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Standing Committee on Finance and Economic Affairs

Comité permanent des finances et des affaires économiques

Plan to Protect Ontario Act (Budget Measures), 2026 (No. 2)

Loi de 2026 sur le plan pour protéger l'Ontario (mesures budgétaires) (no 2)

1st Session
44th Parliament

Wednesday 18 November 2026

1re session
44e législature

Mercredi 18 novembre 2026

Chair: Hon. Ernie Hardeman
Clerk: Lesley Flores

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

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON FINANCE AND ECONOMIC AFFAIRS

Wednesday 18 November 2026

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES ET DES AFFAIRES ÉCONOMIQUES

Mercredi 18 novembre 2026

The committee met at 0902 in room 151.

PLAN TO PROTECT ONTARIO ACT (BUDGET MEASURES), 2026 (NO. 2)

LOI DE 2026 SUR LE PLAN POUR PROTÉGER L'ONTARIO (MESURES BUDGÉTAIRES) (NO 2)

Consideration of the following bill:

Bill 143, An Act to implement Budget measures and to enact and amend various statutes / Projet de loi 143, Loi visant à mettre en oeuvre les mesures budgétaires et à édicter et à modifier diverses lois.

The Chair (Hon. Ernie Hardeman): Good morning, everyone. I call this meeting of the Standing Committee on Finance and Economic Affairs to order. We will now begin public hearings on Bill 143, an Act to implement Budget measures and to enact and amend various statutes. The Clerk of the Committee has distributed committee documents, including written submissions, to the committee members via SharePoint.

To ensure that everyone who speaks is heard and understood, it is important that all participants speak slowly and clearly. Please wait until you're recognized by the Chair before speaking, and, as always, all comments must go through the Chair.

MINISTRY OF FINANCE

The Chair (Hon. Ernie Hardeman): We now call on the Honourable Peter Bethlenfalvy, Minister of Finance, for the first witness. The committee is also joined by Acting Deputy Minister Gadi Mayman.

Welcome. Minister, you will have 20 minutes for your opening statement, followed by 39 minutes for questions and answers from the committee. This time for questions will be divided in two rotations of five minutes and 30 seconds for government members, five minutes and 30 seconds for the official opposition members, five minutes and 30 seconds for the recognized third party member and three minutes for the independent member of the committee. I will provide a verbal reminder to notify you when we have one minute left for your presentation or allotted speaking time.

Minister, welcome. The floor is yours.

L'hon. Peter Bethlenfalvy: Merci beaucoup, monsieur le Président. Tout le monde, bonjour et bon accueil. I was in Montreal yesterday, so I've been working on my French.

Mme Sandy Shaw: Félicitations.

Hon. Peter Bethlenfalvy: Merci beaucoup, madame Shaw.

Thank you, Chair, and good morning, everyone. I'm pleased to be in front of the Standing Committee on Finance and Economic Affairs to discuss Bill 143, a plan to protect Ontario budget measures, 2026. As always, I must begin by thanking you, members of the committee on all sides and, of course, you, Chair. Your hard work and participation are very much appreciated.

Ontario's workers and families and businesses continue to face significant challenges from ongoing US trade actions, geopolitical instability and broader global economic uncertainty. We are finding ourselves in uncertain times, and clearly Ontario is not immune from these forces. While these challenges are global in nature, their impacts are disproportionately felt in Ontario. During this time of heightened global economic uncertainty, it is more important than ever that our government remains prudent.

Higher global interest rates, slower economic growth, heightened uncertainty, along with tax cuts for people and businesses has Ontario projecting a deficit of $16.9 billion in this fiscal year of 2026-27 and a return to balance by the year 2029-30. While deficits are not desirable in the long-term, they are necessary in the current environment.

As we have shown, our government will continue to invest to protect our economy and our workers. These uncertain times call for a plan that protects not only Ontario workers and businesses but communities, while continuing to build the most competitive, resilient and self-reliant economy in the G7.

This is exactly what our plan offers—a plan that we started on day one; a plan that is working. A Plan to Protect Ontario is fortifying our industrial base, including our auto, steel, forestry and manufacturing sectors in order to unleash the growth-ready sectors of the future, including nuclear energy, critical minerals, artificial intelligence, defence, advanced manufacturing, life sciences and others.

Instead of delivering broad or one-time support, our government has a strategic mindset and is taking a different approach. We've introduced targeted measures that we are able to build on over the long term, allowing us to maintain our flexibility as we navigate the uncertainty that lies ahead. These actions are helping businesses adapt, attract investment, create good-paying jobs and strengthen

Ontario's resilience. Our plan ensures future generations have the same opportunities that make Ontario the best place in the world to live, to work and to raise a family.

This is exactly what the fall economic statement delivers. Ontario's response is clear: fortify our industrial base, build a stronger economy, support our workers and strengthen a more competitive and self-reliant Ontario for future generations.

Let me explain some of these measures. We're bolstering investment and helping to create 30,000 new jobs through the $8-billion Ontario competitiveness business tax cut, which will lower the cost of capital investment for businesses even further, in parallel with the recently announced federal measures. This will reduce the cost of a business investment by permanently allowing businesses to immediately write off 100% of the value of a wide range of assets. Businesses that invest in machinery, equipment, buildings and productive assets help create jobs, help improve productivity and help strengthen long-term economic growth.

By lowering the cost of those investments, Ontario is sending a clear message: We want businesses to invest here, and we want them to create jobs here. Combined with the accelerated write-off measures included in the 2026 Ontario budget, this would bring the total Ontario tax relief to more than $12 billion over five years.

Mr. Chair, in Ontario, we didn't sit idly by. When US trade actions threatened Ontario workers and businesses, our government announced a $30-billion tariff relief plan and support to protect jobs and strengthen our long-term economic resilience. We acted early to help employers weather uncertainty. We acted early to support communities facing economic pressures and we acted early to protect good-paying jobs across the province.

Just last month, we announced, alongside the federal government, nearly $9 billion to support automotive, steel and critical mineral and energy industries. Protecting Ontario begins with protecting workers: workers who get up every morning and contribute to our province's success; workers in manufacturing plants; workers in mines; workers on construction sites; workers in offices, laboratories, farms and businesses across Ontario. These workers have built one of the strongest economies in North America and our government is committed to ensuring they continue to have opportunities for years to come.

That is why our government continues to help workers and our businesses remain resilient through programs like the $50-million Ontario Together Trade Fund to help businesses expand to new markets and strengthen domestic supply chains, or the $40 million Trade-Impacted Communities Program, a program focused on helping communities adapt to changing economic conditions. We're also helping our businesses continuing to operate and invest during uncertainty through the $1-billion Protect Ontario Financing Program. These actions are helping business adapt, attract investment and create good-paying jobs, strengthening Ontario's resilience, and these programs continue to be available and open for businesses right across Ontario.

0910

Since day one, our government has been cutting red tape and speeding up approvals to make Ontario the most competitive place to do business, to invest and grow. At a time of global economic uncertainty, we must continue to do everything in our control to reduce barriers, cut red tape and lower the cost of doing business. We are cutting the time the province spends processing permits by nearly 220,000 days, helping businesses get shovels in the ground faster while supporting investment and economic growth. Innovations like the red tape shot clock, where a time limit is put in place to get an answer on an application, and if the government doesn't give you the answer by the time limit, the answer is yes—this is on top of the 15 red tape reduction bills we've passed since we've come into office, saving businesses—and this is staggering—1.8 million hours and billions of dollars. We are setting Ontario apart as a competitive environment where business can thrive.

Mr. Chair, we have undertaken significant efforts to streamline and approve efficiencies for businesses, but we are also taking action to root out wasteful spending, review agencies and ministries for efficiencies, and take actions to save taxpayer dollars and enhance value for money. This means ensuring government spending is sustainable over the long term, while continuing to deliver the greatest value for scarce taxpayer dollars. We know that during this uncertainty, families are tightening their belts and reviewing their spending, and we believe that government must do the same. We need to ensure taxpayer dollars are going to the front-line services, like teachers and nurses, to benefit the students and patients and deliver better outcomes. By carefully rooting out wasteful spending and finding efficiencies, we're able to continue to invest in critical infrastructure that Ontario needs.

At the same time, we've been focused on keeping costs down and providing meaningful support to families and businesses. This is reflected in the steps we have taken to keep costs down and support those families and businesses. As of July 1, 2025, we have permanently cut the gasoline tax rate by 5.7 cents a litre and the fuel tax rate for diesel by 5.3 cents per litre, saving households on average about $115 a year.

Speaking of households: Now, when you buy a new home, you're saving on the 13% HST through Ontario's temporary relief on most new homes, meaning there could be up to $130,000 in savings for eligible homebuyers.

Mr. Chair, we know that economic resilience requires strong foundations. Those foundations must be built today if Ontario is to succeed for tomorrow. Earlier this year, we were thrilled to announce that we signed the Canada-Ontario Partnership to Build, committing $8.8 billion to supporting housing, infrastructure and economic growth. We know that economic growth also requires infrastructure, and our government's record $210-billion capital plan reflects this reality.

Our government is making historic investments in infrastructure because we understand that infrastructure and economic growth go hand in hand. We are building highways. We are building transit. We're constructing

hospitals. We're building schools, and we are investing in infrastructure that supports housing growth. I mentioned the $8.8 billion, that we partnered with the federal government to reduce development charges. This is ensuring that construction continues to happen in Ontario. Increasing the supply of housing but also reducing the cost to build a house, incenting people to continue to invest in housing and putting good construction jobs continues to be working.

We have projects like the 413, which brings relief to one of the busiest corridors in North America and saves drivers up to 30 minutes each way on their commute. The Bradford Bypass will save drivers an estimated 35 minutes in travel time. These projects will help reduce congestion, strengthen supply chains and improve productivity across our province, because when people and goods move more efficiently, Ontario becomes more competitive. We are also helping to accelerate construction on the all-season roads to the Ring of Fire five years ahead of schedule. This government cares for Ontarians, for its business, for its taxpayers, and that is why we're laying the foundation for a stronger Ontario while creating more jobs.

Mr. Chair, investing in infrastructure is also critical to helping us unlock the tremendous potential of Ontario's mining and critical mineral sector. Northern Ontario is home to one of the most promising mineral development opportunities in the world, known as the Ring of Fire. From nickel and copper to platinum group elements and chromite, Ontario has the critical minerals needed to power the industries of the future. Developing resources in the Ring of Fire region has the potential to generate $22 billion in economic activity over 30 years, creating 70,000 new jobs and industries across the province.

I was just up in Thunder Bay, and the activity is palpable. They have traffic jams in Thunder Bay, which we haven't seen in a while. That's a good measure of the progress that's happening up in our northern regions.

Unlocking Ontario's full potential also means investing in the research and discoveries that will drive the next generation of growth. We know that research and development is an important driver of productivity, innovation and growth. That is why our government provides over $500 million a year through its research and development tax credits. And through this bill, our government is providing more than $50 million over the next three years in additional tax support, helping to lower the cost of research and development for about 700 businesses by restoring capital expenditures as eligible expenditures under the Ontario Research and Development Tax Credit and the Ontario Innovation Tax Credit. This would allow eligible businesses to claim capital expenditures on items such as tools to test software or hardware, high-performance computers and tools to support important R&D activity in Ontario.

Behind all these investments are the workers who make it possible. As the fall economic statement and the bill before us today demonstrate, our government has taken an approach like no other. We're protecting Ontario's economy by attracting investments and good jobs. We're protecting Ontario's workforce by investing in the skilled trades. And we're building infrastructure for Ontario by getting shovels in the ground on critical projects all across the province.

A self-reliant Ontario also means that our province is ready for the future. By investing in our talent, we are positioning our youth for the jobs of tomorrow. We are leveraging our advantage by investing $1.7 billion in high-demand fields like science, technology, engineering and math, known as the STEM sector, as well as AI—artificial intelligence—health care and the trades.

This recent announcement of the Priority Growth Fund will allow for 70,000 additional seats at publicly assisted colleges and universities—70,000 new seats on top of the existing seats. This will mean that in the STEM sector, we'll now be graduating 125,000 STEM graduates every year. That's unprecedented. That's one of the largest—maybe the largest—in all of North America, and it's including 110,000 artificial intelligence master's graduates, one of the highest rates in the world.

Our government continues to make targeted investments to align post-secondary education and training with in-demand jobs, like I've just mentioned—and in the future. As we announced earlier this year, our government is providing an additional $6.4 billion of funding over four years for those colleges and universities and raising annual operating funding at publicly assisted colleges, universities and Indigenous institutes to $7 billion. That is a 30% increase, the highest level in the province's history.

The global economic environment is a reality that is causing concern for many people. I'll continue to say this: There is nothing that we cannot do together—no challenge, no obstacle that we cannot overcome. We have the most resilient, talented, resourceful, entrepreneurial, educated and driven people in the world right here in Ontario. Our government is focused on always making sure that we keep those talented people in Ontario in a strong position to manage risks while remaining supportive to everyone in this great province. So whatever economic uncertainty may bring, our government has a plan.

Under this government, we are protecting our province to make it the best place to live, work and raise a family; a province with a strong economy and good-paying jobs—an economy that I will highlight, as we did in the fall economic statement, is almost $1.3 trillion, up from $800 billion when we started in 2018. That is a robust economy that is providing opportunities not only for today, but for the future—good-paying, secure, good jobs in Ontario.

0920

A province where anyone can start and grow a business—such as the last budget, reducing the small business tax by 30%.

A province where you can learn new skills for in-demand jobs, like in Pickering, where we now have 3,000 people on-site for the refurbishment—new jobs. Only in the last two months, the refurbishment started, creating 3,000 incredibly good-paying, new jobs, skilled jobs, from pipefitters to nuclear engineers, to technicians, to steamfitters, to boilermakers, to welders, to electricians. This is the future, right in my riding of Pickering. A

province where you can take those skills every day to make Ontario a better place.

A province where everyone feels connected through new highways, new roads and more reliable public transit—a public transit investment of $70 billion, four subway projects simultaneously. Never before has Ontario taken such a public transit plan to the people of Ontario, including the GO rail system, including the highways in the southwest, in the east, in the south and, importantly, in the north.

A province where you can build your career and raise your family; a province where I had the great fortune that my mother and father met here in Toronto and were able to raise, as refugees from another country, a family, have a good-paying job, feel safe in the community, and that will allow their son to become a Minister of Finance and be a public servant and give back to this province, to give back to this great country.

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

Hon. Peter Bethlenfalvy: We know the economic challenges are taking a direct aim at our province and there will be challenges in the road ahead, with global tariff impacts, higher energy costs, global uncertainty. But, Mr. Chair, by remaining flexible, demonstrating restraint and managing our finances prudently, we can overcome any challenge to make Ontario more resilient, self-reliant and competitive.

I'm confident in our plan to protect Ontario. I am confident in the people of Ontario.

Mr. Chair and members of this committee, I'm grateful for your time and I look forward to your questions.

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

We'll start the first round of questioning with the official opposition. MPP Bell.

Ms. Jessica Bell: Thank you so much. I've been looking at the fall economic statement and what I see is a statement that is giving very big tax cuts to big business, while starving health care and education and the public services that we rely on. And I'm also, quite frankly, shocked at the amount of debt that the Conservative government is loading up on Ontarians, with no reasonable, credible plan to pay for it.

My first questions are about Stellantis. A lot of people are very understandably worried about what is happening at Stellantis—2,000 workers have recently lost their jobs at a time when 700,000 people are looking for work. I think a lot of workers are feeling betrayed by this government. The Conservatives promised they would provide people with a stable economy and that's not what we're getting right now.

We've seen this government promise a lot of money to the auto sector, to big business, but I think a lot of people are wondering: What are we actually getting out of it in return?

My first question to you is: Can you confirm that Ontario is considering giving more money to Stellantis to stay open?

Hon. Peter Bethlenfalvy: Thank you, MPP Bell, for the question.

I would point out at the beginning, we did the small business tax cut, so we're helping small businesses as well as the larger corporations to create new jobs, to invest—

Ms. Jessica Bell: I'm hearing different things from what the government is saying about Stellantis. Is the Ontario government looking at negotiating and giving more monies to Stellantis to stay open?

Hon. Peter Bethlenfalvy: Conversations are ongoing. There's definitely dialogue going at many levels. Many of the workers and Unifor continue—we continue to have conversations with them. We're aligned on the objective of keeping the plant going, keeping those workers employed.

I think, MPP Bell, that's why it was critical that we work with the federal government and came up with the $2.5-billion plan, a shared plan, to continue to invest in our auto sector not just for today but to also retool, to modernize, to make sure that those jobs are not only here today but for tomorrow.

Ms. Jessica Bell: Okay, so there's been a $1-billion commitment from the Ontario government to the auto sector. That's correct?

Hon. Peter Bethlenfalvy: Sorry?

Ms. Jessica Bell: A $1-billion commitment.

Hon. Peter Bethlenfalvy: It's $2.5 billion in the deal with the federal government.

Ms. Jessica Bell: Right, and $1 billion of that is the Ontario government.

Hon. Peter Bethlenfalvy: And $1 billion for the Protect Ontario fund, among other funds available to the—

Ms. Jessica Bell: How much money has flowed already from the $1 billion?

Hon. Peter Bethlenfalvy: I think we addressed that in the estimates meeting. I don't have any updates from that at this time, but there are many programs that are available, not only to the auto workers but also the steel workers because we're committed to protecting those jobs as well.

Ms. Jessica Bell: I think you can appreciate if you're a worker standing on a picket line or standing outside a closed plant, they would want to know that if the government is looking at investing in industry and the auto sector, that they have workers' backs and that the money can flow to the right places. I'm going to ask my question again: How much money of that $1 billion has already flowed to the auto sector?

Hon. Peter Bethlenfalvy: I don't have that number in front of me, but, Mr. Chair, I can tell you the workers are—we've been working with the workers for eight and a half years as a government. That's why 22 labour unions supported this government in the last election. We continue to stand with the workers; we continue to support the workers. And you know Premier Ford and the whole team at the Ontario government is working every day to protect those jobs.

Ms. Jessica Bell: I think if a worker hears that a company is receiving government investment, they should

feel safe knowing that government has their back and that they're going to keep their job.

In estimates, I asked the minister and the acting deputy minister if you were providing or acquiring job guarantees when government aid flows to big companies, and your answer at that time was no. You are not providing job guarantees.

My question to you, if you are negotiating with Stellantis right now and other auto manufacturing companies, is, can you provide job guarantees so if money flows, workers can feel comfortable knowing they're going to keep their job?

Mr. Dave Smith: Point of order.

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

Mr. Dave Smith: Could the member please reference what part of Bill 143 this question comes from?

Ms. Jessica Bell: This is part of the fall economic statement, which was mentioned by the Minister of Finance—

Mr. Dave Smith: That is Bill 143.

Ms. Jessica Bell: Yes, and that includes the Ontario Together Trade Fund, the Protect Ontario fund and many other programs that have been mentioned. It is a genuine question.

Hon. Peter Bethlenfalvy: Those funds continue to be available for companies, as I mentioned at the time. As the tariff attack has expanded through section 338, we've expanded the companies that are available for specific numbers. That's by the Minister of Economic Development, so I would direct you there.

Ms. Jessica Bell: We know that when companies get big tax cuts and government aid, shareholders are going to benefit for sure, but what we don't know for sure is whether that is actually going to trickle down to help workers.

My second question to you, when you were negotiating with these auto manufacturers in the steel industry and aluminum industry, is, are you looking or can you look at ensuring that government has a stake in the outcome, where we're looking at an ownership share if we're giving money to these companies?

Hon. Peter Bethlenfalvy: MPP Bell—

The Chair (Hon. Ernie Hardeman): Thank you very much, we will have to wait for the next round for the answer.

MPP Bowman.

Ms. Stephanie Bowman: Thank you to the minister for being here today. Minister, you've been the Minister of Finance for six years now, and in that time, OSAP spending on private career colleges went up and up and up. Warnings came as early as 2021, then again in 2023, 2024 and 2025. I want to ask if you noticed that and, if you did, why did you not take any action to correct what was happening?

Hon. Peter Bethlenfalvy: Thank you, MPP Bowman. Those are best directed at the Minister of Colleges and Universities, who is actively taking leadership on the whole file. Clearly, we made some actions to investigate what was going on with the OSAP. Those investigations and that audit are ongoing, so it would be inappropriate to comment and speculate on those.

What I will tell you is that we value every taxpayer dollar, and we're going to make sure that we review all our expenditures. We announced in the fall economic statement that of the $50 billion of transfer payments, we've launched programs to review all those payments and we expect to find errors and other ways to find savings of half a billion to a billion in a quarter. So we continue to respect taxpayers' money.

