applications. We have plans B, C with a UK and a French uranium with respect to access to enrich fuels. So my point simply is, we have really safeguarded and de-risked. On the value, though, you talk about the investment requirement of roughly \$20 billion, but the independent studies suggest that the value to the economy is \$38 billion. So we're getting a clear multiplier of economic gain because our supply chain builds for the world.

MPP Jamie West: My concern, just because we have very little time left, is it reminds me of my friend's dad who bought a CD player in the late 1980s, and I think he paid about five grand for it. We only had, like, four CDs that were available for sale. They were 60 bucks each, and if you walked across the floor, it would skip. I'm concerned we're paying a ton of money—

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

We will move to Mr. Hsu. The floor is yours.

Mr. Ted Hsu: Thank you, Chair. I wanted to ask a few questions about Bruce Power site C, but first, I want to ask a different question about transmission, which is some-

thing that you spoke about, Minister. My question is about opportunity cost. You said—and I'm pretty sure this is a pretty good quote—in your opening remarks, "We cannot wait for that demand to arrive," meaning we can't wait for the demand to arrive to build our electricity system.

We have municipalities across the province reporting that their transmission needs will exceed the capacity as early as a couple of years from now. Hydro Ottawa has 34 large projects, more than one gigawatt waiting to connect.

I want to talk about my riding, Kingston and the Islands. We've had to tell companies, "Sorry, we don't have the power," because of Queen's University and St. Lawrence College and a lot of the human resources that we have in Kingston. We have a lot of companies that come to Kingston looking to locate and they ask if we have the power available. That is not an easy question to answer, and it should be.

This is the opportunity cost. My sense is that the IESO, in the past, maybe for good reasons, has been too risk-averse and discounting the opportunity cost of having extra transmission capacity. Of course, you don't want to build too much and have it not be used, because that's a waste of money, but we're in a different environment now.

Given what you've said in your opening remarks, Minister—that we cannot wait for that demand to arrive—I think that we should not be discounting the opportunity cost of not having that extra transmission capacity available, not having that power when a manufacturing concern comes and says, "We're thinking about locating in Kingston."

Will you or have you already given the—because you cannot issue ministerial directives to the IESO. Have you told the IESO—maybe in different words, but—to not discount so much the opportunity cost of not having enough transmission? Have you told the IESO it's okay, that it's not that risky to have extra transmission capacity, to have extra power for communities like Kingston that are always having to turn away manufacturing companies because we cannot easily answer the question, "Do you have 100 megawatts available?"

Hon. Stephen Lecce: Yes, I think this is a challenge across the industrial world.

I think our advantage is that we actually have power. To your point, it's not equally accessible in all parts of Ontario. It's highly balkanized in some regions of the province, which can create difficulty for a community—say, for example, in the case that you are citing, of Kingston.

A couple of thoughts: The first is, I have instructed the IESO to move much faster. You said there's a bit of a conservatism associated; I wouldn't even disagree with that premise. They were so focused on constraining costs that really it had to be absolutely essential to the now.

As you know, we reformed the Independent Electricity System Operator statute. We amended the law last year. Our government has voted for that bill where we added economic development as a mandate of the IESO and the OEB, to your point, to actually infuse speed and economic growth as a fundamental, legally binding condition or

value that governs the commissioners as they adjudicate on the amount of megawatts, the speed, the size—

Mr. Ted Hsu: So to get down to real details, have you told the IESO it's okay to have extra capacity? I'm concerned about the Peterborough and the Kingston region.

Hon. Stephen Lecce: I've not asked the IESO to "be okay with excess capacity," because that's essentially repeating the mistakes of the former Liberal government, where you built generation that didn't exist, and now we pay a liability cost for billions of dollars.

We're building for demand according to science, according to a forecast. We're building transmission. About roughly \$9 billion of transmission capacity has been authorized. In every example, I believe, I've authorized the designation authority to accelerate it, just to get on with building it. Because to your point, we don't need a 20-year study; we need to get on with expanding power. We're not building above what we need; we're trying to reverse and do this according to an ever-changing demand forecast that's not linear. It's based on economic growth. It's based on warfare from an administration down south. It's based on a variety of conditions—

Mr. Ted Hsu: I guess my concern is—sorry for interrupting, but we have a limited amount of time—that there's demand that's contingent on supply. Because we have these companies who come and say, "If you have the supply, if you build it, we'll come." But we don't have people saying, "We need this many megawatts," because they say, "Well, oh, it doesn't look like you have it, so we're not even going to pursue that any further." That's the chicken-and-egg problem. That's the opportunity cost.

Hon. Stephen Lecce: What I would say to you is, we do not want to see scenarios where economic development is being denied on the basis of not having the wires, the infrastructure, the generation.

Now, it is also true that moving power will require, often, Hydro One and some of the partners to double their lines, increase their kV capacity, and those investments are happening in real time, like a series. We're talking about \$9 billion roughly, 2,000 kilometres of net new enhancements to the grid to fix the very problem you're citing.

Because I would agree with you in that it is unacceptable. It will happen that a business wants to open in 18 months and the literal time it just takes to re-engineer the grid or to build the new line may take 24 months, so those critical paths may not perfectly blend. But to the extent humanly possible, I think we can agree that we want to always say yes to economic development.

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I just will say, if I may—just 30 seconds—there is a role for the local distribution. We do at the provincial level, the macro. I can move power from Pickering to Kingston, but the local distribution is an asset controlled by municipalities, in your case and in most of your cases, and that's, really, a fair consideration. The EDA, the Electricity Distributors Association, has said there's about \$100 billion of investment needed by local distribution. They also have to invest in their wires.

The way the system works, as you know, is much of the royalties that go to municipalities are not necessarily reinvested in the grid. They're invested in other important municipal priorities. I agree with you there's a problem there and I think we need a solution to ensure investment crowds into what it was designed for, which is to make sure our local systems work for industry and families.

Mr. Ted Hsu: Let's go to talk about the Bruce site C. Even under the vote 2902, your ministry is responsible for energy policy and oversight of the whole electricity sector. Your government has already instructed the IESO to spend about \$300 million in pre-development work for Bruce site C.

I wanted to understand a bit better who ultimately decides which reactor technology will be built at the site. There's a decision between the Candu Monark reactor and the Westinghouse light water reactor. Is that decision Bruce Power's? Is it your ministry's, or do you have a veto? How is that going to work, in your mind?

Hon. Stephen Lecce: There's a process, and both of the boards of both of the generators of Ontario will make a recommendation, but ultimately it is the government's decision to procure the technology. Of course, I will not be making that decision today. I can assure you that we are at a great level of sensitivity on making the right decision for Canada's economic sovereignty. But I will respect the process and recognize that those boards have not yet brought forth their recommendation. I don't want to get ahead of it other than to simply affirm to you in unambiguous terms we're deeply committed to the cause of Canada's technology, IP, fuels and supply chain.

Mr. Ted Hsu: This new nuclear technology panel that's been set up, which has the province, Bruce Power, OPG, IESO, lots of people—what authority does it have or what weight does its advice have?

Hon. Stephen Lecce: Ultimately, it's the decision of the government. It will provide counsel. But I simply would say to you that we're returning to subject matter experts—the system planner, the IESO—to help us understand the demand forecast. We're bringing forth the generators to give us their best advice on how to de-risk something that would be a generational investment, because we've got to build net new megawatts.

Our current nuclear fleet, about 50% of our baseload, will not meet demand based on a 65% forecast, let alone 90%, which is the highest case the IESO is projecting. Our determination will be made on the national interest of the province and country. We want to make sure that we have access to fuels, we maximize supply chains, we see meaningful employment for Canadians short-term and long-term and, obviously, affordability. The lowest-cost option is also part of our matrix of consideration.

Mr. Ted Hsu: Does the Westinghouse—which is one of the options, the Westinghouse light water reactor—IPO, which I'm guessing you're probably familiar with, concern you? And how might that affect your decision?

Hon. Stephen Lecce: I am not prepared to speak about private decisions of their board. I can simply say we'll make decisions based on the merit of the technology.

Mr. Ted Hsu: If certain conditions are met, and they're not extreme conditions, the United States government will have warrants to purchase a certain fraction of the company. Is that going to be part of your decision-making?

Hon. Stephen Lecce: As I already mentioned to you at the front end of your first question on this, the intellectual property components will definitely be factored in as an important determination. But obviously, I can't make the decision on technology selection with you this morning at estimates. It's a sobering decision—a multi-billion-dollar, generational decision. But we'll do the due diligence as we've done for the past year, and make the best decision for Ontario's ratepayers, taxpayers and industrial supply chain.

Mr. Ted Hsu: Let me just rephrase this: You answered MPP West's question, and you said, if I remember your answer correctly, that it would be a public policy discussion that we should have about whether Canada should be enriching uranium fuel. We've spoken informally about this in the Legislature, and there have been actual meetings and conferences held in Ontario about this subject.

In any of the money in these estimates that we're talking about today, has your ministry devoted any resources to thinking about this or starting to think about this policy question like others in the province have, like the business communities, people who are proposing different kinds of reactors in the future? Or even Candu? If you want to use thorium in Candu someday, you might need enriched uranium.

Hon. Stephen Lecce: The estimates would not have a reflection of a fiscal investment, but we certainly have had—I mean, there's not a monetary requirement to have dialogue with industry, which would have to be the project proponent backstop with government.

The federal government, of course, is a critical stakeholder, if not a decision-maker. The treaty on nuclear non-proliferation would be a federal decision alone; they would maybe seek our advice. So there's a multitude of governments involved, but we have had discussions about this, both with Cameco and with the government of Canada. I think what you're hearing from us is a willingness to explore its path, so long as the economics work.

What I often hear from industries is you need to have significant scale to see an investment of a company actually putting multi-billion dollars in Canada. So they would need significant amount of scale of megawatts of that light-water technology.

So that's a decision point for the governments of Canada, Ontario and other provinces considering nuclear, like Saskatchewan and Alberta. But today there is no plan to build an enrich facility because we, of course, are signatory to a treaty that negates our ability to enrich in the province. We have access to allied G7 supply well beyond the US, like the UK and France.

Mr. Ted Hsu: Okay.

I want to talk about conservation and storage now. Do you have an idea of what the total budget for electricity conservation programs is in 2026-27? And do you have an idea of how many megawatts of especially peak demand

that these conservation programs will save? I guess what I'm really after is: Do you have an idea of the cost per megawatt hour that you might get from conservation programs? Have you estimated that?

Hon. Stephen Lecce: We're targeting 18 terawatt hours of electricity savings. That's about 3,000 megawatts—

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

Hon. Stephen Lecce: —of peak demand that we'll be removing by 2036. It's the equivalent of taking three million homes off the grid. It's 10.9 billion that is the overall 12-year framework. For this year alone, I may defer to my colleague, and if they don't have the answer, I'm prepared to submit that, but the IESO publicly announces on an annual basis each year of the 12 years their allocation.

I will say this to you; the IESO has briefed me to this effect: We are wildly oversubscribed in the sense that demand is massive for the Save On Energy program, which is a good problem to have. There's a significant investment. People are updating their windows, insulation, smart meters; now we've expanded to appliances. The demand is rising, which is a positive and I'm prepared to submit the number for this year.

Mr. Ted Hsu: Okay. Well, that's fine.

Just one last quick question about pump storage, energy storage: The pumped hydro storage project is receiving \$89.8 million this year and it's part of the \$200 million, almost \$300 million that your government has promised TC Energy—

The Chair (Mr. Aris Babikian): Thank you, MPP Hsu. Your time is up.

We move to the government side. MPP Vickers.

MPP Paul Vickers: I think we need to congratulate the Premier and yourself, Minister Lecce, and this government. You have the ability to look into the future, to see where the consumption of electricity is going, and it must be difficult. It must be difficult for anybody to try and put these numbers together.

I think back to the 1960s, when somebody decided that Bruce nuclear should be developed, should be built, and the other nuclear plants. It takes a lot of courage, and it takes a lot of thinking and the ability to plan out into the future. So I really do congratulate you and the ministry and everybody else that works on these projects because they can't be easy, to try and predict the future.

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You've talked about how the demand for electricity is set to increase significantly over the next 25 years. How is the new Bruce site positioned to meet that demand increase and also benefit the people of Bruce and Grey counties and also the other neighbouring counties?

The second—if I can give you a second one here?

Hon. Stephen Lecce: Sure.

MPP Paul Vickers: How has nuclear energy not only benefited the province's need as a whole but the local communities that are in these large generating facilities that they are located in?

Hon. Stephen Lecce: So let the record be clear: The parliamentary assistant also played an important role in this. I noticed that he, I think, was perplexed that you didn't mention him, member for Bruce-Grey.

MPP Paul Vickers: Sorry about that, Rudy.

Hon. Stephen Lecce: It was great. But of course, this has been a team effort for all of us.

Bruce C is really an incredible Canadian project of promise for the country. Conservatively, this is a project that will add \$238 billion over the lifespan of that asset, which is roughly 80 to 90 years—depending on the technology—18,900 construction jobs and about 10,000-plus permanent jobs.

There's a reason why every skilled-worker union has stood by Bruce C, stood with us at Port Hope on the Wesleyville expansion, on Pickering, on the small modular reactor project and on the Darlington refurb. We stand alone as a government that is serious about supporting the industrial supply chain, the workforce and Canadian tech.

Bruce is a brilliant global generator with great respect. They build on time; they build on budget. They leverage a highly Canadian standard of investment. Bruce is leading the way in the energy space.

They have just announced a Canadian at Our Core campaign. That means, conservatively, they're hitting 95% of their investments on their builds staying in this province and country—95%, which is a massive win. In your region, the local supply chain has realized roughly 3,400 local jobs, a 30% increase in employment in your region alone. So we recognize, between local taxes, roughly \$2 billion of GDP, just to Kincardine and the town of Saugeen Shores in the broader region. This is massive value added locally, provincially, nationally and for the world.

We're proud of the project. We see it as necessary. I mean, again, going back to this false dichotomy of choices, as if there is a path to do nothing—there is no path, unless you want the member from Kingston's story to be replicated every day where we are denying economic development not on occasion, not as the exception; it becomes the rule. We need to generate power, folks. There are certain essential services that are not luxuries; they are necessities of a modern industrial economy, so therefore we've got to invest heavily.

Bruce C is part of that Canadian success story. When politicians talk about doing big things, name me something else that a government can do that adds \$230 billion-plus to the national economy—for the next century. That transcends our time in politics. I think it's a great story. I'm proud it's profiled, and I'm grateful for your partnership.

I'm grateful for the leadership on the ground of local communities. When we were at the International Plowing Match, it would be hard to miss the grassroots campaign of I Heart Bruce C. It was an incredible local effort, that the community stands for nuclear power. It's not surprising. In Pickering, their mayor, council and community wildly support the refurbishment; same in Clarington when we look at Darlington. It's not surprising the com-

munities that know nuclear the best are the ones who are most in favour of it.

I will say, broadly, though, the politics of nuclear, if you will, or public perceptions of nuclear have never been higher. There's a global renaissance. Countries that have turned away from nuclear are now re-embracing it because it's a firm, clean, reliable and affordable power source that is baseload. It's firm power. We look at countries across Europe, the Asia-Pacific, that want to decouple dependence on, for example, Vladimir Putin's natural gas or on expensive coal in southeast Asia, regardless of their challenge. There's a sovereign energy source that is clean, reliable and affordable.

The levelized cost of large-scale nuclear is affordable, according not to me, not to the parliamentary assistant, but according to the Ontario Energy Board that publishes rates, with hydro being among the lowest and nuclear being one of the most economic and affordable options.

From an affordability, from a reliability, from a clean-type-of-energy-generation perspective, we want to profile this story to the world, that we're going to double down on something that is deeply Canadian. I cannot thank the people of Bruce as a willing host and Bruce Power as one of the best nuclear generators on earth—they have earned that reputation and it's something we should all be proud of.

MPP Paul Vickers: I would agree also. The people of Bruce and Grey counties, we have benefited hugely by Bruce Power. I just wanted to say thank you on behalf of everybody up in our area.

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

Mr. Jeff Beattie: Minister, I wonder if we could go back to the mining resource sector; I don't feel like you got the opportunity to flesh out your full speaking points and your full plan on that. We mentioned the Ring of Fire and, of course, that's one of the most important critical mineral deposits in the entire world. You mentioned acceleration. You mentioned the ability to move things more quickly.

I'm wondering if you could delve a little deeper into the One Project, One Process framework and speak to how that helps to accelerate some of the mining projects and, of course, the economic uplift for northern Ontario specifically and for the rest of the province as well.

Hon. Stephen Lecce: Let me echo the message of congratulations to you upon your by-election victory.

One of the challenges we face in government is this instinct of politicians who want to defend the status quo because it was working so well for Canada, a country that had a lost decade, that lacked ambition and action on the issues that mattered to our energy and our national sovereignty. One Project, One Process is the solution to the red tape nightmare we inherited in 2018 when we were, according to the OECD, the second-slowest jurisdiction in the west to permit a mine—the second slowest: a benchmark no one can defend.

We brought forward Bill 5. It was designed to be ambitious—some may even call it radical—which is what the country needs in the moment: an upending of the way we

did business because permits would sit in government desks for hundreds and thousands of days, undermining the certainty and predictability that investors were seeking. We can't have it both ways. We've got to give investors certainty and, thus, we cut the permit timelines by 50% on average. We set an ambitious turnaround time of two years as the average, giving cabinet the authority, through regulation, to impose timelines should we need it.

The federal government—people are asking us, are we going to copy the “one year, one project, one review”? Actually, they copied our system of giving authority to impose deadlines to create certainty on the economy, not to make the decision—that will be made by independent experts—but to time-limit the decision-making. It can't take 10 years, 15 years to open a mine in the province when, in Western Australia or the European Union, you could do it in six or seven. Do not tell me the status quo is working for our country.

Thus, we cut the red tape. We brought forward the landmark 1P1P, One Project, One Process. We have one permit review vehicle that goes through the enterprise of government. You bring a permit to the province, and our Ministry of Energy and Mines will shepherd it through the entire government: Natural Resources; Environment, Conservation and Parks; Transportation. We do it for you—a concierge service with speed. Three projects designated—\$5 billion of economic value that we have now unlocked as a consequence of that, with many more projects to come.

I really think it's important. It's not a northern initiative, although northern prosperity is intricately connected to Canadian prosperity today. It's for all of us because it's those mines, those ethically sourced minerals that are being brought into Hamilton, being brought into Windsor, being brought into Mississauga, being brought into the southwest to Grey and Bruce counties, being brought into London region. Every one of us has cases of manufacturers using those minerals to help build out an ethical supply chain. It's creating the downstream conversion and keeping it all in Canada.

That's the vision for the Premier: Build more, refine more, process more, do more here at home. That's what we're making clear: our government's intention to move with unrelenting speed to unlock our resources for the benefit of the world and to work against a common adversary with much of the West, which is China, which has 70%, 80%, sometimes 90% of the mineral-processing space dominated. There's a great threat in that, the monopolies and the control that they exercise over the world. We're now seeing the energy security linkages with national security. The Chinese-imposed export controls on rare earths to the United States one year ago, as a case study of the weaponization of resources—so we are more attentive, more aggressive and, frankly, more committed to the cause of building more at home, processing more at home.

The final thought is this Critical Minerals Processing Fund. For too long, we allowed the status quo to prevail. All of our raw materials—you could say the same with so

many resources—went to the US, went to Europe, went to China, went abroad, leaving billions of economic opportunity off the table. You talk about opportunity costs, which is an important consideration—a massive opportunity loss for the province. All those resources, all the value added went south. So we ended that, or we are working to end that, by creating a fund that actually puts skin in the game, pairing fast permitting approvals with a massive infusion of provincial capital to do more processing, fabrication and refinery in the province. And I think that's a vision for energy sovereignty. It's beyond the talking points of self-reliance. Every politician uses the same verbiage of being more self-reliant—sure. But then, we've got to pick a lane. So we picked our lane. We move with speed on permitting to create enhanced reliance on ourselves, not on geopolitical adversaries or on countries like the US, where they have, at least currently, a very serious economic war against the province and country.

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We picked a lane by investing in critical mineral processing. We picked a lane by proudly taking the case that our resources are the most ethical on earth. And instead of profiling some of the challenges within this space, we profile the wins: that First Nations are signing on to projects, that they have equity, royalty, contributions, that they're part of the solution; that workers are now flocking to some of these mines where we need tens of thousands of people to build out the next generation of our mineral wealth—so, a ton of opportunity for Canada.

But the path to independence, the path to sovereignty, to self-reliance, is actually getting a shovel in the ground—that's the metric of our success. Enough talk, enough rhetoric from politicians across the country in the political spectrum. It's time for action.

So it may have been a little uncomfortable for some that we moved and cut the red tape by half. It may have been uncomfortable that we created authorities to create conditions on government to make decisions in a reasonable timeline—frankly, entirely defensible in the moment.

And I'm proud that our government had the courage to do the uncomfortable. That's going to help set up our country for long-term prosperity. It is much more uncomfortable to be beholden to a geopolitical adversary. It's much more uncomfortable for our economy to be overexposed to one trading partner. So we're doing the difficult things now for long-term benefit for Canada, and I think most Canadians want us to go even further, which I've said—this fall, we will continue to bring forth more reform. We're not going to end with 1P1P. “One Project, One Process” designates projects of importance. But for every other project that isn't designated, they too want speed.

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

Hon. Stephen Lecce: They want to not have to be paralyzed by red tape, and we will do that as well.

Did you say one minute, Chair?

The Chair (Mr. Aris Babikian): Yes.

Hon. Stephen Lecce: Back to you, sir.

Mr. Jeff Beattie: I would close out by saying, in the one minute—I'll speak as slowly as I can—thank you for

choosing the fast lane, and we look forward to arriving at the destination quickly.

Hon. Stephen Lecce: I think, given the moment we're in, the only option is speed.

I mean, look, it's not like we're doing this alone. The federal Liberal Prime Minister issued a policy, Bill C-39, that creates a one-year-turnaround timeline, "one project, one review"—slightly different mechanics, but the ambition is there. So the question for all of us in the Legislature is, do we meet the moment of speed and ambition? And I think our government has. Time will tell, according to how parliamentarians vote, if they want to seize the moment too and choose the path of speed and sovereignty.

Thank you, Chair.

The Chair (Mr. Aris Babikian): Thank you.

The time is up. We concluded the second round—*Interjection.*

The Chair (Mr. Aris Babikian): We still have nine minutes from the allotted two hours for this estimate, so we will rotate. We will go back to the opposition. It's up to them to use all the nine minutes, one opposition party, or they can share it with the rest of their colleagues.

Go ahead, MPP West.

MPP Jamie West: Okay, thank you very much, and I'll share some time with my colleague as well so that it's reasonably fair.

I want to talk about—you said just recently, in responding to your last question, about the need for workers, of people flocking to mines. I'm actually hearing from mining companies that they're having a bigger struggle of people not flocking to them, not understanding that there's good-paying jobs here. There is a long-running joke with Peter Xavier from Glencore and I, where, when he's down here for meetings, he wants to grab people on the street and say, "There's a really good-paying job where you could have a house and a yard 400 kilometres from here."

Is there work happening and proceeding in order to elevate the need for not just miners, but people in finance, people in leadership, people in logistics, in mining? Is that a priority for the government?

Hon. Stephen Lecce: Yes. I think maybe better phraseology for me would be there is massive demand for employment in the north. We want young people to flock to the north to seek employment. But you're absolutely right: There are labour challenges across the energy sector—in fact, the infrastructure sector. We're all self-cannibalizing and I think we can acknowledge the obvious, which is we need a skilled workforce, both domestic, international etc.

We committed to a Critical Minerals Strategy reboot. As you know, the last one was 2022. The world changed since August, let alone 2022, so we need to refresh that. We're going to give that a massive overhaul.

A component of that will deal with labour. I think one of the serious challenges for our mineral build-out—and you can say the same for nuclear too, but minerals especially, just given the geographic realities in the north—is people, human talent. Not that we don't have a tremendous skilled labour; they're really the most industrious, hard-

working, patriotic. They're good. These workers, miners in the north are amazing people, often intergenerational. You know the story better than I. But we will need tens of thousands. I think the OMA—

MPP Jamie West: Just so I can leave time for my colleague, I want to—

Hon. Stephen Lecce: Sure. So the short answer is yes. In the strategy, we will unveil a broader plan to support workforce development across our mineral expansion.

MPP Jamie West: Okay. In the upcoming legislation, will there be anything to assist—the 1P1P process has been really helpful for new and emerging mines, but I've heard feedback from existing mines that it's not as helpful for expansion.

Hon. Stephen Lecce: Yes.

MPP Jamie West: Are there future plans coming? Are you allowed to say if that's—

Hon. Stephen Lecce: It's almost like I wrote this question. The answer is yes because this has been an area of angst for me. We can fix the 1P1P, which is awesome for those designated, of which there are three to date. But for 98% of mining companies—the juniors etc. that just to scale, want to put some shovels in the ground, want to do junior or advanced exploration—we have work to do.

The short answer is, we will bring forth legislative regulatory reform in the months ahead that will deal with that issue, specifically permit reduction and speed for every step of the mining process. If you're a junior doing early exploration and you want to do an advanced exploration or get to a mining expansion—which is often what we are hearing; we're talking to the same people—the short answer is, we're looking at an ambitious time frame.

We're looking at around a 50% time reduction, working with the Minister of Red Tape Reduction as she, Minister Khanjin, undertakes an enterprise-wide red tape review. Because it's not just our ministry. I say this with great reverence and respect for my colleague, but you'll hear that other ministries are also part of the challenge when it comes to permitting a mine. So MECP, Minister McCarthy—

MPP Jamie West: I just have one more question—sorry. I want to give some time to my colleague.

It's related to this, right? Bill 5 is a hot topic. We haven't heard from it a lot because we haven't sat a lot. But federally and provincially, Bill 5 has been a hot topic where First Nations treaty rights holders are feeling like their right to informed consent is being overridden.

At the same time, with the One Project, One Process formula, it seems very geared to industry. I think that a lot of the most successful industries—I'm thinking of Iamgold, Côté Gold, Vale, Glencore—have very positive relationships with First Nations. They have built that over—I've heard the phrase "a thousand cups of tea," so I think it's really interesting.

In the future, is there going to be anything to support First Nations, to support mining companies, to build these relationships so that the alternative isn't just designating something as a priority project and having protests slow down the project at the end of the day?

Hon. Stephen Lecce: The projects we have designated—certainly First Nations consultation and partnership have been really important.

The second element is we have revenue resource sharing agreements. These are in place. About \$357 million of revenue are being shared as we speak from our mineral companies since those first agreements were signed in 2018; 50 First Nations are involved. There is much more we can do in that respect to scale it.

The final thought is just to avert confrontation. It's about, at the front end, meaningful engagement. My message to industry is, you've got to do this right. You've got to take the time and invest the resources. There is no fast way when it comes to consultation and the jurisprudence in case law reflects the necessity to do so.

MPP Jamie West: But theoretically, there is a fast way, because if you declare it a special economic zone, it bypasses this, and so that causes issues. When you have chiefs coming into Queen's Park and threatening "over my dead body," it's not going to help. I'm not saying this as a criticism, but as a way to improve how things happen because it will be incredibly slow if we don't.

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I do want to give some time to my colleague from the Liberal Party to ask questions.

Hon. Stephen Lecce: Can I just take 10 seconds? Bill 5, in any authority we use, does not and cannot, according to the Constitution, supersede the duty to consult. That has never been overwritten and we never would even attempt to do that. We fully respect them; we want to build a partnership. Every transmission, every hydro, now nuclear: We're doing it together. I really believe there's a better way forward, and I hope we can do so in partnership with them, and so far, we are.

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

Mr. Ted Hsu: How much time do I have?

The Chair (Mr. Aris Babikian): You have 2.5 minutes.

Mr. Ted Hsu: Oh, excellent, okay. Thank you.

My question is about the roughly \$1 billion of liability for abandoned mines on crown land from your environmental remediation. In the estimates this year, there is only \$2.96 million in capital, compared with \$26.6 million actually spent in 2024 and 2025. My understanding is that a lot of that \$26.6 million, and whatever it's going to be for this year, is because the liability increases from inflation.

I was just wondering if you could tell us: If you have, like, 2% or 3% inflation, how much is that liability going to increase and how much are we actually spending on doing the remediation so that the liability decreases? How much of that is there in this coming year?

Hon. Stephen Lecce: Sure. About \$255 million of rehabilitation and reducing risk investments in 127 projects in the province for highest priority—that's for abandoned mines sites; that's for protective health, safety and environment. We are responsible for 4,650 legacy abandoned mine sites across the province, and we are deeply committed to making sure that we remediate to maintain

environmental protection for those communities. We take that seriously. You're right: There is an annualized program.

I may turn to—

Mr. Ted Hsu: How much do you think the liability will decrease? From \$1 billion-something to—how much is it going to decrease in this fiscal year?

Hon. Stephen Lecce: That wouldn't be reflected in the estimates. The estimates would speak to the investments we're making to reduce that liability, and what I can simply say is—

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

Hon. Stephen Lecce: —that at a series of projects across the province, we're investing millions of dollars to help reduce the impact.

I would also just simply say that when we're putting \$255 million of rehabilitation work in, that is based on the legacy projects. On the going-forward, as you will know, through Bill 5, we actually enhanced the powers of the government on enforcement and on penalties, because while we can't go back—thousands of projects have been abandoned over time, often probably preceding our time in government—but on the going-forward, we could be a lot smarter about how we prevent it in the first place: stronger deterrence, stronger enforcement, stronger inspections.

On inspections: 126% of planned inspections were completed last year, which are reflected in the funding in the estimates. So we do take that seriously.

Mr. Ted Hsu: But presumably, if you spend a dollar on remediation, you'll reduce the liability by a dollar, if the accounting is done right. Would you agree with that?

Hon. Stephen Lecce: The aim is to reduce the liability and to enhance the—

Mr. Ted Hsu: I guess I'm wondering: How much is the liability going to be reduced this year?

Hon. Stephen Lecce: I can say—

The Chair (Mr. Aris Babikian): Thank you very much, all of you. The time is up. The time allotted for this estimate is finished, and I would like to thank the minister, deputy minister, the staff for coming and sharing your valuable input and time with the committee.

This concludes the committee's consideration of the estimates of the Ministry of Energy and Mines. Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates.

Are the members ready to vote?

Shall vote 2901, ministry administration program, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall vote 2902, energy development and management, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall vote 2905, electricity price mitigation, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall vote 2907, broadband and cellular infrastructure, carry? All in favour, please raise your hand. All in opposition, raise your hand. The vote carries.

Shall vote 2908, mines and minerals program, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall the 2026-27 estimates of the Ministry of Energy and Mines carry? All in favour? Thank you. All in opposition? The vote carries.

Shall the Chair report the 2026-27 estimates of the Ministry of Energy and Mines to the House? All in favour, please raise your hand. Thank you. All in opposition, please raise your hand. The vote carries.

Thank you to the members. This committee is now in recess until 1 p.m.

The committee recessed from 1205 to 1300.

MINISTRY OF NATURAL RESOURCES

The Chair (Mr. Aris Babikian): Good afternoon, everyone. The committee is set to resume consideration of 2026-27 estimates.

Up next for consideration is the Ministry of Natural Resources for a total of two hours. For any ministry staff appearing today, when you are called on to speak, please give your name and your title so that it may be accurately recorded in Hansard.

I am now required to call vote 2101, which sets the review process in motion. We'll begin with a statement of not more than 20 minutes from the Minister of Natural Resources and the Associate Minister of Forestry and Forest Products.

Minister Harris, the floor is yours. You have 20 minutes.

Hon. Mike Harris: I'm sure we can wrap it up before that.

Good afternoon, members of the committee. Thank you all for having us here, today.

As the Chair said, joining me is my colleague Kevin Holland, the Associate Minister of Forestry and Forest Products. Between us, we will walk the committee through where this ministry has put its resources over the past year, and where we intend to put them over the year ahead. Before I begin, I want to introduce and thank the ministry staff that are joining us: Deputy Minister Drew Vanderduim—who is here at the table—Craig Brown, Amanda Holmes, Jennifer Barton, Sean Maguire and Christie Curley are all here to answer any technical questions as well, should they arise.

Ontario is very lucky to hold some of the world's greatest natural resources. This ministry exists to manage our forests, lands, lakes and rivers responsibly so that future generations can all enjoy what this province has to offer. Our core workforce of nearly 3,000 staff is based in communities across Ontario at more than 100 ministry offices, fire bases and research facilities. Each year, our staff provides front-line service to hundreds of thousands of people and businesses through the programs and services that our ministry delivers.

Let me start with some numbers that provide a quick snapshot into what it is we do. The ministry administers 42 Ontario statutes and one federal statute. This includes the Public Lands Act, which governs 77% of Ontario's provincial land base. Over 300 dams fall under the ministry, as well as 250,000 kilometres—that's 250,000 kilometres—of roads. We issue nearly 20% of the government's total permits each year. To date, in 2026, our aviation, forest fire and emergency services branch has tracked over 780 wildland fires. I might add, this morning, that only 29 fires remain active across the province. And of course, near and dear to my heart, are the over one-and-a-half million Ontario anglers and hunters in this province. We issue more than half a million hunting licences and tags and 850,000 fishing licences every year.

This is just a small glimpse into the Ministry of Natural Resources, but the impact of this work cannot be understated. To put it quite bluntly, we cannot build the infrastructure in Ontario without our ministry. From the aggregates that come from our quarries to the lumber and wood products coming out of Ontario's sustainably managed forestry sector, growing communities need the sectors that we work closely with. The people who work in our resource-based sectors are quite literally building Ontario. It has never been more important that we stand up for these workers and their families.

Chair, I would be doing this committee a disservice if I did not address the trade disputes that are happening with our friends from the United States here in my opening remarks. It is not an exaggeration to say that nearly every single part of my ministry has been severely impacted by the trade uncertainty we see around us today. I know that Minister Holland will, of course, speak a little bit further on this point in his remarks, but over 95% of Ontario's wood products are exported to the United States. Ontario softwood lumber exports are subject to a combined, and unjustified, duty and tariff of over 45%. A further 50% tariff under section 338 of the Tariff Act now applies to roughly \$1.7 billion of Ontario's forest products. This includes paper, plywood, medium-density fibreboard, even hardwood that's used to make baseball bats. Taken together, roughly \$3.1 billion of Ontario's forest product exports are now affected by American tariffs and duties.

Ontario is also home to one of the world's largest freshwater commercial fisheries. Each year, more than \$46 million worth of fish is harvested from Ontario's lakes, the vast majority coming from Lake Huron and Lake Erie. Over 90% of our catch is exported to foreign markets, including the United States. While not currently subject to tariffs, there is still uncertainty within the sector and the communities that depend on these thousands of fisheries jobs across the province.

And I want to be absolutely clear when I say that our plan to protect Ontario, we are doing that by building a competitive economy that includes resiliency across all resource sectors. Colleagues, my ministry continues to take action to reduce the cost of doing business, making better use of our own resources and opening up markets outside of the United States.

I mentioned that over 20% of the government's permits are issued by the Ministry of Natural Resources. We are in the process of undertaking the Natural Resources Regulatory and Permit Reform Initiative. Through this initiative, we are proposing changes to a number of business-facing permits. We are already making significant progress, with eight low-risk permits having been eliminated, saving businesses in the renewable energy and forestry sectors time and money.

We also recently brought forward proposed changes to 13 additional permits that would allow for mining and infrastructure projects to move forward with greater certainty. Although these changes would save approximately—get ready for this number—12,715 days of administrative burden each year. Altogether, 12,715 days of administrative burden—that's 34 years' worth of time spent on paperwork.

The proposed changes focus on low-risk, routine activities. What we are doing is speeding up approvals while continuing to uphold strong environmental standards. For example, the forest-related permits would allow for the removal of trees for non-forestry projects, like a mine development, without requiring duplicative approvals through other ministries. This would save nearly 2,800 days' worth of time.

Across the board, this government is setting out to eliminate or transform at least 35% of economic development-focused permits by 2028. And of course, as a former Minister of Red Tape Reduction, I am proud of the work my ministry is doing to move forward with this agenda.

Our government has also put forward a historic plan to get shovels in the ground to build critical infrastructure needs. But you cannot build anything without aggregate. A historic plan to build is going to require a historic amount of aggregate. A single kilometre of six-lane highway takes more than 50,000 tonnes, or nearly 2,600 truckloads. A kilometre of subway takes 91,000 tonnes, or 4,500 truckloads of aggregate.

Our government has a 10-year plan to invest more than \$210 billion in housing, transit, roads, bridges and community infrastructure. Every one of those projects needs aggregate, and they need it close at hand. In the greater Toronto area alone, we are expecting to need more than 2.5 billion tonnes of aggregate in the next 25 years.

This ministry oversees roughly 6,000 licences and permits under the Aggregate Resources Act, or the ARA. Our job is to ensure that we have a reliable supply of high-quality aggregate without loosening the rules that protect communities and the environment. We have introduced four new or updated policies and rescinded 28 outdated ones as part of our ongoing work to modernize and update aggregate policies across the province.

This has helped us to approve more than 25 new licences and permits in 2025-26 and process 387 amendments. At the same time, we have boosted compliance efforts. We conducted more than 1,100 site inspections last year. That is a 17% increase over the prior year and a 150% increase since 2023-24. We now have 100 additional staff designated as inspectors and we are working to-

wards proactively inspecting 20% of sites over the next year. I believe that we can strike the right balance between making it easier for responsible operators to do business while still holding bad actors who are out of compliance to account.

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My ministry also holds a public safety mandate to protect the people of Ontario from wildland fires. I want to thank our heroic fire crews, pilots, fire management staff and everyone in our ministry who worked very, very hard this season through these wildland fire operations. Ontario continues to be an international leader in wildland fire management—a reputation we have earned through the hard work and dedication of the men and women who strive to keep our communities safe.

While we will not spare a single penny when it comes to protecting the people and communities of Ontario from forest fires, this year, Ontario has recorded more than 780 fires and more than 744,000 hectares burned. To put that into perspective, that's 744,000 football fields. Our crews have been exceptional at protecting communities through all of this.

We are also very grateful for support from places like Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Prince Edward Island, Quebec, Saskatchewan, the Yukon and, of course, our friends from Mexico, who sent over 100 personnel here, just to Ontario alone, and I believe another over 100 personnel to British Columbia this summer. The Canadian Interagency Forest Fire Centre and mutual aid agreements have helped work to make, of course, all of that possible.

From day one, our government has been making significant financial investments so that our fire program remains well-resourced. Since 2018, we have invested nearly \$1.5 billion in our fire program, and year-start funding for emergency wildland fire has more than doubled from \$70 million to \$150 million a year. This allows us to get contracts in place so that on April 1, when fire season begins, we are ready to respond.

We have also added 170 new, permanent fire personnel positions since 2024, and increased compensation for fire rangers, pilots and engineering support staff. We have also reclassified the fire ranger position so that it better reflects the work that is being done on the ground.

When it comes to our firefighting air fleet, we are making the largest investment in Ontario's history: nearly \$650 million to strengthen our fleet, including \$500 million for six new De Havilland water bombers, which will be arriving in the early 2030s, and another \$150 million for five new helicopters, which we will be going out to procurement for very shortly.

We are also doing more to prevent human-caused fires. Last December, we updated the Forest Fires Prevention Act, or what is now the Wildland Fire Management Act. These changes clarify the permit requirements and allow the ministry to issue fines to those who break the rules. If we can prevent fires from happening, not only does it protect people in communities, but it's less costly than trying to suppress an out-of-control fire.

We're also responsible for the Oil, Gas and Salt Resources Act, which includes the responsibility to keep people safe from abandoned oil and gas wells. There are records showing approximately 27,000 petroleum wells exist in province of Ontario. A huge majority of those are inactive and are in southwestern Ontario. When a well is abandoned and not properly decommissioned, it poses a real safety risk. I don't need to remind the members here about what happened in Wheatley just a few short years ago.

We are taking action to move forward with the legacy oil and gas wells action plan. Over the past three years, we have invested nearly \$31 million to reduce the risk of these wells and keep people safe. Of this, almost \$10 million has gone to municipalities to strengthen local emergency preparedness.

We have also expanded the Abandoned Works Program, which supports landowners with the plugging of oil and gas wells on their properties. Under this program, the province has now spent approximately \$46 million to plug roughly 471 wells, including close to \$7.7 million in 2025-26 on 38 wells in southwestern Ontario. Building on what we have achieved in June of this year, our government announced ongoing, stable funding for addressing old and abandoned gas wells.

Chair, this is just a snapshot of what we do here at the Ministry of Natural Resources. I'm looking very forward to sharing a bit more with committee members here today, and I'll now turn it over to the Associate Minister of Forestry and Forest Products to speak a little bit more about the forestry sector. Thank you.

Hon. Kevin Holland: Thank you, Minister Harris, and good afternoon, Chair and committee members. As Minister Harris has indicated, I'm going to be speaking specifically on the forestry sector: what it contributes, what it's up against and what this government is doing about that.

But first, let me start with what is at stake. The forestry sector is a key economic driver in the province. In 2024, Ontario's forestry sector contributed \$5.2 billion to the provincial GDP. It generated \$20.8 billion in total revenue and supports over 154,000 direct, indirect and induced jobs. Those jobs sit disproportionately in northern, rural and Indigenous communities—communities much like my own.

But the figure that matters most for this conversation is this one: \$8.3 billion in exports, of which 97% goes to the United States, and that is the reality that the sector is facing. Tariffs and duties are directly contributing to mill curtailments, shutdowns, idling and investment delays across the province. Ontario's softwood lumber producers have paid over \$1.1 billion in duties since 2017, and today, they carry a combined charge of 45.16%.

And since August, the section 338 tariffs imposed by the US have reached products that have been protected under the CUSMA compliance, such as plywood produced in Hearst and laminated fibreboard produced in Sault Ste. Marie.

The effects of this are not abstract. Interfor has indefinitely idled its mills at Ear Falls, Gogama and Nairn Centre; Domtar idled its Ignace sawmill in March; and Thunder

Bay Pulp and Paper closed its newsprint operations in January. The Ear Falls mills, when it was running, roughly employed 17% of that community's population.

And most recently, RYAM in Témiscaming shut down its mill in Quebec, affecting the regional forestry sector in Ontario. For more than a century, the RYAM facility in Témiscaming has been a part of the regional forest economy, supporting jobs and providing an important market for Ontario hardwood fibre. We understand mill closures can have a significant impact on workers, families and forest-dependent communities. Although the facility is in Quebec, Ontario workers, businesses and communities are affected. Ontario's forest sector depends on an integrated supply chain, and disruptions at major fibre consumers can affect harvesters, trucking companies, sawmills and forest managers across the region. So when a mill idles, this government takes action.

Now, let me turn to what we are going to do to change the trajectory of this sector. In April, our government launched A Roadmap to Protecting Ontario's Forest Sector. This is a 10-year plan built on three pillars:

- defending the sector against unjustified US trade pressure;

- adapting the industry to compete in changing markets; and

- growing demand for Ontario-made forest products at home and abroad.

The goal behind this road map is straightforward: Ontario is and should remain the G7 leader in manufacturing and exporting forest products from our sustainably and responsibly managed forests.

Behind the plan is a record of investment. Since 2018, Ontario has provided:

- almost \$90 million through the Forest Sector Investment and Innovation Program, or FSIIP, to boost productivity, innovation and expand into new market opportunities;

- over \$65 million invested through the forest biomass program to increase wood harvest and to find new uses for markets for Ontario wood;

- over \$510 million through the Provincial Forest Access Roads Funding Program, including \$53.2 million this year;

- over \$21 million for advanced wood construction projects and initiatives; and

- almost \$21 million in electricity rate relief to forestry businesses in 2025-26 through the Northern Energy Advantage Program.

We also delivered \$20 million over two years through the Ontario Sawmill Chip Support Program, which supported 15 sawmill facilities a year and moved nearly two million green metric tonnes of chips, or 50,000 truckloads, to alternative markets when pulp mill closures took away their usual customers.

On growing demand, our strongest long-term answer is to put more Ontario wood into Ontario buildings. We launched the Advanced Wood Construction Action Plan last June, and in December, we launched the Advanced Wood Committee, a group of experts and leaders from a

variety of sectors, advising us how to accelerate wood-based building and revolutionize how we build in Ontario.

As of 2025, the Ontario building code now permits mass timber buildings up to 18 storeys and a greater variety of mass timber building types. Ontario has allocated \$50 million through Invest Ontario to grow the province's off-site construction industry, and we are investing \$10 million in the Prince Edward County Memorial Hospital in Picton, North America's first unencapsulated, all-mass-timber hospital. This is a major milestone in health care design, using Ontario mass timber to support patient-centred care.

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We are also removing costs and delays through regulatory reform, without lowering environmental and sustainability standards. In June, the ministry approved revisions to Ontario's landscape guides and the stand and site guide, modernizing the direction, incorporating the latest science and giving forest managers greater flexibility.

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

Hon. Kevin Holland: Chair, I'll finish with this: Ontario's forest sector is not under pressure because it is uncompetitive; it is under pressure because of trade decisions taken by another country. Our job is to make sure that when those pressures ease—and they will—Ontario mills are still standing, still modern and ready to take that market back. That road map will help us do exactly that by supporting mill competitiveness, encouraging investment and innovation, and strengthening the long-term resilience of Ontario's forest sector. We will do everything we can to protect workers and jobs in the forest sector and ensure that we can continue to unlock its full potential.

As Minister Harris says, we look forward to taking any questions.

The Chair (Mr. Aris Babikian): Thank you.

We will start the first round of questioning. We will start with the opposition. MPP Bourgouin, you have 15 minutes.

Mr. Guy Bourgouin: Thank you, Ministers, for being here and answering our questions.

I don't think this first question is going to surprise you, so I might as well throw it at you right away: How does a private jet get bought through the Ministry of Natural Resources? Don't you think this money would have better served Ontarians against forest fires or forestry shutdowns or even the new helicopters that you've been talking about? How does the Premier's private jet get approved through your ministry?

Hon. Mike Harris: Well, thank you—definitely expecting the question. I'm not surprised that it did come up first.

Listen, I think the Premier was very clear. I think our government has been very clear. Hearing from the public, understanding that it was probably not the right time to do that, we did return the jet. Yes, we are out a rough cost of about \$200,000 on that purchase of said plane. But as we know, and as we heard loud and clear, and as you've seen with Premier Ford before, when he realizes and understands that it's not the right time or maybe it's not in the

best interest of the people of Ontario, we always do the right thing. I think that's the hallmark of this government.

Mr. Guy Bourgouin: Well, I appreciate the answer, Minister.

When do we think our bombers are going to come here or will be arriving? In 2035, if I'm correct?

Hon. Mike Harris: In 2030-31, with an option to purchase earlier if there is available machinery.

Mr. Guy Bourgouin: Your ministry authorized a private jet, yet we didn't order our planes, our bombers, earlier. Because they were announced in 2019, so why—

Hon. Mike Harris: Yes, so, the planes—

Mr. Guy Bourgouin: It's just that the optics of this looks terrible on the ministry, approving a jet when we needed bombers. It should have been approved sooner.

Hon. Mike Harris: So with respect, of course—

The Chair (Mr. Aris Babikian): Please direct your questions and answers through the Chair.

Mr. Guy Bourgouin: Apologies, Chair.

Hon. Mike Harris: Through you, Chair, with respect to the member: The planes, the helicopters and everything we do to bolster our wildland fire service is all done in concert with many other activities at the same time. I think it's unfair to say that we're doing one thing in lieu of another, because it's completely not true. If you look from 2018 to now, we've over doubled the base wildland fire-fighting budget from \$70 million to \$150 million.

We've made significant investments: \$1.3 billion in significant investments to AFFES, which is our forest firefighting service. We have procured signed contracts with De Havilland to build those water bombers. We have procurements going out very shortly for new helicopters. These are all things that we're doing in concert with the rest of government as we look at spending on multiple different projects. To conflate the two, I honestly don't think it's fair.

I understand what you're saying, and as a member of the opposition, of course it's your duty to hold the government to account. But I think we've done that.

Mr. Guy Bourgouin: Thank you, Minister, for that—

Hon. Mike Harris: We've been held to account—

Mr. Guy Bourgouin: Thanks to the minister for that answer, but I've never seen a jet carry water—

Hon. Mike Harris: If I can, Chair, I'd like to finish my comment—

The Chair (Mr. Aris Babikian): Okay, let him continue—

Mr. Guy Bourgouin: No, no, it's my time. I need to move on because I've got a lot of questions I've got to ask.

Hon. Mike Harris: It's our time. It's the people of Ontario's time.

Mr. Guy Bourgouin: It's our time? It's my time to ask these questions. So thanks for that answer, Minister, but I've never seen a jet carry water. That could have been used for forest fires.

I want to start with forestry, so I'm going to start with the first question that says the ministry has this established 2027 target of harvesting 52.5% of available crown timber.

Can the minister explain how the ministry arrived at that target of 52.5%?

Hon. Kevin Holland: We've seen a decrease in the amount of harvesting over the last few years, and it's really related to being market-driven as we continue to stare down the fallout of the continued impacts coming from the United States. And it's not just the duties and tariffs that are impacting on the sector. It's the uncertainty that the decisions coming from the United States are having on the forestry sector, not just in Ontario, but quite honestly, all across North America.

When those uncertainties happen, investors and markets take heed, and they're a little shy on making those investments. When we see the decline in the amount of market availability for harvested timber, obviously the amount of wood that's going to be harvested is impacted by those decisions.

Mr. Guy Bourgouin: What is your ministry doing to increase the utilization of the crown timber that is currently available?

Hon. Kevin Holland: As I indicated in my opening remarks, we've developed the road map to increase the importance of forestry in Ontario. The three pillars—defend, adapt and grow—is to position the sector to take advantage of those opportunities once we've seen a turnaround in the market, which we fully expect to see.

All the sawmills that I referenced in my opening remarks, that have idled or are curtailed right now, are keeping them in a state where they will start back up once we see a turn in the market conditions. Sawmills are very easy to start back up. When we're dealing with the pulp and paper sector, though, we've seen a decline in paper for a number of years—20, 30 years that's been coming.

Mr. Guy Bourgouin: They're not that easy to start. The problem is manpower—

Hon. Kevin Holland: It's a lot easier to start—

Mr. Guy Bourgouin: —the manpower issue is going to be a different—because we know there's a lot of people that work—

Hon. Kevin Holland: —and we've taken measures to make sure we are going to have the manpower back—

Mr. Guy Bourgouin: If you don't mind, Minister, we'll go on to another question. I have to say, Minister, I have to agree with you, we have never faced what we are facing with the United States, so that's not the issue here. But if I—

Hon. Mike Harris: Chair, if I may just on that one point, Mr. Bourgouin, one of the big things—and coming from the forestry industry, you'll know this yourself—that is extremely important is a renewed focus on value-added products. This is something, unfortunately—

Mr. Guy Bourgouin: Chair, if you don't mind, I'll get to that question, because that's part of my question further down.

Hon. Mike Harris: Sure. Perfect.

Mr. Guy Bourgouin: I just want to try to get as many questions in, if you don't mind.

For forest access roads, the estimates show \$6 million of year-to-year funding, and sunset for the forest access

roads program in 2026-27. Given the access roads are fundamental to getting crown timber to mills, particularly in northern Ontario, what is your ministry's long-term funding commitment to forest access roads? And the key is long-term commitment. This is where the forestry industry is really concerned, because there's a sunset. Is there a long-term commitment? Because right now, the way they look at it, it's going to end in 2026-27.