Ms. Stephanie Bowman: Well, I guess so. I actually thought you might say that you clearly made some mistakes because that money was flowing out the door and there appeared to be no controls to detect that many of those applications were coming from the same IP addresses. Hundreds of millions of dollars have been out the door, and we may never get that money back. So I do think that the finance minister would have some insight into that—disappointing to hear that you think it's all over on the Minister of Labour. I think the accountability also lies with the Ministry of Finance.

0930

I would like to talk about the $9 billion that you talked about, referring to support for the automotive, steel and energy sectors. Is that new money, or is that money that's already in the fall economic statement from previous support programs?

Hon. Peter Bethlenfalvy: That's new money that was announced in partnership with the federal government; $5 billion was for the steel sector over five years—still details to work out in what form that support will take—$2.5 billion for the auto sector over two years and $1 billion that the federal government is putting in to match our $1 billion for the roads to the Ring of Fire—

Ms. Stephanie Bowman: So let me just clarify, there: So that would mean that the deficits will be worse in the years ahead, given that the spending is increasing?

Hon. Peter Bethlenfalvy: No, because we've accounted in contingencies, and I articulated that at the time of the fall economic statement. And that's in part why we've increased our contingencies. Now, MPP Bowman—

Ms. Stephanie Bowman: So, it's covered by the contingency?

Hon. Peter Bethlenfalvy: —you would know also that there's a lot of uncertainty with trade and tariffs right now, so it behooves us to be prudent.

Ms. Stephanie Bowman: Let me talk about the forecast for the deficit. You're forecasting a return to balance in 2029-30, but the FAO says that they do not expect the province will return to a balanced budget by 2029-30 without additional measures to reduce spending and/or increase revenue. Could you talk about what those measures are, either to decrease spending, or is that program cuts, or what kind of new taxes are you implementing to increase revenues?

Hon. Peter Bethlenfalvy: First off, the FAO always does—they have their own methodology; I won't speak to

their methodology—point in time, with different access to numbers at the time. But I will say this: We're committed to that path to balance.

As you know, MPP Bowman, these are very uncertain times. Higher interest rates, higher energy costs, tariffs are impacting our economy. What I won't do is cut health care spending. I will not cut critical services or raise taxes to balance. So we do have a higher deficit in the short run, but we're committed to balancing the books.

Ms. Stephanie Bowman: Thank you, Minister. Yes, I understand the commitment, but the plan has failed. Eight times now the plan has been revised. Your path to balance has been deferred, and now we have a credit agency saying that the outlook has gone to negative. So I think they are also seeing that the plan you've got is not working.

I think that the FAO has actually had a pretty good track record. They predicted the current deficit to be about $16.9 billion or $17 billion, and they were pretty bang on. So I think that we can place some credibility in their numbers. So, again, I would just say, what are you expecting that will change to actually reach a balanced budget by 2029-30?

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

Hon. Peter Bethlenfalvy: Well, MPP Bowman, you know that prudence is important in risk management. That's why we've increased our reserves in the fall economic statement by $3.6 billion. It's why we increased our contingencies by about $4 billion: because we live in an uncertain world. We don't know what the tariffs are going to look like on January 1. The US government has threatened to increase them in our auto sector and our steel sector to 50%, so we're being prudent. And I think the people of Ontario want us to be prudent in these times.

Ms. Stephanie Bowman: Last question: You mentioned the Ontario Together Trade Fund, $150 million, but the public accounts show that only $5 million has gone out the door—$4.8 million, exactly. Could you talk about why that is and what that's really doing to protect Ontario?

Hon. Peter Bethlenfalvy: Well, public accounts, as you know, is for 2025-26, which ended March 31, 2026—

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

MPP Brady.

Ms. Bobbi Ann Brady: Good morning. Thank you to the minister for coming this morning and answering questions with respect to the fall economic statement.

I got stuck in chapter 1(b), Protect Ontario's Borders and Communities—to fight organized crime, protect legitimate businesses, strengthen border enforcement and tackle illegal markets that undermine legitimate operators. I can support all of this, but these principles and this action should also be applied to contraband tobacco.

Unless I missed it, I don't see anything specific to contraband tobacco. And you can't simply talk about managing Ontario's finances and protecting public services and finding efficiencies while overlooking the fact that we have a huge source of tax leakage through contraband tobacco.

Minister, you said yourself that you're looking for the greatest value for scarce taxpayer dollars, and this month, the Convenience Industry Council of Canada released a report on the state of Ontario's contraband market, and they estimate that Ontario's contraband tobacco industry share grew to a staggering 53% of the total market last year. That's up from 2022.

What is this government's plan for combatting contraband tobacco and the growing problem? I see it as a way to make our community safer and also as a huge source of income for this province. So, unless I missed it, what is our plan?

Hon. Peter Bethlenfalvy: Well, thank you, MPP Brady, for the question.

Clearly, enforcement is a priority for us, on the contraband market. We've taken several actions over the years to enhance enforcement, give more tools to our front-line officers, and we've seen success both at the border and within the contraband market. Also, it doesn't restrict itself just to tobacco. Also on cannabis, we've recently announced an increase in the number of enforcement officers to go after illegal cannabis.

This is a priority for our government. We've taken action; we've seen some results. You've seen some of the announcements of catching some of the bad actors and we're going to continue to do that.

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

Ms. Bobbi Ann Brady: Yes, we've taken action, but it's clearly not enough. For 25 years, Quebec has had a proven model in place. Their share of contraband tobacco sat, in 2009, at about 30%. It now sits below 12%.

Why are we not adopting that model here in Ontario?

Hon. Peter Bethlenfalvy: Well, I won't speak for Quebec. They have a different footprint and a different set of circumstances to Ontario. We're dealing with what we have in front of us here in Ontario—

Ms. Bobbi Ann Brady: What are the different sets of circumstances?

Hon. Peter Bethlenfalvy: —and that's why we have enhanced enforcement, given more tools to make sure we go after the bad actors, and we've seen progress.

Ms. Bobbi Ann Brady: I'm curious what the differences are between Quebec and Ontario.

Hon. Peter Bethlenfalvy: Well, I'm not speaking to the circumstances in Quebec; I'm talking about what's in front of us here in Ontario.

I'm going to reinforce that it has been a priority of this government and continues to be. Maybe, Deputy, you might update some of the things that we've announced in the fall economic statement.

Mr. Gadi Mayman: Specifically related to tobacco, it's not—

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

We now go to MPP Racinsky.

Mr. Joseph Racinsky: Thank you, Minister, for coming before the committee this morning to discuss the fall economic statement.

I wanted to ask you about our government's more-than-$210-billion infrastructure plan over the next 10 years. Just a few of the items included in my riding alone: We've got the Highway 6 and 401 interchange improvements; doubling of the tracks in Georgetown to allow for more GO train service; waste water and water expansion in Centre Wellington; Highway 413; two school expansions—one in Rockwood, one in Elora. There are lots of things that are going on.

What do these infrastructure investments do to support job creation, productivity and Ontario's ability to compete for global investments and opportunities?

Hon. Peter Bethlenfalvy: Well, thank you very much for the question, MPP Racinsky, and the work you're doing in your community. I've been in your community and you're a strong advocate for the great people of Milton and Halton Hills.

When I got into government, one of the things that propelled me into government was the lack of infrastructure investment. It was one of the things that I really thought we were letting the people of Ontario down on. We were not building enough hospitals. We were not building enough long-term-care facilities, not enough transit—not just subways, but public transit—buses and GO systems right across the southern part of Ontario. Of course, in the north, with the highways, with the roads to the Ring of Fire—what we call prosperity.

And that lack of investment was no clearer in my mind than when I ran in Pickering. The people of Pickering told me, in 2016-17 when I got nominated as a candidate, that zero long-term-care beds had been build in the last seven years. With an aging population, a growing waiting list, that's unconscionable. When I inquired—"Well, that must just be Pickering"—do you know what they told me, MPP Cerjanec? They told me none had been built in Ajax. I know you're a good man. That's not good enough for you, either.

So, when we looked at the infrastructure shortfall—in fact, just in long-term care, 600 beds built in seven years right across the province. That's not acceptable, okay? That's not acceptable.

Our $210-billion infrastructure plan is intended to not only catch up, but accelerate the amount of investment in infrastructure so that we can hand off to future generations a better province than we found it: better health care in the form of modern hospitals; modern long-term-care facilities; in the form of more public transit, which takes cars off the roads—you know, our subways; four subway lines are being tunnelled at the same time; expanding the GO system, like out in my area of Durham, where we're expanding from Oshawa to Bowmanville—four more stops; extending the GO—two-way, all-day GO out to Niagara, out to Kitchener-Waterloo, out to Halton, Mississauga. Improving right across the province is so critical. And yes, it does put people to work.

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What I have also learned in my career is you don't slow down; you keep going. Because when you slow down that infrastructure investment, you just have to play catch-up down the road. And that's what we've been experiencing for eight years. But let me tell you, we are catching up and we're going to continue to do that.

If we go expand beyond the public infrastructure, the $210 billion that you talked about—energy. Like in my riding, in Pickering—$28 billion to refurbish four nuclear stations, which is 10% of the green electricity in this province. We started that program two months ago—less than two months ago. There are 3,000 new jobs on site already in two months.

As I said in my remarks, these are good-paying jobs for the good people of Pickering and all of Durham—people that support our investment in green, clean, safe energy like our nuclear, where we have not only the skill set—not just in Ontario, but in Canada—to be able to export that skill set around the world. We have the public support.

The supply chain—90% of the refurbishment, manufacturing and support and servicing will come from Canada. What a concept.

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

Hon. Peter Bethlenfalvy: So we're using our strong AA to invest, to raise the money to be able to invest today for the benefit not just of five years, 10 years, but 50 years, like in energy.

It's the same for hospitals. When I think about the Uxbridge hospital that we're investing in—built in 1959—here we are in 2026; it's been good for 65 years. We're building a new one to last another 65 years.

That's what a visionary government does. That's what a government for the people does. It's good business. It's good for the workers. It's good for the prosperity of the province and it's good for future generations.

Mr. Joseph Racinsky: Thank you, Minister.

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

MPP Allsopp.

Mr. Tyler Allsopp: Time check, Chair?

The Chair (Hon. Ernie Hardeman): Fifteen seconds.

Mr. Tyler Allsopp: Fifteen seconds.

Thank you very much for being here this morning, Minister. Just a very quick one about the landmark agreement that we've reached with the federal government—$8.7 billion to support automotive, to support steel, to support critical minerals.

I was in Hamilton the other day with the chamber of commerce and some representatives—

The Chair (Hon. Ernie Hardeman): Good question.

And now we'll go to MPP Shaw.

Ms. Sandy Shaw: So, Minister, your government's debt is staggering: $500 billion, it's half a trillion. People have a hard time getting their head around a number that big. But this is happening at the same time that your government continues to shortchange our hospitals.

Your government is dead last when it comes to per-person spending in our health care sector, and the impact of this is starting to get very serious and, in fact, dangerous. Over 2,000 people are being cared for in hallways every single day in Ontario.

In Hamilton, the average wait time for admission is 24 hours. And this is also happening while Hamilton Health Sciences is announcing 413 layoffs. These are jobs in surgical areas. These are serious, important jobs in our health care sector and 413 staff are 10% of the total workforce of Hamilton Health Sciences.

This is just not a situation that can continue without serious consequences—even more than we're seeing.

My question is: Is this continued starvation of our health care sector part of a greater plan of your government to privatize our health care sector?

Hon. Peter Bethlenfalvy: Thank you, MPP Shaw, for that question.

You know, when we took over, the health care budget was $54 billion dollars. Today, it's over $100 billion.

But what we need to have—it's not the amount of money you're spending; it's the outcomes. Improving wait times—you raised the question about wait times. I read a great article in the Star, I think it was today, about how the North York emergency department is dealing with wait times, coming up with innovative ways to increase the flow, reduce the wait times—

Ms. Sandy Shaw: That's one hospital, Minister, but across Ontario wait times are going up. People are being treated—

Hon. Peter Bethlenfalvy: No, they're not, actually. They're actually going down.

In fact, in Canada we're leading the wait times, but there's more to do.

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

Ms. Jessica Bell: Thank you, Chair.

The Conservatives promised us fiscal discipline, but when I look about this financial economic statement, what I see is waste management and the highest debt load in Ontario's history. Rating agencies are starting to take notice. On November 10, S&P Global Ratings revised Ontario's outlook from stable to negative. That's not good.

My question to you is, what impact will this negative outlook have on our borrowing costs?

Hon. Peter Bethlenfalvy: Well, that's a great question. We raised US$3 billion yesterday, with no impact to our borrowing costs. Because you know what? Investors know that we're managing the finances of the province's money conservatively.

Ms. Jessica Bell: Minister, so you're confirming for me that this change in ratings by S&P of Ontario's outlook from stable to negative will have no impact on our borrowing costs. Are you confirming that for me?

Hon. Peter Bethlenfalvy: MPP Bell, what I just said is, the evidence of yesterday's transaction, a $3 billion, five-year US deal—very well received, with significant orders well beyond the $3 billion. We raised also a 10-year, $1 billion—last week as well, at very favourable terms.

Now, MPP Bell, let me ask you—

Ms. Jessica Bell: I'm less interested in the amount of money that you're raising; I'm more interested—

Hon. Peter Bethlenfalvy: No, you should be worried about the cost of borrowing, and I'm just telling you, the cost of borrowing—

Ms. Jessica Bell: I'm more interested in the cost of borrowing.

Hon. Peter Bethlenfalvy: —is good.

Ms. Jessica Bell: My question is to the acting deputy minister: Has the ministry done an assessment on what impact this change in S&P's global rating, where they've changed Ontario's rating from stable to negative—what impact could this have on borrowing costs? Has the ministry done that assessment?

Mr. Gadi Mayman: Yes, we have, through the Ontario Financing Authority. They do ongoing assessments.

Ms. Jessica Bell: And what is the outcome of that assessment?

Mr. Gadi Mayman: The outcome of that, as demonstrated—as the minister said—with yesterday's US$3-billion issue, which is C$4.2 billion, at the same level as was before the change in outlook—and I'd emphasize: It's a change in outlook, not a change in rating. The rating was affirmed at AA-.

Ms. Jessica Bell: The Financial Accountability Officer says that a 1% change in interest rates will increase our net debt by another $7 billion by 2030. So it's safe to say that if rating agencies are looking at us and saying, "Maybe Ontario is not managing its money so wisely," that borrowing costs will increase.

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

Ms. Jessica Bell: Are you saying with certainty now that borrowing costs will not increase, even though you've had this rating change from stable to negative? Can you confirm that for me?

Hon. Peter Bethlenfalvy: I'm not going to speculate on the future, but I will say that we have targets. I used to run a credit rating agency; I know what I'm talking about. We have targets. We're committed to those targets, including interest expense to revenue.

And I would ask, MPP Bell: Do you know what the debt-to-GDP is this year versus when S&P upgraded us? It's actually lower.

Ms. Jessica Bell: I'll tell you what I do know: This government is on track to put us in debt to the tune of $500 billion in a few short years. And it's magical thinking, when you're telling us that you're going to get to a balanced budget in a few short years, when this year, we have a deficit of $16.9 billion. It doesn't make sense.

Hon. Peter Bethlenfalvy: It makes total sense to the market, because the debt is relative to the economy. The economy—

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

MPP Cerjanec.

Mr. Rob Cerjanec: Thank you, Minister, for being here today.

I do want to talk about infrastructure, in particular the GO train and electrification. It's something that impacts both of our communities, yours in Pickering–Uxbridge and mine in Ajax. We've seen the timelines on Lakeshore East electrification increase. Originally, it was supposed to be 2025; it got extended out to 2032, and we know internal Metrolinx documents say it's going to be at least 2036 and potentially even longer.

Why do you think it's taking so long to get GO electrification done?

Hon. Peter Bethlenfalvy: Well, electrification continues to be a priority for this government. Certainly, I'm a fan of more electrification. I'm a fan of more public transit and investing in public transit. We do share ridings. We want more cars off the road. We want them to use public transit, and the certainty and the frequency is relevant. You'd have to ask the engineers that question.

Mr. Rob Cerjanec: I think part of the reason why is, there was a lot of chaos around GO expansion. There was a contract with Deutsche Bahn that was cancelled. There was fighting within Metrolinx around what is actually going to be the plan. So now folks in my community—and I hear this quite a bit—they're worried that they're not going to be able to get on the GO train faster and have more trains faster.

Similarly, around express service on the Lakeshore East line, do you have any insight in terms of when we're going to get that express service back?

Hon. Peter Bethlenfalvy: Well, MPP Cerjanec, I'm in your riding a lot. What people tell me is that they really appreciate the one integrated fare when they take that public transit, and they really appreciate the toll being taken off the 412 and the 418 and the 407.

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Mr. Rob Cerjanec: On One Fare, Minister, is the government planning to make that permanent?

Hon. Peter Bethlenfalvy: We're always looking at ways to make life more affordable. As you noticed in the fall economic statement: $12.5 billion of affordability measures, including transit and the gas tax cut.

Mr. Rob Cerjanec: What we see with One Fare, though, is it gets kicked down the can: "Oh, we're announcing it. We're going to extend it." I think this is a good time. Let's make that permanent and move on instead of the constant re-announcements that we tend to see from this government, Minister. I see a lot of Protect Ontario signs; we hear a lot about protecting Ontario. It's not just about saying it. Let's make some of these things permanent and move forward.

I want to switch gears, though. I want to talk about OSAP. You referenced that it's better to ask the Ministry of Colleges and Universities that, but, Minister, you sit at Treasury Board as well. Did colleges and universities come to Treasury Board in 2023-24 saying, "We need more money for OSAP for private career colleges"?

Hon. Peter Bethlenfalvy: You know, what comes to Treasury Board is, how can we support our college and university sector and how can we invest for the future. That's why the $6.4 billion that we've put in over the next four years is lauded by all the colleges and universities. I referenced the—

Mr. Rob Cerjanec: But not the students that are going to be taking on massive debt in our public colleges and universities because of some bad actors in the private career college space. Minister, I know you've spent a lot of time in the private sector, and you've had a really good career in the private sector. So when we look at this OSAP scandal, and we know that Career Colleges Ontario said to call in the cops in 2024—that didn't happen until two years later. When you were at TD Securities or Manulife or somewhere else, and one of your stakeholders said, "There's some really weird stuff going on here. You've got to look into it. We think you should call the cops," would you have called the cops right away?

Hon. Peter Bethlenfalvy: Minister Quinn is doing a great job overseeing that file, taking action. He's answering the questions not only in the House, but to the media, and we're fully supportive of the actions taken. As some of that is before the police, I can't comment too much about it.

But I will say this, though: Our OSAP ratios are totally in line with the federal government and all the provinces across Canada, so we are supporting students.

Mr. Rob Cerjanec: So if you were warned, you wouldn't call in the cops? You would wait two years to do it?

Hon. Peter Bethlenfalvy: I'm not going to deal with hypothetical situations—when, if, this, that or the other thing. Obviously, what we face in Treasury Board is making investments to support our students. We're committed to our colleges and universities. We're committed to the sector.

Mr. Rob Cerjanec: I think it was making investments to support a few private career colleges—I don't know whether it was the government that just looked the other way, whether somebody in the Premier's office or the Premier's staff said to look the other way. It's really confusing because you say you're a good fiscal manager—this government says it's a good fiscal manager—but then when we see the results and we see what's actually happening, we see money flying out the door with what appears to be no checks or accountability. This is really looking like a billion-dollar OSAP scandal. That's what it's looking like to the people of this province, Minister.

I want to just switch gears a little bit here, and I believe it is schedule 7, with the Ontario Financing Authority. I'm just wondering why we're removing freedom of information protections there.

Hon. Peter Bethlenfalvy: It doesn't impact any access and, of course, as you know—

Mr. Rob Cerjanec: But why now?

Hon. Peter Bethlenfalvy: You would know that material non-public information has to be protected. There are—

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

MPP Brady.

Ms. Bobbi Ann Brady: I'd just like to circle back to the deputy and then have you confirm whether or not contraband tobacco is included in Bill 143 and perhaps what makes Ontario different than Quebec.

Ms. Gadi Mayman: I can't speak to what makes Ontario different from Quebec, but what I can say is that included in the fall economic statement is that the government is investing $32.5 million to expand Ontario's border enforcement. That border enforcement does obviously—it's mainly intended for drugs and guns but would also include contraband tobacco.

Ms. Bobbi Ann Brady: Great, thank you.

Again, Minister, I'm stuck on chapter 1(b), the part about delivering an expanded alcohol marketplace—I'm trying to turn this hour into happy hour talking about smokes and booze. But I see you guys trying to promote your red tape reductions and changes to the alcohol marketplace.