Hon. Mike Harris: I think this is something that we're currently evaluating when we're looking at what it means to have forestry access roads and what those also mean to communities from other points of view. As we know, these are often a second egress during an emergency. We've seen forestry access roads used multiple times for moving wildland fire equipment in and out of communities, evacuating communities. They're also heavily used for recreational purposes.

This is something we're having a constant conversation with not only our internal conversations with Treasury Board, but also our partner ministries as well. This is a program that we certainly want to see continue. In my estimation, in perpetuity, to be very honest. But we'll continue to work with our ministry partners and with Treasury Board to see what that's going to look like as we move forward. The program has a few different funding streams that kind of branch off it—I know that's kind of a bad road analogy to use—but what you may see sunseting is not necessarily the full program.

Minister Holland, I don't know if you want to elaborate a little bit more on that.

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Hon. Kevin Holland: The program is set at \$53.1 million per year. Last year, we increased that funding by \$25 million because of the circumstances that the sector was experiencing last year. So the \$53 million is set, and then in consultation with the forestry sector, some of the challenges that they may be facing—if there are some salvage operations, if there are different things that are impacting the sector—we can review that from year to year and, if need be, look at increasing the funding based on unusual circumstances being experienced in-year.

Mr. Guy Bourgouin: But as you can imagine, forestry is already dealing with a lot of issues: uncertainty, investments. Knowing the amounts ahead of time—or secured amounts, if I could say—for road construction is huge for them. It's a stability that they can know that's money. They can budget accordingly. They can work towards that. Right now, just because they don't have that certainty, it does make it difficult for them, and this is why this \$6 million—of course, they're asking for more because it costs us more.

I did hear you, Minister Harris, say that there's other access. In estimates, we don't see it. Where can we find that in estimates, where they can have access?

Hon. Mike Harris: I think that's one of the things that we're looking to quantify: What does it mean to sort of—Ontario's GDP and/or with other ministries as a whole? I don't think it's something that we've necessarily actually aggregated before, so as we work closely with the forestry

sector to understand what it means to forestry, we're also working with our partner ministries to understand what it means from an emergency management standpoint and from a recreation standpoint as well.

Mr. Guy Bourgouin: Jesus, too many questions; I've got five minutes left.

Cost of diesel: As you know, the forestry industry depends on a lot to bring their wood up and then every piece of equipment runs with diesel. What is your ministry doing to help the industry dealing with that fuel of diesel? Because bunchers, grapples, truck drivers, everything—all their fuel has increased and they are struggling. These are mom-and-pop operations. They are owner-operators. That's why we're seeing less and less trucks. Some people don't—it used to be from one family member going through the son. That's not happening anymore, and the industry's really worried about it because they don't want to go back into buying trucks or buying these pieces of equipment. Feller bunchers or grapples are now worth millions, so what are you doing to help them with the cost of diesel for the industry?

Hon. Kevin Holland: The cost of diesel has really increased as a result of the uncertainty and the actions that are taking place in the Strait of Hormuz. That's impacted a lot of the fuel prices and really, the cost of delivering goods to anybody all across North America and around the world.

Two weeks ago, we had a conversation with the forestry sector with regard to the new impacts that we are experiencing right now as a result of the strife in the Strait of Hormuz. Diesel pricing did come up as a concern for them—fully agree with you that every piece of equipment they operate, every log they haul, everything they do, is impacted and they're telling us that that's the greatest impact that they are experiencing right now.

We are taking that information back and looking at what we can do within our ministry and across government—

Hon. Mike Harris: Just to quickly add to that, I think when you look at the suite of options that we have rolled out over the last year or two—the forestry chip program is a big piece that I think is a hallmark for that, obviously. With pulp and paper mills closing across Canada, to be quite honest, you need to move that product further. It's not just about feller bunchers, trucks in the bush etc.; it's also about being able to offset some of those costs by helping actually move those chips from facility to facility. While there may not be any direct compensation, say, or offsetting for physical fuel cost inputs, there are other things that the ministry is doing to offset costs in other areas.

Hon. Kevin Holland: We're also having conversations with the federal government on their transportation subsidy program to see how we can make that more relevant and work better within Ontario for these types of operations.

Mr. Guy Bourgouin: I appreciate what you've said, Ministers. We're talking—what, how many years now we've been, what, two years now with this American situation—

we've seen investments in my area for Kap Paper. But these small operators, owner-operators, most of them own pieces of equipment, so they're businesses. They need help also. And we tend to forget these small owner-operators. Saying that we're reviewing—

Hon. Mike Harris: Well, I can assure you, sir, that no one—

Mr. Guy Bourgouin: —doesn't put money back in their pocket, Ministers, and they need to be helped.

Hon. Mike Harris: —no one is forgetting. No one is forgetting.

Mr. Guy Bourgouin: They need help now, not down the road. And that's what we've been hearing from the industry, mostly—a lot of it—but they need help now.

Hon. Mike Harris: Yes, and we have programs in place now that can help offset fuel prices. But unfortunately, we don't get directly involved with the price of fuel. It's not something the Ministry of Natural Resources does.

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

Mr. Guy Bourgouin: Well, we could do something, sure.

Hon. Mike Harris: So what do you suggest?

Mr. Guy Bourgouin: Well, that's—you're the ministry. You should suggest. But there's ways of doing it and helping them—

Hon. Mike Harris: And so we've suggested—we have the sawmill chip relief program, FSIIP—

Mr. Guy Bourgouin: Yes, but the sawmills will help their sawmills.

Hon. Mike Harris: —all kinds of other things.

Mr. Guy Bourgouin: The owner-operators are struggling right now.

Hon. Mike Harris: They can all apply.

The Chair (Mr. Aris Babikian): Please don't speak over each other.

Hon. Mike Harris: They can all apply.

Mr. Guy Bourgouin: I want to go to—just because I've got one more minute: We've seen a lot of investment in biomass, which I fully support. It should have been done years ago. But a lot of this biomass, they don't have PPAs tied to them. A lot of these new investments don't have them, because now, their businesses are reducing their cost of energy, heat and everything. But the surplus of energy that we're supplying should be sold back to the grid. So why aren't we giving them PPAs? Or there's even cogens right now running 60% when they could run 100%, like on Constance Lake, that could be delivering more on the grid—which makes sense; it's green energy. So why aren't you giving them more PPAs?

Hon. Mike Harris: Well, I mean, power purchase agreements are certainly something that we're—

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

The official opposition time is up. We move to the third party. MPP Hsu.

Mr. Ted Hsu: Thank you, Chair. I want to ask about vote 2104, the emergency firefighting line, which is budgeted at \$150 million. I want to start out just by saying I sympathize with the minister because I think a few

sloppy commentators have said that the budget has been cut, but the budget hasn't been cut. That line has been constant for a number of years. But what is—

Hon. Mike Harris: Make sure we get that in Hansard, okay?

Mr. Ted Hsu: Excuse me. But what is the case is that we've spent more than that \$150 million. We spent \$271 million last year and \$171 million the year before. So we keep spending more than the budgeted amount. And the minister himself has said that spending would be up this year. I mean, it's not a surprise.

Why, Minister, are you asking this committee to approve in the estimates a number—\$150 million—which is far below the demonstrated cost in the last few years? Where do you get that? Why don't you have a more realistic number for us to approve? Shouldn't the budget be as honest as it possibly can be?

Hon. Mike Harris: Well, I think the budget is as honest as it could possibly be.

You referenced two numbers there: You referenced last year's, which was \$270-odd million, and the year before that, which was considerably less, which was much closer to actually what our base firefighting budget is.

So, obviously, throughout the year, there are extenuating circumstances. This year in particular, as I've been very forthcoming, we will be spending considerably more than that \$150 million this year. We don't have a total, obviously, as of yet, but these are things that will unfold over the next couple of months.

Recognizing, obviously, since 2018, that number, I will remind, under the Liberal government—you are a member of that particular party, sir—was at \$70 million. So we have since doubled that base funding to make sure that we are able to—

Mr. Ted Hsu: So my question isn't about—

Hon. Mike Harris: May I finish, please? May I finish?

Mr. Ted Hsu: Well, you're starting to answer a different question now, that you've made up, so I'd like—

Hon. Mike Harris: I'm not answering a different question. You're asking about firefighting budgets—

The Chair (Mr. Aris Babikian): Gentlemen, may I have your attention for a second, please?

Hon. Mike Harris: Since 2018—

The Chair (Mr. Aris Babikian): Please, let's respect each other. Let's allow time for the question and also allow time to answer the question. And please, don't speak over each other, and direct your questions through the Chair.

MPP Hsu, go ahead. Ask your question.

Mr. Ted Hsu: Thank you, sir.

This question could be about anything. It doesn't even have to be about wildland emergency firefighting. In the last few years, we've been spending more than the budget. So why is the budget still stuck at this number, which is several years old? And why aren't we saying, "Oh, it looks like we've been spending significantly more than that—millions of dollars more"? Why don't we use the five-year average or three-year average of actual spending so that we can, in these estimates, approve a more honest estimate

of a budget which has a more honest estimate of what it's actually going to cost? Don't we owe that to taxpayers?

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Hon. Mike Harris: I would think, if you look back historically and you look back to when we were elected in 2018 and you look back to the previous Liberal budget before that of \$70 million, we have now more than doubled that. We have doubled that fluid, flexible base funding to make sure that we are ready for the beginning of the year.

You then have all kinds of extenuating circumstances that fall behind that. Respectfully, sir, as I will say again: \$70 million under the previous Wynne-McGuinty government. We more than doubled that under the now three-term-elected Doug Ford government. If we're being responsible, I think that is the responsible thing to do.

Mr. Ted Hsu: Let me ask the question in a different way. What's your over-under number? How many millions of dollars? Do you think there's a 50% chance we're going to spend more and there's a 50% chance we're going to spend less? If you had to honestly put that number forward, how many millions of dollars would you put forward?

Hon. Mike Harris: So, the work is—

Mr. Ted Hsu: Do you really think it's \$150 million?

Hon. Mike Harris: The work has been done to estimate a base cost of roughly—it is roughly—\$150 million per year.

Mr. Ted Hsu: And that hasn't changed for several years?

Hon. Mike Harris: It has gone up, I will say again—has gone up more than double since the previous government. So as we move forward, there are so many circumstances that play into what that budget looks like. Sometimes it's more; sometimes it's less. I understand, and I get what you're trying to say, but the base budget right now is \$150 million, which is up more than twice what it used to be—

Mr. Ted Hsu: But in the last few years, it hasn't changed, even though things have—you keep spending more.

Hon. Mike Harris: Sorry, why don't you go back to what you had said in your initial comment about—obviously, last year's spending, we know, is about \$260 million, \$270 million. What was it the year before?

Mr. Ted Hsu: I have \$171 million—

Hon. Mike Harris: Okay.

Mr. Ted Hsu: —which is still more than the \$150 million.

Hon. Mike Harris: That's pretty gosh darn close. If you think about it—

Mr. Ted Hsu: "Gosh darn close," but—

Hon. Mike Harris: MPP Hsu, that's pretty gosh darn close to that \$150 million.

Mr. Ted Hsu: —all these numbers are higher than the \$150 million.

Hon. Mike Harris: If you want to average it and look at an over-under, that's pretty gosh darn close.

Mr. Ted Hsu: I would think a higher number.

Hon. Mike Harris: While I understand what you're trying to say, the \$150 million is just base funding. It is

just base funding and, obviously, we will spare no expense to keep the people of Ontario safe. We have proven that.

Mr. Ted Hsu: All right, let's move on. There was a charge over the summer that—at the peak of the fire season in July, there were two aircrafts that were out of service for lack of pilots. Can you confirm or deny that?

Hon. Mike Harris: Not lack of pilots. Not lack of pilots.

Mr. Ted Hsu: So there were always enough pilots?

Hon. Mike Harris: I'm not sure where that particular information comes from, but not lack of pilots. I can tell you why, if you want. Or was that—

Mr. Ted Hsu: No, that's okay, there was other—

Hon. Mike Harris: Not lack of pilots.

Mr. Ted Hsu: There were a couple down for maintenance.

Hon. Mike Harris: Engine issues.

Mr. Ted Hsu: Yes, right.

Hon. Mike Harris: Engine issues, unfortunately.

Mr. Ted Hsu: But then there was a charge, and then, you know—okay, that's fine. I just wanted to get your—

Hon. Mike Harris: So unfortunately, there was a lot of misinformation out there during the summer season. It was not due to a lack of pilots.

Mr. Ted Hsu: All right.

I understand that you are increasing salaries for pilots. Are you increasing salaries differently for fixed-wing and helicopter pilots, or is it the same for both?

Hon. Mike Harris: That, I'm not sure about. I might defer to the deputy in this case.

Mr. Drew Vanderduim: Sorry, could I just get clarification on the question?

Mr. Ted Hsu: Is the salary bump for fixed-wing pilots—

The Chair (Mr. Aris Babikian): MPP Hsu, one second please. Please mention your name and title before you answer the question.

Mr. Drew Vanderduim: Apologies, Chair. Drew Vanderduim, deputy minister, Ministry of Natural Resources.

Mr. Ted Hsu: The question is salary bumps. Is it the same for fixed-wing pilots versus helicopter pilots, or is it different for both? Because the shortage is different for both.

Mr. Drew Vanderduim: Yes, I would say—let me just double check my notes. It's not the same for all pilots; it would be a grade of pilots. If we'd like some of the details, I can call the ADM up to chat.

Hon. Mike Harris: If I may, I think there are a few different pieces to this.

Obviously, the classification of a rotary pilot versus a fixed-wing aircraft pilot are different. I would say the overwhelming majority, as well, of our rotary aircraft are on contract—another thing to note. So we pay not specifically for the pilot or the aircraft; it's just a general contract. I do know for a fact that, for fixed-wing aircraft, of course those pilots are being compensated very, very much closer to other, we'll say, ministry employees in other ministries.

We can certainly get you some more clarification on the rotary pilots—

Mr. Ted Hsu: Okay.

Hon. Mike Harris: We're not sure right now off the top of our heads.

Mr. Ted Hsu: Right. Thank you.

My next question is about the FireSmart Communities initiative, which receives \$750,000 in transfer payments. I understand that that's an increase, which I think is a good thing. I remember speaking with somebody who worked in forestry in Deep River—this was about three years ago, and they were complaining that FireSmart was under-resourced because there was only one. The nearest person was in North Bay, which is a bit of a drive away, and there was only one person there. So I think that is a good thing.

But some of the communities where it's really important, I think, to have a completed wildfire protection plan are First Nations communities, if only based on our experience this summer, especially First Nations communities in high-risk areas. I'm wondering if the spending on Ontario FireSmart Communities, which I admit has increased—how will this item in the estimates boost the number of First Nations communities in high-risk areas that have a completed wildfire protection plan?

Hon. Mike Harris: It's certainly an interesting question to ask.

I think when you look at the totality of what we learned this year, making sure that those plans—obviously, communities that have them have the ability to adhere to them. But I think one of the things that we've learned from this year, in particular when you're looking at FireSmart, is that communities that don't have plans in place, whether they be in conjunction with FireSmart or a much broader sort of emergency management plan—this is something that's very challenging, obviously, in First Nations communities, but one of the things that we saw in northwestern Ontario in Mr. Holland's neck of the woods is also unincorporated townships. It becomes very challenging when there aren't plans in place with those communities as well.

So I think one of the things that's going to be incumbent on us and something we need to do a better job at is making sure that we're working very closely with those communities to get them up to speed and make sure that they're ready, obviously, for next year and the years to come. And we can do that through FireSmart, and we can also do it through other programming within the ministry.

Mr. Ted Hsu: Thank you.

I want to follow up on something that Minister Holland mentioned. He mentioned the Quinte Health in Prince Edward county and the new Quinte Health memorial hospital that is going to be built with mass timber. I'm wondering if you happen to know how many provincial buildings—so, buildings that are being built with provincial funds, or projects—there are that you will be using mass timber this year, like the hospital?

Hon. Kevin Holland: I'd have to go to the officials for the exact number, but through the advanced wood working group that I mentioned in my opening remarks—that committee is really charged to make sure that we are we're

exploring all the opportunities that we can with regard to advanced wood construction, whether it's mass timber construction—but there are a couple of examples here, right in Toronto. George Brown College, I believe, is one.

Hon. Mike Harris: George Brown, yes.

Hon. Kevin Holland: George Brown, and then the residential building at the University of Toronto is using mass timber construction as well. A facility, an apartment building, in Minister Harris's riding, in fact, used advanced wood construction for those buildings as well.

Mr. Ted Hsu: Okay. Good.

Hon. Kevin Holland: So there are more that are being developed. And we've worked with MMAH. We've changed the building code. We've worked with the fire service to prove what the benefits of building with wood actually are.

Mr. Ted Hsu: Okay. One last question before my time runs out. The provincial services science and research line item is budgeted at \$68.5 million. It funds the Experimental Lakes Area, but my understanding is that the current contract or program expires next March. Is that funding for the Experimental Lakes Area, which is really crucial for protecting our lakes here in Ontario, secured for future years?

Hon. Mike Harris: The Experimental Lakes Area is very neat—as you mentioned, up just north of Dryden. There's a lot of incredible work that goes on there, and yes, we are planning to make sure that they are funded, moving forward, so that they're able to continue that amazing science research.

Mr. Ted Hsu: Okay. Thank you.

How much time do I have?

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

Mr. Ted Hsu: Two minutes? Oh, excellent. Okay, so that's pretty good.

I will go back to some of these other questions then. If I could go back to aircraft, Minister—

Hon. Mike Harris: Surprise, surprise.

Mr. Ted Hsu: If I understand correctly, the new water bombers will probably be delivered early next decade?

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Hon. Mike Harris: Early 2030s.

Mr. Ted Hsu: Early 2030s, right.

Hon. Mike Harris: Yes. I guess it depends how you frame it.

Mr. Ted Hsu: Frame it? Well, it's coming—

Hon. Mike Harris: You say next decade. It could be four years.

Mr. Ted Hsu: All right. Yes. Time marches on.

Hon. Mike Harris: It depends how you frame it for your social media clip.

Mr. Ted Hsu: Do you think any of the current CL-415 water bombers, if they will—I mean, they are pretty old. They're in their 27th year—

Hon. Mike Harris: They are old, yes. They are old.

Mr. Ted Hsu: Will they still be in service, do you think, until those new water bombers arrive?

Hon. Mike Harris: Oh, absolutely. I mean, you see them flying all around the world. There are older planes that are being used in parts of Europe, Australia.

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

Hon. Mike Harris: We also have contract aircraft, of course, that we bring in as well. We now have a great partnership with the federal government. They have just announced procurement of, I believe, 10 new—well, not new; new to the feds—Hercules aircraft, as well, that will be spread across Canada and be able to assist. So, it's all hands on deck.

Mr. Ted Hsu: I understand there are new helicopters too.

Hon. Mike Harris: Yes.

Mr. Ted Hsu: What year are they expected?

Hon. Mike Harris: Procurement is going out very shortly. They're about a year and a half to two years on the procurement cycle, so we'll be able to supplement, again, with those. But just to remind—there are roughly 140 aircraft that we have at any given fire season flying around the province. So it's not just our owned assets; it's also those contract assets that we bring in as well.

Mr. Ted Hsu: All right. I gather from what you're saying that we shouldn't expect to hear about any aircraft grounded because of a lack of fixed-wing or helicopter pilots?

Hon. Mike Harris: It is not a pilot issue.

Mr. Ted Hsu: All right.

Hon. Mike Harris: I will reinforce that: It is not a pilot issue.

Mr. Ted Hsu: All right. Thank you.

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

Mr. Steve Pinsonneault: Thank you, Ministers, for being here, along with your staff. My question is for Minister Harris.

Minister, I'm not sure many people even are aware of the problem that exists. Of course, unless you've had to deal with it directly, as I have, there are tens of thousands of legacy oil and gas wells scattered throughout Ontario, some dating back nearly a century.

In my home community of Chatham-Kent, we had to deal with an explosion in Wheatley due to the improper closing of wells. At that time, I was a municipal councillor for Chatham-Kent and that brought some undue hardship to the budget. Thankfully, your ministry came to the plate and made our budget whole again to cover for the cost of that emergency. But with any problem comes the solution.

I know, Minister, that you recently announced an additional \$3-million annual investment in the municipal legacy wells transfer program. Can you tell us what that program does and share with us some of the highlights the program has achieved?

Hon. Mike Harris: Sure. Let's just go back a little bit in time, if you don't mind, and talk a little bit about some of the challenges that we've seen across southwestern Ontario over the last few years.

As I mentioned in my opening remarks, there are almost 30,000 known oil and gas wells here in the province. Generally, the challenge is the ones that we don't know about. Often, that's where we see issues arise—obviously, of course, Wheatley being the largest-scale example of

this. Thankfully, no one was seriously injured in that incident. Obviously, you would know it very well, not just being a councillor, but also serving in different capacities in the southwest.

I do want to say a big thank you to everyone who has participated, obviously, in the rebuilding of that community, everyone who has participated from a first-response perspective, and the folks that have now been able to lead some of the incredible working groups where we have communities. I believe almost every single large-scale community across southwestern Ontario is now part of this working group that is advising us as we move forward with what is going to be the best response to deal with a lot of these challenging issues.

You've highlighted a couple of key investments. Obviously, we've invested, I think, in the neighbourhood of nearly \$50 million over the last few years into various programs. They could range from the physical capping of wells on public property, on municipal property. We've now enabled some new legislation as well to allow our resource technicians, our oil and gas technicians, to actually go into private property as well, should people not be responsive or not know that they have wells on their site as well, or if they're not managing them appropriately. Some of that funding has gone directly to first responders, municipal fire departments, paramedics, looking at different types of ways of actually detecting what gases could be present in an area. Some of it is even using drone technology, which is pretty cool, to be able to put different types of sniffers and detectors on those drones to be able to then fly them into an area where there could be a gas or an odour that's been detected and not having to have a physical person go in. It's a lot safer from a personal protective way.

There's a lot of really good things going on. We're going to continue to fund this program. It's something that I've worked really hard to develop over the last year and a half. I do want to thank Minister Graydon Smith, obviously, for championing this as the former Minister of Natural Resources as well. There will be many good things to look forward to as we move forward for southwestern Ontario on this particular matter.

Mr. Steve Pinsonneault: As a volunteer firefighter, I can say you guys have really come to the plate on the PPE part of it and looking forward.

It's unfortunate that such a catastrophic event happened in a small community like that because it really did devastate it, but the province is coming forward. It's definitely opened up a whole bunch of eyes, and moving forward, this could save another small community somewhere. We appreciate that you're putting more money into this and moving this part of it forward because it's not going away. Thank you.

Hon. Mike Harris: Agreed, agreed. Thank you.

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

MPP Paul Vickers: I'd just like to start by saying that I think we're really fortunate to have a couple of great ministers like yourselves looking after this portfolio. Northern Ontario is a really vital part of Ontario's econ-

omy, and I think it's important that we look after it. You two are great advocates on that behalf.

Moving into something a little bit further south: fishing and hunting. They're really important traditions in Ontario, and my son Jack and my father-in-law Ted are two of those people in Ontario. Fishing and hunting support communities across the province. It helps contribute billions of dollars to our economy each and every year. With approximately one and a half million anglers and hunters using Ontario's licensing system annually, it's important that this government service keeps pace with how people expect to access it.

I understand that the ministry recently announced FishHuntON, a new digital fishing and hunting licensing system that will launch in early 2027. Minister, can you tell the committee what anglers and hunters can expect from FishHuntON, including how the new system will make it easier to purchase and manage licenses and access their accounts?

Hon. Mike Harris: Absolutely. The fishing industry in Ontario contributes roughly \$2 billion to the GDP; hunting is about \$800 million. Of that, about \$200 million alone is moose hunting. I'm expecting a question from the MPP from Mushkegowuk—James Bay hopefully about that at some point here today.

FishHuntON is an incredible new system that is coming out. I'm very proud to say that we have designed this in-house. We have gone away with the days where we're relying on companies south of the border in particular to design and manage these products for us. This is all done in concert, of course, with the Ministry of Natural Resources and the ministry of—oh, my gosh; I like to still call it consumer services, but help me out here—

Interjection.

Hon. Mike Harris: —Public and Business Service Delivery and Procurement. Sorry, Minister Crawford.

It's all being done in-house; it's an incredible number one app that you'll be able to have on your phone and also be able to use via a web portal as well. You'll be able to buy and manage all of your licences online, on the app. The app will actually serve as your Outdoors Card as well, so you won't need to carry the physical copy with you. You can have your fishing licence on there, you can have your hunting licence on there and also any of your game tags on there as well, which you can actually then go ahead and invalidate right on your phone. It all works offline, so if you don't have cell service, you're actually able to still use the product, of course, providing you keep your phone charged, which is important.

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But I do want to remind people that the old-fashioned way will still be available. If you're popping into a ServiceOntario in your community, or perhaps one of our retailers, you'll still be able to purchase your licences in that manner as well. Paper copies will still exist, of course.

This will be, essentially, first of its kind in Canada. There are a few jurisdictions in the United States that have something very similar. We've also done jurisdictional scans around the world. Truly, from an operational per-

spective and usability perspective, this will be really, I think, probably leading on the market. It's going to be ready for next year. We're very excited about it. The team has done an incredible job. I've been able to beta test it a little bit. As an avid outdoorsman myself, and I know many around the table are as well, I think the usability and the features are going to be something that people are going to be very excited about.

So I'm looking forward to 2027 when we roll this out and it will be a great addition to our ministry.

MPP Paul Vickers: Okay. That's good news.

Hon. Mike Harris: Thank you.

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

Ms. Laura Smith: Time?

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

Ms. Laura Smith: Okay.

I want to thank both the minister and the associate minister for being here today. I also, on a side note, just wanted to compliment—

Interjection.

Ms. Laura Smith: Oh. My apologies.

I want to thank the minister and the associate minister for being here today and providing the information. Just as an addendum, I actually was witness to some of the drone demonstrations that are happening in Ontario right now, and it honestly saves lives. When you can put these drones in the line of fire instead of physically putting a person, you know what, that's a game-changer. So I'm on board for that. That's an incredible achievement to go forward.

But I'm going to change the dial. Ontario's forest sector is an important part of our province's economy—I think the associate minister talked about \$5.2 billion in the forestry sector—particularly in northern and rural Ontario. We know that the sector continues to face significant challenges from what we are encountering down south of the border.

In 2020, the government released Ontario's Forest Sector Strategy, and earlier this year—you talked about the Roadmap to Protecting Ontario's Forest Sector, which is a 10-year plan to position long-term success. And you talked about the three pillars, specifically the Ontario-made forest products. I was wondering if you could please provide how this new road map will provide and help defend and adopt a strategy that will be long-term for Ontario's forest sector over the course of the next few decades.

Hon. Kevin Holland: Thank you for the question. I appreciate your comments.

You're right. As I indicated in my opening remarks, what the forestry sector contributes to the GDP in Ontario—the revenue it brings in and the employment that it sustains for many communities across Ontario—is staggering. We recognized that in 2020. That's why we rolled out the province's first forest sector strategy.

We are five years into that 10-year plan, where we achieved 85% of the results already. But we recognize that there are other challenges in the sector as a result of the uncertainty that was being caused coming from the United States and, really, the increased duties and tariffs. The

forestry sector has been faced with duties for 10, 15 years now, but when it got to the level it's at now, at 46%, it became really unsustainable for a lot of the mills. That's why we went around the province in 2025. I forget how many miles we put on meeting with all members—

Interjection.

Hon. Kevin Holland: A lot of miles.

From one end of the province to the other, we met with the large companies. We met with the father-son operations, harvesting operations in the bush, so that we could hear directly from all players in the sector what they were experiencing, the difficulties they were having.

As a result of that consultation and the input received from the sector, we came out with our Roadmap to Protecting Ontario's Forest Sector in April of this year. In that, we identified a number of ways that we could support the sector as they dealt with increased costs associated with their operations, whether it be from, as MPP Bourgouin mentioned, the increased diesel costs, the cost of getting their chips to market, diversifying the products they're creating and new markets to sell their products.

You're right: We came out with the road map. It was built on the three pillars of “defend, adopt and grow.” The “defend” pillar is really about protecting workers, communities, and the businesses from the impacts of the unjustified US duties and tariffs.

I mentioned in my answer to MPP Bourgouin that duties and tariffs are a definite number that we know that we have to deal with. It's the unknown, and the uncertainty being caused by the actions south of the border. Every morning, we wake up and we dread to read what has been tweeted the night before and what that's going to mean for our sector.

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

Hon. Kevin Holland: We know that in August, they added the section 338 tariffs.

The whole plan—I'm trying to wrap it up here—and the three pillars aren't about sustaining the industry; it's about positioning it for growth. I'm not satisfied with sustaining the industry; I want to see the industry grow. The plan is about how we can position the sector for growth when things turn—they are going to turn—so that we are able to capitalize on those opportunities when that time comes, and we will continue to focus on that plan.

We will continue to have those consultations. I've been around the province again this summer, after the implementation of the plan, to hear back from the sector to see how it's working for them and what more we need to be looking at. This plan is really developed with complete consultation with the industry and feedback and input from them, so it's really their plan as well.

Ms. Laura Smith: Thank you, Minister. I know you're the company that puts the tires on the truck—

The Chair (Mr. Aris Babikian): Thank you very much. That concludes our first round.

We move to the second round, and we will go back to the official opposition.

Mr. Guy Bourgouin: This time, I want to talk more about wildfires and what we've seen. I don't recall seeing

a wildfire season like we've had this year. I know the government realized that, because you've realized, "Oh, global warming and forest fires. Now we're going to see more and more." Honestly, I don't see it being less—unless we're lucky, and I hope we are; I'll be honest with you.

Interjection.

Mr. Guy Bourgouin: I'm going to touch wood on that.

If we follow the trend, it's not going to get better. So my questions are mostly around that in particular, because we're really concerned, and what we've seen wasn't pretty. It was very concerning with First Nations. When we saw the train situation—I don't understand how a company can send their workers when there's a fire situation happening. Everybody knew. Why would you send a train into what we've seen? That could have cost lives. In fact, I think we were lucky that we didn't lose any lives in this fire season.

To get back to it: The estimates identified \$196.7 million to public safety and natural emergency response, which includes wildfire, floods, drought and other emergencies. How much of this envelope is specifically dedicated to wildland fire preparedness, prevention, safety, staffing, equipment and response?

Hon. Mike Harris: I hope we can take a few extra minutes and chat about this.

Mr. Guy Bourgouin: Well, we have another round, so trust me: If you don't answer, I'll make sure I come back.

Hon. Mike Harris: We'll go as quickly as we can.

Obviously, this year was unprecedented, especially for northwestern Ontario. We saw drought conditions. We saw temperatures over 40 degrees Celsius, no rain for a long period and very high winds.

And I can tell you that July 10 was a very difficult day for many communities across the northwest. That's when we saw large-scale storms sweep through and touch off dozens and dozens of fires across the region that thusly grew together and became some of those fires like the ones we saw with the train, with the community of Collins. Of course, what happened there is absolutely terrible. You can say your heart goes out, but none of us really understand what it means to that community. We've done a lot to expedite services to try and get them back: bridge construction, rebuilding those roads and trying to get people back into community.

I guess to answer your question in a roundabout way, it's not just about the fire budget or the emergency management budget, it's about a lot of things that also go into that.

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When we look at fire preparedness, a lot of that work is done, some of it through—we'll call it the off-season, if you will. Obviously, April till October is the fire season here in the province, but a lot of that work is done in conjunction with forestry companies through the winter when they're logging, looking at ways that they can harvest specific areas. We're going to learn from what happened this year in particular, especially around communities. How can we work with our sustainable forest licence

holders to actually go in and create firebreaks, selectively harvest and work around communities to be able to make sure that they're doing everything they can to help?

Of course, we talked a little bit today about forestry access roads; those are another big piece from that preparedness perspective. It's how we move equipment in and out. It's how we get people out in case of emergency. It can often be the only way to get people in and out in case of emergencies.

It's not just one bucket of funding within that almost \$200 million. There are a lot of other pieces that go into it from a preparedness standpoint. If you can be more specific, perhaps—

Mr. Guy Bourgouin: Well, that's what I'm trying—so how much is going to front-line wildfire operation?

Hon. Mike Harris: Okay, so the baseline is \$150 million that we use for our AFFES services. That's the baseline.

Mr. Guy Bourgouin: How much is being spent on prevention versus suppression? You mentioned a little bit about forestry and the new builds, so skip that one. How much is dedicated to aircraft, vehicles, for equipment and fire management facilities?

Hon. Mike Harris: If you want the breakdown and the specifics, we can certainly get you that. The \$150 million is more specifically for, we'll call it, the wildland firefighting budget. Actually, we just made an announcement a couple of weeks ago. Deputy, correct me if I'm wrong. How much was it? Was it \$30 million?

Mr. Drew Vanderduim: It was \$30 million.

Hon. Mike Harris: So \$30 million, specifically into two of our forward attack bases—that's not part of that base budget of \$150 million. If you want specifics, we can absolutely get them for you—

Mr. Guy Bourgouin: Well, we want the specifics. Please send them to me. But I've been promised this from other ministries, and we never got the information.

Hon. Mike Harris: Well, we will get it for you, sir.

Mr. Guy Bourgouin: Okay, because this makes a huge difference. Because if you just go on what the number is—what? It's a \$45 million difference that is missing—

Hon. Mike Harris: No, that's where—just to make the distinction: the \$150 million is for wildland firefighting—

Mr. Guy Bourgouin: Operations.

Hon. Mike Harris: —operations, and then you've got outside operations of base management, improvements, infrastructure.

For example, the procurement of, let's just say, the helicopters, right? Five new helicopters, roughly around \$150 million—that sits outside of the base operating budget or whatever that budget looks like at the end of the year.

We just did a procurement on some avionics updates for our water bombers as well to bring them up to standards, so with the old 415s up to standards of what the new 515s will look like. That sits outside of that firefighting budget.

Mr. Guy Bourgouin: So, Minister, then explain to me why your firefighters are asking for a base budget of \$300

million and to work towards a 10-year plan. Why don't you listen to—they are the experts.

Hon. Mike Harris: Just to be clear—

Mr. Guy Bourgouin: They're the experts, so why won't you grant them that money which, in fact, comes back from the same pocket you're saying—

Hon. Mike Harris: So—

Mr. Guy Bourgouin: Let me finish. So why don't you make that happen, which to the firefighters makes sense—that will be more prepared, if I can use the term—and then work towards a 10-year plan to make sure that we protect and we're ready?

Hon. Mike Harris: I will caveat what you're saying by—when you say, “firefighters,” it is a very specific group of folks who are making these recommendations. We work with our AFFES team, obviously, that is made up of professionals from across the board, to be able to come up with these budgets. I think that particular person you're talking about was also the one who was perpetrating the fact that it was pilots that were grounding those planes this year as well—

Mr. Guy Bourgouin: I'm speaking to a lot of people, not an individual. I can tell you—

Hon. Mike Harris: If you look at the reports, sir—

Mr. Guy Bourgouin: Minister—

Hon. Mike Harris: If I can answer the question—

Mr. Guy Bourgouin: —I've been talking to many people. In fact, ask management—

Hon. Mike Harris: If I can answer the question—

Mr. Guy Bourgouin: So it's not just one individual—

Hon. Mike Harris: Chair, through you—

The Chair (Mr. Aris Babikian): Order, please.

Hon. Mike Harris: —if I can answer the question—

The Chair (Mr. Aris Babikian): Yes, continue, Minister.

Hon. Mike Harris: We are extremely well-resourced. We are extremely well-prepared and we will continue to be as we move forward over the next several years to address this. This is why we have made historic, unprecedented investments into our forest fire wildland firefighting services, to the tune of \$650 million in new equipment from an aerial perspective. We've reclassified firefighters. We're paying pilots more. We're doing a lot of these things, sir, that quite frankly you're suggesting that we do.

So, we're moving forward. We're being proactive, and we'll continue to do that to make sure that we protect the people of Ontario.

Mr. Guy Bourgouin: Okay. Thank you.

Just to move on—but I do expect these numbers—

Hon. Mike Harris: We will get them for you. We will give you as best of a breakdown as we can, absolutely.

Mr. Guy Bourgouin: Okay.

The ministry's 2026-27 performance target is 95% initial attack success effectiveness for wildland fire response. Can the minister explain exactly how the ministry defines “initial attack success” and how that 95% target is calculated?

Hon. Mike Harris: Sure. So “initial attack,” obviously, is when we discover a fire, whether it's seen by some of

our aircraft or it's reported from community members. The initial attack is, obviously, that first crew that goes out and surveys that fire. That could be something as simple as a water bomber going out, seeing the fire. It's small; they can make a few drops on it. They put that fire out.

It could be something a little bit more elaborate, where we don't think that we are able to necessarily put the fire out immediately. It's going to take a little bit of work; it's a larger fire. So we might have a helicopter come in with a crew or a few helicopters come in with a crew to be able to get on the ground and contain that fire.

From a success perspective, it can mean two things. It either means direct suppression and we're able to put the fire out—it's a small fire; it's easily manageable—or we come in and we're able to contain the borders of it so that it's not growing at an exponential rate. So that's how we would measure that success.

Mr. Guy Bourgouin: I guess the following question would be, how does the ministry determine the target? It reflects the actual operational capacity, so how do you determine that it's—

Hon. Mike Harris: Well, it's fluid every year. Obviously, this year, we saw more fires touching off at the exact same time, which of course makes it very difficult to maintain that. I think we'd love to see 100% success rate.

I think one of the other things to understand, though, is that we are not there to put out every fire. Fires are an important part of regenerating the boreal forest. So, when we're able to have a fire in, let's just say, a remote area, we will of course keep an eye on it and make sure that it isn't encroaching towards communities. But we will keep those fires—we call it “observed.” If you look at the reports that come out from the ministry on a daily basis, those would be fires that we're observing.

Fires that are close to communities, fires that are close to infrastructure or pose, let's just say, a significant risk, that's where we say we want to see that 95% to a 100%, when we're able to get out there—initial attack to stop it from growing.

Mr. Guy Bourgouin: We used to do a lot more with prescribed burning.

Hon. Mike Harris: Yes.

Mr. Guy Bourgouin: And we've seen the effect, this year, when you don't do any: bigger fires because there are more blowdowns; there are older forests.

So my question would be: Ontario historically used prescribed burning as a forest management and wildfire risk-reduction tool. Is the ministry prepared to examine whether Ontario should rebuild its prescribed burn program?

Hon. Mike Harris: Absolutely. There are two pieces to this: We still do use prescribed burns; it is something that is still a tool in the tool box, if you will. The other thing that we also do is work with First Nations communities around cultural burning, which is essentially almost the same thing when you look at how it's done.

So, yes, that is definitely going to be a big take-away from this year. What can we do to bolster that programming? What certain areas does it make sense to be able to utilize that more? And I think that goes into the larger

debrief that we'll be doing over the next few months as fire season comes to an end.

Mr. Guy Bourgouin: How many hectares are being prescribed per year? You said we're doing—how many have we been burning per year, prescribed burning?

Hon. Mike Harris: I don't have those numbers off the top of my head. I would defer to anybody if they know. Where is Jen Barton?

Mr. Guy Bourgouin: And how does it compare to historic levels?

Hon. Mike Harris: We can get the numbers for you.

Mr. Guy Bourgouin: And I would like to know, how does it compare to historic levels? I remember we used to do a lot more.

Hon. Mike Harris: Sure. Yes, we can get those numbers for you.

Mr. Guy Bourgouin: Because that would make a huge difference.

Hon. Mike Harris: Yes.

Mr. Guy Bourgouin: You know, First Nations were doing it before we were here, so—

Hon. Mike Harris: Of course they were. There is a big opportunity there, for sure, and we'll certainly get you the numbers.

Mr. Guy Bourgouin: Okay. How much time?

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

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

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Mr. Guy Bourgouin: Okay, good.

Is the government committed to making greater and earlier use of trained Indigenous type 2 firefighter crews in Ontario?

Hon. Mike Harris: This is an interesting conversation. Of course, you have your type 1 crews, who are the folks who are kind of on the front line, fighting the fires. Then you have your type 2 crews here in Ontario that we utilize more for what we call values protection.

Values protection would be setting up sprinkler systems, hose lines, creating fire breaks—different things around communities and/or infrastructure. They serve an extremely important function.

We had type 2 crews from all over Ontario, and we had some contract crews as well this year come in and do some values protection for us. So, absolutely, it's something that we currently utilize and something that we will utilize more as we go forward when the need arises.

Mr. Guy Bourgouin: How many type 2s have we had this year?

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

Hon. Mike Harris: This year, I'm not 100% we can—do we know those numbers, friends, on type 2 crews? Amanda?

Interjection.

Hon. Mike Harris: We can come back if you have another question you want to sneak in.

Mr. Guy Bourgouin: Well, we'll probably have another turn, so she can probably give it to you, and then you can answer.

Hon. Mike Harris: Yes, please. Thank you.

Mr. Guy Bourgouin: Because we only have a minute.

How many were actually deployed? Were they all deployed, or were they not all deployed? Or did we have them on standby, or—

Hon. Mike Harris: I'm fairly certain that everyone was fully deployed.

Mr. Guy Bourgouin: Okay.

How much time left?

The Chair (Mr. Aris Babikian): Twenty-five minutes—seconds.

Laughter.

Hon. Mike Harris: Oh, 25 minutes?

Mr. Guy Bourgouin: I liked your answer of 25 minutes better.

The Chair (Mr. Aris Babikian): Don't worry, you will have additional time to ask questions.

Mr. Guy Bourgouin: I'll wait for the next round.

The Chair (Mr. Aris Babikian): The time is up. Sorry, you wasted your time.

Mr. Guy Bourgouin: You gave me 25 minutes; I was happy with that.

The Chair (Mr. Guy Bourgouin): MPP Hsu.

Mr. Ted Hsu: I'd like to ask a little bit about the process for approving aggregate licences and permits. Minister, you did mention that you have—I believe the number was 1,100 inspectors, which is up from years ago, and a goal of inspecting 20% of sites in a year. But my question is, how many agriculture specialists do you have in the ministry for that process of approving licences or permits?

Hon. Mike Harris: Sorry, did you say "agriculture" specialist?

Mr. Ted Hsu: I said "agriculture," yes. Is that done in the ministry, or do you get the expertise from outside?

Hon. Mike Harris: That's an interesting question. Are you asking specifically about our compliance officers, or do you just mean people who are going through the permitting process?

Mr. Ted Hsu: People going through the permitting process.

Hon. Mike Harris: Okay. It's a hard question to answer, to be honest. When we go through the Aggregate Resources Act—we'll just call it the ARA because it's just easier—we certainly have resource specialists on staff that have been cross-trained through many different variations, whether that's environmental assessments, whether it's agriculture use etc.

To say defined specialists—if we did have questions or concerns where we weren't exactly sure from our own end, what we would do is we would reach out to our partner ministries to be able to leverage their expertise. Obviously, that would be OMAFA; that's where we would look to get that. We do have folks on staff that I would say are experts, but whether they have any designation or certification, we would defer to OMAFA on that.

Mr. Ted Hsu: Right. I mean, your government does have policies to protect prime agricultural land.

Hon. Mike Harris: Of course.

Mr. Ted Hsu: Where does that policy get examined in the context of approval of a permit for a new aggregate?

Hon. Mike Harris: I can speak to this in my own riding. I've got one of the highest aggregate-producing ridings in the province. I have also well over 1,200 farms in my riding. So it is very difficult sometimes to balance both.

One of the things that we look at when you're talking about prime: There's the designation of prime agricultural land, but there's also whether or not it's actually being used for agricultural purposes. A lot of the time, when we look at what would be considered prime ag land, it may not have been farmed for decades.

I can tell you, in my region in particular, we have several areas that were flax farms. Flax farms, over time—flax seed—become extremely unproductive land. So even though it is still, we'll say, designated as prime ag, you'd be lucky if you could grow potatoes on it at this point because it's just the way with flax in particular that it integrates with the landscape.

What we look to do is if land is currently in service, is prime agricultural and is growing, that holds a lot more weight in an application than something that maybe hasn't been farmed for a decade or so, if that makes sense.

Mr. Ted Hsu: Thank you.

A totally different subject: The ministry has a liability on its books, which is for the legacy of oil and gas wells. What's the current number in dollars for that liability? It's on the order between a billion dollars or something like that? I'm just wondering what it roughly is.

But what I'm even more interested in is, how much has that changed since last year and how much do you expect it to change next year?

Hon. Mike Harris: Our current mapping shows, give or take, about 30,000 wells that we know about. From a liability perspective, we're liable for some of them but not all of them.

I'm not sure, Deputy, if you have a specific breakdown of how that works, but—

Mr. Ted Hsu: I think there's a dollar number?

Hon. Mike Harris: Yes, we can look to get that for you. I don't know that we necessarily have it right off the top because it does fluctuate considerably year over year.

Mr. Ted Hsu: Okay. Maybe if you could just tell me what the number was last year and what it is this year and what you expect it to be next year.

Hon. Mike Harris: Yes. We can definitely get that for you.

Mr. Ted Hsu: Okay. Thank you.

Again, another very different question: The government claims—I've seen a press release from the Ontario news website—that our carbon storage will cut emissions by five to seven megatonnes a year and create 4,000 jobs.

I don't want you to justify it right here, but I'm just wondering if you would be willing to publish the analysis that led to those figures in the press release that was put out. Can somebody write it down and calculate it? Is that something we can see publicly?

Hon. Mike Harris: I think some of it would be based off of how many proponents are interested in participating. Obviously, the offsets will be contingent on that, but sure, we can look to get you—

Mr. Ted Hsu: There are probably some assumptions that you made to get to 4,000 jobs and five to seven megatonnes a year.

Hon. Mike Harris: Of course. There's some extrapolation. But I think if you look at historically what's been done in other jurisdictions, you can get a pretty good sense of, if you measure it by tonne, what that does mean from a GDP or economic perspective.

Mr. Ted Hsu: Okay. I guess the reason why I'm a bit surprised that your government put out actual numbers is that the economic break-even point is not really clear for that—and so, to be able to put out these numbers. Anyway, I'm assuming that your government will do things that are economic.

Hon. Mike Harris: To caveat it, I think it's up to where we talk about that it "could" create. We always want to presume the best-case scenario. I think that's something that's incumbent on all of us as we look to create jobs and create economic benefit and create benefit to the environment. We always want to use that best-case scenario.

Mr. Ted Hsu: Following up, when I asked about the Experimental Lakes Area—and I'm very glad to hear, Minister, that your government is intending to continue funding past March of next year. But it's part of a bigger question. I'm just wondering if there is a historical head count of ministry scientists, because good decisions about forests and fish and water depend on good science. That's why we have and that's why we fund things like the Experimental Lakes Area. Do you have a year-by-year head count of ministry scientists going back?

Hon. Mike Harris: Deputy?

Mr. Drew Vanderduim: We would have to go back and look at that and get that information.

I would say that the experimental lakes are not just MNR staff. Certainly, we have federal staff there; we have private companies there all the time. The experimental lakes were fairly broad use. We could do some assessment on what we think the staff head count was there. They would be used intermittently depending on—

Mr. Ted Hsu: But I'm talking about the whole ministry—

Hon. Mike Harris: Are you talking about broadly?

Mr. Ted Hsu: Broadly, the whole ministry, yes.

Hon. Mike Harris: Yes, we would have that information. We could certainly get you some historical numbers and, of course, up to these estimates, for sure.

Mr. Ted Hsu: Okay, if that's possible. I appreciate that. Thank you.

Hon. Mike Harris: Just to again caveat that a little bit too: There are scientists embedded within many different divisions of the ministry. So if you're just looking for a broad-based, scientific impact, great, we can do that. If you're looking for something a little bit more scoped, perhaps some follow—

Mr. Ted Hsu: Broad-based would be okay.

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Hon. Mike Harris: Okay, not a problem.

Mr. Ted Hsu: Another reason for asking this is I'm wondering if I could, maybe not right now, but if you could provide after this meeting a list of what long-term monitoring programs have been reduced or discontinued over the last little while. The reason is it's really hard—

Hon. Mike Harris: Can you be more specific?

Mr. Ted Hsu: Oh no, again, I'm asking broadly and—

Hon. Mike Harris: I'm not sure of any, specifically, that would—from either an emergency management or a broader-scale monitoring. We enter into agreements with communities or First Nations where we would have a defined term. Maybe it's a five-year monitoring program, or something along those lines, and then we look to see whether it needs to be continued, or can we sunset it? It's a bit of an ambiguous question. You'd have to scope it—

Mr. Ted Hsu: Well, maybe I'll get back to you with particular programs.

Hon. Mike Harris: Yes, scope it, if you could, that would be helpful.

Mr. Ted Hsu: I ask this because the Experimental Lakes Area is not somewhere where you go with some test tubes and you do an experiment. You've got to watch how the whole lake evolves over a long, long period of time because—

Hon. Mike Harris: To my knowledge, the experimental lakes program—don't forget it—is a partnership with other ministries and the federal government. I don't think there has been any, if you want to use the term “cuts,” or anything along those lines. It's had pretty sustainable funding. And then, there are certain projects, also to keep in mind, that get additional funding, that are then done in the Experimental Lakes Area, as well, so it's kind of a two-piece—

Mr. Ted Hsu: Understood. Experimental lakes is a bit sensitive because it's about 10 years ago or so—no, 12 or 13 years ago—its federal funding was threatened. There was a big fight—

Hon. Mike Harris: And you would remember that well.

Mr. Ted Hsu: —over that, which I was in the middle of, and so that's why I'm especially glad to hear that the province is continuing its funding—

Hon. Mike Harris: Hey, if you want to talk to your former federal colleagues and you can get them to put a little bit more funding into it too, we would love to see it.

Mr. Ted Hsu: All right, that sounds good.

How much time do I have left, Chair?

The Chair (Mr. Aris Babikian): Four minutes—almost five.

Hon. Mike Harris: It's going to be a great four minutes, I can tell.

Mr. Ted Hsu: My question is going to be about sawmills. Minister, you talked a lot about the duties and the tariffs that it's subject to. I'm wondering about the province's \$1-billion tariff financing program and I'm wondering if you think that sawmills should become eligible for

that tariff financing program. Did you have a discussion? Have you debated this? What are your thoughts about that?

Hon. Kevin Holland: Thanks, I appreciate the question.

We have expanded the tariff relief program in light of the 338 and 232 tariffs that have been imposed on the sector. The latest round of 338s are really on the value-added business, and the impact it's having on the whole sector, including the smaller operations that we spoke about earlier.

Specifically with the sawmills, they're eligible under the program with the federal government that provides that relief specifically to the sawmills. We are continually advocating and working with the sawmills and the federal government on making sure that the program that's been established by the federal government with respect to that is being fully applied to the sawmills here in Ontario.

Mr. Ted Hsu: Thank you very much.

I want to ask about fish and wildlife special purpose funds. There was money from hunting and fishing licences, \$16.7 million. The fish and wildlife stewardship transfer payments are just \$287,500. I'm wondering if you can confirm what the licence revenue you expect to be in 2026-27—what that's going to be, and if you could just confirm that all of it is going to be spent on fish and wildlife management—

Hon. Mike Harris: All of that money goes back into conservation—

Mr. Ted Hsu: That somebody else in the Premier's office isn't telling you to—

Hon. Mike Harris: I'm a very fervent believer that that money should only be used to go back into conservation purposes.

We have, as you stated, multiple contracts and vehicles where we work with communities, we work with non-profit organizations such as the Ontario Federation of Anglers and Hunters, and also within our own ministry for fish-stocking programs or hatchery programs, for example. As to what the numbers would look like from a revenue-generation standpoint from licences, it's a bit hard to tell year over year, but it does stay relatively flat.