I recently met with a handful of craft brewers, and they tell me that they are having a very difficult time with the new reporting system under the LCBO. They were doing better during COVID than they are in 2026. The LCBO is a significant government business enterprise and an important source of revenue for this government. I'm wondering if you can tell me or update the committee on the LCBO's current financial position and how financial performance is contributing to Ontario's bottom line.

Hon. Peter Bethlenfalvy: At the LCBO?

Ms. Bobbi Ann Brady: Yes.

Hon. Peter Bethlenfalvy: We've worked very closely with the craft brewers, and I think the LCBO is doing an excellent job responding to all the logistic issues that may arise over time. They're very responsive, so I'm very proud of the work they're doing.

In terms of the bottom line, we're looking to improve that bottom line. Clearly, pulling US product off the shelves has had an impact. Clearly, consumption behaviours, moving away from alcohol in general, but also migrating from spirits to ready-to-drink and down the mountain chain.

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

Hon. Peter Bethlenfalvy: It's been a boon for domestic producers like the craft brewers, the policy of taking US alcohol off the shelves. These are all having an impact on the bottom line at the LCBO.

Ms. Bobbi Ann Brady: Are you aware of the issues that our craft brewers are having with the new reporting system?

Hon. Peter Bethlenfalvy: Oh, yes. We talk to them all the time, and I must say, we have a very good relationship with them. They would say we've acted—I think we've done more in the last few years than the previous 15 years.

Ms. Bobbi Ann Brady: Then why are they telling me that they have to decide whether or not they're going to keep their doors open? There's a lot of data being collected by this government that we don't know what is happening with.

Hon. Peter Bethlenfalvy: We have been very responsive to the craft brewers, and we continue to have good relationships and talk with them all the time to hear about their issues. We've cut the tax rate for the craft beer industry pretty significantly. We've made delivery and efficiencies and logistics improvements so that they have much more flexibility. At the end of the day, they're—

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

MPP Sabawy.

Mr. Sheref Sabawy: Thank you very much, Minister, for your statement. I understand the public pressure; everybody wants to keep the service levels or go even higher. With all the inflation and global economic circumstances, I understand those pressures.

But I would like to point to the fall economic statement, which introduced the $8-billion Ontario Competitiveness Tax Cut—tax cut, which is, like, we'll lose some revenue here. It is expected to attract at least $11 billion of new capital investments, which can—will—create 30,000 jobs and add $6 billion to the Ontario GDP. How will measures like this help position Ontario as the most competitive jurisdiction in North America for businesses looking to invest and grow?

Hon. Peter Bethlenfalvy: Thank you for the question, MPP Sabawy. Great job in Mississauga–Erin Mills for your constituents. What you can say to your constituents is that Ontario is not an island competing in the world; we have to be competitive. They're looking to us to create the conditions for job creation—good jobs being created.

This Ontario Competitiveness Tax Cut, which mirrors the mega deduction that the federal government has done, has brought our marginal effective tax rate—Ontario's—down to 3.4%, and the federal to 6.4%, which is the lowest by far in the G7, to attract capital, to create the environment for new jobs and capital investment, because those capital investments create jobs. That's the bottom line. You have to make a capital investment to deduct it to get the benefit. That's the idea. By being competitive in the global market, we are creating conditions for the 30,000 new jobs that our economists forecast that this will create.

The second thing I would say is the Prime Minister just held an investment summit in Toronto. It had $120 trillion of capital. The Premier and I, along with Ministers Lecce and Fedeli, met with trillions of dollars of investors looking at Ontario. Ontario is being talked about and Canada is being talked about around the world. They're looking for investments, and when they do, they look at things like, "What's your tax environment like?", but they also look at things like, "What's your permitting process and your project process like?"

Of course, we introduced the One Project, One Process framework. And then the Prime Minister added one year, and I thought, "I wish I had thought of that; that's a good idea." But that was announced at the conference as well. Giving credit to Ontario for the One Project, One Process, but giving a one-year shot clock, I thought, was very smart.

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And investors around the world said, "Canada and Ontario are the place to invest; we have to compete for that capital." But when they look at Canada, when they look at Ontario, what they see is a province full of natural resources, full of talent—smart people, hard-working people. They look at our regulatory environment and they see us cutting red tape, putting a shot clock on red tape. We have to give an answer in 35 days or else the answer is yes—I love that.

This is creating the environment for economic growth. What people are looking for from a government is they're looking for us to create the environment for good jobs so that they can put food on the table and have certainty with those jobs—like I mentioned, in Pickering.

They're also looking at the cost of living because everything costs more. That's why the gas tax cut—not just the corporate tax, but the gas tax cut for people, putting more

money back in their pockets, is so critical. That's why the HST tax cut for new homes was so critical, and stats are coming out showing that policy is working. We're seeing activity that we haven't seen in a decade, beating the 10-year average by a margin. That's what putting money back into businesses, putting money back in people's pockets—it stimulates the economy.

Yes, we have the headwinds of tariffs and there is some uncertainty on that. We're going to continue to fight for those good people in Hamilton and their jobs at Stelco and Dofasco, and up in Sault Ste. Marie and Algoma.

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

Hon. Peter Bethlenfalvy: We're going to continue to fight for the nine auto plants that exist in Ontario, including the Brampton plant. The Premier was out there the other day with Lana Payne and others and the federal government—working together to save those jobs.

I think that's what the constituents you hear from in Mississauga–Erin Mills—all 124 of us across the province are hearing. That's what they want their government to do: to protect those jobs, to protect the economy, make the investments and have a secure and prosperous future in Ontario.

Mr. Sheref Sabawy: I will take the few seconds left and ask you, can you mention when was the last time there was a tax increase for businesses?

Ms. Sandy Shaw: How about a residential property tax?

Mr. Sheref Sabawy: That's municipal.

Hon. Peter Bethlenfalvy: No, no, that's not our jurisdiction, as the MPP knows.

Mr. Sheref Sabawy: I'm talking about the business tax.

Hon. Peter Bethlenfalvy: I'd have to think about the Employer Health Tax increase—

The Chair (Hon. Ernie Hardeman): This would be the time to say the time is up; that's why, I'm sure, everybody wanted to get the last word in. But the time is up and we do want to thank you, Minister, for your presentation this morning.

That concludes what we're doing this morning, so we now will be in recess until 1 o'clock.

The committee recessed from 1003 to 1302.

TORONTO REGION BOARD OF TRADE
KENSINGTON MARKET COMMUNITY LAND TRUST
COUNCIL OF ONTARIO UNIVERSITIES

The Chair (Hon. Ernie Hardeman): Good afternoon, everyone. We will now resume public hearings on Bill 143.

As a reminder, each presenter will have seven minutes for their presentation. After we've heard from all three presenters in this hour time slot, the remaining 39 minutes will be used for questions from the members of the committee.

This time for questions will be divided into two rounds of five minutes and 30 seconds for the government members, five minutes and 30 seconds for the official opposition members, five minutes and 30 seconds for the recognized third party member, and three minutes for the independent member of the committee. I will provide a verbal reminder to notify you when you have one minute left for your presentation or allotted speaking time.

Any questions from the committee? If there are no questions from the committee, our first panel is the Toronto Region Board of Trade, Kensington Market Community Land Trust and the Council of Ontario Universities, if they would come forward—all three—up to the table.

As you heard, you will have seven minutes to make your presentation. At six minutes, I will say, "One minute." Don't stop, because at seven minutes, you automatically will stop.

So with that, the first one is the Toronto Region Board of Trade. We do ask everyone to identify themselves as you start to speak to make sure we can attribute the right comments to the right names.

With that, Toronto Region Board of Trade.

Mr. Dominic Roszak: All right. Thank you, Mr. Chair. Good afternoon, committee members. My name is Dominic Roszak. I'm the senior director of government and external relations at the Toronto Region Board of Trade, one of the largest business chambers in North America, representing 10,500 members, including employers of every size across the Toronto region. Our region is the economic heart of the province and of the country, accounting for 20% of Canada's GDP.

I'm here today to share our members' perspective on Bill 143 and the fall economic statement it implements. As you know, the statement arrived at a particularly challenging moment for our province and country. Our region continues to grapple with the severe and punishing impacts of US tariffs and with an outflow of capital in critical economic sectors, including manufacturing and steel. That means the province's fiscal and economic choices carry more weight than a mid-year update might otherwise.

The statement projects a significant deficit. The board has previously raised concerns about deficit spending that favours short-term consumption over long-term productivity. Recent measures taken by government, however, have focused funding on protecting industries under immediate pressure and building capacity for future prosperity, both of which we applaud.

The board has been calling on both the provincial and federal governments to turbocharge economic growth, support our industrial base, diversify our trading relationships, and expand and modernize the infrastructure that ties them together. In that context, the board welcomes the government of Ontario's $8-billion Ontario Competitiveness Tax Cut to support the capital investments needed to make our industries more competitive and to grow our economy. This matters because capital is mobile. When a company decides where to add a production line or invest in a new technology, the after-tax cost of that investment is often decisive. By moving in step with Ottawa and

ahead of other provinces, Ontario is sending a clear signal: Invest here.

The $8.7-billion Canada-Ontario action plan to provide targeted supports for tariff-impacted businesses is especially critical. Steel, autos and critical minerals anchor supply chains across our region, from parts-makers and logistics firms to the professional services that support them. Helping these industries modernize and win new customers in defence, energy and infrastructure keeps that investment and those jobs in Ontario, rather than losing them to competing jurisdictions.

The important thing now is speed, getting these dollars to businesses quickly so they translate into high-value jobs and major investments in productivity here. That requires a few key things—first, a clear path for businesses to quickly access the funding they need. Unlocking capital for high-growth firms is already a bottleneck. Our report, The Capital to Compete, found that in 2024 only one third of Canadian-founded start-ups that raised more than $1 million were still based in Canada, down from three quarters in 2016. In the first quarter of this year, growth-stage venture investment across the entire country amounted to a single deal worth roughly $1 million. This shortage and concentration of growth-stage capital limits our ability to scale high-potential firms in Ontario and invest in emerging sectors with significant potential. Deeper, more integrated capital markets are part of the answer.

Schedule 23 of the bill allows the Ontario Securities Commission to delegate to and accept delegations from other provincial regulators and to adopt their rules by reference. This is a welcome step. We encourage the government to treat its commitment to join the passport system as a foundation for a single national regulator, which the board has recommended to cut duplication and help Canada respond faster as US rules evolve.

The principle of greater integration should also be extended to internal trade in Canada such that we create a durable single market, as called for in the board's Patchwork to Prosperity report.

Moreover, public dollars should crowd private capital in, not out. The Life Sciences Scale-Up Fund, which requires companies to secure two thirds of project costs from other sources, is a good model, and a similar principle should guide every public investment vehicle, with clear evaluation of whether private investment actually grows.

We also have to keep housing, energy and transit construction moving. Housing is economic infrastructure; employers cannot grow if their workers cannot afford to live in the region. Ontario is on track to fall more than 550,000 homes short of the required pace by 2029. Our housing problem is now a delivery problem, and the fix is regulatory: a provincial zoning code, as-of-right townhouses and multiplexes, no more than five zoning categories for residential buildings of five storeys or less, and building code changes such as single-stair buildings up to six storeys. The pieces included in the Building Ontario Faster Act are steps toward this. Continuing to build on this approach will be necessary to reap maximum benefit from these investments.

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In closing, the Toronto region is the heart of Ontario's economy and home to the financial, technology and advanced-manufacturing capacities a national rebuild will depend on. We continue to encourage government to move quickly on regulatory and tax reform, streamlining approvals, reducing unnecessary complexity and creating a globally competitive tax environment that attracts investment, boosts productivity and enables Canadians businesses to scale and compete.

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

Mr. Dominic Roszak: We look forward to continuing to work with the government of Ontario, other levels of government and this committee to ensure our members can seize the opportunity to make Ontario a magnet for investment, and Toronto the most competitive region in North America.

Thank you for your time and attention, and I look forward to any questions you may have.

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

We now will hear from Kensington Market Community Land Trust.

Ms. Celia Wandio: Hello. Thank you to the committee, and thank you, Mr. Chair.

My name is Celia Wandio, and I'm the co-director of development for the Kensington Market Community Land Trust, or KMCLT.

KMCLT is a neighbourhood-based organization that builds community power in Toronto's Kensington Market so that the people who live, work and find community here can have a say in the future of the neighbourhood. We do this by buying and stewarding buildings in the market, keeping them for community use—for affordable housing, small businesses and whatever else serves the neighbourhood—forever.

As a non-profit that provides affordable housing, we're incredibly concerned about the suspension of property tax exemptions proposed by Bill 143. We appreciate the province's need to prevent misuse of the exemption and to ensure that only organizations that genuinely provide poverty relief are eligible. We recognize that precedents set by recent court cases have highlighted the need to clarify eligibility under this exemption. But the instability imposed by this suspension is likely to have real material consequences on the ability of non-profits to provide affordable housing, and these consequences could extend beyond 2027, even if the suspension does not.

We, at KMCLT, own three properties with 40 residential units total. These properties were acquired in part through municipal acquisition funding under section 37 and the Multi-Unit Residential Acquisition Program. And per our funding agreements with the city of Toronto, we are eligible to receive property tax exemptions for the residential portion of our buildings that are rented at or below the city's affordable rent levels. We are fortunate to have access to these exemptions, and our projects would

absolutely not be financially feasible without them. But, as our properties are mixed-use—we have community-serving commercial spaces as well as residential—and one property does contain a mix of affordable and market rents, we still pay a significant amount in property taxes.

We recognize that the proposed change to Bill 143 does not threaten municipalities' ability to provide property tax exemptions like these ones. However, our concerns are twofold. First, we're hopeful that we could be eligible for further property tax exemptions under the Assessment Act, which would enable us to put more money into the maintenance of our properties and to keep rents low. Second, we recognize that the housing crisis, as it impacts our community, is part of a much broader crisis plaguing communities like ours across Ontario. Leaving property tax exemptions to be administered piecemeal by municipalities introduces significant uncertainty into the process of developing and preserving affordable housing. We worry for our colleagues who operate in municipalities that lack the resources to administer property tax exemptions or that are too cash-strapped to feel they can justify the loss of revenue.

Affordable housing projects already operate on very tight margins and depend on the confidence of multiple funders to proceed. For one of our properties, before receiving a property tax exemption from the municipality, property taxes represented nearly a third of non-debt-service operating expenses. That's $174,000 that we would love to be able to put towards lowering rents and improving the quality of the housing and spaces we provide for the benefit of our community.

Like the rest of the affordable housing sector, we share the province's goals of addressing homelessness and creating more affordable housing. However, the changes proposed in Bill 143 risk undermining the province's objectives. Applications for federal housing funds, like the recent federal government's $1.5-billion Canada Rental Protection Fund, become more competitive when applicants can demonstrate funding and incentives from other sources. Restricting these exemptions would put Ontario non-profits at a competitive disadvantage relative to organizations in other provinces, reducing their purchasing power and potentially resulting in fewer affordable homes being preserved through federal investment in Ontario.

The province should not reverse decades of public policy and begin to treat affordable housing primarily as a source of municipal revenue. Housing is essential social infrastructure, and undermining the ability of non-profits to provide affordable housing will have negative ramifications across health care and social services as well.

To conclude, we call on the province to continue providing property tax exemptions per the Assessment Act as it currently reads. As-of right-exemptions for qualifying non-profit, affordable housing providers are an essential piece of the puzzle that makes affordable housing projects work in this province.

We suggest that the province work with non-profit housing providers to develop a consistent framework that will protect affordable housing regardless of which municipality it's located in, while ensuring the exemption is used for its intended purposes. We further call on the province to do even more to support municipalities and non-profits in developing and acquiring affordable housing.

We all need to work together to address this crisis. Thank you for your time.

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

Our next presenter is the Council of Ontario Universities.

Mr. Steve Orsini: Great. Thank you, Chair Hardeman and members of the committee. It's my pleasure to be here. I'm Steve Orsini, president and CEO of the Council of Ontario Universities. On behalf of Ontario universities, I appreciate the opportunity to speak to you today about Bill 143.

But before I speak to the bill, I would like to first recognize the government's significant investments in post-secondary education. The government has committed $6.4 billion over four years. Included in that $6.4 billion is $1.7 billion to expand 70,000 new spaces in high-demand programs. These investments are going to give students more choice, and it's going to give industry more talent to compete in today's global economy.

I also want to acknowledge the government's proposal in Bill 143 to provide partial property tax relief to university student residences operated by development partners. This could exempt qualifying residences from education property tax and provide partial municipal property tax relief. While not as substantive as our current property tax exemptions, universities are always looking for more ways to build more affordable student housing.

However, we were disappointed to discover that Bill 143 included a provision that would also change the tax treatment of existing student housing at a time when we need to build more affordable housing. Under subsection 3(8) of schedule 2 of Bill 143, universities would no longer be able to rely on full property tax exemptions for students housing in their governing acts, many of which have been around for years. As a result, existing student housing development partnerships could face a high risk of new taxes.

While a recent Municipality Property Assessment Corp.—MPAC—bulletin sends a positive message about not reopening existing assessments, investors are looking for legislative assurances of grandparenting existing and planned student housing before the bill takes effect.

This matters because universities and builders have entered into long-term arrangements in good faith. Projects were approved, financed and students' rents were set based on legislative rules that were in place at that time. Without legislative grandparenting, COU estimates that about 12,000 existing student beds could face approximately $25 million a year in new property taxes. These additional costs could mean higher rents for students or cuts to services, further impacting student affordability and the cost of living.

Bill 143 would also impact future student housing development. Working with our student housing experts,

Ontario universities have identified more than 10,000 planned student beds that are at high risk of being subject to new taxes under Bill 143. We estimate that student rents could increase by more than $1,000 a year.

Let me be clear: We estimate that about 10,000 student housing spaces currently under development or advanced negotiations for new housing could require annual rent increases of more than $1,000 per student.

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As a result of these estimated impacts, Bill 143 has reopened numerous discussions on the financial viability of these new housing developments, resulting in significant delays and potential cancellations. As estimated by the residential construction industry, assuming that 10,000 of the planned new beds are significantly delayed or cancelled, Ontario would defer or forgo approximately $2 billion in construction activity, the loss of 14,000 person years of employment and the loss of about $140 million in provincial revenue during construction.

We believe this government is strongly committed to providing businesses with the certainty they need to invest in student housing. To deliver on that commitment, Ontario universities are asking the committee to support three specific amendments.

(1) Delete subsection 3(8) of schedule 2, thereby preserving exemptions contained in universities' governing acts. Bill 143 should add relief to existing protections, not take some away;

(2) Remove the word "solely" from paragraphs 4 and 4.0.1 of subsection 3(1) of the Assessment Act so that university partnerships are not by themselves prevented from a full property tax exemption;

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

Mr. Steve Orsini: (3) Revise proposed paragraph 4.0.2, sub (v), in Bill 143 to limit further eligibility restrictions.

We want to work with the province to expand student housing, protect student affordability at a time when they need it most. These legislative changes would assure confidence in existing and planned agreements and make it easier to get more affordable student housing built.

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

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

Mr. Rob Cerjanec: Through you, Chair, thanks to the three of you for being here today.

Steve, I'll start with you. I'll be honest; I'm a little bit shocked and surprised to see those changes within Bill 143. Students at colleges and universities are now going to be taking on additional debt instead of receiving grants because of the government's changes to OSAP.

But there are broader issues, right? Rents are high. Costs of groceries are high. Things are more expensive for folks. So what is the impact of these changes—I think you spoke about it a little bit in your statement—going to be directly on students?

Mr. Steve Orsini: There are two parts to that answer. The first part is that universities have relied on exemptions in their statutes for decades. Builders, universities have been relying on that property tax exemption to build thousands and thousands of units. Bill 143, with the strike of a pen, is overriding all those individual exemptions in their acts and replacing them with very less generous Assessment Act provisions. So suddenly, you have all these units that are operating, and if they're impacted, they're going to have to turn around and apply higher rents to students. That's going to impact those existing student residences.

But the changes in Bill 143 go further. They're restricting future development. Under those acts, it allowed universities and builders who were planning to build more than 10,000 additional units—that would add, we believe, more than $1,000 a year for students to live in those facilities.

Mr. Rob Cerjanec: And if we build new student residences, that will take pressure off of existing housing markets, correct?

Mr. Steve Orsini: Absolutely. We hear often that student housing has been attracting—they live in the student residence; it frees up housing in the community. And government policy, for a number of years, has looked to universities to expand student housing.

Mr. Rob Cerjanec: I did my undergrad at York University, and there's an area of York University, to the south of it. Essentially, it was a development that took place. Private landlords bought units and then subdivided rooms and stuff like that, and that happens in many places around university campuses.

Sometimes, what you find with those kinds of units or student housing—at least, not official student housing—is they tend to be sometimes substandard. They sometimes don't follow all the bylaws or the fire code or, really, important rules meant to keep people safe. But obviously, university residences would be doing that and would be ensuring that the environment is safe from a health and safety perspective and a bylaw perspective.