As an angler and someone who believes we need to develop more opportunities for people to be able to enjoy and recreate across the province, I want to see that number go up because it means great—you know what—more revenue that goes into those programs, but it means that there are more folks out there angling on the landscape. For me, that's really what I'm hoping to see.

Mr. Ted Hsu: Okay. My last question, just to go back to carbon storage a little bit: As you know, if you want to store carbon and have it not affect the climate, you would need to store it for like a thousand years or so. In Ontario, we have a lot of old, poorly documented wells—

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

Mr. Ted Hsu: —and they could be leak pathways. Is any of the money in the estimates that we're considering today going towards trying to assess what wells are connected to what—what exactly is connected to what?

Hon. Mike Harris: Absolutely.

Mr. Ted Hsu: I mean, clearly, we didn't know what was connected there.

Hon. Mike Harris: Yes, absolutely. That's one of the things that we're really working on: trying to bolster our mapping, and understanding, in particular, hydrology.

Mr. Ted Hsu: And do you have an idea of how many dollars?

Hon. Mike Harris: I don't have an idea of dollars off the top of my head. Again, there's multiple different programs. The carbon-storage piece sits a little bit outside that. When we're doing the oil and gas monitoring, looking at the mapping, that's really done under the oil and gas well programs.

Just to also sort of put it out there: This is a carbon-storage framework and an enabling legislation. It doesn't mean that, all of a sudden, we're just going to have everybody piling in, trying to do this. There's still quite a bit of due diligence that has to be done as we report, and that's part of it.

Mr. Ted Hsu: Right. I assume that some of your ministry's budget is being spent on beginning that due diligence.

Hon. Mike Harris: Yes, absolutely.

Mr. Ted Hsu: Can I ask—

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

Hon. Mike Harris: If I may call a point of order on myself, Chair, can I do that?

The Chair (Mr. Aris Babikian): No. You cannot—

Hon. Mike Harris: Can I have one minute to provide some updated information?

The Chair (Mr. Aris Babikian): You will have an opportunity after the government side finishes.

Hon. Mike Harris: Sounds great.

The Chair (Mr. Aris Babikian): MPP Bourgouin will have around 10 minutes, so you can answer him during that time.

Hon. Mike Harris: I just don't want to take up his time, so long as we can get him the information.

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

Mr. Rudy Cuzzetto: Minister, if you want, you could speak on it right now, if you want.

Hon. Mike Harris: Okay, sure. I would appreciate that.

Mr. Rudy Cuzzetto: And then, I will ask you the question afterwards.

Hon. Mike Harris: Yes, okay. That's great; thank you, I appreciate that.

Just to answer your question about type 2 crews: We had 56 type 2 crews deployed across the province. All of the crews were utilized, so 56. Of those, four were First Nations-based—sorry, 56 plus four. So Whitesand, Lac Seul, I assume that's—

Mr. Drew Vanderduim: Pikangikum.

Hon. Mike Harris: —Pikangikum and—

Mr. Drew Vanderduim: Mishkeegogamang.

Hon. Mike Harris: —Mishkeegogamang. So, there were four First Nation crews that were deployed as well, on top of the 56.

There are also 37 community fire officers that are also embedded within communities across northern Ontario, as well—many of those sort of smaller fly-in communities, boat-accessible communities, train-accessible communities—and those are sort of the liaison officers, I guess you could say, on the ground to help coordinate, obviously, some of those fire-smart things that we were talking about, and also help coordinate evacuations and different things of that nature.

Hopefully, that is the extent of what you were looking for, sir. Thank you.

Mr. Rudy Cuzzetto: Thank you, Minister.

I would like to ask you a question on wildland fires. For years, our Premier has been repeating the same words: "Not a single penny will be spared to protect people and their communities from wildland fire." We have seen funding raise incredibly from when this government took office in 2018. We know that it takes money to prepare for the build-up of a fire season. You can't just wave a magic wand and have everything in place in a moment's notice.

Can you please explain to this committee exactly how the base budget for the fire season works, and where the money is spent? Also, why is it important to keep raising the budget yearly?

Hon. Mike Harris: Okay. We've talked a little bit already today, so I won't necessarily rehash too much, but I can get into a little bit more detail of how preparedness works, what that base budget goes towards funding and maybe talk a little bit about some of our partner agencies or folks that we work with.

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As I had said, prior to 2018, prior to taking office, the wildland firefighting budget was pegged at about \$70 million. It had been quite stagnant there for a while. We thought it was prudent to go ahead, when we took office in 2018, to then more than double that number to \$150 million. What that does is it helps us in that, like I've said—I use the term "off-season"—to thusly get prepared. What we do once the fire season is complete is we do an overhaul of all our pumps, hoses, chainsaws. We look at the engines that we use as well—we'll call them fire trucks—to make sure that all the maintenance is done, all the proactive things; being able to get our crews well prepared. Some stay on and do training. There's all kinds of different things that we do.

Also, on the flip side of that with the folks who help with some of our back end or from modelling perspectives or looking at how we're going to build out mapping for the next year; getting all of those contracts in place—I said that we have roughly 140 aircraft at any given time that are flying around the province doing either direct suppression work or helping to spot fires, mark fires or move crews around the province. We're getting a lot of those contracts in place as well.

We're also making sure that we're developing those partnerships through CIFFC, the—oh, my gosh—Deputy, Canadian?

Mr. Drew Vanderduim: Canadian Interagency Forest Fire Centre.

Hon. Mike Harris: Interagency Forest Fire Centre; that's administered by the federal government to help coordinate, as we had talked about a little bit earlier, folks from all those different jurisdictions either coming in to help us or that we're going out to help them. There's a lot that happens, you could say, in the off-season to get ready.

That \$150-million budget then carries on after April 1 into the actual fire season and then, as required, whether it's partway through, depending on how much funding is required—obviously, in this case, additional asks have to be made, where we have other years where it's either no additional ask has to be made or it's quite minimal in the grand scheme of things.

That's really how it's broken down, how it works. I'm not sure if you had any additional questions to that.

Mr. Rudy Cuzzetto: Not on that subject, but on US tariffs, I do.

The forest sector has been facing a lot of issues now with the US tariffs coming into effect in our Canadian forestry production. Could you please outline the actions our government is taking to protect Ontario's forest sector, its workers, its forestry departments and communities from the impact of the US tariffs that are happening?

Hon. Kevin Holland: Sure, thanks.

I'm not going to repeat what we've already said here today with regard to the rollout of our road map and the defend, adapt, grow pillars.

One of the most immediate actions we have taken related to duties and tariffs is expanding the Protect Ontario Financing Program. Following the latest US tariffs announcements, we broadened our eligibility to include eligible forestry companies affected by section 232 and section 338 tariffs. This support is helping eligible businesses manage the impacts of trade disruptions, maintain operations, preserve jobs and continue investing in their future, despite the ongoing uncertainty that is coming out of the United States.

At the same time, we continue to advocate forcefully for Ontario's forest sector. Our government has made it clear that ongoing duties and tariffs on Canadian forest products are harmful to workers, businesses and communities on both sides of the border. Ontario remains committed to working with industry, the federal government and other provinces to challenge these unfair trade measures and advocate for the complete removal of duties and tariffs that target Canadian forest products.

While we continue to push back against the unfair trade actions, we are also supporting the sector through significant provincial investments that help businesses become more resilient and less vulnerable to market disruptions. As I've indicated earlier, since 2018, Ontario has invested almost \$90 million to the Forest Sector Investment and Innovation Program, which helps forestry companies improve productivity, adopt innovative technology, strengthen supply chains, expand market opportunities and increase competitiveness. These investments have leveraged more than \$510 million in new investment, created roughly 450 jobs and helped retain more than 3,800 existing jobs across the province.

We're also helping businesses diversify and identify new opportunities through the forest biomass program. Since its launch in 2023, the program has invested almost \$88 million in more than 79 projects focused on increasing wood utilization and developing new uses in markets for Ontario's wood and forest biomass. These projects have secured more than \$280 million in additional investment, created more than 115 jobs and helped unlock new economic opportunities in forestry communities. There is a great example of that in the pilot project that's under way right now at Thunder Bay Pulp and Paper for the creation of biodiesel from biomass.

Protecting this sector also means supporting the critical infrastructure they rely on. Through the Provincial Forest Access Roads Funding Program, we've invested more than \$510 million since 2018. Our government has responded to specific market disruptions affecting sawmills with our Ontario sawmill chip program, a \$20-million investment over two years, which has helped sawmills find new markets for their mill residuals. It has moved more than 1.8 million green metric tonnes of chips to new markets.

We have also reduced operating costs for forestry businesses through the Northern Energy Advantage Program. Large industry users, including pulp and paper operations, receive support to lower electricity costs. In 2025-26 alone, businesses received almost \$21 million in electricity rate relief.

At the same time, we're creating new domestic demand for Ontario wood products or advanced wood construction, which I spoke about earlier. We've advanced more than \$21 million in wood construction projects, research, demonstration initiatives and education programs. That, combined with the recent building code changes and supports for mass timber projects—these investments are opening new markets for Ontario wood products and supporting value-added manufacturing opportunities at home.

The sector itself, through our travels around the province, is indicating that a small uptick in domestic use in Ontario helps put them on a more solid foundation, where they are better able to absorb some of the challenges associated with what we're seeing coming out of the United States. Ultimately, our response to US trade actions extends beyond short-term assistance. Our focus is on building a stronger, more diversified and resilient forest sector that can withstand external pressures and succeed in a changing global economy.

Through the road map, targeted investments, infrastructure support and regulatory modernization, market diversification and continued advocacy against unfair trade measures, our government is standing with forestry workers, businesses and communities in ensuring Ontario's forest sector remains a source of jobs, prosperity and economic growth for generations to come. And the work will be continuing.

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

Mr. Steve Pinsonneault: Minister, it would seem every year, we hold our collective breaths, wondering what

kind of fire season we're going to be in for. I had the opportunity to visit the wildfire crews when I did my northern tour for the Ministry of Rural Affairs. As a firefighter, I had a real appreciation of how well these fire crews were organized and prepared for the wildland fires.

But it's not just us; there have been places around the world, across the country, that have been hit by extremely challenging wildfires. You can clearly see examples in Europe and here in Canada, in BC and Alberta, in recent years.

There is no doubt that Ontario has some of the best front-line staff in the world when it comes to fighting those wildland fires. We would have seen and worked as some fires were contained in short order. That is a tribute to those in the bush with hoses and axes in hand, those people working behind the scenes and making sure nothing gets missed.

I know you've talked about budgets, but I'd like to touch a little bit on the staff. Could you please outline to the committee what kinds of investments have been made to those support staff members to give them what they need, and what has been done to make Ontario an international leader in wildfire management?

Hon. Mike Harris: Thank you for the question. I think that's something to highlight here today. We talk a lot about numbers and budgets and different things, but at the end of the day, it's the folks on the ground that do the real work, so kudos to everybody that, obviously, has participated this year—a very difficult year around the globe, as you mentioned.

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We've seen news reports of what was happening in France, parts of Spain, other areas in the European Union, and of course British Columbia is having a very difficult fire season as well. I had the opportunity to actually be in British Columbia for some fisheries and forestry meetings this year and had an opportunity to speak and meet with the Minister of Forests from British Columbia, the Honourable Ravi Parmar, and just discussing about what's going on in BC versus Ontario: How can we continue to help each other? How can we continue to learn best practices?

I think that's one of the things that Ontario does very well, and where people do look to us is for those best practices, whether that's from the tactics that we use, right up to our incident management crews and the folks who are in the office and helping to direct. Whether it's coordinating planes, evacuations, equipment, folks on the ground, remapping fires—all of those things—Ontario does such an incredible job, and we really are looked at as one of the foremost wildland firefighting organizations across the world.

So a big thank you to the teams and everybody that's doing the work. I think it's important to recognize that, and we've reclassified our firefighters to make sure that they're looked at from a different pay scale perspective. We've looked at making portions of our crew leaders, folks who want to stay on full-time—a crew is generally

made up of four or five folks and then you have a crew leader that is responsible—

The Chair (Mr. Aris Babikian): Thank you, Minister. That concludes—

Hon. Mike Harris: We should go back to that, because it's a good story.

The Chair (Mr. Aris Babikian): Sorry, Minister, you still have one minute. Continue.

Hon. Mike Harris: I still have one minute? Oh, my gosh. Okay—to be able to look at keeping those people on full-time, as we had mentioned earlier, changing some of the compensation models for our pilots and our aircraft maintenance engineers and the folks who are doing the work on the aircrafts themselves.

There are a lot of great things on top of just increasing that base budget where we're looking to entice more people to come in. We even had crew retention bonuses and different things like that, to try and recruit more folks. We've actually had more people—I think, Deputy?—last year recruited than ever before. That's great news, obviously, for our wildland firefighters and of course in turn for the people of Ontario.

I think that should probably wrap it up, Chair.

Mr. Steve Pinsonneault: As you said, it was a nasty year.

Hon. Mike Harris: Very difficult, yes.

Mr. Steve Pinsonneault: It was very challenging. Thank you for recognizing the boots on the ground, on the front line—

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

We still have almost nine minutes to conclude the two hours allotted to the estimates. According to the rotation, we will go to the official opposition. MPP Bourgouin, you hit the jackpot.

Mr. Guy Bourgouin: It's 25 minutes, you said, right?

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

Mr. Guy Bourgouin: Thanks, Chair.

I just want to get back to—I asked you a question about PPAs earlier. Just to remind you of the question, we've heard from the forest industry quite a bit that if we could have just a small section to be able to sell back on the grid, it would be instrumental for their industry when they talk about biomass.

There's a lot of investments that have been done on biomass. I support it. They should have been done a long time ago, to be honest with you, because there's too many residuals left in the bush still. But what the question would be is, how many Ontario facilities are currently generating energy from forest biomass that have a PPA so that they can sell back under it? How many operations do we have like that?

Hon. Mike Harris: There are five currently that have PPAs. They're on a year-over-year basis; they expire and are renewed on a rotating basis. It's certainly a conversation that we have with the Ministry of Energy and Mines on a very regular basis. In fact, we were just speaking

about it not too long ago with some folks from the ministry there.

I think when we look at biomass and what it means for the future, especially as we see the current trends and downturn in the pulp-and-paper side of things, we need to be able to have a strong, robust sector for sawmill residuals out of the mills to be able to be utilized. Currently, we're trying to leverage as much of that into those value-added products—I know that we were going to take a minute to talk about value-added products, so maybe I'll kind of dovetail a little bit of that right now.

What can't go to value-add, I think we need to explore better opportunities when it comes to what we can do for biomass. Minister Holland was just touching on an incredible opportunity that's happening at Thunder Bay Pulp and Paper, where they're actually turning biomass into biodiesel, which is something that you were discussing earlier. We helped—Minister Holland, how much was put into that project from the government?

Hon. Kevin Holland: About \$5.1 million.

Hon. Mike Harris: So \$5.1 million into that, to develop a better-priced diesel for industry to be able to use. So there are a lot of good things going on; PPAs are one part of it, but we have to look at other value-added ways to use biomass.

Mr. Guy Bourgouin: But for PPAs, that's why the industry keeps saying, "Hey, we need more." They're talking to me, and I know they're talking to you also. That is a subject that keeps coming back. It's fine to have these little cogens starting, which takes all this residual product, which is okay and they create energy and heat. But the surplus should be sold back, because we have a shortage. Nuclear is nuclear, but we've got to look at where we are—

Hon. Mike Harris: But we've got to look at—

Mr. Guy Bourgouin: Minister, just so you know where I'm heading with this: When you look at the forest industry, we isolate it. Sometimes this would make a difference, and if we ever want another new pulp investment—if you talk to any pulp mill, they will say, "If we don't have this section of PPAs where we're able to sell back on the grid, this will not be invested in Ontario."

Hon. Mike Harris: I think where there is an excellent opportunity to look at what this can mean for the future is—we look at growth in the Ring of Fire; we look at growth in northern Ontario. Obviously, there are going to be substantial energy needs, and when we look at what we can do to leverage technology and know-how that we already have—small modular reactors; we have seen investment of that. We look to see, hopefully, I would assume at some point in northern Ontario, being able to leverage that technology; it's still a little ways off. We have seen new transmission corridors from southern Ontario being brought up north, which is incredibly important.

I think there is an opportunity to look at ways that biomass can play a role in that as we look forward, but we have to make sure it's cost-effective, because that's the biggest challenge we have with power purchase agree-

ments: that it's not always cost-effective to be able to produce that power. Sometimes—not in all cases, but sometimes—it has to be bought back at a rate that unfortunately is not particularly beneficial to the province or taxpayers.

Mr. Guy Bourgouin: Minister, I'll disagree, but I'm not going to go into it, because you're using an old formula and the industry has been telling you there is a new formula that would demonstrate—

Hon. Mike Harris: And that's why we're exploring it as we move forward as an option.

Mr. Guy Bourgouin: Okay. So I just want to go back to forest fires, especially when it comes to accountability and leadership. Wildfire response depends heavily on local knowledge, including knowledge of communities, First Nations, geography, roads, contractors, resources and local fire behaviour. What operational authority and accountability currently rests with regional MNR staff during a major wildfire?

Hon. Mike Harris: Our AFFES group is headquartered out of Sault Ste. Marie. We have district offices, regional offices and fire bases that are scattered throughout the province. We try to make sure that we have the right people in the right place at the right time. We look at modelling, we look at historical data and we look at weather trends to try to anticipate where we need to move those people around.

We certainly have input from local communities, whether that be Indigenous communities, whether that be municipalities across the province—incorporated, unincorporated—and we look to them to be able to help inform a lot of the work that we do. Our district offices, our regional offices—it's really an all-of-team approach.

Mr. Guy Bourgouin: Minister, then explain to me what happened this summer when we saw Collins and other First Nations that were not warned to evacuate. They self-evacuated. There must have been a break in communication somewhere, because we heard First Nations say, "We were never given the information." What happened?

Hon. Mike Harris: I'll say, let's break this out into two pieces. We don't have enough time to go over the whole thing today, but what happened with Collins specifically—we are working with them right now to try and determine exactly how and where and when said fire started. But when it was first noticed, it was extremely close to the community—extremely close.

We also had probably—

Mr. Guy Bourgouin: Then why not issue an evacuation?

Hon. Mike Harris: —two or three dozen fires that all touched off around the same time. So for that district to be able to respond in the way that they did—I think they did an incredible job, doing the best that they could. But with, like I said earlier, over 40-degree temperatures, that fire was moving at almost 10 kilometres an hour, which is unprecedented. So when that fire was first spotted, the communication with the ministry—

Mr. Guy Bourgouin: Minister—

Hon. Mike Harris: No. With all due respect, Monsieur Bourgouin, I'm going to say this again, because I said in a press conference: "If you think you're in danger or you think there is danger to your community, to your life, to your family, don't wait for the Ministry of Natural Resources"—

Mr. Guy Bourgouin: But I—

Hon. Mike Harris: —sir—"to tell you to get out. If you think there is danger"—

Mr. Guy Bourgouin: Chair, I just want to finish on one point—

Hon. Mike Harris: —"and you need to leave, you need to leave."

Mr. Guy Bourgouin: Oh, I got the answer, because I've seen the press release. I don't need to hear your press release.

But why was it an issue if you knew the community was in danger? You just mentioned this, clearly—

Hon. Mike Harris: We worked. So when we were notified—

Mr. Guy Bourgouin: —so why wouldn't you just say "evacuate"? That was simple.

Hon. Mike Harris: When we were notified, we weren't able to get an aircraft out there in a timely manner to be able to assess the situation. So we were relying—

Mr. Guy Bourgouin: You need an assessment? You said it was gradually increasing—

The Chair (Mr. Aris Babikian): Order.

Hon. Mike Harris: We were relying on the people on the ground within the community—

Mr. Guy Bourgouin: You already had the information. "Evacuate"—that's all you have to do—

Hon. Mike Harris: —to be able to determine what was happening.

The Chair (Mr. Aris Babikian): Mr. Bourgouin, let the minister answer.

Mr. Guy Bourgouin: No, there's no reason that the evacuation wasn't given—

Hon. Mike Harris: As I've stated—

The Chair (Mr. Aris Babikian): Mr. Bourgouin, through the Chair, please. Let the minister answer the question.

Hon. Mike Harris: —there were also many communities, not just Collins, that took the opportunity to self-evacuate. There were others—

Mr. Guy Bourgouin: Yes, because they weren't getting any response from the ministry. They have said it in a press release.

Hon. Mike Harris: Sir, that is completely untrue. It is completely untrue.

Mr. Guy Bourgouin: Well, somebody's not telling the truth.

Hon. Mike Harris: The difference between maybe not getting what they wanted or what they had hoped for doesn't mean there was no communication, so let's be very clear. We did every single thing that we could for that community.

Mr. Guy Bourgouin: Well, Minister, if you knew the area was that critical, there should have been a notice to evacuate the whole area.

Same with that train: Why was the train sent? That doesn't make sense either.

Hon. Mike Harris: Well, that's a whole other conversation you've got to have with the rail company.

Mr. Guy Bourgouin: But the community should've been told, "Evacuate"—

The Chair (Mr. Aris Babikian): Thank you very much, all of you.

Thank you, Ministers, Deputy Ministers, staff, for coming and coming and sharing your input, insight and time with the committee.

This concludes the committee's consideration of the estimates of the Ministry of Natural Resources.

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 2101, ministry administration program, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall vote 2103, Natural Resources Management Program, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Mr. Ted Hsu: Chair, could I ask for a recorded vote for this one?

The Chair (Mr. Aris Babikian): Okay. Recorded for the upcoming vote.

Shall vote 2104, public protection, carry?

Ayes

Cuzzetto, Dowie, Pinsonneault, Laura Smith, Vickers.

Nays

Bourgouin, Hsu.

The Chair (Mr. Aris Babikian): Shall the 2026-27 estimates of the Ministry of Natural Resources carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall the Chair report the 2026-27 estimates of the Ministry of Natural Resources to the House? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Thank you, members. The committee is now in recess until 3:30. Have a nice break.

The committee recessed from 1503 to 1530.

MINISTRY OF AGRICULTURE, FOOD AND AGRIBUSINESS

The Chair (Mr. Aris Babikian): Good afternoon. The committee is set to resume consideration of the 2026-27 estimates.

Up next for consideration is the Ministry of Agriculture, Food and Agribusiness for a total of two hours. For any ministry staff appearing today, when you are called on to speak, please give your name and your title so that it may be accurately recorded in Hansard.

I'm now required to call vote 101, which sets the review process in motion.

We'll begin with a statement of not more than 20 minutes from the Minister of Agriculture, Food and Agribusiness. Minister Oosterhoff, the floor is yours.

Hon. Sam Oosterhoff: It's a great privilege to be able to join you this afternoon, and I want to acknowledge and thank my colleagues for the work that this committee does. I'm just deeply humbled by the opportunity to be here in this role as Ontario's—is it fair to say “still new”?—Minister of Agriculture, Food and Agribusiness to speak about the work that the Ontario Ministry of Agriculture, Food and Agribusiness is doing to strengthen Ontario as an agricultural powerhouse.

Before I get into some of my formal remarks, I do want to acknowledge and thank Minister Trevor Jones for his work and his leadership in this portfolio and the incredible foundation that he laid, the tremendous work that he did on behalf of agricultural workers, farmers, food processors and communities. I also want to acknowledge that joining me today is the deputy minister for the Ministry of Agriculture, Food and Agribusiness, John Kelly. Thank you very much for joining us, Deputy Minister. We also have a number of ADMs from the ministry who will be speaking to specific areas within the portfolio and who can speak to those areas very competently. We have Greg Wootton, Renée Bowler, Randy Jackiw and David Hagarty. I want to thank these ADMs for their leadership and their hard work and all that they do in the portfolio.

I think it's no surprise to my colleagues who are here, who I've had the privilege of now serving with for a number of years in the Legislature, that I was born and raised on a family farm. Growing up, I saw first-hand the hard work, the determination and the commitment that it takes to farm and to provide food for your family, but also food for our province and for the entire nation and, in fact, for export opportunities. It's no exaggeration to say that agriculture and food are foundational, essential to our quality of life here in Ontario. We have an aggressive and ambitious agenda to build a more sovereign, more secure and more self-reliant agri-food sector in our province, one that builds on the legacy of excellence that farmers and agricultural communities in Ontario have established for hundreds of years.

The numbers back up how crucial the sector is to our industry and our economic opportunity. The agri-food sector in Ontario is a contributor to almost \$43 billion in our GDP. Agri-food as an employer is one of the largest in the province. It actually supports one in nine jobs. We have the largest agribusiness sector in the province, and we have one of the largest primary agricultural sectors in Canada, as well. On a per acre basis, it is the most productive in our entire province. We see that Ontario producers are tireless stewards. They produce more than 200 food commodities each year. It includes fruits, vegetables, grains, dairy, proteins, many of which I enjoy—chicken, turkey, beef, pork to name just a few—and we're exceptionally fortunate to have such a variety of food options grown here. You'll hear the Premier talking about how it's

pretty remarkable, you can travel—let's say, for example, if you were to go to the United States. You'll have different states: You'll have a corn state, you'll have a peach state, and you'll have these different things—the auto state. Here in Ontario, we have such a wide variety that we're kind of all of those things here in one province. We get to have the best that the world offers here in one place. It's the entrepreneurialism and the vision of those producers who see opportunities and also see new and emerging opportunities, who step forward.

As the new Minister of Agriculture, Food and Agribusiness, I'm going to be very focused on connecting with farmers, with food processors and other contributors to our food supply system on the issues that matter most to them because I'm ultimately going to be relying on their insights. I'm very aware that, I would say, all of you in this room know a great deal about agriculture, food processing—and especially those who have been working in this industry for many years.