Do you think, then, that these changes could potentially push more students into—I would argue—substandard housing?

Mr. Steve Orsini: We know students are looking for more affordable housing, and we know that universities want to work with community partners to build more student housing. It's tied into their curriculum. It's not only just a place to live; they have extracurricular activities and it builds that community. So we think this is important for student success, and removing this incentive will drive up costs and reduce student affordability at a time they can least afford it.

Mr. Rob Cerjanec: Thank you. I know that some universities, they develop it on their own. Some may partner with private or outside organizations to build student housing as well, because they may not have the access to the capital or the debt capacity, necessarily, that's required to build it. So would that put a chill on that private investment as well?

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

Mr. Steve Orsini: This bill, as everybody—created a chill in the sector. We have people that were starting to build; shovels were in the ground. They're now questioning: Do they have a viable project? We have others that are way advanced in their planning to build. They are now revisiting; "I don't know if we can do this." So this is stalling significant investment, and the residential construction industry has already calculated—if this were to go through—the significant economic impacts to the province.

Mr. Rob Cerjanec: That's going to hurt our tradespeople. That's going to hurt the people that this government, I think, is trying to help with "Let's take the HST off new builds and try and get those people to work." But then, we're going to try and take away work for good, union and non-union construction labourers. That's what that appears, to me, then, if there's going to be a chill on those projects.

Thank you.

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

We will now go to MPP Brady.

Ms. Bobbi Ann Brady: Thank you to Dominic, Celia and Steve for being here this afternoon.

Dominic, I'll start with you. As you clearly said, Bill 143 introduces an $8-billion accelerated writeoff to encourage immediate capital investment. Yet, businesses still face multi-year permitting delays, especially on industrial and commercial builds.

What specific statutory service standards or deemed-approval timelines are still missing from Ontario's regulatory framework that could actually help businesses from deploying those monies?

Mr. Dominic Roszak: Thank you for the question.

We've prepared several reports outlining specific measures. I can't say that I am the policy expert to be able to get into such great detail, but there is a great deal that we can do. We've seen some progress, certainly when it comes to some energy infrastructure, but there's a lot more. There are so much red tape and regulations that is causing difficulties.

But, in addition to the policy recommendations that our detailed reports have prepared, which I'm happy to share with you afterwards, we're also focused on the immediate needs of industry right now and in the context of the crisis, as you would have seen in my introductory remarks. So that's reassuring, in addition to the funding, that now we have measures that can move quickly to support businesses at this difficult time.

Ms. Bobbi Ann Brady: Bill 143 also includes updates to the Conservation Authorities Act and Clean Water Act, alongside the broader push under the Building Ontario Faster Act.

From the perspective of Toronto region employers and developers, what are the biggest remaining overlaps between provincial ministries, conservation authorities and municipal permitting? And, if you could make one single change, what would unlock projects faster?

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Mr. Dominic Roszak: Certainly, in terms of those two specific items, I'm sorry, I'm not the policy expert.

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

Mr. Dominic Roszak: I try to follow as much of that as I can, but those are very detailed questions. I'm happy to follow up on them.

In terms of the one thing in particular, speed and responsiveness of—a one-window approach for business is often key. We've seen some progress on that on the energy front. I think, as much as we can, we need to consolidate that decision-making to be as easy to access for business as possible and to get decisions quickly through that process.

Ms. Bobbi Ann Brady: So continuing to cut red tape?

Mr. Dominic Roszak: Absolutely essential.

Ms. Bobbi Ann Brady: Thank you.

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

MPP Smith.

Mr. Dave Smith: Steve, I want to start with you because there's definitely a misconception on what this is. I know there are concerns that have been raised about student housing. MPAC actually clarified all of that yesterday when they posted online. I'm going to read directly from it: "The proposed changes within Bill 143 do not result in any practical change to how MPAC reviews and determines eligibility with the exception of a broader range of student housing projects that would become eligible for new partial exemptions and municipal tax discounts."

What we're doing here is—and you pointed out that in the charters for some universities it's already embedded in it. What we're trying to do is we're trying to level the playing field across the province for all universities so that they all get the exemption. MPAC has clarified that every single existing university student residence will be treated exactly the same as it is right now, so there is not going to be any increase in property tax for any of the existing student residences. Any student residences that are in process of being built fall under that. So there will not be any increase in property taxes for it.

But we also recognize that as we're doing development as we move forward, there are going to be more creative ways for development. If the university owns the property and the property is having a student residence being built on it, it's tax exempt. If the university leases the property and a student residence is being built on it, it's tax-exempt. That's established in this. So I'm not sure why you've come up with such a misunderstanding because it's very clear in it that this is the case.

But we do recognize that there will be different types of P3s that get developed as we move forward. We want to make sure that we're also putting in provisions so that those types that are not the traditional student residence but still fit with student residence at universities will still be or will begin to be incorporated into it, and they will receive a tax benefit as a result of it. But the key to it is it must be a university student residence that is a partnership with the university.

To my colleague from Ajax's point, what we don't want to see is a developer who, on their own, takes a piece of property, builds something, calls it a student residence and tries to convince a municipality that they should receive a tax benefit as a result of it, because it's not done in conjunction with university. We recognize that the universities right now—those that have it in their charter have this exemption. We want to make sure that all universities have that same type of exemption, and it's done equitably and fairly across the province.

With what MPAC has said, that these changes do not result in any practical change to how MPAC reviews it—does that change your opinion at all that MPAC has said there will be no change in the property tax for these institutions?

Mr. Steve Orsini: Thank you very much for raising that important point. If you have MPAC's bulletin with you and you read at the very bottom, it says, "This is not legal advice. MPAC can't overrule court decisions," and that it's more illustrative of what MPAC intends to do, not the legal obligation to do. What our lawyers have told us is that is not a matter that the courts or legal advisers are accepting as fact. Now, I acknowledge it's a positive sign. And if the government was really committed to honouring MPAC, they would be tabling an amendment to grandparent existing and planned development, which MPAC doesn't.

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

Mr. Steve Orsini: I think there's an opportunity, so I want to accept your suggestion as an opportunity for the province to follow through, because this is having dramatic impacts on development. We're hearing development is stalled because we don't have legislative assurances. To me, it's legislation that's driving all this uncertainty and confusion, and the government needs to fix it through legislation.

But I appreciate you raising the point.

The Chair (Hon. Ernie Hardeman): Okay. Further?

Mr. Dave Smith: How much time, Chair?

The Chair (Hon. Ernie Hardeman): It's 0.25.

Mr. Dave Smith: We'll defer that.

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

We now will go to the official opposition—MPP Bell.

Ms. Jessica Bell: I've sat through a lot of committees where the Conservatives have introduced government bills to change housing, and you do have a bit of a track record of cutting and measuring at the same time, realizing you've made a mistake and then going back to the drawing board in the next piece of legislation.

I think the opportunity is being presented to the government right now to get this right, to introduce an amendment in clause-by-clause so we cannot threaten the construction and operation of affordable housing, supportive housing and student housing. I hope they listen very carefully to the stakeholders who have come here today. Many of them have consulted legal experts. They've done an assessment of the bill, and they are pretty concerned.

This is also happening at a time when we have a housing crisis. Housing costs are very high. Housing starts are plummeting. And what we really, really, really need to build is the housing that will meet demand: the affordable housing, the student housing, the supportive housing.

I have some questions for the stakeholders who have come here today, just to clarify a little bit more about what potential impact this could have on your work. I want to start with Celia Wandio, who is the co-executive director of the Kensington Market Community Land Trust. If this bill proceeds as it's currently written, what impact could this have on your ability to maintain and build affordable housing?

Ms. Celia Wandio: The impact could be very negative for us and for other housing sector organizations.

The main strategy that we have employed to create affordable housing in our community is the acquisition of existing rental housing to preserve it as affordable. That's a strategy that has been recognized by researchers, by the federal government, by other provincial governments and by the municipality as kind of a core piece of addressing the housing crisis.

When we as an organization look for properties to acquire in order to preserve the affordable housing that exists there, we are at a disadvantage compared to private market actors that wouldn't have the same interest in keeping rents low, because we are not going to be charging the same amount in rent, so we won't be getting the same revenue.

One of the things that we do have at our disposal is the potential to get property tax exemptions, which lower our costs and enable us to make those rents affordable. If we don't have the certainty of these exemptions when looking at acquiring and preserving existing rental housing, it makes it much harder for us to kind of compete to be able to preserve this housing and do our mission.

It's also really important when it comes to development. Because development projects can take a long time, you need that certainty looking one, two, three, four years down the road, knowing that when your building is built and it comes time to be tenanted, you will have those property tax exemptions in place. Without that certainty, you're going to have a hard time getting mortgage financing. You're going to have a hard time getting other funders on board.

Ms. Jessica Bell: And this is happening at a time right now where the federal government is looking at putting a whole lot of money into building housing, so we need to be rolling out the red carpet, in my opinion, to affordable housing, supportive housing, the kind of housing that we really need. Because this is the opportunity to get that capital.

If you could just clarify a little bit more for me: If you don't get this property tax exemption, what impact is that going to have on the rent that you are able to offer your tenants? How big is this property tax cost, and what would be the flow-on effects for renters?

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Ms. Celia Wandio: Yes. Property taxes are a significant portion of our operating costs where we don't get an exemption. The lower our costs—we're a non-profit; we are not trying to derive any profit from our buildings. We

are trying to operate them at the lowest rents that we can while maintaining the building in a state of good repair. The lower our cost, the lower our rents can be. Given that property taxes can form a third of our total operating costs, the impact of having them exempted can be massive in terms of being able to provide affordable rents, but the impact of not having them exempted can be disastrous.

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

Ms. Jessica Bell: Thank you very much.

My final question is to Steve. I was shocked: 12,000 existing student beds can be now required to pay property tax, and then 10,000 planned student beds could be at risk because this property tax increase could result in the financing not penciling any more. It might not be viable to build these projects anymore. What is the need for student housing, and what kind of impact would this have if it proceeded?

Mr. Steve Orsini: Well, it's shaken the investment community. When you rely on statutes and individual university acts that gave you certainty for years that you were exempt from property tax so you could pass on the savings to students with more affordable rents, and the bill gets introduced that just overrides it and puts you to a lower tier—

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

MPP Cerjanec.

Mr. Rob Cerjanec: If you want to finish your thought there?

Mr. Steve Orsini: Yes, if that's okay.

Mr. Rob Cerjanec: Go ahead.

Mr. Steve Orsini: That reduces it to be very less generous, that is partial—how do you even make a decision to invest in it in the future if suddenly they just make changes? Now, I understand, I appreciate that MPAC—and I want to acknowledge it—put out a message to say, "Look, they may not reopen it." But the law is the law, and their own bulletin says they can't honour it if the court case requires them and the municipality appeals it. I think it is just too uncertain. So that's shaken the foundation of investing in student housing.

And the ones going forward—there are shovels in the ground, and they've just changed the requirements, which changes their financing, and many of them have said, "Look, these projects don't work anymore." I think that uncertainty, at a time when the province is asking industry to honour their commitments to invest in Ontario and then they turn it around and remove our certainty—that was quite surprising.

Mr. Rob Cerjanec: Thank you. Through you, Chair: I would say, with the track record of this government, I don't really trust them when they say "trust us." That gives me big cause for concern. I think your comments today and suggestions for amendments to come forward to provide that legal certainty make a lot of sense because having legal certainty is really important. I know that's why the government wanted to introduce their new legislation around private career colleges and OSAP: to give them certainty in the decision that they've made—I would note as well to probably protect them from some legal liability. That's why they're making those changes there.

I think it makes sense in this case, using the government's own rationale, that there should be some legal certainty around this. It would be a really big shame to see projects cancelled or not go ahead for student housing at a time when we need more houses in this province. I know in the government's figures, when they track the number of homes that are completed, they've included student housing as part of those numbers. It will help the government get to their 1.5 million homes that they want to build in this province. So I think it makes a lot of sense to remove that pressure on the private rental market and ensure that we've got more student housing.

Celia, thanks for being here today, and thanks for the work that the Kensington Market Community Land Trust does as well. I think land trusts can play an important part in Ontario and a greater part in Ontario. I know you're coming to us today again suggesting that the government doesn't remove property tax exemptions for community charitable housing.

Can you explain what the impact of these changes would be on folks living in units right now, and what the potential for future investment would be if they go through with these changes?

Ms. Celia Wandio: The main impact, I think, is on future possible projects. Without these exemptions, a lot of projects that otherwise might be successful in attracting federal funding, other forms of funding, private financing which is necessary to make most of these projects work, just wouldn't go ahead because the costs would be too high. They wouldn't be able to pencil it out to make the lower rents work with such high costs. And projects would stall before they ever get either built or preserved.

I know from our experience, the buildings that we've acquired—there are tenants in these properties who otherwise were at risk of either being renovicted or having their rents increased where the building wasn't covered by provincial rent control.

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

Ms. Celia Wandio: Having the capacity to acquire and preserve this affordable housing is so key, and property taxes are a really important piece of that.

Mr. Rob Cerjanec: Some of your work is really preventing folks from falling into homelessness.

Ms. Celia Wandio: Absolutely.

Mr. Rob Cerjanec: I think prevention is a really good aspect here. If we can help ensure somebody can stay in their home, that will reduce the downstream impact when folks are on the streets and then need to go into transitional and supportive housing.

Does it feel like the province is stepping back even more from investing in affordable housing?

Ms. Celia Wandio: This threatened suspension of exemptions does feel like it's indicating that, and it's scary. We need more support, not less.

Mr. Rob Cerjanec: Thank you.

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

Ms. Bobbi Ann Brady: I just want to thank all our presenters. I have no further questions. Thank you.

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

Ms. Natalie Pierre: Thank you to all of this afternoon's presenters.

My question is for Dominic from the Toronto Region Board of Trade. Thank you for your remarks. I'm pleasantly surprised, I guess, about Toronto representing 20% of Canada's GDP. That's some new information for me. That represents a fifth, basically, of this country's GDP coming specifically from the Toronto region, so thank you for the work that you do at the region board of trade.

You talked about a couple of things. You talked about continuing to break down internal trade barriers. You talked about maintaining and improving a competitive tax environment. So, I wanted to think about the information in the fall economic statement about the $8-billion Ontario Competitiveness Tax Cut, with the expectation to attract $11 billion in new capital investment and create 30,000 new jobs in the province of Ontario while increasing GDP by $6 billion.

How important is that measure for helping Toronto region businesses invest, grow and compete in what we are seeing as an increasingly competitive environment?

Mr. Dominic Roszak: Thank you very much for that question. It is really a game-changer in so many ways for business. They have been struggling, especially through this period. Generally, we have a productivity problem in terms of Canada competing with the United States on a per-worker basis. We are less than three fourths in terms of our productivity compared to the United States. We have a lot to catch up on. This measure, done in concert with the federal government, which we applaud both governments for, really does shift the thinking for businesses.

One thing we found is a lot of our established businesses, especially in the manufacturing sector, are making long-term decisions about where they are going to invest their money. And a lot of them have been thinking, "Do we move to the States, because that's where it's more predictable? We don't know what's going to happen." This kind of measure really changes the calculus for many of them. We have heard very positive feedback from our members, so we applaud the government for this.

Being able to write off the value of a wide range of capital investments, including machinery and equipment, will help us bridge that productivity gap that we face and hopefully keep a lot of those businesses that have been considering moving here in Ontario.

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

Mr. Sheref Sabawy: Thank you very much for your presentation. It's important to understand the feedback from the businesses, and the impact of what the government is doing and how much is impacting your members.

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We partnered with the federal government for an $8.7-billion package of targeted support for businesses impacted by the US tariffs. How will providing this scale of support help Ontario companies protect jobs, maintain operations and pursue new export opportunities in this competitive international market and, of course, in the US.

Mr. Dominic Roszak: Thank you for that question. Of course, the focus of that fund is on the steel and automotive sectors, which are absolutely critical to Ontario. We've had a lot of discussion in these trade discussions and largely, it's those two sectors we want to protect. We've been arguing, as the Toronto Region Board of Trade, that we need to put in more effort to protect those jobs because they represent such a significant portion of our economy.

Seeing that Ontario alone is contributing $1.67 billion to the Joint Steel Action Fund and up to $1 billion to the automotive capital support aspect of this over two years is really important, in addition to, of course, the Ring of Fire, which is part of this in terms of an investment.

Right now, those sectors are at a critical point. We need to do what we can.

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

Mr. Dominic Roszak: So now, the focus that we have is ensuring that this funding flows quickly, that it's easy to access for business. That's something we've communicated before to the government. We hope that when it starts to get delivered, it does get to where it's needed right away because it is urgently needed right now.

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

Mr. Tyler Allsopp: Just a brief question to Mr. Orsini: I'm the parliamentary assistant to the Minister of Economic Development, Job Creation and Trade. You referenced, at the top of your address, the $6.4-billion investment that we've made, creating 70,000 more seats—more seats for STEM graduates, more seats for AI master's. Can you talk about how those investments will help stimulate the talent pipeline that we need to generate more innovation, more business, in Ontario?

Mr. Steve Orsini: Absolutely. We're really appreciative of the Ontario government's investment in our students and post-secondary education. To give you an example, our STEM graduates are—

The Chair (Hon. Ernie Hardeman): Well, thank you very much. That concludes the time. If he really wanted to hear it, he should have given you more time.

Laughter.

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

Ms. Sandy Shaw: Thank you to all the presenters. I'm going to continue my questioning on the negative impact that this government is having on students in this province.

My question is to Mr. Orsini. This government introduced sweeping grant cuts. Students are facing increased tuition. We have a fall economic statement predicting a substantial cut to funding in that sector. We know that students are not exempt from the high cost of living in this province. They are struggling to find work. They are struggling to find affordable housing. They are struggling to afford groceries. There are all kinds of food banks on campus now. What you've described now is a looming crisis for students trying to get into affordable, stable, safe housing.

My question to you is, really, how is this impacting the universities' ability to plan for your programming, and

also, beyond the housing, how are these cuts impacting your ability to provide services and programming to students? Have you seen an increase in the kind of supports that students need in some of these very basic things like housing, food and employment?

Mr. Steve Orsini: Thank you for that question. Universities have taken a number of strategies to support students. I'll start off with $1.8 billion a year in student support services like mental health, in housing. So the universities are investing $1.8 billion in students, and investing in students. Why? That's good for the economy. Universities also provide $1.4 billion in financial supports. These are non-repayable. Why? Because we want students to get access to higher education that helps our economy. Recently, to support students, a number of universities have gone out and fundraised over $100 million to get even more. So the $1.4 billion that's existing—they've been going out and getting people to fundraise to invest in more scholarships.

That's why we're here today on student rent. We're here to protect students further on facing higher rents because of changes in Bill 143.

Ms. Sandy Shaw: Thank you for that, and I want to thank you for the work that you're doing. I heard from OUSA just the other day, and we had the College Student Alliance. In addition to the struggles they're facing, I will just leave with this comment: They are hurt, to be honest with you, by this government, because they are doing everything right. They're trying to pursue their education. They're trying to contribute to our economy to be good citizens of our communities across Ontario. And what they see is a government that has done nothing but throw roadblocks and ignore their needs and ignore their contribution they're making to our communities and to our economy.

I want to thank you for all that you are doing to support our students. They deserve so much better than what they've been getting from this government.

I'll cede my time to MPP Bell.

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

Ms. Jessica Bell: I've got some additional questions to you, Steve, around the issues around university funding. This is part of the fall economic statement.

Looking at the latest fall economic statement numbers, it shows that spending on colleges, universities and student financial assistance will fall by $1.2 billion—from $13.9 billion in 2026-27 to $12.7 billion in 2027-28. I see that as a cut.

What impact will this reduction in provincial spending have on Ontario universities and their ability to provide the number of student spots that our young teenagers want to apply to so that they can get ahead in Ontario?

Mr. Steve Orsini: I can speak only to the university sector. The $6.4 billion for colleges and universities has added significant funds to our universities.

We're also facing, at the same time, federal cuts to international students. Even though universities behaved responsibly—we weren't the ones I think the federal government was targeting—we're facing a $5-billion loss cumulatively over five years.

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

Mr. Steve Orsini: So this investment by the province is coming at a crucial time. We can say for universities, government funding has gone up. I can't speak to the overall decline in the budget, but I can tell you universities welcome funding from the province, and it's going to support students.

Ms. Jessica Bell: We've heard from the higher education sector that even with this increase in funding, it will mean that not enough student positions will be created to meet workforce demand. What's your take on that?

Mr. Steve Orsini: We think that the government's decision to expand 70 additional spaces in high-demand programs is—

The Chair (Hon. Ernie Hardeman): That concludes the time for that question, and it concludes the time for this panel.

We want to thank all of the presenters on this panel for the time they took to prepare an able way that you have presented your story to us. We very much appreciate that. Thank you.

ONTARIO ROAD BUILDERS' ASSOCIATION
CONSERVATION ONTARIO
ONTARIO ASSOCIATION OF CHIEFS OF POLICE

The Chair (Hon. Ernie Hardeman): Our next panel is the Ontario Road Builders' Association, Conservation Ontario and the Ontario Association of Chiefs of Police.

If we can ask the panel members, if they want to speak to the committee, to move back to the back of the room.

Okay, we have the panel at the table. As with the previous panel, you will have seven minutes to make your presentation. I will give you a one-minute warning when you're within one minute of your time allotted, and at the end of that, we will stop it and go on to the next one. We also ask each one, as you start your presentation, to make sure you introduce yourself so that we can make sure we get the right name to the Hansard recording.

With that, we will start with the Ontario Road Builders' Association.

1400

Mr. Steven Crombie: Thank you, Chair. My name is Steven Crombie. I am the senior director with the Ontario Road Builders' Association. Good afternoon, Chair and members of the committee. Thank you for the opportunity to appear here today.

As I mentioned, I serve as senior director of public affairs of the Ontario Road Builders' Association, known as ORBA.

For nearly a century, ORBA has represented the companies that build, maintain and rehabilitate Ontario's provincial highways, bridges and other critical transportation infrastructure. Our members are responsible for delivering

the infrastructure that connects Ontario communities, supports our local supply chains and allows businesses to compete in an increasingly challenging economy.

We appreciate the opportunity to provide comments on today's legislation and the government's broader efforts to strengthen Ontario's economy through infrastructure investment and regulation modernization.

Infrastructure investment is fundamental to Ontario's economic competitiveness. Ontario's road-building industry plays a central role in connecting businesses to markets, supporting domestic supply chains and facilitating the movement of goods and people across the province. Whether it's expanding highway capacity, improving transportation corridors or strengthening connections to northern and rural communities, infrastructure investment creates economic opportunities that extend well beyond the construction sector.

In this regard, ORBA recognizes the importance of a legislative and fiscal framework that supports long-term infrastructure delivery and provides greater certainty for businesses responsible for building it.

I would like to address schedule 11 of Bill 143, which proposes amendments to the Conservation Authorities Act.

Conservation authorities play an instrumental role in infrastructure delivery, particularly where projects involve water course, drainage systems, culverts and bridge construction. For road-building contractors, these are not uncommon circumstances. They are routine components of delivering transportation infrastructure across Ontario.

Our members frequently undertake projects across multiple municipal conservation authority jurisdictions. In doing so, they can encounter different administrative processes and technical interpretations for sustainability for similar types of work. These inconsistencies can create additional administrative costs, complicate project planning and introduce uncertainty into construction schedules.

Schedule 11 of the legislation proposes changes to the governance and organization of conservation authorities, including providing the province with greater flexibility to amalgamate authorities and modify jurisdictional boundaries.

For example, ORBA sees this as an opportunity for these structural changes to support a more coordinated and consistent regulatory environment. A contractor, for example, undertaking a culvert replacement in one municipality should ideally encounter similar administrative requirements to a contractor undertaking similar work in a neighbouring municipality.

While we recognize that schedule 11 does not directly amend conservation authority permitting requirements, we believe these governance reforms provide an opportunity to improve administrative consistency and reduce unnecessary duplication.

As the government moves forward with implementation, we would encourage it to prioritize consistent technical interpretations and streamlined administrative processes and continuity for infrastructure projects already under way.

Ultimately, the success of these reforms should be measured not simply by changes to governance structure, but whether they can contribute to a more predictable and efficient infrastructure delivery while maintaining appropriate environmental protections.

More broadly, regulatory predictability is critical to deliver Ontario's infrastructure priorities. Construction companies make significant investments in equipment, skilled workers, training and project planning. When regulatory requirements are clear and consistent, and administered so, contractors are better positioned to price projects accurately, allocate resources efficiently and deliver infrastructure on schedule. Conversely, administrative duplication and uncertainty can create costs without necessarily improving project outcomes.

That is why ORBA supports the efforts to modernize regulatory frameworks in ways that maintain appropriate safeguards while improving efficiency and predictability.

As Ontario continues to pursue an ambitious infrastructure objective, it is important that the regulatory environment evolves along with it.

In closing, Chair, Ontario's road-building industry stands ready to continue to deliver the infrastructure Ontario needs. We recognize the government's commitment to strengthening Ontario's economy, supporting infrastructure development and improving the regulatory environment for businesses. ORBA believes that the measures proposed in Bill 143, including the conservation authority governance reforms in schedule 11, present an opportunity to advance these objectives.

We look forward to working collaboratively with the government to ensure that these legislative changes translate into meaningful improvements for infrastructure delivery, Ontario businesses and communities we serve.

Thank you, Chair and members of the committee.

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

The next presenter will be Conservation Ontario.

Ms. Angela Coleman: Good afternoon, everyone. My name is Angela Coleman, and I'm the chief administrative officer of Conservation Ontario. Conservation Ontario is the member association for Ontario's conservation authorities located throughout the province.

Conservation authorities, as many of you know, work directly with the province, municipalities, partners and community members to protect people and property from natural hazards, as well as maintaining flood infrastructure, sensitive lands and conservation areas and offering drinking water source protection and watershed enhancement, protection and restoration projects.

The first point I'd like to present today is the opportunity to review individual conservation authority submissions. The conservation authorities have made individual submissions on this bill, and, members, if you review those individual submissions, you'll get some additional perspectives from the individual conservation authorities. They have more points than my time allows today, so I invite you to review those. I will focus my comments

specifically on the legislative frameworks under the Conservation Authorities Act and the Clean Water Act.

Conservation Authority Act, schedule 11: the amendments concerning transition provisions for the first CAO. Section 1.12 provides the appointment of a first chief administrative officer. The proposed amendments beginning at section 1.12(5) provide the agency, meaning the Ontario Provincial Conservation Agency established under section 35.1, to direct the authority to do three separate things: (1) to enter into an employment contract with the first CAO; (2) to require specific terms included in that employment contract; and (3) not terminate the CAO for a period of two years unless the agency provides notice.

The consideration here that I would ask you to make is, the ability to control this element of institutional governance is significant, and the provision is limited in duration. I would submit that that may legitimately provide for a need for stability during the transition period, but the rationale as to why the mechanism is required and outlining the approach is really essential. Matters dealing with the CAO, including their performance, expectations and other boundaries, are important to assure appropriate mechanisms are in place for the governance and overall function of the new regional conservation authorities.

The second point is amendments regarding the establishment of an authority, amalgamating authorities, enlarging areas and transferring watersheds between authorities. The proposed changes have the effect of moving decision-making power from local councils to the provincial minister.

The changes in sections 2 and 3 remove the two-thirds vote requirements of municipal representatives and instead permit the minister to recommend the Lieutenant Governor in Council to establish an authority for the watershed or any part of the watershed if the minister is of the opinion it is in the public interest to do so.

Section 3.1 similarly allows the minister to amalgamate two or more authorities if the minister is of the opinion it would be in the public interest to do so.

Finally, the proposed section 13 allows for the minister to transfer the watershed authority to an adjacent authority if the minister is of the opinion it would be in the public interest to do so.

These sections require the minister to confer with participating municipalities and the authorities at issue. It is unclear in the current drafting what the word “confer” means exactly in this context.

The consideration we’ve put forward to you is that the premise of conservation authority framework is flooding, erosion, drainage and watershed health and that those be addressed on watershed, rather than municipal, boundaries.

The amendments proposed by Bill 143 should expressly require the minister or cabinet to demonstrate that boundary or jurisdictional changes are supported by hydrological, ecological, natural-hazard or other appropriate parameters within the legislation. This is consistent with the principle of subsidiarity. Provincial decision-making should be informed by local knowledge related to the watershed, flood plain and hazard-management expertise, and municipal government expertise.

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Point C is that the cabinet are insulated from ordinary regulation-making safeguards. Section 22 of Bill 143 proposes 36.2 of the Conservation Authorities Act, which expressly provides that part 3 of the Legislation Act does not apply to cabinet orders made under sections 2, 3, 3.1 and 10 to 13. Those are provisions governing the establishment and amalgamation of authorities and changes to their areas of jurisdiction.

For better accountability, the ordinary procedural and publication framework applying to those regulations should apply. For example:

—advance public notice of a prepared order;

—minimum consultation period;

—mandatory publication of the technical record;

—reasons for the decision; and

—independent review process or statutory appeal.

The main other piece of the recommendations we want to speak to is part IV of the Conservation Authorities Act. That sets out that municipal governance and structure has some changes that are being made. Proposed section 40 allows for the Lieutenant Governor in Council to make regulations for appointment of members to an authority and, most notably, under 40(0.b)(ii) prescribe the circumstances where council of a participating municipality should appoint no members to the authority. This may, again, be appropriate in certain circumstances. For example, if the municipality has low population in the watershed and does not wish that representation.

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

Ms. Angela Coleman: However, the effect of the legislation, as drafted, is that a municipality can potentially be a participating municipality, bear financial responsibilities and have no entitlement to representation. The main flexibility that we’re proposing is that we maintain that flexibility that allows for municipal consultation.

The amendments result in a disconnect in some ways. The proposed changes allow the province to:

—establish and amalgamate and designate participating municipalities in areas of jurisdiction;

—provide a municipality not have a direct appointee;

—alter jurisdiction of the individual authorities; and

—control the first CAO during the transition period.

These changes materially diminish municipal accountability and control with the legislation, that historically had an ability to do so for financial and tax dollars spent.

The OPCA is designated as the central oversight of conservation authorities. A further concern—

The Chair (Hon. Ernie Hardeman): Thank you very much. That concludes the time, and hopefully we can get that in in the first round of questioning and you can finish your presentation.

With that, we will now hear from the Ontario Association of Chiefs of Police.

Mr. Mark Campbell: Good afternoon, Chair and members of the standing committee. Thank you for the opportunity to appear here before you today. My name is

Mark Campbell. I'm the chief of the Strathroy-Caradoc Police Service and the immediate past president of the Ontario Association of Chiefs of Police.

On behalf of the OACP, I want to begin by acknowledging the government of Ontario for its continued commitment to strengthening public safety, supporting law enforcement and addressing the evolving challenges facing communities across our province. We are pleased to appear before the committee today to express our support for the public safety objectives advanced through Bill 143, particularly the proposed measures to strengthen enforcement against illegal cannabis operations.

The OACP represents police leaders serving communities of all sizes, from our largest urban centres to smaller municipalities, rural areas and First Nation policing partners. Although the communities we serve are diverse, our shared responsibility is clear: To protect the public, uphold the law and ensure that Ontario remains a safe place to live, work and raise a family. As police leaders, we recognize that effective public safety requires strong legislation, appropriate enforcement tools and meaningful collaboration between government and policing partners. Bill 143 represents an important opportunity to advance these objectives.

Today, I would like to focus on three areas that are particularly relevant to policing:

(1) strengthening enforcement against illegal cannabis operations;

(2) improving corporate transparency; and

(3) supporting Ontario's broader efforts to combat organized and cross-border crime.

Strengthening enforcement against illegal cannabis operations: Since the legalization of recreational cannabis, Ontario has established a regulated marketplace intended to protect consumers, promote responsible retail practices and ensure appropriate oversight. However, illegal cannabis operations continue to undermine the integrity of that framework and present ongoing challenges for law enforcement. These operations can extend beyond unauthorized storefronts to include unlawful cultivation, distribution and other associated criminal activity. For police services addressing these activities, it can require significant investigative resources, coordination across jurisdictions and sustained enforcement efforts.

Two examples I can think of and provide to you involved one down in our area that involved members of the York Regional Police, the Ontario Provincial Police, the London Police Service and the CBSA. That resulted in a total of over $7.5 million worth of illegal cannabis being seized, along with firearms and stolen vehicles, which shows the direct tie to illegal criminal activity.

A second one involved in the Haldimand area—again, with over 9,000 illegal plants seized, with a street value of over $4.6 million. The OACP welcomes the government's recognition that stronger enforcement tools are necessary to address these challenges.

Bill 143 proposes several important measures that would strengthen Ontario's ability to respond to the illegal cannabis activity that I've reflected in those two examples.

(1) The proposed amendments would expand the enforcement responsibilities of the Alcohol and Gaming Commission of Ontario, including additional administrative monetary penalty authorities. These measures would provide another mechanism for addressing unlawful activity and supporting compliance with Ontario's regulatory framework.

(2) The legislation proposes additional provisions targeting activities that support illegal cannabis operations, including unlawful cultivation intended for unauthorized retail distribution and the knowing facilitation of prohibited activity. These measures recognize that effective enforcement must extend beyond individual retail locations to address the broader activities supporting illegal operations.

(3) Bill 143 proposes additional investigative and enforcement authorities, including inspection, search and seizure provisions. Importantly, the legislation would also provide police officers and First Nations officers with the powers of an investigator under the Cannabis Control Act.

For Ontario's police leaders, these proposed changes represent additional tools to support enforcement activities and strengthen coordination between police services and provincial regulatory partners.

We are particularly pleased to see the government's continued attention to the role of the Ontario police-led Provincial Joint Forces Cannabis Enforcement Team. The work of this initiative demonstrates the importance of bringing together police expertise, investigative resources and coordinated enforcement efforts to address illegal cannabis activity. The OACP supports the government's objective of ensuring that illegal operators are subject to meaningful enforcement while protecting consumers and legitimate businesses operating within the Ontario regulated market.

Number two: strengthening Ontario's response to organized crime. The OACP also recognizes the importance of measures that support investigations into organized criminal activity and financial crime. Criminal investigations can become increasingly complex when individuals use corporate structures or other arrangements to obscure ownership and control.

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

Mr. Mark Campbell: Greater transparency regarding corporate ownership can provide valuable information to investigators seeking to help identify those individuals.

We're also looking to support border security and front-line policing. Beyond the legislative amendments, the OACP also welcomes the government's continued investment in strengthening Ontario's border security and supporting front-line officers.

Ontario police leaders remain committed to working collaboratively with government to strengthen public safety and respond to the evolving needs of our communities. We also welcome the public safety measures advanced through Bill 143 and recognize the government's continued efforts to provide law enforcement agencies with additional tools to address these illegal activities. Our shared objective is to ensure that Ontario police services

are well-positioned to protect the communities they serve and respond effectively to emerging public safety challenges.

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Thank you, Chair and members of the committee, for your time and—

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

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

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

I'll start with Chief Campbell. Thank you for your service, and I agree with you; we should be doing our upmost to support our front-line officers.

I have an opened-ended question here. While I do appreciate the changes to cannabis enforcement under Bill 143, I represent the riding of Haldimand–Norfolk, where you would appreciate the fact that we have seen the proliferation of contraband tobacco. Your presentation focused on cannabis. I'm just wondering if you see the merit in inserting contraband tobacco into Bill 143, or are we just allowing that ship to sale?

Mr. Mark Campbell: That's an excellent question.

In regard to contraband tobacco, it obviously has a tremendous impact on community safety and public safety in all of our communities, not just the area that you represent. That is certainly prevalent in the area that I am also privileged to police in as well.

I think, from the OACP perspective, that we are willing to work in collaboration with government and explore every possible avenue where there may be opportunities to broaden enforcement areas. I think that we would welcome that opportunity.

Ms. Bobbi Ann Brady: Great; thank you.

I will move over to you, Steven. Ontario continues to make significant investments in expanding its provincial highway network. However, I feel funding for the rehab and maintenance of existing highways has remained quite stagnant over the past 10 years, even though we have seen significant increases in construction costs. So from your perspective, what are the consequences of failing to adequately invest in the state of good repair and our existing highway networks, especially in northern Ontario, and what should we be doing to address these challenges?

Mr. Steven Crombie: Yes, thank you very much, member Brady, for the question. It's certainly an important question and one that ORBA is laser-focused on—

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

Mr. Steven Crombie: I want to first mention that we recognize that the government has made historic investments in transportation and transit infrastructure, particularly on Highway 413, Highway 425 and the recently announced Highway 69.

But what we have seen is that the MTO's rehabilitation budget has remained stagnant for over a decade at roughly $1.5 billion and compounded with cost pressures for delivering infrastructure, outpacing the consumer price index, the purchasing power to rehabilitate our roads and what the governmental indicates for that activity has decreased by nearly half.

Consequently, what means is that roads, particularly in the north and our rural networks, are facing challenges related to state of good repair. These are vital arteries in rural and remote communities that Ontarians rely upon in order to safely travel and for goods and services to move to that point—

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

MPP Sabawy.

Mr. Sheref Sabawy: I would like to ask Chief Mark a question. First of all, thank you very much for taking the time to present to us and give us ideas about the feedback from the Association of Chiefs of Police.

You know that the province has invested in law enforcement and public safety, coming at a time when police services are facing incredibly complex demands. This can be reflected, at least in Peel region, Toronto GTA area and Ottawa. In Peel region, we added 300 new officers last year to enforce the personnel, the logistics—we already had the two helicopters; one, I think, in Ottawa and one here in the GTA area—the technology with the new NG 911, rebuilding the 911 services, the new generation, modernizing it.

As you can see, we need to upgrade the personnel, upgrade the technicalities, upgrade the tools to make sure that you can keep up with the challenges. How valuable is the government commitment to providing additional resources and tools that help officers protect communities and respond effectively to evolving public safety challenges?

Mr. Mark Campbell: Thank you, first of all, for the question and outlining a lot of the opportunities that this government has taken to help support law enforcement and enhancing public safety in this province.

You've touched on a number of different areas where there has been that financial, that support by the government to enhance those areas of public safety. I think that it's important upon us as police leaders to continue in this strong area of engagement to ensure that we make elected officials, as best we can, aware of and make them understand the complexities of the areas that we are dealing with.

Whether it's from a recruiting and a retention period, whether it's legislative challenges that we sometimes see in the justice system about getting people through the court system, there are lots of different areas that we certainly want to be at the table and being able to provide our expertise to elected officials to help them become better informed so that those supports are timely and effective when they are arriving to help us deliver on those messages of public safety.

Mr. Sheref Sabawy: Thank you very much.

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

Mr. Joseph Racinsky: Thank you to the presenters. My question is for the Ontario Road Builders' Association.

Our government has made tremendous investments in both transit and highways, as was mentioned, and I'm very proud that we are investing so much in our transit system, subways, GO lines in my area. Sometimes—rarely; rarely, I will bump into a constituent who says, "You should only spend on transit; don't build any roads." I try to explain I represent an area that is kind of between the rural area of Ontario and the GTA. We've got companies like Saputo, Conestoga Cold Storage, Gordon Food Service down in Milton, just south of my riding, that take the food products and then bring them to the GTA, and those travel on trucks on our roads, on our highways.

Could you just please share what benefits these road and highway investments have on Ontario's economy? We lose billions every year from gridlock, so why are these investments in roads and highways so important for Ontario's economy and communities in the long term?

Mr. Steven Crombie: Yes, and thank you very much, member, for the question. What I would say first is that the argument of transit versus highway investment is not an either/or argument; it's a "yes, and." Not all Ontarians have reliable access to public transit, so we need a transportation network that reflects the realities that all Ontarians live in.

To the question regarding competitiveness and what congestion actually costs Ontario's economy, a study conducted by the Canadian Centre for Economic Analysis found that congestion costs Ontario's economy over $56 billion annually—

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

Mr. Steven Crombie: Perfect, thanks.

Mr. Joseph Racinsky: Go ahead.

Mr. Steven Crombie: To that point, when Ontario is considering how to increase economic competitiveness, our reliable transportation networks are at the centre of that question. So to your point, we need to continue to invest and recognize the cost of congestion in a measured way.

Mr. Joseph Racinsky: Thank you.

The Chair (Hon. Ernie Hardeman): Okay. MPP Allsopp, 31 seconds.

Mr. Tyler Allsopp: How many?

The Chair (Hon. Ernie Hardeman): Thirty-one.

Mr. Tyler Allsopp: Thirty-one. Well, I think I'll reserve my question for the next round. I do have a question for Chief Mark Campbell as it relates to border security, but I don't think we'll have enough time in the next couple of seconds for me to get the question out and for you to provide a sufficient answer, so I will pass it on to the opposition.

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

Ms. Sandy Shaw: Thank you to all of the presenters for being here.

I am going to direct my first round of questions to Chief Campbell; thank you very much for being here. Today, I had the opportunity or the pleasure of meeting with the Hamilton Police Association. They were here today and they, including Jaimi Bannon—shout-out to Jaimi Bannon and Wes Wilson, newly re-elected—had a number of requests of this government. I just wanted to get your opinion on these and whether they should be included in the kind of funding that we are seeing from this government for our policing.