In that vein, I do want to acknowledge, specifically, Deputy Minister Kelly—I know that this will probably be your last estimates—who will be leaving the enterprise of government next month, and who I want to just acknowledge as a contributor for so many years, in so many ways to this sector. Whether it was in your private sector life or in your public service, you've exemplified servant leadership and you've exemplified a willingness to collaborate and work closely with not just your colleagues in the ministry but also folks across Ontario. I've heard that already loud and clear, so please accept my thanks and gratitude for that work as you prepare for your last estimates grilling before you step into the next stage of your journey.

One of the amazing things about Ontario that people might not realize—because if you think about, let's say, Western provinces, for example, you have Saskatchewan, you have Alberta. People think about the beef in Alberta and the grains in Saskatchewan or Manitoba, but Ontario is actually Canada's largest food exporter—and importer as well. We actually exported, last year, \$29.2 billion worth of products, which is up 3.7% over the previous year—an absolutely massive number—and it reinforces what a significant economic driver agri-food continues to be.

Behind these impressive numbers are, again, those 850,000 people, some of whom I know many of us had the chance to interact with at the IPM last week. You could just see their pride of product, their pride of place, their care for the animals that they work with, or the land that they take care of, or the products that they produce as value-added commodities. And I want to acknowledge those workers, those farmers for their dedication.

One of the areas that I think we've become increasingly aware of, whether it's because of the unprovoked war on Ukraine from the Russians or the recent geopolitical challenges in the Strait of Hormuz, is how crucial food security is to national security—the connection between agriculture and agri-food being foundational to who we are and what we do. Whether it's as simple as breaking

bread over a meal or as big as being the industry that employs tens of thousands of people, food is also part of protecting Ontario.

And I want to acknowledge, to this end, that this past April, the Legislature supported the first stage of Bill 109, Protecting Ontario's Food Independence Act. Minister Jones really was a champion for that legislative package. I know there is still more work to do, but through the bill—I want to just emphasize that that's a piece of legislation that we're working to use to increase resiliency and competitiveness in the agricultural sector.

It also introduces, as part of that legislation, new legislation: the Farmland Security Act, which will restrict foreign acquisition of Ontario farmland, as it is a finite resource, and we cannot take it for granted. God's not making a whole lot more land out there, and we have to treat the land we've been given with respect and appreciation. As part of that, this Farmland Security Act's framework is intended to prioritize Canadian farmers' access to farmland.

1540

It's a very real concern we've seen in some other provinces. You might have seen some of the headlines in PEI. There, specifically, I believe it was Chinese actors purchasing large amounts of land and not always using that land in a way that was as productive as it could be or even using it at all.

We need to prioritize Canadian farmers' access to farmland to really drive down speculative pressure on agricultural land, support long-term food security and also strengthen rural communities.

Now, we're not the first jurisdiction in the country to do this, but there's no shame in borrowing from other people's good ideas. Five other provinces—Alberta, Saskatchewan, Manitoba, Quebec and PEI—have all established restrictions on foreign ownership of farmland. It's really just intended to, again, build out that food domestic production and security and also support the sustainability of our sector.

I want to speak a little bit about northern Ontario. I know MPP Vanthof has been a true champion for the north for many years, and especially agriculture and the unique challenges but opportunities as well that exist in the north. I look forward to learning from you about some of those opportunities. I would love at some point if I could come visit your farm and see what things are looking like up there.

As part of what we're trying to do to expand agriculture in northern Ontario, we are working with MNR to try streamlining the process to enhance crown land access, to really recognize that we need to do better collectively in the boosting of agricultural production in what we have a massive amount of potential in, which is the Great Clay Belt. It's been something that I've heard talked about for a number of years in the Legislature.

But currently, we know that northern Ontario does face challenges in accessing those lands and, specifically, crown lands, so that has an impact on agricultural development. It has an impact on economic development as well.

So we're going to be working and are working on simplifying the guidance, creating a one-window contact and focusing on land use applications that would first benefit farmers. We know that there are a lot of different needs, but we recognize how crucial food is.

I just want to assure the committee: We will also do this work prudently, respecting Aboriginal and treaty rights, mining claims, forestry and other existing land uses. We know the importance of balance in this ministry and balancing the various needs of the land that we've been blessed with.

I want to acknowledge former Minister Lisa Thompson, our current Minister of Rural Affairs, who is doing fantastic work there, making sure that rural communities' voices are heard and respected and valued. A few of you may remember, a few years ago she announced the first step of the Grow Ontario Strategy, which was launched in 2022.

We're going to be refreshing that strategy. You know, 2022 was an era where we're coming out of COVID, we're coming out of a traumatic and difficult time. But it was a different era when it comes to geopolitics. It was a different era when it came to trade relations. It was a different era even when it came to Buy Ontario and the domestic sovereignty agenda that we believe is crucial now. We want to recognize that those changes need to be reflected in our policies. We need to be responding, so we will have a sharper focus on food independence, a sharper focus on domestic food production capacity in that change.

But we're going to still build on the successes of the original strategy because there have been amazing successes: a 13% average annual increase in exports, a 15% rise in employment, a 24% average annual increase in farm sales. It's reinforcing Ontario as a world leader, a North American leader in agri-food jurisdiction.

We saw, at the annual Ontario Food Summit, more than 200 agri-food leaders help share their insights. And I look forward to working closely with the team to make sure that those are reflected.

Before I do, I wanted to just acknowledge a couple of members of that team very briefly. We have the parliamentary assistant to the Minister of Agriculture, Food and Agribusiness, Paul Vickers, a real champion for his communities and also my sister's MPP—and she thinks he's great. So I want to thank him for his work. And then Bill Rosenberg, talking about northern Ontario—someone who has been already just a champion for northern issues in agriculture. I wanted to acknowledge them. I apologize for not doing that earlier.

MPP Paul Vickers: No, don't worry.

Hon. Sam Oosterhoff: Now, one of the ways we're going to achieve growth goals is by enhancing and expanding trade. We need a more resilient trade ecosystem. We recognize that we can't be naive about our proximity to the world's largest economy and the opportunity that that market provides.

But we've seen, of course, the unprovoked US tariffs from Donald Trump threaten both our economy and our national sovereignty. It has made it clear that we need to

diversify; we need to grow our opportunities in other markets. In response to this, we're focused on growing and diversifying international markets for agri-food exports, supporting our position as a global agri-food leader.

I again want to acknowledge the work that team members do at OMAFA when it comes to trade missions, providing business supports through strategic programs and also participating in international trade shows. These trade shows are where deals are made. They're where companies sign agreements and POs. This is where folks who want to do business go, and we need to be there to make sure that Ontario is represented, but ultimately, that deals are closed. That's a big focus for the work that OMAFA folks at those trade shows do, specifically.

I know earlier this year, Minister Jones represented Ontario at the State Agricultural and Rural Leaders Legislative Ag Chairs Summit in New Orleans, holding bilateral meetings with US counterparts.

We saw him step forward for an agri-food trade mission to the United Arab Emirates: the Gulfood show, which is the world's largest agri-food show, and again, an opportunity to create not just relationships but ultimately purchase orders that support jobs and export opportunities. The mission supported some 20 Ontario agri-food companies through calls with UAE businesses in importing Ontario agri-food products.

We saw Minister Jones step forward at the Tri-National Agricultural Accord in Mexico and be a fierce champion for their support. It was at that tri-national that we saw the efforts to support Ontario's agri-food businesses with dynamic learning opportunities and business supports, because we know that the way of doing business is not always staying the same.

I think I've talked about this before. One of my favourite things to do to folks who aren't aware of agriculture—I've done this for many years—is to give them copies of the Ontario Farmer newspaper. Because you go through the Ontario Farmer, just as an example, and it really does read almost like a scientific journal. I mean, it is advancements in animal husbandry, advancements in genomics, advancements in genetics and in crop management on a scale and on a level that is something that we can all be proud of.

That's the kind of work that can demonstrate planning for the future—not just the same as it has always been but recognizing that constant improvement is the name of the game in agriculture. You can see that in absolutely every single sector that agriculture supports.

The participation in trade shows in 2025-26 has also supported 51 Ontario companies at three Ontario pavilions in international markets and, on average, an impressive \$425 million in new and reinvestments, and 2,000 new and retained jobs were realized through these advisory services. Those services are provided, again, to companies who are seeking to always improve, to generate new income opportunities, to generate, ultimately, investment opportunities for our jobs as well.

I want to acknowledge the leadership of the ministry team around internal trade barriers. The Premier has been

really clear about our need to do better here in Ontario, or across the nation when it comes to reducing international trade barriers. We're the only province that dropped, proactively, all of the Canadian Free Trade Agreement exemptions under that act, which would be the act that governs free trade here in Canada as a whole.

You'll note we are increasing collaboration with Quebec and the CFIA as well to try and allow more meat products to go across borders more rapidly, especially in areas that more rural, where there are some availability shortages. We're also trying to work with the CFIA—the Canadian Food Inspection Agency—to support targeted, provincially licensed meat processors who are ready to grow beyond Ontario.

What does that look like? Well, it's trying to understand more about opportunities for equivalency or other agreements with provinces about what we can do to recognize provincially regulated meat processors. And again, recognizing the role that the CFIA, as the federal agency, does in a great deal of that work.

Now, the trust that consumers place, though, in our processing capacity is absolutely foundational to the role of this ministry.

1550

I know we're talking about estimates. The largest component of the ministry, if you break down the staff members, is really in that food inspection and safety branch. I want to acknowledge ADM Bowler and her team. It is the largest part because it's foundational, right? It's something we take for granted when everything is going really well. But even just talking the other day to the sheep farmers—they talked about how in the 1990s, there was a pretty strong, robust—

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

Hon. Sam Oosterhoff: Holy moly. Sorry.

There was a robust meat export market, and then BSE came in in 2003, completely wiped out their export market and they're still recovering from that. We can't take for granted the importance of food safety and the importance of that team's work, so I want to acknowledge them.

As we're running out of time, I want to be respectful of that time and just say that I look forward to working with all of you and trying to answer your questions as best I can. However, because I am about two weeks into this role, I will be leaning heavily upon my colleagues from the ministry to walk through more specific questions that I may or may not have the answer to. So I hope you will indulge me in that, but I do want to work hard with you and, also, to take your advice where I can, and however we can, to advocate for our farms, farm families but also for agricultural workers and food processors, because we have a golden goose here in Ontario, in a sense. We can't kill that golden goose. I think you've talked about that before, MPP Hsu, in the Legislature. We'll work together. Thank you.

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

We move to the first round of questioning. MPP Vanthof, the floor is yours. You have 15 minutes.

Mr. John Vanthof: Okay. Thank you very much, Chair.

First, congratulations on your appointment, Minister Oosterhoff. I really appreciated the call, and it will continue, I think, our ability as the opposition to work with the Ministry of Agriculture. I would like to thank Trevor Jones and Lisa before, and Minister Flack as well. We often disagree about the pace, but I think all the parties—I can't speak for all the parties, but certainly the official opposition and the government, we agree on the importance of agriculture.

And just for the record, I didn't disagree with one word you said in your speech, so how is that for a good start?

Hon. Sam Oosterhoff: Phew. I've got to speak faster.

Mr. John Vanthof: I would like to thank the ministry, everyone in the ministry, specifically. You're responsible for food safety, and I think most Ontarians don't realize how big a role you play and I would really like to emphasize that.

I would also like to wish Mr. Kelly all the best in his retirement. He, like all other people in the ministry, has been great to work with. He gave me some pointers about the hotel in Chatham. But you have been a great representative and I really enjoyed working with you and I wish you all the best in the future.

But I do have a few questions—constructive ones. We all know how large a role agriculture plays in this province, you know? It's one or two in job creation. But one thing I think that many in the farming community are frustrated with is that the pace for agriculture programming seems a bit slower, or the emphasis seems a bit slower, and I'll give you an example.

We know that we're facing a shortage of beef in this country, like for replacement beef. We know what it's doing to prices. We have a feeder finance program, financed, backstopped, by the provincial government, which works very well. Beef Farmers of Ontario have been pushing for a breeder finance program for a long, long time. And, actually, the feeder finance program doesn't actually cost the province, really, any dollars—it's a backstop.

So it would seem natural that the breeder finance program would just be, "Yes, this is a good idea; let's implement it." Yet it doesn't seem to happen. We just heard, again, the Premier—he's fully willing to backstop a pipeline from Alberta. Great; that's not what we're talking about here. The breeder finance program would be—maybe it's not the flashiest thing, but what is the roadblock when it seems you have really good agricultural programming that doesn't seem to be enacted? What is the roadblock and how are you planning to deal with that, Minister?

Hon. Sam Oosterhoff: Yes, thank you very much. First of all, I agree with you about the efficacy of the feeder cattle loan guarantee program. I've heard good things about it through the conversations just over the last while. There's actually also the Commodity Loan Guarantee Program and also the ginseng storage loan guarantee. The guarantee programs seem to be very effective. They have been something that has been leveraged, to your point

around not costing taxpayers, but just acting as a guarantee and, from my understanding, there's been low to no defaults, so that's fantastic from a risk perspective.

I do know that that proposal is being worked through. I'm committed to making sure that it proceeds, as we have seen Minister Jones begin the work on, and I can tell you—maybe I'm going to ask the deputy to speak a little bit more about the specifics of the program and some of the work there, and if others are willing to speak to it—I believe ADM Hagarty as well.

I can tell you this: The Premier, when we had a good conversation after he asked me to serve in this role, was clear about three words that I think have defined his emphasis to us, which is quicker, faster, immediate. He was very clear. He's like, "We're not operating under the same premise that we were six years ago. We're in a different world in terms of how trade is operating, geopolitical tension and cost dynamics, and we need to be responsive to that."

I think—and I'm not trying to back out of this—you'll see us move as fast as we can. We're going to try to move quicker than we've ever moved before. That's been, I think, a fairly straightforward conversation we've also had about that, that need to move quicker, faster, immediate, while still doing due diligence. We need to do due diligence to programs and make sure that they're going to achieve their intended goal in the intended way without unintended consequences.

Perhaps to speak more about that, I'll turn it over to—

Mr. John Vanthof: If I could—I'm not trying to be impolite; I really appreciated the answer. But what seems to be—and we'll use this as an example—it's not a lack of knowledge. We all know how the program—up until now, there seems to be a lack of, not on behalf of the ministry—I don't know anyone who's—but on behalf of the government as a whole, a political will to push these types of programs through. Like, it is so frustrating.

I'm just going to switch gears. I recently toured—actually, as IPM was going on—a poultry processing facility, Scheffer—a very good facility. It surprised me to learn—and here's a plug for the Ministry of Agriculture—that they have to deal with three, maybe four ministries and, often, some of the other ministries don't understand the agricultural context.

If you want to make things work quicker, faster and better—because we don't just want to be quicker and faster and messier. We want to be quicker and faster and better. If you could consider where the Ministry of Agriculture is already doing a good job on food inspection—if you could perhaps expand their role a little so that so that when we are going to need—it's a matter of scale. We're going to need big processors, but we're also going to need smaller processors, and smaller processors have trouble dealing with—they want to play by the rules. We all want to have safe food. But there's a difference between a Maple Leaf Foods and a processor down the road. I think the ministry—I'm not trying to advise you—

Hon. Sam Oosterhoff: You can.

Mr. John Vanthof: The ministry should look at increasing the role so that the Ministry of the Environment—again, not trying to diminish—you'll never get me to try and make things less safe, but I think the Ministry of Agriculture has a better understanding, in many cases, of farms—and not just farms but of the processing facilities—than some of the other ministries. If you could just take that to the bank.

1600

I'm going to switch again to something you mentioned in your remarks about Bill 109, that foreign investment in land would help to drive down speculative pressure on farmland. My question is, is that the biggest driver in speculative pressure? We all want to see farmland protected, but do you know if foreign investment is what's actually driving speculative pressure?

And there is huge speculative pressure on farmland. In the agricultural community, everyone knows the price of farmland is actually far above its productive capacity. If you had to go to the bank and borrow the money for farmland and pay for it on the price of corn or beans or whatever, it wouldn't pay.

So you mentioned it—the drive-down speculative pressure. What in your opinion is causing speculative pressure on farmland?

Hon. Sam Oosterhoff: I would say a couple of things. I don't think that there's one single pressure point. I don't think you can point to a silver bullet or one individual bidder or an individual factor and say this is the reason that we have—and it depends where you are across the province, too, right? Oxford county is going to look different than your area, different than mine.

Broadly speaking, there would be a number, but I want to go back to the intent of the act. One of the reasons, to your point, is to not have, in some cases, large, multinational investment firms or others purchasing up land and driving up costs—because I do think that is a cost pressure. It's not the only cost pressure, and I'm not going to say that this will fix high land prices. I don't think anyone would say that.

There's another scenario, though, which is maybe a better example, where I think this helps beyond just the cost pressures. The example we've talked about before is in the Ministry of Mines, and this is a real concern. Something Minister Lecce moved to try to resolve was foreign, in some cases, adversaries—not always, but in some cases, adversaries—purchasing claims to mining lands and then not taking out the critical minerals but just letting it lie. For them, if it's landlocked and they have claimed it, that's fine. Then we're not touching it. I would argue that that's also something that would be of concern.

What we've heard from some of these other jurisdictions is, "Okay, well, it's one thing to bid on the land, but then if you're holding the land and not doing anything with it, that's not very good for our broader economy." That's really, I think, one of the key components of what we don't want to see happen.

Mr. John Vanthof: I appreciate that. I just—you brought it up. I didn't—to drive down speculative pressure.

Hon. Sam Oosterhoff: I think it is a driver. I don't think it's the driver.

Mr. John Vanthof: And you also brought up that multinational outfits could be driving up speculative pressure, and I would agree with that. I'd also agree that Canadian investment funds are driving up speculative pressure. So if we're going to talk about speculative pressure—and Bill 109 doesn't actually address speculative pressure. So if you're going to bring it up, you should have something to back it up.

Hon. Sam Oosterhoff: I would maybe push back a little bit and say I do think it's one of the factors. I don't think, again, it's the only factor. But also, it's not always as simple as saying for any particular speculative run in any market that it's like this is—okay, you and I share a similar heritage. What was the speculative pressure of the tulip bulb craze back in the 1600s?

Mr. John Vanthof: First stock market crash.

Hon. Sam Oosterhoff: Right. So can I say it was because of a shortage of tulip bulbs? Maybe. I guess we could make that argument. But there were human nature components to that. There were financial market components to that. There were shortages—and there's a whole—so I don't think anyone can say this is the exact reason, and I think you would have the same conversation around the foreign resident speculator tax for, for example, housing developments, right? It's a tool that's used to address a pressure and a factor, and I do think that this does that. But the overall arch and the intent—and you're right; I mentioned the speculative pressure and that was a component of the act.

But, again, I think the biggest take-away I would have for someone is that we can't have fallow fields—we shouldn't have fallow fields—and we should have fields that are being worked by Canadian farmers for the good of Canadian industry, for the good of Canadian workers and, ultimately, for the good of Canadian households, and that's the real driving intent. But legislation can do multiple things at the same time.

Mr. John Vanthof: I don't disagree with that statement at all.

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

Mr. John Vanthof: But I think we really need to look at the foreign ownership thing pretty deeply, because it can also happen that foreign ownership in processing—if a foreign-owned processor decides to leave the country and you have no place to send your product, it doesn't matter who owns the land, right?

Hon. Sam Oosterhoff: Right.

Mr. John Vanthof: So if you really want to talk about food security and food sovereignty, you need to make sure that you're looking all the way up the line, and I hope that that's the intent. I have no reason to think it's not. But if we're going to look at that, we need to really look closely, to make sure that that is it.

I'd like to end that—would you agree that lack of farmland protection is one of the things that could be leading to speculative pressure? If you know that—if

you're a speculator and you can buy a chunk of farmland and wait long enough—

The Chair (Mr. Aris Babikian): Thank you, MPP Vanthof. Your time is up.

We will move to MPP Hsu. You have 15 minutes.

Mr. Ted Hsu: Thank you, Chair. Let me start by congratulating Minister Oosterhoff on his appointment as agriculture minister and also for coming here to field questions on estimates so soon after his appointment. You must have been studying the binder really hard to get through it all in such a short amount of time. I want to say also that in my time, in my four years here, all of the agriculture ministers—Minister Jones, Minister Flack, Minister Thompson—have all been very friendly, approachable people, and Minister Oosterhoff is no exception to that, so I'm looking forward to working together.

I wanted to start by talking about fertilizer. A lot of the fertilizer and raw materials for fertilizer passes through the Strait of Hormuz, and the prices and availability of fertilizer have been affected this year. I'm wondering if your ministry has assessed whether we'll have a sufficient and affordable supply of fertilizer—nitrogen, phosphate and potash, but particularly phosphate—for the 2027 planting season. Would you be willing to table that assessment? And if you haven't done an assessment, do you think any of the money in the estimates we're considering today—for example, there's \$17.4 million in the policy development vote—could or should be used to assess where things are in Ontario as far as fertilizer goes?

Hon. Sam Oosterhoff: Well, first of all, thank you for the warm welcome. I'm just grateful for the opportunity to take the conversation that we've already had about a couple of agricultural sites over the years to some other sectors as well. I know you've had the chance to come down to some of my—I shouldn't say “my”—the beautiful greenhouses in the Niagara region and meet some great local producers there. I know your commitment to the sector is strong and your interest is there as well.

To build on your question, I would say a couple of things. One would be that on fertilizer, we are in a great position internationally if you look at the production of potash coming out of Saskatchewan; if you look at the fact that we are, overall, a net fertilizer exporter. I had the opportunity, I guess a month ago or so, in my previous role for energy-intensive industries, to go to CF out in Sarnia and speak with them about their fertilizer plant there and see some of their upgrades. It's actually a really impressive series of upgrades. They're doing hundreds of millions of dollars of upgrades that will increase their ability as well to generate more fertilizer and provide for that security.

1610

A program that I think also has been beneficial for Ontario is the Fertilizer Accelerating Solutions and Technology Challenge, where we invested a couple strong millions of dollars into supporting innovation and real diversification of our fertilizer supply chains.

I'll just say domestically in Niagara, I know for a fact that even the manure that my brothers' farms and stuff

produce is able to sell at a higher rate than it used to; I'll put it that way. So people are looking at things that maybe in the past they were using for different kinds of opportunities. But—

Mr. Ted Hsu: I'd just ask—sorry—if you could focus on if your ministry has tried to assess this problem quantitatively. In particular phosphate, because you also have to ask farmers, “How much phosphate is in your fields now from last year?” and things like that.

And this is not a new question, because in the spring, given what happened in the Strait of Hormuz and what Donald Trump has done, I tabled a motion in the Legislature to hear from farmers and find out what their concerns are when it comes to fertilizer.

So I'm just wondering if the ministry has tried to do an assessment. It's kind of a yes-or-no thing, and I'm not asking for the results or anything like that, but I'm just hoping that the ministry has put some resources into looking at it.

Hon. Sam Oosterhoff: I'll just turn it over to Deputy Minister Kelly to speak a little bit about more specifics.

Mr. John Kelly: John Kelly, deputy minister for the Ontario Ministry of Agriculture, Food and Agribusiness.

Thanks for the question, MPP Hsu. We have looked at different fertilizers and different aspects of input pricing that comes to Ontario. Specifically, if you want to talk about fertilizer, it's the typical nitrogen, phosphates and potassium that we need.

We recognize that there is a shortage of phosphorus, and it's not unique to us. It's not unique to Ontario; this is a global endeavour. When we have areas of the world that are in conflict and we can't get access to that phosphorus, we have to find better ways to use it.

The minister referred to the FAST Challenge, that fertilizer technology challenge that we've done, and that was one of the things we did in 2022 to try to address some of those things to get more efficient use of all of the fertilizers that we have. The Strait of Hormuz specifically has an impact on nitrogen fertilizers, and so we definitely have a challenge there. Again, we've relaunched this efficiency challenge to enhance the use of the fertilizer—

Mr. Ted Hsu: Could I just maybe really focus—can you maybe give me a dollar number for how much the ministry is spending this year in these estimates towards efficiency of fertilizer use? Is there a rough dollar, maybe to the nearest \$10 million or something?

Mr. John Kelly: The challenge with that question is there's not one program that's only impacting fertilizer because best management practices impact fertilizers, the development of technologies impact fertilizers. So there's a number of different ones that we are doing.

One of the things that we do have—and Randy Jackiw, I'm going to ask him to come up and talk about what our specialists do to help with fertilizers because that's exactly what they do. We have people who are experts in fertilizer management that come up, come through our ministry and speak directly to producers on how they can use their—

Mr. Ted Hsu: I don't need that much detail on what we're doing. I just wanted to know if there was a dollar

number in there. I was just wondering if there is a dollar number on different things.

Mr. Randy Jackiw: Randy Jackiw, the assistant deputy minister for economic development division at OMAFA.

The way I would answer this is our major lead comes from the people that are in that business. I'll dial back to 2022, which the deputy was referencing, and there was a lot of panic from people that are saying, "I'm having a hard time accessing it," "Prices have gone up" etc. But when you talk to the industry—and Ontario Agri Business specifically, that represents all the businesses that are in that—they said, "Don't panic. A lot of this is already forward contracted. The world is working this out." If you go back 30, 40 or more years, Canada did produce a lot more of these things, and that's been taken over by globalization. The reality is farmers, or any business, is going to procure things at the lowest, most efficient cost as possible.

I think the pandemic shone the first light on the precariousness of all kinds of value chains. And then the war with Ukraine and Russia and that shut-off made it more complicated when not every country responded the same way. I'm not exactly sure where the US is right now, but there was a 35% tariff that Canada put on but the US didn't.

Mr. Ted Hsu: That's right, yes.

Mr. Randy Jackiw: To your specific point around phosphorous: We would take our lead and data etc. from the industry as far as where exactly they're at. And I would say that the supply chains are more resilient than you would think. Costs are going to be a problem, but that will be a global issue. It's not going to be unique just to here.

Mr. Ted Hsu: I just need to move on because of limited time. I wanted to talk about the Risk Management Program, and I was wondering if your ministry has an estimate of what the expected claims are going to be under RMP in 2026-27, in this fiscal year. Do you have an idea of what the size of claims might be?

Hon. Sam Oosterhoff: I will pass that over to Deputy Kelly.

Mr. Ted Hsu: How much money?

Mr. John Kelly: RMP, the provincial Risk Management Program, we are at—get me the right number here, David.

Mr. David Hagarty: It's \$180 million.

Mr. John Kelly: It's \$180 million, and that's split between grains and oilseeds, livestock production and the hort sector. They each have a general proportion of that. We know that some markets are doing well; others are not doing so well. When we run into challenges, that's when these start to get paid.

Mr. Ted Hsu: Could you estimate or do you bother to estimate, now, how much of the cap is going to be used up, or is that something you just worry about at the end of the year?

Mr. John Kelly: We haven't got all soybean harvests done. We haven't got corn harvests done. In some cases, corn harvest doesn't finish until March, so we won't have those numbers. But those numbers will all go through

Agricorp, who is our delivery agent for RMP and our business risk management programs, including Production Insurance. They're the ones responsible for it.

But the key thing is that it does all go out, and then if the fund is not fully used, then it can turn over and can continue. We always anticipate that we're going to get full utilization. We don't every time, but it does carry over.

Mr. Ted Hsu: Just a quick question about AgriStability: You hear lots of complaints about AgriStability. Do you know what proportion of eligible Ontario farmers choose not to participate in AgriStability? And are you talking with the federal government about possible ways to improve the program based on feedback?

Hon. Sam Oosterhoff: First off, I do want to very briefly just build on the previous point around RMP, because I do think it's important to recognize that there are multiple—I don't want to call them risk management programs, because that's the one program, but there are a suite of different programs that are provided. One of the things that I think is really crucial to recognize—and I'm going to toot Ontario's horn here a little bit—is that almost every other province only has the AgriStability suite of programs for their farmers. Those are generally negotiated across the country through federal-provincial-territorial conversations around what all the ag ministers agree to, and then bilaterally with the federal government and cost-sharing agreements, participation from farmers, dollars that are put in. Ontario has the most robust additional support programs through the RMP in the nation. Every other province—

Mr. Ted Hsu: Yes, but my point is, one of your predecessors, who was very proud of being around when it was created, never fails to impress that on me.

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Hon. Sam Oosterhoff: But my point is, there's more coming. It's not like it's, "Oh, okay. Well, we have this program. It's great. Like, sayonara. You should be happy with what you have."

This is increasing, and it's increasing again next year. Again, those changes are made so it rolls over. It's not a one-time cap, like it was when you guys—sorry, I apologize—when the Liberal government was in power. It was a hard cap, 100 million bucks, no carry-over, no nothing. I do want to just be upfront about that because I think that's an important context.

Then I'll turn it over to Deputy Kelly to speak about the numbers of participation.

Mr. Ted Hsu: What was the rationale for phasing it in over three years as opposed to just increasing it?

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

Mr. Ted Hsu: Because so many external risks appeared in the last couple of years while this thing was ramping up over three years.

Hon. Sam Oosterhoff: Well, the good thing is that it is increasing. There are a lot of programs that would love to see an increase almost doubling in the space of—what, three years, is it?

Mr. John Kelly: I think it's \$100 million in three years.

Hon. Sam Oosterhoff: A \$100-million increase in three years, again, building on a suite of measures that are negotiated across the nation. So Ontario has the most robust protections of any province and actually is increasing those and enhancing those.

Perhaps Deputy Kelly can speak to your earlier question about the percentages of farmers that are enrolled. I would imagine it would depend on the commodity group too, because you wouldn't have some commodity groups that—

Mr. John Kelly: It does. It does depend upon the commodities group. Dairy isn't part of it, for example. I was going to call David Hagarty, but we don't have enough time to pull that up. But we will provide you that information, MPP Hsu, because we do have it.

Mr. Ted Hsu: All right. Thank you.

How much time?

The Chair (Mr. Aris Babikian): Your time is up.

We move to the government side. MPP Dowie.

Mr. Andrew Dowie: Minister, welcome to committee. Congratulations on your new appointment.

Minister, I know you're proud of your riding of Niagara West, and I understand fully how much wineries mean to your region. I've had the benefit of travelling through your area and seeing the beautiful landscapes and beautiful built environments that that sector has created.

Back home for me in Windsor-Essex, we're equally proud of our world-class wineries too, so I want to ask you about the Ontario Wine Fund at \$124.65 million in these estimates. How does this investment protect jobs and tourism in communities like yours and mine as well as tariff uncertainty continues?

Hon. Sam Oosterhoff: First of all, I want to thank you, MPP Dowie, for the question and for your work down in an area that is just a beautiful, beautiful part of our great province and an area that has a deep agricultural legacy and history in primary production, in processing and in others. Some 18,000 jobs supported through the Ontario grape and wine sector—you know, that's a lot of jobs, and that doesn't include the spinoff of the equipment that they purchase and the mechanics that are required to service that industry.

In my riding alone, the changes that we've made as a government—and I'm sure you've seen it too—have had a real impact in a very positive way for this sector. I recall speaking with some of the producers who were just deeply thankful that this was a government that has had their back—and specifically had their back on Ontario-made, Canadian-made—and has said, “No, we're going to prioritize Ontario products in our stores. We're going to prioritize Ontario products in the LCBO. We are going to get rid of the 6.1% tax that the Liberals had put in in the 2012 budget.”

I don't know if you recall, if you remember this, but there was a change in the tax code when the Liberals brought in the harmonized sales tax, an additional tax for, of course, consumers. The Liberals brought that in, and then there had been, essentially, because of the equivalency agreement with the feds, a slight tax benefit, actual-

ly, as a result of that change, and so the Liberals brought in an additional tax for wine producers of a 6.1% surtax on any delivery that the LCBO made.

We got rid of that. We brought in the Ontario Grape Support Program to really support and incentivize Ontario grapes going into bottles. Why? Because a \$20 bottle of Ontario wine has an over-\$100 economic GDP spinoff because of how localized that it is, right? This is funding that stays in our province, that stays in our communities, that's good-paying jobs, high-value proposition and is some of the most valuable land on a per acre basis of anywhere in the province.

So when you talk about the funds that are dispersed, you can't just look at it as the individual product. You have to look at the thousands of jobs that are supported through those industries and the legacy that is being built and also the protection of farmland. You hear about farmland, and the best way to protect farmland is to protect the farmers. And the best way to protect tender-fruit farmland is to grow tender fruit. And the best way to grow tender fruit is to have a market for that fruit. And the best way to have a strong market is to have a strong end product.

So you follow down that chain, and you say, “Okay, Ontario wine supporting Ontario grapes, supporting Ontario tender fruit, supporting Ontario farm families, protecting Ontario farmland”—and that's the chain and that's what the support through that program does: It protects those thousands of jobs.

I hope that helps answer the question because it's something I'm very thankful to have seen the benefit of in the Niagara region, and I'm glad that you're seeing it in your community as well. Thank you.

Mr. Andrew Dowie: Thank you, Minister.

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

MPP Paul Vickers: I'd like to take this opportunity to welcome you, Minister Oosterhoff, to the position as the ag minister. I look forward to working with you in the upcoming months and years, and I know you're going to do an excellent job. I wouldn't dare say that you're probably the youngest ag minister that we've ever had in Ontario. But I don't think having you be the youngest—I think you bring some enthusiasm, for sure, to the industry, and we all look forward to what you're going to do, your priorities and seeing where everything gets driven from there.

I also think it's great that your father made you actually go out to the barn and work with the hogs. You should have a little bit of manure underneath your fingernails, and that should help you remember where we all come from, so—

Hon. Sam Oosterhoff: I still smell like it sometimes.

MPP Paul Vickers: There's nothing wrong with that.

My question is actually the one that MPP Vanthof asked about the breeder finance program. Beef is big business here in Ontario, and it's even bigger business up in Bruce and Grey counties. You know, we have Big Bruce that we've seen at the plowing match this last week. It just shows you how important beef is.

Would you be able to help or would the deputy help talk a little bit more about the breeder finance program? Because I know there are a lot of people—a lot of young farmers—that want to make use of that program, and I'd really be interested to know a few more of the particulars of the breeder finance program that hopefully you can share with us.

Hon. Sam Oosterhoff: First of all, huge thank you, MPP Vickers. You're absolutely right. Your area has got a lot of beef. You mentioned Big Bruce; that was an amazing mascot. I know we don't have as many in Niagara as you do, but the ones who are there are passionate people. They're hard workers. They care deeply. And it is quite something to see what the prices have been like in the last couple of years—and that creates market pressures, but it creates market opportunities as well.

I think MPP Vanthof articulated quite well the desire for the program, and you've heard about it as well. I know ministry staff are working very closely with the Beef Farmers of Ontario on that program to explore what the design details have to look like and to make sure, again, that we're dotting the i's, crossing the t's, so to speak.

But we have, as you've mentioned, three existing loan guarantee programs that are effective and are working and are doing the job. And if something's effective, working and doing the job, then that should be looked at for growth, especially if it's supporting an industry—to your point—that has upside potential as well.

So I'm going to ask Deputy Minister Kelly to speak a little more about the specifics of the program and what's happening there on the back and forth with BFO and what that would look like, but there's a lot of interest in it for sure and a lot of attention to it.

Mr. John Kelly: PA Vickers, thank you for the question.

We already know that there are some industry-led breeder programs out there, delivered through seven independent co-ops. But that program operates outside of the provincial government.

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Now, rather than me trying to muddle through this, I'm going to ask David Hagarty, who is our assistant deputy minister for policy. He has, in his division, the finance branch.

David, can you come up and address this, please?

Mr. David Hagarty: David Hagarty, assistant deputy minister, policy division.

So as the minister and the deputy said, we are working very closely with the farmers of Ontario and industry partners to explore the creation of a breeder loan guarantee program. It really is there to help access to financing for those producers looking to start, maintain, expand their cow herds.

The challenge identified by the industry was that there's a hurdle to expansion of the beef cattle, given high cattle prices, high borrowing costs and limited access to credit for some.

As the deputy mentioned, there is an industry-led breeder loan guarantee program. We're doing the work to

carefully evaluate what a government program would look like and the additional benefit that it could potentially provide. We've done a lot of work in terms of meeting with industry stakeholders, existing breeder co-operatives, financial institutions, really on what a provincially backed program would look like. The idea is, of course, if you have a program backed by the government, then the financial institutions will provide a more competitive interest rate, which would then allow that program to expand and to be more available and useful for producers—lots of work.

I understand that it's a priority for industry; it has come up a couple of times already today. Certainly, the Beef Farmers of Ontario have identified it as one of their probably two highest priorities. I know the minister takes that very seriously and has us working really rapidly with them on what a program like that could look like.

MPP Paul Vickers: Okay, that's good to hear. Thanks.

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

Mr. Steve Pinsonneault: Thank you, Minister, for being here with your staff.

Happy retirement, Mr. Kelly.

Congratulations on your promotion. It's no shock to me. Your work ethic and dedication, I'm sure, led you to getting this promotion.

I come from a very agricultural riding as well. I've worked hard to learn everything I can about agriculture and agri-food.

One topic that has come up, right from the day I was elected, is risk management. Our government has put a substantial amount of money into this program over the years. MPP Hsu touched on the claims part of it, but I want to take a little different approach here.

Business risk management is critical for farmers—not just in my riding, but right across the province—who face volatile weather and prices every year. How does our business risk management program give them the confidence to keep investing in their farms and their communities?

Hon. Sam Oosterhoff: First of all, you have an amazing riding. I have been so thankful every time I've had a chance to go out there and visit your riding—friendly people, honest people, warm people and a strong MPP for the area too, so that doesn't hurt.

Thank you for welcoming me in previous portfolios and roles. I look forward to being back, again, in this one.

I think we went through—I'm trying to remember—GrayRidge, was it?

Mr. Steve Pinsonneault: GrayRidge Eggs?

Hon. Sam Oosterhoff: Yes. We went through GrayRidge Eggs together earlier this year. That was a really amazing experience. A lot of food capacity and processing and also production in your area that you could be very proud of.

Maybe I'll tell a little bit of a story without getting too sob story on anybody here, but I will say, growing up on a pork farm, we had the boom-and-bust commodity cycle. Pork in the 1990s and the early 2000s was tough going there for a while. My parents had eight kids; we all love each other. We all eat a lot.

I remember some really, really tough conversations. This is not, maybe, a super tough one, but I'll just give an example. I remember, clear as a bell—I don't think she'd like it if I told this, but I'm going to. My older sister—my parents had gone away for whatever. I remember I was seven or eight, cutting cheese to put on a sandwich and she said, "You're only allowed two slices of cheese, because pig prices are bad." There was no meat and cheese on the same sandwich ever; it was one or the other, because you got full on the bread and the other thing was to add a little bit of flavour—which, fair enough. Why was that? Because "pig prices" was synonymous in our household with the fear of what the market was going to do to our family. What "pig prices" meant for us was—psychologically, still to this day, hearing "pig prices" is an object of uncertainty, instability and an inability to plan as a result of that instability.

The risk management programs provide a level of stability, certainty and optimism, if you will: that producers who are under the RMP program know the government has their back; that there are going to be programs available for them when they need it the most; that they are going to be able to invest with not a guarantee, but with a strong knowledge of—

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

Hon. Sam Oosterhoff: —systematic program supports that the government will provide. And that means they can go and expand a barn. They can get a new field. They can plan for the future and be able to innovate then with a level of stability and certainty that I wish we had had 20-something years ago. That would have been a game-changer in my family growing up.

That's what it means, that people are able to know that they can grow their business, provide for their children and also grow the economy at the same time. That's what I think RMP means to farm families, and why we are continuing to support and grow it.

Mr. Steve Pinsonneault: Awesome. I'm sure you had sleepless nights preparing for the estimates this week, so you are knocking it out of the park. Good job.

Hon. Sam Oosterhoff: It wasn't because of the estimates that it was sleepless; it was my new daughter.

The Chair (Mr. Aris Babikian): Thank you.

We move to the second round. MPP Vanthof.

Mr. John Vanthof: At the end of the first round, we were talking about the causes of land price speculation. Before I go back to that, you reminded me that when I started farming in 1983, the highest interest my dad paid was 23%, and we almost lost the farm. The provincial government stepped in; I bought the farm and got a loan guarantee for 13% for five years and I thought I was in heaven. But all the farmers around me lost their farms. That ended land price speculation in our area, because it seems like nothing, but it was at \$2,000 an acre. A few years later, I bought some of the best land in Timiskaming, tiled, for \$200 an acre, so there is another side to land speculation that we're not thinking about.

But getting back to that, I'd like to contend that one of the reasons for land speculation in this province is the

unpredictability of provincial land policy. I'm not going to dwell on it, but it's, "The greenbelt's off, the greenbelt's in," so your speculators are coming in. The three-severances-per-lot quotation policy rumour: All of a sudden, that makes land more speculative. Would you consider making actually stronger land use policies so that if it's agricultural land, it stays agricultural land? That would take a lot of the speculation out.

Now, we do need development; I'm not saying we need to stop development. I will give you an example: We all know the Holland Marsh—great place. A vegetable processing or sorting facility in the Holland Marsh would be a good use of agricultural land; a subdivision, not so much. But right now, our rules—we have agricultural impact assessments. They do them and they just continue on building. Could we put some teeth in those policies, Minister?

Hon. Sam Oosterhoff: Thank you for the question. First off, you talked about land speculation in Timiskaming—Cochrane, in the north. I haven't heard of any plans to put in a greenbelt into your riding, and yet you say that there's still land speculation there. If we want to talk about causes again—I'm not trying to be pedantic here—there are a lot of different causes for the particular increase at a given time in a market.

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What I will say is that we have very robust protections for farmland in Ontario; we really do. You go around North America, you go around different provinces and you start looking at the requirements for protecting prime agricultural land, and we have robust, strong protections. We do.

I think that the provincial policy statement that was updated in 2024 provides a robust balance. That is a part of the question as well, right? I think you'll agree as much as I do that you can have a scratchy, scrubby, rough, technically soybean field, and maybe an amazing housing development might be necessary in that particular place, and we don't want to touch a tender fruit land. Again, going back to the whole premise of the best way to protect farmland is to protect the farmers and provide a viable alternative for them; I've seen that in Niagara as value.

So I do want to say to people who are listening, I think it's important that they recognize the protections we have through provincial guidance, through our policy planning statement, through—you mentioned it—the agricultural impact assessment.

Okay, here's an example: I was in the Ministry of Energy until a couple weeks ago, and all of our LT1 and LT2 programs required that agricultural impact assessment. It banned renewables on prime agricultural land. And we still had very strong opponents come forward—

Mr. John Vanthof: And if I may cut in?

Hon. Sam Oosterhoff: Yes, for sure.

Mr. John Vanthof: I agree with that. Just for the record, it doesn't ban them in northern Ontario. We've got renewables going on land in Timiskaming because it's not class 1, 2 or 3 because of temperature. I would contend—and we can argue about this until the cows come

home—but we're losing a lot of land every day that we can't replace.

I'm just going to switch gears right now because I don't want to—

Hon. Sam Oosterhoff: Sorry. We can get into that one.

Mr. John Vanthof: And we will. I appreciate this conversation; I truly do. But I'm going to switch gears.

I think what many farmers are worried about right now, today, is the price of diesel fuel. We can talk about the Strait of Hormuz and we can talk about President Trump and we can talk about all the things that we can't directly control, but there are jurisdictions—and I'm not saying this is a good idea, but I'm wondering if we should consider it—there are jurisdictions right now who are saying we should allow farmers to use coloured fuel to get their crops to the elevator. I'm not saying that this is a policy that should be implemented forever, but we have never seen fuel prices like this, and I dare to say it: There will be people doing it out of necessity.

So, as an emergency measure, have you considered allowing farmers to use dyed fuel in their trucks to get crops to the elevator?

Hon. Sam Oosterhoff: This is the first I've heard of that, so no, I haven't considered it because I haven't heard about it. I would be—

Mr. John Vanthof: Would you think about it?

Hon. Sam Oosterhoff: I would love to hear from you about it. That's the first I've heard it. It's coming out of left field here.

Mr. John Vanthof: And I appreciate the candidness.

Hon. Sam Oosterhoff: What I would say is I totally understand the pressure. I hear it loud and clear from farmers but also truckers and folks who use diesel generators. You start looking at what people are doing and I think I hear you.

But I do want to say that this is a government and a Premier who have led the charge on fuel relief. We've cut the gas tax before the federal government did. We've cut the diesel tax. We've called on the feds to cut theirs, and then we've called on them to make it permanent, that 10 cents a litre.

I don't want to be partisan, but I will say this: We were the only ones fighting the consumer carbon tax for a long time. I know that changed later on, but that was 18 cents a litre. That was real money. Under some of the plans that I remember seeing, some of the other parties had plans that would have seen it go up to 30 cents a litre.

I get that that changed, but who led the charge taking that to the Supreme Court—taking the federal government—ultimately, I would argue probably creating a lot of the public space for them to eventually get rid of the consumer carbon tax.

Mr. John Vanthof: I'm not disputing that at all, Minister. The one thing that you missed when you took provincial taxes off is you didn't ensure that those tax cuts actually went to the consumer. That's something that—when you take a provincial tax off, somehow you have to tie it so that it actually makes it to the consumer, because in many cases, it doesn't.

But I'm asking you to consider—because right now, you ask any farmer what the issue is today—

Hon. Sam Oosterhoff: It's diesel prices, yes.

Mr. John Vanthof: It's diesel prices, and they're doing things that I—anyway.

Hon. Sam Oosterhoff: So, I can't control tax policy. The Minister of Finance wouldn't love it if I started to make tax commitments off the top—

Mr. John Vanthof: But you can advocate on farmers' behalf. That's what we ask.

Hon. Sam Oosterhoff:—but I would love to see more. I would love to see more about it too, because, frankly, it's the first I've heard about it. I don't know if maybe the others have thoughts on it.

Mr. John Vanthof: No, I fully appreciate that.

You talked about northern Ontario and, yes, I'm very proud to have farmed in northern Ontario most of my life. We came from Oxford county. Oxford county and Earlton are two very different places to farm. I'm happy now that I'm no longer in northern Ontario, because everyone is talking about the Greater Clay Belt; I'm in the Lesser Clay Belt.

I appreciate everything you said, and the one-window approach for crown land is a great idea. As I was listening, a one-window approach for small processors, a one-window approach for a lot of things would make a big benefit for agriculture, for the processing sector. But northern Ontario and southern Ontario are below the Lesser Clay Belt. Agriculture is much different, and I notice that each time I come down here. And when we went to the IPM too, the agricultural landscape is much more varied. When you go where I am, it looks a lot more like the Prairies—it does.

One of the problems that we're going to run into—and it's happening now: There are going to be townships where no one lives, or very few people, and there will be no tax base to do the roads, to do the infrastructure.

It's happening right now and I want to know if the government is looking at this, because as you talk about developing the Greater Clay Belt—so, for instance, I have a township now that needs to put a municipal drain. There are only 100 residents left. The township cannot finance the engineering for that drain. The two investment funds who own that township are threatening to sue them for not doing what they're required to do under the law, and that is going to happen over and over.

I don't expect you to solve it here today. But I am asking, will you actually include the difference in how agriculture is going to develop in northern Ontario? Because I have seen some people say, "Oh, yes, there are going to be family farms dotting the landscape and little processors." That's not what's happening. It is in the Mennonite community, but not in the big cash crop—and I'm not anti-cash crop. It's not happening there. So would you commit to look at how services are actually going to be provided if that area is opened up?

Hon. Sam Oosterhoff: I would definitely commit to working with folks who are in northern Ontario and in southern Ontario and every corner of the province to make

sure that our agricultural sector, our food and our supply sectors are resilient. That would include meeting with folks from the communities that you're referencing and seeing what their needs are, and what needs to happen in those kinds of communities.

I was a little bit confused, at one point, if you were talking about unincorporated territories, or you're talking about—

Mr. John Vanthof: No, incorporated.

Hon. Sam Oosterhoff: Incorporated? Okay.

Mr. John Vanthof: So, just as an example, this township had 500 people—small farms. The farms were bought up by two big hedge funds, and because the buildings and houses aren't worth as much in those places, they bulldozed them. They don't subdivide and sell them, so they bulldoze them to pay less tax. So that township is now down to 100 people, and those 100 people are expected to pay for the services of all the land, because land only pays 25% of their assessment. So the companies will say, "Yes, but we don't require the services that people do."

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Minister, you know the size of a class 10 combine. They actually need bigger roads and bigger bridges and bigger—and who is going to pay for that? That's a really serious question, and the one township I'm dealing with is the canary in the coal mine on how it's going to be dealt with.

Hon. Sam Oosterhoff: Yes, I would say one thing to that: There's definitely a multi-ministerial approach that has to be taken to some of those sorts of challenges, and I don't claim to speak for our colleagues at the Ministry of Infrastructure or MMAH or MECP or any of those folks. I'm not going to obviously commit any colleagues to something like that.

But I look at Minister Pirie's work with the northern economic development; I look at Minister Rickford's work around opportunities in the north, and I do know they care deeply about ensuring that folks who are in the north are being provided with the resources they need. From our end, I know that there are ministry resources in northern Ontario that are specifically dedicated to some of the challenges that farmers in agricultural communities in the north experience and I wonder if you would—

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

Hon. Sam Oosterhoff: Sorry. I was going to turn it over to someone else, but I won't.

Mr. John Vanthof: Okay. I'll give you some time to look at it. In your opening remarks, you said that—and perhaps I misheard—there was a 50% rise in employment or a 15% rise in employment, but in the estimates it doesn't really reflect that, so I would like some clarification on where the rise of employment is in your opening remarks.

Hon. Sam Oosterhoff: In the agri-food sector?

Mr. John Vanthof: Yes.

Hon. Sam Oosterhoff: The rise in employment is in every area that's added employment.

Mr. John Vanthof: But the overall labour requirement has gone down.

Hon. Sam Oosterhoff: Within the agri-food sector as a whole?

Mr. John Vanthof: Within the estimates—if I look in your estimates—forgive me.

Hon. Sam Oosterhoff: I just want to make sure I get the question right. I apologize.

The Chair (Mr. Aris Babikian): Time is up.

Mr. John Vanthof: Okay. I will send it to you, Minister.

Hon. Sam Oosterhoff: Yes, send it over.

The Chair (Mr. Aris Babikian): You will have one more chance, Mr. Vanthof.

MPP Hsu.

Mr. Ted Hsu: I want to start by changing the channel, asking about the province's wildlife damage compensation, which is a million dollars this year. Has the ministry looked at streamlining this program? Because it's delivered by municipalities and many people are complaining that it's delivered differently by different municipalities. I checked with my own municipality of Kingston, and Kingston would be happy to give up responsibility for this and to have the province take it over.

Has the ministry looked at streamlining things or taking it over for municipalities so it will be standardized and the service expectations for this program will be uniform across the province?

Hon. Sam Oosterhoff: MPP Hsu, that's a good question, and I would ask Deputy Minister Kelly, because I do not know.

Mr. John Kelly: So the wildlife damage compensation program is not a large program, relatively speaking. You're right that it is challenging, and we have heard from several ministries about requests for changes in compensation. The ADM who's responsible for this is Randy Jackiw and he knows way more about this. So, Randy, I want you to come up and discuss this. It's better that he does it than me.

Mr. Randy Jackiw: Randy Jackiw, ADM, economic development division, OMAFA.

This program has been through at least two or three different reviews just in the decade I've been back with the ministry. A ton of collaboration with the industry. It's something that, on the surface, seems like it should be pretty straightforward, and I'll just say that it's not.

First of all, Ontario is a really big place, and that's the main reason that the most efficient delivery that we've come up with so far is to leverage some of the expertise that is at the municipal level, because having people travel or others dedicated would be much more expensive and you would very quickly end up spending more on delivery than the million dollars in compensation.