Very specifically, they are looking at the WSIB framework that provides presumptive legislation when it comes to mental health for officers. They wanted to make sure that this is extended, that we support all of our front-line policing by making sure that this presumptive coverage includes all civilian police personnel, especially because many of them have work-related trauma as well. They often review footage or they're at the scene of this.

Do you have any opinion on whether this request would be a reasonable request, that the government should provide funding to extend WSIB coverage to all personnel that are working in our police forces throughout the province?

Mr. Mark Campbell: Thank you again for that question; it's well-timed and an excellent question. I will tell you this: I'm sure it's not a surprise to any in the room that the police associations, like the chiefs' association and the regular member associations, meet regularly and talk regularly. In fact, the specific issue you brought forward, I know that they are discussing with great frequency. The current president of the OACP and the president of the PAO have met, I think, a couple of times in the last couple of months, specifically addressing these issues.

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As a police leader in this province, the wellness and well-being of our members is paramount, and I think that is a universal position that every police leader in this province has embraced as being important to delivering excellent police services in our communities. It requires healthy, vibrant members who are willing to be able to have the supports and the programming available to help them deal with a very challenging profession. I think it's something that we are continually wanting to address with the associations, to find the best possible programs and alternatives for our members so that they are getting what they deserve, and that's the best possible supports.

Ms. Sandy Shaw: And I would say, absolutely. But because of the conditions that are in our communities, with homelessness and the increase in some of the crime-related, drug-related instances, we're seeing a lot of front-line responders struggling with mental health. So I would urge the government to extend this not just to police services—which I think is appropriate—but to all of our first responders in our communities.

I'm from Hamilton. I know we're seeing this all across Ontario—concerns with an increase in youth crime. In Hamilton, we've had a number of disturbing shootings. We had a 16-year-old shot in our downtown mall by a 14-year-old, and there was a 12-year-old involved. These are young folks who are armed. This crime is really very disturbing to people.

I understand that we absolutely need to make sure that our police forces are equipped with what they need to respond adequately.

When I was at a funeral at a mosque, the chief of police was there, and the deputy, and what, really, they said and some of the officers said—that they cannot do this alone, that policing is not going to be the answer alone to this problem.

I know that in my community, many of the youth-serving agencies are losing funding and having to close their doors.

Can you speak a little bit to how these kinds of community partners and resources would support the work that you are doing to keep our communities safe and to keep our youth out of these kinds of horrific criminal situations that they're finding themselves in?

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

Mr. Mark Campbell: I'll address the first part of your question or your comment about the impact that youth crime has on our communities. It is certainly something that we are seeing more and more across the sector. I think there are a number of areas in regard to justice accountability that need to be corrected, and that's maybe more of a federal legislative piece. But I think that there are some challenges there—and our partners, certainly, in the justice sector are alive to that and aware of that, and it does take a multi-facet.

In regard to the second part of your question about, does it take a village to help provide community policing and public safety—yes, it does. Every police agency I'm aware of has those important collaborative pieces in play in their organizations, and they are all being asked to do more with less, including every sector. It is a challenge that I know that us at the OACP are willing to be—

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

We'll go to MPP Cerjanec.

Mr. Rob Cerjanec: Through you, Chair: Thanks to all of you for being here today.

Chief, I want to start with you. You were talking a little bit about border security. I had the opportunity earlier this year to visit Windsor, and I met with the port authority. I had the opportunity to go on the police boat, as well, on the river separating Windsor and Detroit. I saw first-hand the challenges sometimes associated with protecting our border, but also how much we need to co-operate and rely on—and I do say rely on—sometimes, our partners to the south, the United States, in ensuring—because it really is a shared responsibility.

I'm curious, from your perspective in the Association of Chiefs of Police, what more can we be doing at the provincial level to protect our border, to stop the flow of illegal guns and drugs and ensure, as well, that we're supporting our officers, especially in border communities?

Mr. Mark Campbell: First of all, thanks for that question. Certainly, down in our area, I'm very close to both the Sarnia police and Windsor police as well as the LaSalle police. Some in the room may not know, but LaSalle has their own police agency as well. So the funding that was announced, where border communities were able to exercise and receive funding for the acquisition of assets to help combat border integrity issues, was very much welcome. In fact, my colleagues in Windsor, I think, were able to add on some additional pieces that they weren't even really anticipating. So it is very important that those tools are accessible.

The comment you made about the partnerships with our neighbours to the south is equally important, and I have great confidence that, over time, those relationships will return to, perhaps, some areas where they have been strained in the immediate present.

Mr. Rob Cerjanec: Thank you. I guess my other question is—and it's not necessarily entirely related to the province, but just in terms of the level of engagement as well with the federal government around this because the federal government plays a very important role through not just CBSA but RCMP around the border—what does that engagement look like right now?

Mr. Mark Campbell: Again, through the OACP, we represent about 40% of the policing organizations in this country, so the OACP has a very strong voice in that space. In addition to that, most of the members, if not all the members, of the OACP are also part of the CACP, the Canadian Association of Chiefs of Police. Under the leadership of Commissioner Tom Carrique from the OPP, who was the past president of the CACP, they have been active in advocate work for legislative reform as well as border security. So I think that we are well positioned to have a trusted, respected voice at the table in regard to being able to have conversations that are going to further advance where we go with public safety, not only in the province of Ontario but across this country.

Mr. Rob Cerjanec: Thank you, and I'd just like to thank yourself, chiefs and all of the police officers in the province for the work that they do to help protect our communities and deal with some very, very challenging situations. It's much appreciated by us in Ajax, but I know, by everyone in the province as well.

Steven, thanks for being here today. After becoming elected, I became a lot more aware of the challenges around highways in northern Ontario and, in particular, the need for safety. These highways are important trade corridors. The amount of trucks that move on those highways is quite a lot, but as well, just from a safety perspective, we see that these highways get closed because of—unfortunately and sadly—fatal accidents.

It is good to see the government starting to move forward with the expansion of Highway 69. I think that is welcome.

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

Mr. Rob Cerjanec: I think the last expansion was completed in 2021, and that was a result of the previous Liberal government, who started that project, so it's good to see this moving forward.

But given those concerns raised by northern municipalities about the safety and reliability of these corridors, what would you like to see from the province around that? If we lose time, I'll pick it up on the next round.

Mr. Steven Crombie: Sure, and just very quickly, I think the widening of Highway 69 is absolutely critical to the safety and connectivity of Sudbury to the rest of the

province. Just last week, there was, unfortunately, a fatal accident—a story all too common in the province of Ontario. And what that means, in a two-lane highway, is a full closure. That means that goods and services and people cannot move on that highway. There is no alternative route.

To speak about other northern corridors, such as Highways 11 and 17, particularly where they're two-laned: We want to see a network expansion. Two-laned highways across the province, Ontario—

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

We now will go to the government. MPP Allsopp.

Mr. Tyler Allsopp: I appreciate all of the presenters for being here today.

Chief Campbell, I had intended to ask you about border security, but I think a lot of what I was looking for was very well covered in your answer to MPP Cerjanec. But being from Bay of Quinte—obviously very near the Gananoque border crossing and also having the most shoreline on Lake Ontario—we do struggle with that issue, but I think it was very well covered.

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So what I wanted to ask you about is our investment in expanding correctional capacity. Our government has put forward $3 billion to expand capacity across the system, including contemplating reopening the Brantford Jail as well.

What role do you think correctional capacity plays in maintaining safe communities and ensuring that people who belong behind bars are able to stay behind bars?

Mr. Mark Campbell: It's a very important question and a very important issue. Certainly, from the policing perspectives and the conversations that I know occur in my organization—and I'm sure across most policing organizations—it's the hard work that goes in every day by our front-line members who are out making difficult decisions, arresting violent criminals and helping them get prepared for their appearance in court.

The frustration, the challenges that not only our police personnel are seeing but I think community members are seeing are challenges within the justice system where, because of capacity issues, perhaps, at correctional facilities and the challenges within the justice sector itself, people are getting released early and often into our communities.

That is a public safety challenge that police leaders are trying to address, so I think that seeing the possibility of increasing capacity at institutions is a very strong message to send, that it will help build capacity so that those who are committing violent crimes in our communities should be held in custody and have a place to be held in custody.

Mr. Tyler Allsopp: Thank you. Just to follow up on that comment, as the former chair of the Belleville Police Service's board, I know that that was something that really affected the morale of our officers. They do go out, put themselves in harm's way to apprehend people, to process them, to get them to trial, and then they're back out in the community doing the same things over and over again. So I really appreciate that response

I think that some of my colleagues have questions for you as well.

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

Mr. Logan Kanapathi: My question is to the Ontario Road Builders' Association, Steven.

How many minutes are left?

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

Mr. Logan Kanapathi: Thank you—I have enough.

You talked about how infrastructure investment and regulatory changes would be very, very critical for economic resilience. You know, I'm the parliamentary assistant to red tape reduction, and we are carrying out, along with my colleagues and our ministry and Premier, reductions regarding unnecessary red tape and regulatory burdens.

Ontario has committed to cutting red tape and accelerating approval, including eliminating nearly 220,000 days of processing time, streamlining business-facing permits.

Tell me how important these measures are to speed up project delivery and help transportation infrastructure projects get built faster, ensuring communities can realize—you're talking about economic benefits.

Mr. Steven Crombie: Yes. Thank you very much for the question, MPP Kanapathi.

It's absolutely paramount to getting projects from the shelf to shovels in the ground. We've seen, through the Building Highways Faster Act, the minister's authority to accelerate certain environmental permissions while maintaining the highest environmental standards in the world. But it allows Ontario to get those projects from the shelf to market, allows us to not only build the trade-enabling infrastructure, increase Ontario's competitiveness, but ultimately—and perhaps most importantly—puts Ontarians to work in an uncertain economy.

Recently, in Bill 140, we've seen some environmental accelerator permissions through Highway 69. We anticipate that those legislative provisions in Bill 140 will actually allow the province to get shovels in the ground on widening Highway 69 next year. That is a speed at which Ontario has not built in the past, and it's largely in part due to those regulatory accelerators and accelerating environmental permissions that are allowing us to do that.

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

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

Steven, if I could come back to you.

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

Mr. Dave Smith: We are really embarking on one of the largest transit expansions in Ontario's history. And one of the things that I have found really interesting, when we have been going through this entire process, has been the pushback from different communities about aggregate and the fact that nobody seems to want to have rock taken from around them to build the roads.

If we don't have our own aggregate, where would we get it, and what would you say to somebody who is saying

to you, "Oh, no, no. We shouldn't be setting up these aggregate pits to do this type of stuff"?

Mr. Steven Crombie: It's a fantastic question. If you like infrastructure, you're going to have to like aggregate and the sources in which it comes from. Literally, our entire physical built world starts with aggregate. So unfortunately—and similar to, say, a landfill—these are critical pieces of infrastructure. They govern our physical and our—

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

We now will go to MPP Bell.

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

I'm going to focus my questions for Angela Coleman, the chief administrative officer. I have been following what the government has been doing with conservation authorities over the last few years. It has been pretty alarming to see the changes around limiting their scope to do their job. In this bill, it seems like there's a real interest in limiting the authority of local conservation authorities to do their job.

I just want to emphasize that conservation authorities have a really important role to play. They protect the environment and they protect people from flooding—so we're not building in a flood plain—and also so that our drinking water remains healthy. It's very important.

My questions are pretty specific around what was in your presentation, Angela. I just want to go through a few of them. Just to clarify: The first one is that the government is essentially giving themselves the authority to hire the first chief administrative officer for a new provincial conservation agency or for a new local conservation agency. I'm not sure about that, so could you clarify?

Ms. Angela Coleman: Sure. There are a number of pieces in the legislation dealing with the new regional conservation authorities. Many of those are important for streamlining and efficiency and we do support working together with our members for effective implementation. The point is simply to ensure that appropriate measures are in place, so that the new conservation executives working with the Ontario provincial conservation authority are able to work effectively with checks and balances with the boards that will be established.

Ms. Jessica Bell: Okay, but just help me out here: It says here that the Ontario Provincial Conservation Agency now has the authority to appoint the first CAO of a new local conservation authority. Is that correct?

Ms. Angela Coleman: That's correct. They have the authority to appoint the first CAO of the new regional conservation authority.

Ms. Jessica Bell: All right. Okay.

The second thing that I noticed was that the minister is giving themselves the authority to essentially redraw conservation authority boundaries. They could smush authorities together. They could redraw boundaries. They could enlarge areas. They could transfer authority. They have a lot more power over that. Would that be a reasonable summary?

Ms. Angela Coleman: The summary is pretty much in front. There are a number of provisions dealing with sizes, changes and ways of dealing with conservation authorities.

I think the important thing to note there is simply that we do see a change from a municipal-led initiative to a provincial-led initiative, and what we're suggesting is that the province include effective checks and balances to make sure that's done in a way that's appropriate.

Ms. Jessica Bell: Okay. So, speaking of checks and balances, one of the concerns that you raised here is that the ordinary safeguards that are set up when an authority creates regulations are kind of being taken away in this situation.

It says here that cabinet can now make regulatory decisions that affect conservation authorities, but they're no longer subject to the checks and balances that regulations typically should apply—like, they need to be public and things like that. Is that—

Ms. Angela Coleman: That would be specific to the changes in the amalgamation provisions, yes.

Ms. Jessica Bell: Okay. So, essentially, they could redraw boundaries and they could do it in secret. Would that be a summary that's fair?

Ms. Angela Coleman: I wouldn't say it that way. The minister does have checks and balances that currently included in the legislation. I think there's room for additional safeguards.

Ms. Jessica Bell: Would it mean that we would have to use the freedom-of-information process to find out what these changes are, or would there be another public process to determine what these changes are?

Ms. Angela Coleman: I think tabled before you today are some recommendations that would make the legislation a little bit easier to follow from a public accountability perspective.

Ms. Jessica Bell: What I see here is that if they're not subject to the usual public rules—you know, minimum notification period, making sure that it's public—it seems like some of these changes could be more shrouded in secrecy than they typically should be.

The other point that you've addressed here is this issue around municipal representation. So, going by what I'm reading here, it seems that the minister can make a decision that a municipality can no longer have a representative on their local conservation authority.

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

Ms. Jessica Bell: Would that be accurate?

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Ms. Angela Coleman: Again, specific to the legislation as drafted—it is drafted that way—I think there may be legitimate reasons for including such a provision, but the drafting could use a little additional precision on that point, I think.

Ms. Jessica Bell: My take is that this is a straight-up power grab, where conservation authorities typically have more municipal oversight, because they do such an important role, and it seems like a lot of that authority is being taken up by the provincial minister. But there are not a lot of checks and balances, and my fear is that that's

going to have some pretty significant impacts on how effectively we can make sure people don't build in a flood plain and how effectively we can keep our drinking water safe.

Thank you so much for coming in today. I've read this very intently, and the recommendations here are pretty clear.

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

We'll now go to MPP Cerjanec.

Mr. Rob Cerjanec: Through you, Chair, just back to Steven from the road builders: Just talking about highway safety, reducing disruptions and ensuring the long-term reliability of, really, these critical trade routes—the Trans-Canada Highway—through our country, I'm wondering, from your perspective, the road builders' perspective, what the province can and should be doing in order to advance those projects faster.

Mr. Steven Crombie: Thank you, MPP Cerjanec. One point that I believe is worth making that perhaps not everybody would appreciate is that Ontario is the only province in Canada that does not have a continuous east-west four-laned corridor. Many sections of Highways 17 and 11 are single-laned with no dividing highway. As we think in the context of increasing our trade-enabling infrastructure, as the Ring of Fire and critical minerals—potentially, a trillion dollars' worth of critical minerals—comes online, they ultimately end up, as it stands currently, on a single-laned, no-divided highway. So what we'd like to see at the Ontario Road Builders' Association is a modernization of our northern transportation networks. That ultimately is a twinned, two-laned highway with a divider, similar to the project proposal that currently exists on Highway 69. That's no easy lift, and that's sort of a long-term, ambitious goal but one that I believe that this province can achieve.

Mr. Rob Cerjanec: I'm just thinking on, how do we build these highways and continually build these highways so that it gets done? Does it make sense that, I don't know, the province sets a goal to complete X number of kilometres a year so that we've got some of the same crews, potentially, or people working on it, and hopefully even bringing down some of the cost of building this highway?

Mr. Steven Crombie: It's a great point. The most cost-effective way to build is to continue building. What I mean by that is that when the private sector partners have the infrastructure set up to be able to deliver the province's ambitious infrastructure plan, those partners can continue to deliver that infrastructure.

I know that there's been discussion designating the Highway 11/17 corridor as a nation-building project. We certainly support that direction. We believe that the designation of that project would provide the private sector with a level of certainty and commitment on the delivery of that infrastructure.

Mr. Rob Cerjanec: I've had the opportunity, Chair, to speak to mayors and councillors in both northwestern Ontario and northern Ontario, and this is something that continues to come up in my conversations for them. They are left wondering, "When is it going to be our turn? When is that work going to start?" Because I think it's important from a safety perspective, and I think it's important from a trade perspective.

Just a question around the bridges and culverts that you were mentioning a little bit earlier: Is there a way, I guess—and I think maybe that's what you're suggesting, is we do that in a more standardized way to help both the contractors but also the construction workers that are on the site build those faster, quicker, more efficient—you know, better.

Mr. Steven Crombie: Yes, absolutely. I mean, there are tremendous opportunities with accelerating environmental permissions but also with design standardization. The province has made tremendous progress on standardizing municipal construction design standards through O. Reg. 236/26, which passed in August of this year, which fundamentally harmonizes all municipal road design under one provincially guideline standard.

The more that we can find efficiencies, whether it's conservation authority, consolidation through governance, road design consolidation, finding those efficiencies to be able to build faster, more cost-effectively, will ultimately make us more competitive as a province.

Mr. Rob Cerjanec: Theoretically—and I know that you're coming forward today around some of the conservation pieces, but it doesn't necessarily need to be that, right? The province could set those standards, and different authorities could still move forward with that. What does that look like? And I'll bring that question afterwards to our friend with the conservation authorities as well.

Mr. Steven Crombie: Yes, of course, in the context of design standards—that's sort of independent of conservation authority.

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

Mr. Steven Crombie: But any time there's an opportunity to consolidate or standardize how we build in this province, that will ultimately achieve economies of scale and allow us to deliver infrastructure more effectively.

Mr. Rob Cerjanec: Thank you.

I'm just wondering where we are, Angela, just around—can we standardize designs and have that work with conservation authorities?

Ms. Angela Coleman: Absolutely. We're committed to those efficiencies and making those happen, both at our office and across the province.

Mr. Rob Cerjanec: Angela, just quickly: You're suggesting that there still is municipal representation on conservation authorities, correct?

Ms. Angela Coleman: There absolutely is still municipal representation on regional conservation authority boards, yes.

Mr. Rob Cerjanec: But at the regional level, not at the local level, then, I guess, right?

Ms. Angela Coleman: Currently, we're waiting for drafting to see all of the provisions in their finality.

Mr. Rob Cerjanec: Moving beyond just the watersheds, are there some challenges that are posed by that?

Ms. Angela Coleman: Ontario has a world-class system, and I think in order for us to make sure that we continue having a—

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

To all the participants, thank you very much for the time you took to prepare and so ably presenting it to us. We very much appreciate it. With that, I say thank you on behalf of the committee.

As we're changing, I ask all the members of the committee who want to chat with the panel that's leaving to go to the back of the room so we can get the next panel to come in.

ONTARIO PROSPECTORS ASSOCIATION
MR. SCOTT MCANSH
ONTARIO CHAMBER OF COMMERCE

The Chair (Hon. Ernie Hardeman): Having said that, our next panel will be Ontario Prospectors Association, Scott McAnsh—and he will be added; it's virtual, and it will be two that will be presenting virtually—and then the Ontario Chamber of Commerce will be presenting, and it's also virtual. So we have limited people at the table, but we have great presentations online.

With that, as we have done with others, each presenter will have seven minutes to make a presentation. I will give them the six-minute signal—it isn't over for you; you have one more minute to go, and then it's over.

We also ask everyone, when you start the presentation, to start with your name to make sure we can attribute the comments to the appropriate person.

The first presenter will be the Ontario Prospectors Association.

Mr. Steve Virtue: Thank you, Mr. Chair and members of the committee. My name is Steve Virtue. I'm very proud to be the interim CEO of the Ontario Prospectors Association, joined today by Danièle Spethmann, who is not only an OPA director, but also secretary to the board and a geologist with—in spite of her youthful appearance—45 years' experience here in Ontario as well as around the world. Thank you for the opportunity to address the committee and express our support for Bill 143.

Just for a little bit of context, Ontario Prospectors Association represents the people at the very beginning of the mining cycle: the prospectors; the geologists; the junior exploration companies that walk the ground, stake the claims and make the discoveries that every mine in this province depends on.