Some other things that we're in constant discussion with them on are the value of the animals, and that's changing all the time. There are breeding animals that are much more valuable, and getting confirmation on those things. There was also an audit that was done a number of years ago, and we've been responding to that, and that was around more tightening up of it. We're actually zooming in on areas where there are multiple claims on a few oper-

ations and working with them on best practices and trying to put more mitigations in place. We take it very seriously. But we haven't, with the industry, come up with anything that's a better mousetrap.

Mr. Ted Hsu: Okay. If I can just stay with economic development, since you're at the table, I wanted to talk about the agri-food processing fund, which in these estimates has \$2.6 million. Processing is something that I think we all want to try to bring back to Ontario as much as possible. How many processing projects do you think this \$2.6 million is going to support? Do you have a target for growth in food processing in Ontario? I'm just wondering if that number represents something bigger.

Mr. Randy Jackiw: I don't have a specific number, but I could expand on that.

Hon. Sam Oosterhoff: Sure. I'll start for a second and just say that might be one very small subgroup of the fund, because there are a number of funds, including the market diversification and trade expansion initiative, the Strategic Agri-Food Processing Fund for meat processors' capacity, the Biosecurity Enhancement Initiative—maybe if you want to speak to those. But there are a fair number of funds that are supporting a lot of different processors, so I don't know where the \$2.5 million came from.

Mr. Randy Jackiw: I think that's one of the many intakes that the minister is referring to. It's in the Sustainable Canadian Agricultural Partnership with the federal government. That overall framework has a whole bunch of priorities, and food processing along the supply chain is one of them.

But the other thing I really want to emphasize is, not only is that just one of a whole number of things within SCAP, but our staff work very hard with all of the various different government departments in this space. When we get into the very large investments, for example, we'll be working with the federal government. The farm credit corporation has lately got into this as well. Often there are many other jurisdictions. We work with the Ministry of Economic Development on their regional programming. We've actually been successful in having close to a quarter of those successful projects through that program get funded for food projects, and there's a growing number that we've been working on with Invest Ontario as well, because recently the government added agriculture and food processing and the technology as one of the areas that they look into.

Mr. Ted Hsu: Right. Okay. Thank you very much.

I want to switch channels again. If you travel across Ontario, a common refrain is a shortage of large animal veterinarians. I just wanted to understand the line in the estimates. There's a Veterinary Incentive Program, which is funded at \$1,000. I understand that's perhaps a placeholder number because it appears in other parts of the estimates. Can you just explain what's happening there? Why is there a placeholder for the funding of that program?

Hon. Sam Oosterhoff: Yes, thank you. First of all, I just want to acknowledge the importance and just say with gratitude how important and how thankful we are for the

work of veterinarians and acknowledge the college and all of the vets in this province. Perhaps if you don't live by farms or by producers, you might think vets are only for the cute and the cuddly, but they are absolutely foundational to our supply chain.

I do believe, if my memory is correct, that there is an incentive program that also didn't have some of the uptake that we were looking for. There weren't quite as many participants as we've been hoping for to go into some of the rural and remote communities. The numbers—I can pull them up here for a sec, but I'll probably turn it over to the deputy in a moment to make sure that I'm confirming that accurately.

1700

But we have been trying through the ministry—and Minister Jones led this work—to recognize that shortage and incentivize folks to go a little bit like, actually, the physician Learn and Stay grant from the Ministry of Health, in a sense—

Mr. John Kelly: And nursing too.

Hon. Sam Oosterhoff: Yes, nursing too—where there are unique challenges in more rural or remote parts of the province to get these folks there, but you can't force them there. You can incentivize them, provide grants and ask them to go, but you ultimately can't force people to go and work in communities that they don't want to.

Maybe the deputy can speak a little bit to the specifics, but I just want to acknowledge and thank them for their work formally and just say that they're also an under-recognized aspect of the food supply chain, to your point.

Mr. Ted Hsu: Absolutely, yes.

Mr. John Kelly: We've got a number of different programs that have been done. The Veterinary Incentive Program is one that is to address veterinary shortages in underserved rural and northern communities—that's its objective. It's really to establish and maintain practices in areas that are having recruitment challenges, and we know that in those areas, that's the issue. It does provide financial incentives for existing veterinarians. It's intended to increase access to veterinary care.

Mr. Ted Hsu: Okay, but I'm just wondering: Why does it have a \$1,000 placeholder in there? Is it because, if you need it, it'll come from some other pot of money or something?

Mr. John Kelly: No. About \$147,500 has been paid to date.

There are other programs, like the Veterinary Capacity Program. There's the collaborative doctor of veterinary medicine program we have with Lakehead and the University of Guelph, which is a \$14.7-million program over several years, and its objective is to bring in 80 new veterinary spaces starting at Lakehead going to the—

Mr. Ted Hsu: All right, okay.

I'm going to change the channel again just given the limited amount of time we have. Is the ministry spending any money in any of the pieces of the estimates to monitor farmland loss? There's this number that people often mention, 300 acres a day. I have my issues with that, but is the ministry spending any money in the estimates to

monitor farmland loss, and do you have a target for what it should be?

Hon. Sam Oosterhoff: Again, I'm going to go back to, maybe, the conversation we had earlier because I think that they're related—the work that the ministry does through both a substantial number of experts and people who have been working in this sector, like those beside me and behind me, for many years around also the management of farmland, best practice of farmland, productive use of farmland. Again, ensuring profitability of folks who are on those on those farms is absolutely crucial to the maintenance of farmland.

One of the things that I know is that the definition also of what counts as in practice at a given time can change. We were talking about this. You can see a number, for example, that says, “Oh, well, there was this amount because the land was maybe fallow, but it's not being used for anything else.” It's just not being used at that time, and then that can change quite drastically if people plant something again a couple of years later and it's caught in the census.

But overall, I want the take-away to be that this is a ministry that's driven by protecting farmland, yes, but also balancing that protection and the very robust planning principles that we've provided through the provincial policy statement in collaboration with the Ministry of Municipal Affairs and Housing in a way that ensures the robust sustainability of our food supply chain, our sovereign, secure and self-reliant supply chain that we've established here. People can look at legislation like the secure farmland act and see that this is a government that's taking action and that's going to protect it.

I think there would be individuals, obviously, within the ministry who do work around working with local offices around what the farmland in a particular area is. Maybe the deputy could speak more to the specific question.

Mr. Ted Hsu: Thank you. Just because we have limited time, I just wanted to squeeze in one other, very different question. In the estimates, the animal health compensation program—it looks like it has a \$1,000 placeholder. I'm just wondering, if we do need money in that area—you know, we have avian influenza to worry about, African swine fever, all these things. How will farmers be compensated? How does that money become available? Because I think that \$1,000 is a placeholder that represents something you're going to do, if we have an issue with animal health. Can you just explain what's going to happen?

Hon. Sam Oosterhoff: I'll turn it over to the deputy minister to walk you through the mechanics of that.

Mr. John Kelly: This is complicated, and it's not just one number. When we look at any animal disease that comes in, we have to look at the jurisdictional responsibility for these. In agriculture, we have joint responsibility with the federal government, so when something like an avian influenza comes in, CFIA has a responsibility for monitoring. If avian influenza is determined to be in a flock, then the disposal of that flock is the responsibility

of CFIA, and the compensation that comes for that is also from CFIA. So, they're the ones who pay that. That's a federal responsibility.

African swine fever is a completely different—

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

Mr. John Kelly: Sorry?

The Chair (Mr. Aris Babikian): No, continue. You have one minute left.

Mr. John Kelly: Oh okay; sorry.

African swine fever is a completely different kettle of fish, because we don't have African swine fever in North America. We have some in the Dominican Republic—it has been reported there—but we have not had any in North America. So we have secured sources of funding from the federal government and the provincial government, if needed.

Mr. Ted Hsu: Sorry to interrupt. I apologize.

Just for the purposes of our role here today, which is to vote on the estimates and send them to the whole House, what is the significance of what we're approving today with this \$1,000 placeholder?

Mr. John Kelly: It's a line that is a placeholder, should compensation be provided as allowed under the provincial Animal Health Act. If there is an animal health outbreak—

The Chair (Mr. Aris Babikian): Unfortunately, the time is up, Deputy Minister.

We will move to the government side. MPP Smith.

Ms. Laura Smith: I want to begin by thanking the deputy minister for his service, although he's—was it until the end of the year, sir?

Mr. John Kelly: No, it's October 9.

Ms. Laura Smith: Oh, okay.

Hon. Sam Oosterhoff: He's not counting, though.

Ms. Laura Smith: Oh, no. We can see that. Well, thank you for your service, and I also want to thank and congratulate the new Minister of Agriculture for his work. I know how passionate he is about everything that he does, and he's going to be a positive. He's definitely going to be great in the position.

I've had the pleasure of having the minister come to my neighbourhood on occasion. Thornhill is a unique spot—everybody thinks their riding is unique, but truly—because it's right beside urban and it's right beside all of the growers. So we actually have a lot of agribusiness that happens—a lot of bakeries. There's a lot of production that happens in my neck of the woods.

I've seen technology change, even in the years that I've been there. I've watched how things have transformed, specifically just after COVID. You know, they have gone into different technology. Agricultural research is so important right now—now, more than ever—to utilize the best that we've got so that we can bring to the communities at large everything they need to grow.

Given the fact that one in nine jobs—and you've talked about this—is in agriculture, I wonder if you can talk about agricultural research and innovation, and help that “made-in-Ontario” idea from lab to the farm and the grocery shelf?

Hon. Sam Oosterhoff: Well first of all, you're right. Thornhill is a great place. It really does have a wide variety of industry there, and it's at such a unique kind of geographic location for its proximity to the entire GTA. The proximity also—you go a little bit north, and you're right into some amazing farmland and products that are being processed. So I agree with you about the beauty of your site.

I'm going to ask, maybe, the deputy minister and his team to speak a little bit about ARIO, the agricultural research institutes, but then also the alliance agreement, which is a foundational agreement with the University of Guelph that I think has been in place in some way, shape or form for like a hundred years. Is that correct? Something crazy like that?

1710

Mr. John Kelly: John Kelly, deputy minister for the Ministry of Agriculture, Food and Agribusiness.

We've had a strong relationship with the University of Guelph for a very, very long time, more than a hundred years.

Hon. Sam Oosterhoff: More than a hundred years—it's amazing. It means that we score—not just on metrics, but on value—some of the highest in the world. The University of Guelph is a world leader when it comes to their ability to produce incredible research that then is applied, that is industry driven. The research institutes that we have, everything from SPUD—potatoes—to down in my area, Vineland research centre. If you ever get a chance, I would love to take you for a little walk-through because it is stunning. Any time you eat a varietal that starts with a "V," like a peach or something like that, it comes from Vineland research centre. They are all over, so they're all like "Victorias" and all these sorts of things.

But that's just a small portion of it. The investment is substantial. The last round of the alliance agreement, which is a five-year cycle with the University of Guelph specifically and ARIO, the Agri-Food Innovation Alliance—\$343 million. I mean, 343 million bucks? A lot of money. But the reason that there's a lot of money there is that we see that pay dividends in the excellence of the quality and the quality of the product, the groundbreaking research and innovation that's happening that is then meaning we are competitive on the world stage, we are resilient in the face of challenges and we're able to grow the sector.

I'm glad you asked about it because it is a true success story and one that I don't know is always understood as well as it could be. People think of agriculture—I know for myself too—maybe it's just the image of the farmer standing in the soybean field with the greasy hat, and that's—"Okay, that's it. That's all. Moving on." No, agriculture and the agri-food sector go through everything. To your point, you don't have a lot of soybean fields in Thornhill, I'm guessing, but I guarantee you those soybeans are used in a ton of the products that your processors and your manufacturers, even your life sciences and pharmaceuticals—the spinoffs are just vast.

That all came out of research. It all came out of scientists and practical people saying, "What can we do with these products to make that value-add?" I'm very proud of that work and I'm thankful for the ministry—if you wanted to speak to it at all.

Mr. John Kelly: I do. There are so many things that Agricultural Research and Innovation Ontario has brought forward. They're responsible for 14 different research locations across the province. Greg Wootton is the ADM responsible for the research and innovation branch at our ministry. I'll have him come up and tell a little bit about that.

I will also say that the University of Guelph has an international reputation. The vet school at the university is the fourth-ranked vet school globally, and the ag school is the 14th-ranked globally. It's number one in Canada for both agriculture and veterinary sciences. It's near and dear to my heart, because I have my PhD from the University of Guelph in animal sciences, so I could talk to you all day about the great things that the University of Guelph does. Suffice it to say that much of the work that is done through the alliance agreement is work that the province has a need for, including agri-food lab services and animal health labs.

Greg, I'm not going to steal your thunder. Please go ahead.

Mr. Greg Wootton: Greg Wootton, assistant deputy minister, research and corporate services division.

Just picking up on where you were speaking there, Deputy: Maybe I'll start with, when everybody thinks of the alliance agreement, they usually think of research. That certainly is a big part of it, but as the deputy alluded to, there are also competitiveness aspects to it, food safety, particularly with respect to the agri-food laboratory and also the animal health laboratory. For example, there are 2.7 million diagnostic and regulatory tests conducted annually to protect food safety and animal health.

But it also speaks to economic growth and jobs as well. There are commercialization opportunities that come out of research, but it's also about protecting. Research, especially agricultural research, is about solving tomorrow's problems today: trying to stay ahead on yields, pests, pressures on crops and animals because of pests and diseases. As well, with good research, it also gives producers confidence to invest, and that they trust the new innovations that are coming out, whether that be around soils, genetics etc.

Actually, Minister, you went through a list of various things that are pushing forward productivity gains within the sector. Really, it focuses on three areas: protection; risk resilience, as I mentioned; environmental stewardship. One of the things we are very pleased about is some of the longitudinal studies that we've been able to do with the university. As mentioned, there's over a 100-year relationship, but we have longitudinal studies under way that go back 40 years for soil science.

We are able to determine the impacts of things like cover crops on a long-term basis for soil health, which obviously has a direct impact on productivity etc. and, finally, of course, productivity, commercialization and growth. So we're looking for those opportunities where we

can have new innovations in the sector be brought to market, not just for producers, but also potentially as growth opportunities for export as well.

Hon. Sam Oosterhoff: I just want to turn over to the deputy minister before the next question because you wanted to say something briefly.

Mr. John Kelly: Yes. I just wanted to acknowledge the comments that were directed towards me, and I wanted to thank the committee for doing that. I wanted to have a chance officially on the Hansard before we got timed out. Thank you very much for your commentary.

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

Mr. Rudy Cuzzetto: First of all, I want to congratulate our new minister here. Congratulations on your new job. I know you'll do a great job here.

As well, to the Deputy Minister: I will always remember your retirement date because it's my birthday. Congratulations on that.

There are thousands of my constituents who work in food manufacturing, and Ontario is a large food processor in Canada. With the agri-food processing fund in these estimates, how is this government helping producers expand here at home, keep good jobs in our community and buy more Ontario products?

Hon. Sam Oosterhoff: I'm going to run through a few numbers because I think it's important to get them on the record:

- the Market Diversification and Trade Resiliency Initiative: \$22 million;

- the Dairy Processing Modernization Initiative: \$7.2 million;

- \$4 million for helping small agri-food businesses modernize food safety and traceability;

- \$25 million through the Strategic Agri-Food Processing Fund;

- \$13 million through the Meat Processors Capacity Improvement Initiative;

- \$22.6 million through the Sustainable Canadian Agricultural Partnership Agri-Tech Innovation Initiative;

- \$7.5 million under the Biosecurity Enhancement Initiative;

- \$10 million through the Food Security and Supply Chain Fund.

I wanted to get those on the record because there are substantial investments that are being made in that sector. I want to acknowledge that those just sound like numbers, but they support a lot of private sector investment that is leveraging those funds and making the dollar go that much further. I think we've all seen that. They can take a grant for a million bucks and turn it into an investment of \$2 million, \$3 million, so there's a multiplier effect.

A lot of the times, those kinds of investments mean either that they're producing product lines they wouldn't otherwise have produced—what does that mean? Another shift, another line, more jobs—or it means that they're able to stay competitive in what is a tough geopolitical economy where they're competing with folks from across the world and they need to be able to be productive.

I wanted to just get those on the record because those funds' numbers, at a certain point—you know how it is in government. “You start talking a billion here and a billion there, and soon you're talking real money” is one of the old lines I heard once. It becomes hard to understand in a real, meaningful way. But these are dollars that are going a long way to protecting those jobs in your riding, jobs in other ridings, protecting jobs and also acting as off-takers for the primary production.

That's a supply chain that we can talk about, if we have a second. If you don't have anywhere to sell your grain, you're not going to grow your grain. If you don't have anywhere to sell your apples, you're not going to grow your apples. If you don't have anywhere to sell your veal, you're not going to grow veal, and that's foundational. The processors that are in your riding or in MPP Smith's riding support the primary producers in MPP Vickers's riding, in MPP Pinsonneault's riding and in MPP Dowie's riding. Those are all tied into a supply chain that is incredibly integrated and sophisticated. The production capacity and drive to improve is always there.

1720

I want to also acknowledge folks like the private-label manufacturers who, in many cases, are producing in warehouses and in factories all across our regions. And maybe you don't always know it, but I remember going to the tomato plant in Leamington. I'm going through the canning factory, and I recognized the brand, but then there were also all the No Name ones, all the President's Choice—I was like, “Oh, yeah, that's good to see it's made here too,” right?

So there are a lot of these spinoffs that would be supporting jobs that we are committed to supporting, keeping them competitive, making sure those jobs stay here and protecting Ontario for future generations.

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

MPP Paul Vickers: I also would like to say congratulations to Deputy Minister Kelly. You really seem too young to be retiring, so I don't know what you're doing. I first met the deputy minister during COVID. It was on a Zoom call, and it was around 2020 or 2021, I think, when you started. Anyway, congratulations, and we do appreciate—I maybe don't always agree with you, but I do appreciate your comments, trying to keep us out of trouble as best you can.

Anyway, just the last question here—

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

MPP Paul Vickers: One minute.

Tile drainage—it's something that you probably had on your farm, Minister. I know it's something that I always put a great deal of value in.

With the drainage investments in these estimates, how is our government helping farmers grow more, protect waterways and keep Ontario's food supply strong?

Hon. Sam Oosterhoff: Thank you.

Very briefly, I believe that the Drainage Act is the oldest act in Ontario, which is really a testament to how

crucial that is for the economic development and the province that we know and love today.

No one thinks about drainage until it's not working properly. Then, all of a sudden, you're thinking about drainage. We have a fund here that supports drainage renewal, and it will continue to be an important part of the work that OMAFA does.

The Chair (Mr. Aris Babikian): Thank you.

Now, we have around nine minutes left from the two hours allotted for these estimates. According to the rotation, we have to go back to the opposition.

MPP Vanthof, if you want to use the nine minutes—otherwise, your colleagues will use them.

Mr. John Vanthof: I would love to use the nine minutes.

Hon. Sam Oosterhoff: Aw, I thought that was the end.

Mr. John Vanthof: But I'd like to start by first—in case I get too long-winded—thanking you, Minister, for your participation here. I'm looking forward to working with you, looking forward to continuing to work with everyone in the ministry.

Any and all of you are welcome to northern Ontario any time. And let me know; I will make sure you see as much of it as you can, because, just like down here, there are things that are unique. There are things that are unique in the Niagara region that only people who farm there know, right? And that's the same with northern Ontario.

So I'm looking forward to working with you in the future.

But I'd also like to clarify—just wait a second; I'm not this good with this electronic stuff. When we ended the last session, I said that the estimates book didn't reflect what you said in your remarks. I'd just like to put on the record: In the 2025-26 estimates book, it says there were 871,000 jobs created in 2023. But in the 2026-27 book, it said 867,000 people are employed in agriculture. That's a net loss of 4,000. Now, if you take it over the 10 years, it's a demonstration of how you can manipulate numbers. But according to the estimates book, in that period, we actually lost jobs in agriculture—increased in productivity, but lost jobs.

So I'm just urging you, in the future, when you throw out numbers like 50% here or 50% there, that they can be backed up, because it's—

Hon. Sam Oosterhoff: Can I just ask which year was the first one?

Mr. John Vanthof: It's in your estimates book.

But I'd like to go back, in my few minutes left, to something near and dear to all of us. You mentioned, in your opening remarks about interprovincial trade, removing barriers. There is a pilot project in Timiskaming regarding an abattoir being allowed to take animals from Quebec—and I could be wrong on some of the details or misinformed—and then that meat can go back to Quebec.

I would like to say that that is a start, and I hope that the government looks at this across the province but particularly in our part of northern Ontario. We don't see the border. We have a 400,000-acre valley that happens to

have a provincial border in between, and we've got small processors that serve on both sides. That is a totally artificial barrier. If we could do something not only there but in the rest of the province—it's a really good program. It needs to go further. And we know we need to maintain our safety rules. I would just like to put that in the record. It's a great initiative; it needs to go further.

You talked about how you're going to renew your agriculture strategy or your—

Hon. Sam Oosterhoff: Grow Ontario Strategy, yes.

Mr. John Vanthof: Okay, and this is in your estimates book as well. For two years, you were going to increase 30% over 10 years, but this year in the estimates, there is no 10 years; it just says 30%. So were you going to make that 30% that you had estimated, or is it just a typo that you left out the 10 years?

Hon. Sam Oosterhoff: That's a good question. I will follow up. I think it is the 10 years, yes—

Mr. John Vanthof: But in this year's estimates book, it's not there. It has been there for the last two years: 30% over 10 years; 30% over 10 years. In this year's estimates book, it's just 30%. I didn't find that myself, I'm going to admit. If it's still over 10 years, then it's just something that we should look at.

I would like to end on another good note: The University of Guelph is very important. It's very important in our riding as well and to northern Ontario. And I would like to commend the university for maintaining research capability in northern Ontario, because, again, northern Ontario isn't the same as here.

I would like to thank everyone here for listening and I'm going to cede the rest of my time, if you would like some time.

Interjection.

The Chair (Mr. Aris Babikian): We still have three minutes and 32 seconds. The government side wants to use it?

Ms. Laura Smith: I could.

Interjection.

The Chair (Mr. Aris Babikian): We already gave you the opportunity, and you said no.

Okay. MPP Smith.

Ms. Laura Smith: I have had such a positive—the minister talked a little bit about the connection with Guelph. It is literally a wonderful program.

I know he talked about the agribusiness sector in that area in that an agreement—the alliance. It's fascinating. We were able to spend quite a bit of time with them at the plow, which—what they're doing and the innovation that's happening. I'm just wondering what innovation are they looking at right now? Maybe the deputy minister could talk about that in his swan song, perhaps? I could ask the minister.

Hon. Sam Oosterhoff: No, he knows better.

Ms. Laura Smith: Yes? I'm just curious.

Mr. John Kelly: There are a lot of things that are happening at the University of Guelph. When you think about innovation in agriculture, I don't want people to

think of a Ma and Pa Kettle with an old pitchfork and an old farmhouse. It's not the way our agriculture is now. It's highly data-intensive; it's full of robotics, sensors, genomics. All of these things happen at the University of Guelph.

But I'd like to talk about two in particular. One is the genomics program that Dr. Christine Baes is responsible for. It's the breeding of cattle using genomics to reduce greenhouse gases. When cattle produce greenhouse gas, it's mostly by eructation, which is burping. It comes out of their mouth more than the other end, and she's working on genomic tools to reduce that.

Second: When I was in the dairy business years ago and we used to use calf hutches—MPPs Vanthof, Vickers, you guys would know about calf hutches. But the new way of raising calves is not in hutches. It's in small groups, because they know that those calves will perform better in small groups. The reason they were in hutches was to prevent disease.

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

Mr. John Kelly: That was the number one reason. So, by being able to keep them separate, you're not going to transmit disease. But this is quite a difference in the way things have been done, so it shows really great progression in those types of things.

There is tremendous work that is being done on the soil microbiome. When I went through soil science, we did not talk about a microbiome. We just talked about the minerals and the structure of the soil. The microbiome of the soil is a living organism, right? And so, by being able to manipulate that, we're able to improve the productivity of that soil and understand that soil better.

Maybe I'll leave it there.

Ms. Laura Smith: Thank you very much.

The Chair (Mr. Aris Babikian): We're done. This concludes the committee's consideration of the estimates of the Ministry of Agriculture, Food and Agribusiness.

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

Shall vote 101, ministry administration program, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall vote 107, better public health and environment, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall vote 108, strong agriculture, food and bio-product sectors and strong rural communities, carry? All in favour, please raise your hand. All in opposition? The vote carries.

Shall vote 109, policy development, carry? All in favour, please raise your hand. All in opposition, please raise your hand. The vote carries.

Shall the 2026-27 estimates of the Ministry of Agriculture, Food and Agribusiness carry? All in favour? All in opposition? The vote carries.

Shall the Chair report the 2026-27 estimates of the Ministry of Agriculture, Food and Agribusiness to the House? All in favour? All in opposition? The vote carries.

Thank you to everyone who joined us today. Thank you, Minister. Thank you, Deputy Minister, and good luck on your retirement.

There being no further business, this committee stands adjourned until 10 a.m. on Thursday, October 1, 2026.

The committee adjourned at 1733.

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MPP Paul Vickers (Bruce–Grey–Owen Sound PC)

Substitutions / Membres remplaçants

Mr. Jeff Beattie (Hamilton East–Stoney Creek / Hamilton-Est–Stoney Creek PC)

Mr. Ted Hsu (Kingston and the Islands / Kingston et les Îles L)

Ms. Laura Smith (Thornhill PC)

Mr. John Vanthof (Timiskaming–Cochrane ND)

MPP Jamie West (Sudbury ND)

Clerk / Greffier

Mr. Stefan Uguen-Csenge

Staff / Personnel

Ms. Amanda Boyce, research officer,
Research Services

Ms. Pia Anthony Muttu, research officer,
Research Services