Let me pause for a moment and offer a little bit of credit where it is due. I would like to single out the significant leadership of Minister Lecce and his team as well as the government officials at the ministry for their dedication and their focus.

I would also like to highlight the commitment by cabinet and caucus members, including, but not exclusively, Ministers Pirie, Rickford, McCarthy, Khanjin, Rae and a list of others, who are very, very focused—not the least of which, of course, is the Premier, whose commitment to creating these opportunities for the people of Ontario is very, very appreciated.

The government has made mining a priority, and it shows. One Project, One Process is replacing a broken, fragmented permitting structure. Roads are being built in the Ring of Fire for the first time in 25 years. The measures announced and confirmed in Bill 143 are both valued and necessary.

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In turn, industry has answered with confidence. All told, the mining sector has committed to more than $25 billion in future investments in the decades ahead of us. This includes of course Agnico Eagle's $14-billion planned spend, Glencore, Canadian Nickel, Kinross, Frontier Lithium, as well as a list of others.

Ontario currently ranks as the first in Canada and second for mining investment in the world, and this is not by chance. I would challenge the committee to consider, is it enough to keep pace in a global landscape?

I would like to leave you with one idea today: that mineral exploration is the research and development end of the mining sector. Every mine that this government celebrates, every processing plant, every battery supply chain began years—often decades—earlier with a prospector and a hypothesis.

Make no mistake: Mineral exploration is high risk. Optimistically, only about one in a thousand become a mine; that is exactly what R&D looks like. And like R&D in tech and pharmaceuticals, the returns do not arrive in the same budget year as the investment. They arrive as the mines, in the jobs and tax revenue 20 and 30 years down the road. And so the mines that we are contemplating today and exploring for won't materialize for potentially a generation. Let us not forget a very specific example: The Borden mine in Ontario, which was founded on a $10,000 grant, now returns roughly $60 million to $80 million in tax revenue to the federal, provincial and local community. The returns are there.

Here is why it matters to this committee. Governments will rightly debate where to place their industrial bets: electric vehicles, the auto sector, artificial intelligence, clean energy, nuclear defence. Those priorities will shift with technology. They will shift with markets, with decisions made in Ottawa and Washington and around the world, specifically. But what every single one of them runs on is minerals: copper for the grid, nickel and lithium for batteries, rare earths for chips and defence systems, uranium for reactors and naval submarines. Exploration itself does not pick winners; it provides options. A discovery made in Ontario today is an asset that pays off regardless of which sector or which government happens to see that mine come to fruition. It is the most strategy-proof investment the province could make, in our humble opinion.

So while the measures to expedite permitting in Bill 143 are powerful tools in connecting today's actions with

tomorrow's outcomes, the issue remains: driving more greenfield investment in Ontario as a critical—if I can use the word—priority. The OPA members, I can assure you, are struggling. More than 75% of our members in a recent survey said they are struggling to raise enough capital to generate greenfield investment. The capital investment has stalled, and it is halting exploration in the province. That is why we see room—substantial room, I would say—to build on what is in the bill, as well as going forward.

For example, the Ontario Junior Exploration Program works. It works really, really well. Nearly $45 million have been invested by the province of Ontario, but it has leveraged over $80 million in return, supporting over 280 companies. But $10 million a year is a modest investment against an ambition of being a critical mineral superpower. We encourage the government to grow the program to help realize our mineral sovereignty impressions. We anticipate positive news in the weeks ahead with the introduction of some red tape reduction measures that we believe will be continuing to support the exploration sector.

But I will leave the committee with this final question as to whether improving regulation alone is enough to draw back the greenfield exploration investment needed to find the mines of tomorrow. Those are the mines that contain the minerals we so desperately need to fuel our ambitions as a province and as country.

Mr. Chair, Ontario has built a remarkable mining—

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

Mr. Steve Virtue: Our message is simple: Keep investing at the beginning of it. Fund the search and the supply chain will follow, whichever direction our economy takes. As the expression goes, you have to find it before you mine it.

Thank you very much, and I'm happy to take your questions.

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

Our next presentation is virtual. It's Scott McAnsh and Joe Jebreen. They're both virtual, so as with the others, we ask each one to identify yourself as you begin your presentation.

The floor is yours.

Mr. Scott McAnsh: Good afternoon, members of the committee. My name is Scott McAnsh. I'm a partner at a small firm in Ottawa called NextGenLaw LLP. I'm here with my business partner, Joe Jebreen.

Thanks for the opportunity today to provide comments on Bill 143. We have also prepared a brief written submission that we'll provide to the committee shortly.

I will be making the presentation for the firm today in the public interest, but both Joe and I are here for any questions the committee may have afterwards.

One of our main practice areas as a firm is property tax exemptions. Over the years, we have represented many clients seeking exemptions, including affordable housing providers. We were counsel to Stamford Kiwanis Non-Profit Homes Inc. in a recent Court of Appeal decision on the "relief of the poor" provision in the Assessment Act.

Our submissions here are limited to a specific subsection of the bill: That's subsection 3(7) of schedule 2 of the bill. I won't read that to you, given the time constraints, but what it does, in effect, is block affordable housing providers from seeking a property tax exemption under the "relief of the poor" provision for the 2027 tax year.

The stated purpose of the provision as set out in the fall economic statement is "to allow time to consult directly with affordable housing providers and municipalities regarding potential amendments to the Assessment Act." It is our submission that the government can adequately consult with both affordable housing providers and municipalities without the need for this 2027 pause. That pause will have an immediate negative impact on affordable housing providers.

I intend to touch on four main points over the next few minutes. First is that the "relief of the poor" provision is applied by the courts in a fair and predictable way to affordable housing providers. I will then describe the negative impacts this provision will have on affordable housing providers, then I will discuss the unfairness that this provision creates between affordable housing providers. Finally, I will briefly talk about the minimal impact this pause will have on municipalities.

In talking about the "relief of the poor" provision, I'm not giving a full review of the law, but I want this committee to have some understanding of how the area is practised. The "relief of the poor" exemption has been part of the Assessment Act since at least 1946, so for 80 years. Over at that time, many affordable housing providers have applied for tax relief under the provision. Many of those have been granted relief, and many have been denied. The main factor in most of those cases is the poverty of the tenants, but issues such as public funding and ownership can also be barriers to tax relief.

The legal test on this provision has been fairly clear since the 1972 Supreme Court decision in Mennonite homes. That test was recently restated by the Court of Appeal in Stamford. The test that has been set out is workable, and not every affordable housing provider gets relief.

Many affordable housing providers have been denied relief over the decades, and that is set out more in the written submissions that we'll provide to you shortly.

Those regular denials show that the system works. The court system works, has worked for decades and should be allowed to continue while the government consults about amendments to the act.

This provision will have serious negative impacts on affordable housing providers. Some of our clients have stated that their intention has always been to use the funds from a property tax exemption to help sustain and build affordable housing units. Many affordable housing providers are in a similar situation. They use the funds freed up from a property tax exemption to sustain and build more units. That helps address the ongoing provincial affordable housing crisis. This provision will remove property tax relief for many affordable housing providers for the 2027 tax year. That makes it difficult for those organizations to properly budget and serve their poor tenants.

We have a client that started a court application in 2025 and filed a consent court order earlier today. They provide over 200 housing units. That court order will mean that they will get a tax refund for the 2025 and 2026 tax years, but they will have to pay taxes in 2027 if this provision is enacted as drafted, and given the wording of the fall economic statement, it is not clear if they will be paying taxes in 2028 or not.

We have other clients that are just starting court applications and may not be entitled to tax relief in the 2027 tax year if this provision is enacted as drafted. That makes it very hard for these providers to do their work. Funding must come from somewhere for these organizations to construct and maintain the housing that Ontario needs.

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The "relief of the poor" provision helps many affordable housing providers by increasing the funds available for them to do their important work. The provision, as drafted, will hurt their efforts to provide affordable housing, and that should not be done lightly.

The provision also creates unfairness between affordable housing providers. Given that this bill was tabled the same day as the economic statement, there was no opportunity for those people with active court proceedings to meet the proposed October 29 deadline. The result is that those that had an order in hand before October 29 will get tax relief for the 2027 tax year, while some affordable housing providers will be denied relief.

For example, affordable housing providers that had a settlement of their court application by that date and no issued court order will be denied relief in 2027, being forced to pay municipal taxes, notwithstanding that MPAC and the city agree that they are entitled to tax relief.

The "relief of the poor" exemption is applied fairly and consistently by the courts. There is no real problem there calling for a pause.

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

Mr. Scott McAnsh: It is our recommendation that the court process should be permitted to continue while changes to the act are prepared.

Finally, this pause will only have a minimal impact on municipal budgets. Municipal budgets are developed and then applied to the tax base; that is, the town determines how much revenue it needs, and it spreads that over the taxable properties. Exempt properties are not included, so municipalities will meet their revenue goals regardless of how many properties are exempt.

Removing access to court-granted exemption will have a large negative effect on affordable housing providers, and they are part of the backbone of efforts to address the housing crisis in this province. The provision will only have a minimal impact on municipalities.

It is our recommendation that subsection 37 of schedule 2 of Bill 143 be struck out and the court process be allowed to continue for affordable housing providers while this government decides how it wants to modernize the Assessment Act.

Thank you very much for hearing from us today.

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

Our next presentation is the Ontario Chamber of Commerce. He's virtual, and I see him on the screen.

The floor is yours.

Mr. Ali Nasser Virji: Thank you. Good afternoon, Chair and members of the committee. My name is Ali Nasser Virji, and I am the director of policy at the Ontario Chamber of Commerce. We are Canada's largest and most influential provincial chamber, representing over 140 local chambers and boards of trade and 60,000 businesses of all sizes, in all sectors and across all regions of the province.

Thank you for the opportunity to appear before you today and express our support for Bill 143.

Let me begin by outlining the economic reality facing Ontario businesses. Our data shows a business community that is anxious and actively adapting to shifting US trade policy and tariff threats—elevated borrowing costs, rising input prices and sluggish demand.

Earlier this summer we surveyed businesses across Ontario and found, surprisingly, that their confidence in Ontario's economic outlook has edged up to 34% from 23% at the end of last year. Even more encouragingly, 51% of those surveyed expressed confidence in their own organization's outlook.

Yet this resilience was accompanied by warning signals. A plurality lacked confidence in the broader economy. Nearly two-thirds expect trade uncertainty to negatively impact investment and expansion plans. In trade-exposed sectors like manufacturing, this figure climbs even higher.

In this context, the 2026 fall economic statement projects real GDP growth of just 0.5% this year alongside a projected deficit of $16.9 billion and a return to balance extended to 2029-30. That fiscal and economic backdrop sets a very clear test for any budget brought before the Legislature.

Does it help businesses lower their costs, unlock private investment and compete, without losing sight of long-term fiscal sustainability? From the Ontario chamber's perspective, Bill 143 and the fall economic statement take meaningful, constructive steps in that direction.

In my time today I want to focus on three core priorities for Ontario's business community: lowering the cost of doing business, strengthening trade and industrial competitiveness, and maintaining fiscal discipline.

First, lowering the cost of doing business and unlocking capital investment: In our survey, tax incentives and deferrals were cited as the top ask from businesses looking to navigate economic uncertainty. When nearly six in ten firms suggest to us that they may revisit their investment plans due to this uncertainty, it's incumbent that steps be taken to directly lower the hurdle rate for investment. That is why the OCC strongly welcomes the government's proposal to accelerate capital investment through immediate expensing and corporate tax relief. Combined with measures introduced in budget 2026, the fall economic statement delivers more than $12 billion in corporate tax

benefits over five years, including an estimated $8 billion in additional relief aimed at directly lowering the cost of investment.

Allowing businesses to write off qualifying capital investments immediately—whether in manufacturing and processing machinery, clean energy equipment or productivity-enhancing technology—gives employers a practical incentive to modernize. Right now, only 12% of surveyed firms report increasing investments in productivity, equipment or technology in response to trade pressures. Measures like immediate expensing can help encourage businesses to adopt productivity-driven growth strategies now.

We also welcome the more than $50 million in additional tax support over three years to lower research and development costs for roughly 700 Ontario businesses. Innovation doesn't happen in a vacuum; it requires a tax and regulatory environment that rewards risk-taking and commercialization here at home.

Second: strengthening trade competitiveness and protecting strategic supply chains. Ontario's economy is deeply integrated with North America. Our trade relationship with Michigan alone generates more than US$80 billion in annual two-way trade. Protecting those cross-border corridors is vital, especially since one third of Ontario businesses tell us access to skilled cross-border talent under existing trade rules is crucial to their operations.

We welcome the $8.7 billion committed under the Canada-Ontario action plan to support trade-exposed industries, specifically in the auto, steel and critical mineral sectors. Protecting these foundational supply chains while helping firms pivot towards new markets is essential to safeguarding jobs and industrial capacity across Ontario.

At the same time, trade competitiveness starts at home. Reducing internal trade barriers across Canada, modernizing approvals and supporting businesses as they diversify export markets and supply chains will be critical to ensuring Ontario remains a premier destination to build, manufacture and export.

Third: maintaining fiscal discipline while delivering value for money. The Ontario chamber recognizes that the government is navigating a difficult fiscal balancing act, supporting an economy that's facing external shocks while managing growing demand across public services.

However, with higher projected deficits and a delayed return to a balanced budget, fiscal discipline remains top of mind. The path back to balance is essential to preserving business confidence, keeping debt-service costs manageable and ensuring Ontario retains the fiscal capacity to respond should economic conditions worsen.

But discipline does not mean austerity; it means discipline in how public dollars are spent. Nowhere is that clearer than health care. Ontario spends tens of billions of dollars annually on health care, including roughly $17 billion on health products, largely through hospitals and front-line care delivery, making it one of the province's largest procurement categories.

Yet rising spending alone will not solve capacity pressures. Shifting towards value-based procurement, outcomes-driven funding and greater adoption of made-in-Ontario health innovation can improve patient outcomes, while easing long-term pressure on the public purse.

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

Mr. Ali Nasser Virji: To close, Bill 143 and the 2026 fall economic statement reflect a pragmatic response to a challenging economic moment, pairing targeted tax relief and strategic sector supports with long-term investments in infrastructure and energy.

Ontario businesses are doing their part, adapting, innovating and seeking new markets under difficult conditions. The task ahead is execution: keeping business costs competitive, removing barriers to private capital, strengthening our trade resilience and pairing growth-enabling investments with disciplined fiscal management.

Thank you, and I welcome your questions.

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

We'll start the first round of questioning with the government. MPP Pierre.

Ms. Natalie Pierre: Thank you to all of this afternoon's presenters.

My question is for Steve from the Ontario Prospectors Association. I wanted to, first of all, thank you for championing mineral exploration in the province of Ontario and the work that you do with the various stakeholders in the industry.

Ontario's One Project, One Process approach and broader efforts to eliminate permitting delays have already removed about 220,000 days of processing time across government approvals.

How significant are these reforms in improving Ontario's competitiveness in attracting exploration and mining investment compared to other global jurisdictions?

Mr. Steve Virtue: It's a great question. I think it is an enormous step forward. I think the alignment between the federal and provincial governments on supporting natural resources and mineral extraction is pretty key.

1520

The things that we face internationally—Saudi Arabia has created a $130-billion mining investment fund. They are trying to sort of microwave, if you will—create very quickly—a mining community. Others—Argentina, Chile—are all very, very good at expediting processes, like we are.

Where we struggle, I think, is in attracting the greenfield investment specifically. What we've seen over the last three years in particular is a slow and steady decline in the amount of investment in mineral exploration, even with gold prices, because for every dollar invested in critical minerals, there's $3 invested in gold—which is great; that is not a disparagement of gold by any stretch. But I think where there's a misalignment is in terms of the critical minerals desire and the needs in the marketplace, relative to where the market is supporting those.

And so we've been having some really good conversations. I would say the minister's office is incredibly receptive, as is the minister himself, to thinking differently,

because I think Ontario can be and should be a leader in the critical mineral space.

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

Mr. Sheref Sabawy: My question is going to be going to Mr. Steve as well, following up on my colleague's question.

As a government, we know and we understand the race on this critical minerals exploration, as well as the mining industry here in Canada. I would like to stop for a second to talk about our Ontario's Critical Minerals Strategy in helping attract investments into processing, manufacturing and supply chain development.

As the PA for the Ministry of Labour, we have been working with SDF funding, giving funds to many of the partners to train trades into the mining industry, and to making sure that we have the skills and training needed for the personnel needed for the mining industry.

How important is it that exploration remains a key part of this vision, ensuring today's investments are matched by the new discoveries that will supply critical minerals production for decades to come?

Mr. Steve Virtue: That's a great question; there's a lot there. I'm not sure—I have a minute to respond to that.

Listen, I think the challenges that we face as a province are not unique. When I say, "Exploration spending is down in Ontario," it's down globally. Having the focus that I mentioned in my remarks at the beginning on behalf of not just the minister but the government, labour, MECP—it's a full range of commitment, and that is a critical sign to the market.

The pieces that I mentioned in Bill 143, as an example, are sending further signals that Canada has always been seen as a bit of a safe haven for mining investment. But for various reasons over the last sort of decade or so, we've seen a real decline,

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

Mr. Steve Virtue: And if you looked at exploration spending, exploration spending not just in Canada but around the world has been in decline for 25 years.

So I think that's the next stage. That's the next thing we need to do, is work on maybe a bit of a different financing model, think about how we can involve others from sort of different aspects of the economy into making strategic investments here in Canada.

Maybe I'll finish that answer. I'm sure my minute is up.

Mr. Sheref Sabawy: From your expert point of view, can Canada flip that curve from declining to going up in investment in mining?

Mr. Steve Virtue: The curve we need to flip is that for every $1 invested in Canadian mining and exploration activity, $2 is invested internationally. That's the curve we need.

It's not just an Ontario problem; it is a Canadian problem. Canada hosts most of the mining companies in the world and what we need to do is move exploration spend off of existing sites and existing mining properties into the greenfield, to look for those critical minerals that—

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

MPP Bell.

Ms. Jessica Bell: My first questions are to the representatives from the Ontario Chamber of Commerce. Thank you so much for being here today.

In the fall economic statement, it's written that the government is considering how to monitor compliance with the government's new buy-Ontario rules—pretty wishy-washy. I would like to see stronger buy-Ontario rules so we have more government contracts going to Ontario companies and Canadian companies to provide goods and services and infrastructure to Ontarians. It would mean that government money would stay in Ontario for longer. It would hire more people. It would support Ontario businesses. What I'm seeing so far is that the policies are pretty weak. Looking at them right now: Staples is eligible; Walmart is eligible; the Ontario Line is being built by foreign companies, to a large extent.

My question to the Ontario Chamber of Commerce is, what kind of buy-Ontario policies do you think the Ontario government should be strengthening? How should we fix them?

Mr. Ali Nasser Virji: Thank you very much for your question. From our standpoint, procurement is a really important fiscal tool that can actually help drive economic development. I spoke during my presentation about the potential within the health space for procurement to be used to drive long-term value and outcomes that can benefit patients. Ultimately, when we think about how procurement can be used by the province to drive some of that innovation, it should be used to help support local manufacturing, the research and development that happens here in the province.

But at the same time, speaking broadly across all the industries that the government supports, not every single aspect of what we require can be produced in Ontario. In the health space, for example, complex pharmaceuticals, vaccines, critical medical devices—they require exemptions under our buy-Ontario rules, because we never want to inadvertently restrict or delay patient access to treatments that can save lives if those types of things that are procured aren't able to be developed in Ontario. I think that type of approach applies across the economy. Broadly speaking, we should be doing what we can to support Ontario businesses and recognizing that value is created from all kinds of businesses that help support the services that government delivers.

Ms. Jessica Bell: Thank you. It's safe to say that the government is not doing all that it can when it comes to supporting Ontario businesses and ensuring that they've got a good shot at getting that government contract to provide a good or service.

Of course, I don't think there's a single Legislature who thinks it would be a good idea to stop products that we don't produce from coming into the country so that we can access them, especially when it comes to the health care sector.

When I'm looking specifically at the buy-Ontario rules, one thing that comes to mind is this question about transparency. We've had businesses approach us and say,

"Look, we don't even know what contracts are available. We don't know what companies are getting these contracts. We would like the opportunity to bid on these contracts as well."

We are looking at calling on the government to bring in greater transparency around what contracts the government signs, what procurement contracts they sign, so that it's a more level playing field. What do you think about opening the door and bringing in more transparency when it comes to procurement?

Mr. Ali Nasser Virji: I think it's important. I think oftentimes when we speak to businesses—and this is especially true for smaller businesses across the province—they may not even know what types of opportunities are available to them. So, I think any time we can create an opportunity for different types of businesses within the province to understand the types of procurement opportunities the government is looking to go and fulfill, that's a net positive for business.

Ms. Jessica Bell: Thank you.

I have just one more comment and then one final question.

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

Ms. Jessica Bell: Scott McAnsh, thank you for coming in here. I don't have a question for you; I'm sorry. But I do want to thank you for coming in to the committee today to express your concerns about the government's move in the fall economic statement bill to eliminate the exemption that gave affordable housing providers the option to lower their costs and not pay property tax. We had some affordable housing providers come in here today, as well as a representative from Ontario universities, who really expressed the pretty worrying impacts on affordable housing construction if this moved ahead, and I appreciate you coming in here today and raising that concern as well. I'm hoping that the government members here listen intently and bring in amendments into committee so that we can really stop this pretty terrible schedule before it becomes the law.

1530

I don't believe I have time for another question, but I do want to—

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

MPP Cerjanec.

Mr. Rob Cerjanec: Scott, I'm curious: How do you think this legislation just around the property tax exemptions came into being? I think you mentioned it a little bit in your statement, but just for a bit of a Coles Notes, for my benefit.

Mr. Scott McAnsh: Thank you for the question. I think all we can say is what's in the fall economic statement, which says that it's in response to recent court decisions. We believe it may be in part to the Stamford case that we were a counsel on, which restated the appropriate test, but it's not entirely clear what's motivating the clause.

Mr. Rob Cerjanec: What could this change mean for the construction of new affordable housing in the province?

Mr. Scott McAnsh: I think it could decrease the amount of affordable housing constructed. As I said in the presentation, our clients have told us that they use the funds that are freed up through property tax exemptions to both maintain what they have and build more units. If that funding is taken away, as it would be with this provision, I think that will have a negative impact on affordable housing construction in the province.

Mr. Rob Cerjanec: How familiar are you with the federal Build Canada Homes and what their initiatives are right now?

Mr. Scott McAnsh: I mean, we're not deep in the policy side. Some of our clients have received funding through that program, but we're not deep in that area.

Mr. Rob Cerjanec: My understanding, based around Build Canada Homes, is that they are looking for the best deals in order to create the most affordable housing possible on a project, that these projects typically should already have the support of the province and incentives available through the province and, in addition, the support of the local municipality and any additional local municipal incentives for those projects to get approved.

What I'm seeing here with this and the concerns that even over the last hour, hour and a half, of folks who have not presented at committee—I'm seeing a real concern within the affordable not-for-profit housing sector that may disadvantage projects coming forward in Ontario.

At the end of the day, I know Build Canada Homes—they want to move really fast. They want to get as much affordable housing built as possible, and quite frankly, the federal government is putting forward a massive amount of investment and support to do that. They're asking municipalities, they're asking provinces and they're asking, frankly, not-for-profit housing providers to think outside the box. They're asking them to—"Let's put as much in one basket and let's make it work and let's make it happen as quick as possible." So just hearing some of this, and based on my previous work in this sector, I am very, very concerned about this.

I want to thank you for coming forward today. It's my sincere hope that this will be ironed out and fixed before this bill goes back to the House, because I think it is going to harm the development of affordable not-for-profit housing in this province and put Ontario in a worse position when it comes to seeking federal support for projects.

Thank you for being here today.

Mr. Scott McAnsh: Thank you.

Mr. Rob Cerjanec: Steve, I appreciate you being here—a sector I'm not the greatest expert in. I used to work in housing, I used to work in school boards; not in mining, necessarily.

My question to you would be, what would be probably the single most important budgetary commitment by the province to help you and help us advance both the prospecting and mining of critical minerals in the province?

Mr. Steve Virtue: Well, I spent some time working in the housing field; I spent some time working—I worked at

the school board in Hamilton, so I'm sure we have much in common in terms of our skill sets.

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

Mr. Steve Virtue: My concern, I think, for where we are as a province—and I would say as a country; this is not unique to any one province—is that the world market prices, in particular for critical minerals but even base metals, are not supporting that. So I think more could be done in terms of supporting the greenfield exploration, as I've said a few times here—and that's my membership base.

I think the province is working very aggressively to ensure that we have a world-class regulatory environment, and I think that's a testament to their commitment to it. I think the challenge, again, is where the market demand is and where the government's ambitions are. They're not quite there on—

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

MPP Racinsky.

Mr. Joseph Racinsky: Thank you to all the presenters. My question is for Ali with the Ontario Chamber of Commerce. You mentioned a few of the items in the fall economic statement that are focused on supporting businesses, affordability: the $8-billion Ontario Competitiveness Tax Cut; we're enhancing the Ontario Research and Development Tax Credit, providing over $50 million over three years to approximately 700 businesses.

I used to be the parliamentary assistant to the Minister of Red Tape Reduction, and we've already eliminated, streamlined or transformed 65% of the business-facing permits in the province of Ontario.

Can you just explain more about why it's so important, especially in this time of uncertainty with the tariffs and everything else going on in the world, that we continue to cut taxes, provide tax credits and cut red tape?

Mr. Ali Nasser Virji: Thanks so much for your question. I think it's at this point in time when tax measures that encourage productive investment become so important. As I mentioned in my remarks, about 60% of businesses in our recent survey told us that they're deferring decisions to make investments. At a time when businesses are really having to make difficult choices about how they deploy their capital, it's essential that we create incentives for them to go and do so.

The measures announced in the fall economic statement that we really appreciate specifically are designed to help encourage that type of investment. They don't lower the tax rate on existing profits; they help businesses if they're actually investing in machinery, equipment or technology here in the province. At a time when we're facing these types of economic headwinds, it's important that we have these types of tools to help support businesses and reduce the cost of making those investments today.

Mr. Joseph Racinsky: Right. It's about incentivizing growth.

Just focusing in on the research and development tax credit, how important is it to lower the cost of innovation and commercialization as businesses develop, new technologies improve productivity—and compete globally as well?

Mr. Ali Nasser Virji: Absolutely. It's one of those things where we want to create incentives for businesses to grow and develop here. Any time we can take steps to help reduce the cost of doing that R&D and help firms grow at a more rapid pace, it's important, as it'll help us create broader economic opportunities into the future and potentially create firms that can go and export their goods and services to markets across the world.

Mr. Joseph Racinsky: Thank you.

The Chair (Hon. Ernie Hardeman): You have 2.4 minutes, MPP Smith.

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

Steve, I'm going to come back to you and the Ontario Prospectors Association. I spent five years as the parliamentary assistant to northern development, mines, natural resources, forestry, energy and Indigenous affairs. It's long enough that you had to turn my business card over to see all the ministries I was involved with on it.

One of the things that most people truly do not understand is the actual process that we go through on this. You talked a little bit about OJEP and the $10 million that we have in that. It was originally $5 million; we doubled it. You have mentioned that we could put some more into it. But I don't think that the average person in Ontario truly understands what the process is.

When I first came into that ministry, it was about 15 years from the time someone staked claim until we were starting construction on a mine. We're trying to get that down now; we're down to about seven and a half to eight years now. We still have some work on it. I have described it—I'm 56, so some of my younger members on committee here, especially MPP Racinsky—I think I have running shoes that are older than him. I've described it as Grizzly Adams walking through the woods to discover things that look like there might be some critical minerals in that area.

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

Mr. Dave Smith: Can you give a quick rundown of really what that junior exploration process is like so that people understand why we need to be investing right now?

1540

Mr. Steve Virtue: In one minute? Yes, I'll do my best. Listen, I think it is a litany of things. It's prospectors walking through the bush looking for indicator minerals and doing that. None of them that I've ever met do it full-time, because it's just not as profitable as it could be. There are geoscientists—and make no bones; this is a science—that rely on publicly available data through the OGS and junior exploration companies who take inordinate amounts of risk to try to develop those next mines.

The relationships with Indigenous communities, the relationships with municipalities—all super critical to that process, but you're not wrong; it's a very, very—

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

We'll now go to MPP Shaw.

Ms. Sandy Shaw: I wanted to direct my questioning to the Ontario Prospectors Association. A couple of things

that you mentioned—and some of these are bigger issues that I want to bring up that are surrounding the work you're trying to do, but you did talk about Highway 69. I would like to make sure that the government hears and that you're aware that many of our NDP caucus members are from northern Ontario. They have been standing in that Legislature for eight-plus years to talk about the number of unnecessary deaths that are happening on that highway.

You will know, and you mentioned, in 2026 alone, there were 13 deaths, including at least three children. Most recently, on November 6, a nine-month-old, Gabriel, and his mother were killed on that highway. So my question, or my concern, is that the government has been pushing this off, not taking responsibility for these tragedies and has really not committed to twinning the highway and to fixing the problem of Highway 69. If the government—I mean, I'm hoping whether it's the government is not going to do this out of a concern for the health and well-being and the tragic loss of life on this highway—maybe they will do it, because now they're looking at accessing trillions of dollars of critical minerals.

Can you just speak a little bit about what you need to see to reassure you that this government is finally going to do what they need to do to fix Highway 69 to stop these tragic deaths from happening?

Mr. Steve Virtue: With respect to the member, I'm not sure if you're referring to the previous presenter who was from the OGS that was talking about highway safety.

Ms. Sandy Shaw: No. Didn't you talk about Highway 69?

Mr. Steve Virtue: No.

Ms. Sandy Shaw: I apologize.

Mr. Steve Virtue: No, no. That's totally fine.

Ms. Sandy Shaw: Okay. I do apologize. So then I take it all back, but the point being, if you are looking to access, to be talking about resources in that area, this cannot happen with a highway that is inadequate to not only support individuals that live there but the kind of expansion that your members would be looking for.

Mr. Steve Virtue: My members are very low in the threshold of the requirements for public infrastructure. At the prospecting stage, it's wandering through the bush. I think as you get more and more down towards advanced exploration, the public infrastructure requirements support projects and are certainly much more necessary. I think we've seen that with the Ring of Fire, which the government, I think, has moved very aggressively on after years of it languishing with previous governments not catalyzing that opportunity.

So from that standpoint, from a highway safety standpoint, I think my members tend to be fairly okay, and it's certainly not something that's been addressed to me, but I'm happy to look into that.

Ms. Sandy Shaw: Okay. I appreciate that, but I would just comment that the dichotomy between people that live and travel in the north and are dying on these highways and the government's commitment to extracting resources—these two things don't match up. The government, if they're genuinely, truly going to move on the Ring of Fire, need to be investing in infrastructure, as you've described, for your members but also for the people that live in there. There needs to be a legacy of some benefit to the people that are living in that area.

The other thing I wanted to talk about—you talk about your members and the climate of investment. Any investor that's putting capital at risk wants to have a modicum of certainty and a modicum of risk mitigation. I would just say that, yesterday, for the delegation for Bill 140, we had the Ontario association of chiefs for across the province. They are really very concerned with this government's ongoing shortcuts when it comes to free, prior and informed consent. And they said yesterday that they are prepared—

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

Ms. Sandy Shaw: In fact, they talked about roadblocks if the government moves forward with Bill 140 and does not make sure that First Nations communities that are in this area where you're talking about, where your members are looking to invest, are not treated as—they're not stakeholders; they are rights holders in this province.

Would your members be the least bit concerned about investing in an area when the fundamental obligation of the province, which is a signatory as a crown to these treaties, is not being fulfilled and that they're leaving this uncertainty of what could happen when you're trying to actually work in that area?

Mr. Steve Virtue: There was a lot there. Let me—

Ms. Sandy Shaw: Is it a concern for your investors?

Mr. Steve Virtue: From a mining—

The Chair (Hon. Ernie Hardeman): A lot there, but no time to present. Thank you very much. That concludes the time for that question.

We now go to MPP Cerjanec.

Mr. Rob Cerjanec: Through you, Chair: Thank you, Ali, for being here today from the Ontario Chamber of Commerce and having the Ontario Chamber of Commerce always be a voice for some business in our province and the need for investment and how we deal with some of the economic both challenges and opportunities that we have here.

I note the OCC has called for a review of Ontario's tax system to better incentivize investment, entrepreneurship and business growth. Beyond the tax relief announced in the fall economic statement, what changes should the government work toward to help make Ontario's businesses more competitive? Are the current tax policies enough to support home-grown businesses and entrepreneurs?

Mr. Ali Nasser Virji: Thank you very much for the question. Overall, we support measures that can reduce the cost of doing business for the Ontario business community, especially for small businesses. In our surveys, consistently, we find that a tax burden and the complexity of navigating that tax system and the complexity of regulations is a big barrier for how businesses can grow and move their operations forward. Those types of cost pressures have really been weighing on a lot of them as we're navigating a lot of these challenging global forces that are

affecting some of the growth trajectories for the business community.

We've been calling, as you know, for a broader tax reform as part of a review of our tax system, which hasn't been looked at in decades. We want to look at every different opportunity to evaluate how to support the business community, whether that's further tax rate cuts that could go beyond what the government looked at as part of the budget earlier this year or income thresholds. We want to look at and evaluate what types of businesses could benefit from different interventions, how much relief they could potentially receive and, ultimately, how we do that in a way that is sustainable for the balance sheet overall.

Mr. Rob Cerjanec: Thank you. Something of my interest is, I'm the Ontario Liberal critic for economic development and innovation and what I'm very focused on is what we can do in our province to help businesses not just start here but scale here. We're talking about stuff coming out of our universities, we're talking about AI, we're talking about tech and what the interesting ideas or solutions are, whether it's on the public side or on the private side, that people starting businesses can work on and grow them.

Where do you think Ontario is falling short in helping start-ups and small businesses grow into large companies, and what ideas can the province put in place that might help make that happen faster?

Mr. Ali Nasser Virji: I mean, it's a challenging environment. We know that there are a lot of different opportunities to try and grow and start up a business. We share your objective to create an environment in the province where we can create high-potential firms that can grow and, ultimately, have an opportunity to contribute not only in Ontario but potentially export their services outside of our province.

It's a complicated question. Beyond the conditions that we can create from a tax standpoint or from a government support standpoint, I think access to talent is an important one. We were pleased to see investments over time in our post-secondary institutions. I think it's important that we look at where we have structural labour shortages in different parts of our economy to the extent that we can create the supply chains and skills that are needed for tomorrow. We feel that that's a very important focus for the government to look into.

In that same vein, we're very pleased that governments across the country are prioritizing internal trade reform and looking at how we can incentivize credential recognition at a pace that we haven't seen in decades previously.

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

Mr. Ali Nasser Virji: If we can bring the right folks that have the credentials and allow them to contribute immediately, that could help with that shortage to the extent that we can create an opportunity for our talent here in Ontario to help support that business growth. We would like to see that as well.

Mr. Rob Cerjanec: Thank you. I understand, as well, the Ontario Chamber of Commerce has written to the Minister of Colleges and Universities just around the pause on OSAP dispersions at private career colleges, even with institutions with no compliance concerns or those that have passed audits. Can you maybe speak briefly about how important it is that this moves forward very quickly and that students in career colleges that are following the rules and doing the right things can move forward?

Mr. Ali Nasser Virji: Yes. I think, generally speaking, we want to make sure that we're supporting businesses and institutions that are following the rules. I don't have a lot of expertise in that area, but, ultimately, I think that's what we would like to see.

Mr. Rob Cerjanec: Thank you.

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

We thank all the participants for a great job in preparing and all the time you spent on that and so ably presenting it. We say thank you.

We will take a slight break because we are just a touch ahead of time, and all the presenters for the next panel are not yet here. So 4 o'clock is when the next panel starts.

The committee recessed from 1553 to 1600.

COLLEGE OF AUDIOLOGISTS AND SPEECH-LANGUAGE PATHOLOGISTS OF ONTARIO

ECONOMIC DEVELOPERS COUNCIL OF ONTARIO

CAA INSURANCE

The Second Vice-Chair (Mr. Rob Cerjanec): Good afternoon, everyone. We'll now resume public hearings on Bill 143. As a reminder for our presenters when they come forward, each presenter will have seven minutes for their presentation. After we've heard from all three presenters in this one-hour time slot the remaining time will be used for questions from members of the committee.

The time for questions, as always, is divided into two rounds of five minutes and 30 seconds for the government members, five minutes and 30 seconds for the official opposition members, five minutes and 30 seconds for recognized third-party member and three minutes for the independent member.

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

I'll now call on our scheduled presenters to come forward: from the College of Audiologists and Speech-Language Pathologists of Ontario, Margaret Drent, who is joining us in person, and Samidha Joglekar, who is joining us online; from the Economic Developers Council of Ontario, Stephanie Crilly, who is joining us in person; and then as well, from CAA Insurance, there is a request for both presenters to appear in person. Seeing if there is any opposition from the members of the committee for allowing that? Seeing no opposition, I'd like to welcome

both Dwayne Williams and Elliot Silverstein to come forward as well, please.

I will now call on Margaret Drent, from the College of Audiologists and Speech-Language Pathologists of Ontario, to begin. Welcome. Please just state your name for Hansard, and you may begin.

Ms. Margaret Drent: Thank you very much, Chair, and members of the committee. It's a real pleasure for me to be here today. It's Margaret Drent. My last name is spelled D like Douglas, R-E-N-T. I'm here with my colleague Samidha Joglekar, who has joined us virtually this afternoon. Would you like me to spell Samidha's last name, Chair?

Interjection.

Ms. Margaret Drent: Okay. I am the registrar and chief executive officer of the College of Audiologists and Speech-Language Pathologists of Ontario. We often use the acronym CASLPO. Samidha Joglekar is the deputy registrar of CASLPO. Samidha is also an audiologist by training.

During my time with you this afternoon I wanted to explain a little bit about what it is that CASLPO—the College of Audiologists and Speech-Language Pathologists of Ontario—does, and how it is that we came to be involved in the issue of over-the-counter hearing aids. To be more specific, our remarks this afternoon are really related to schedule 22 of Bill 143. Schedule 22 has provisions in it that relate to the Regulated Health Professions Act. I'll get into that a little bit more during my remarks.

Again, we very much appreciate the opportunity to meet with you this afternoon. Our organization regulates audiologists and speech language pathologists in Ontario. We do this under the Audiology and Speech-Language Pathology Act, 1991, as well as the Regulated Health Professions Act, 1991. I'm sure you're familiar with the work of other regulators who also operate under the Regulated Health Professions Act, including, for example, the College of Physicians and Surgeons of Ontario and the College of Nurses of Ontario. All of us are operating under the same umbrella legislation, the RHPA for short.

In terms of what audiologists do, I just want to take a moment to touch on that, in case it's not familiar to you. There are about 1,000 audiologists in Ontario, so it's not a large profession. Audiologists work with patients of all ages. This could include an infant who is born with a congenital hearing loss, or it could include an older adult who experiences hearing loss as they progress through life, or it could include an individual who suffers a workplace accident and, as a result of that accident, experiences a sudden hearing loss.

Because Ontario's population is aging, there is, in fact, an increasing incidence of hearing loss occurring in our population.

The final thing I just wanted to note was that research supports a connection between the social isolation that a person may experience and their potential cognitive decline if the hearing loss that they are experiencing remains untreated. So it really is an important thing. Hearing loss really relates to other aspects of cognitive functioning and overall health and wellness and ability to contribute and participate in society.

Of course, in some cases, hearing aids will be an appropriate treatment for hearing loss. That's where audiologists come into the picture. They can prescribe hearing aids for patients, under the legislation, if, of course, they determine that the hearing aid is indeed the appropriate step to take in that case. Physicians are also able to prescribe hearing aids under the legislation.

CASLPO's mandate is to protect the public by ensuring that Ontarians are receiving safe, ethical and effective care from competent and qualified audiologists. In terms of CASLPO's position—or rather, perspective—on this issue, we certainly support maintaining Ontario's prescription framework and the funding assistance that's currently available in Ontario for prescription hearing aids.

With respect to over-the-counter hearing aids in particular, in our view, access to these devices should be limited to adults who are aged 18 or older who have a perceived mild to moderate hearing loss. In other words, we don't think that individuals under the age of 18 should be using the over-the-counter hearing aids.

Finally, in our view, over-the-counter hearing aids should be approved by Health Canada. The regulatory framework in Ontario, in our view, should include that requirement that the device has received Health Canada approval.

Ontarians who require prescription hearing aids must continue to receive regulated hearing health care. In other words, this would include assessment and, as well, prescriptions from an audiologist or physician—I mentioned that earlier—professional dispensing and access to available funding assistance, as I mentioned earlier.

In our view, over-the-counter hearing aids are really intended for, as I said, adults with perceived mild to moderate loss. They are not a substitute for professional assessment, diagnosis or comprehensive hearing care.

If an individual doesn't have clear information, they may self-treat a hearing problem—

The Second Vice-Chair (Mr. Rob Cerjanec): You have one minute remaining.

Ms. Margaret Drent: Thank you—without recognizing that this is contraindicated, and this can delay diagnosis and intervention.

It's also our view that once over-the-counter hearing aids do become available in Ontario, consumer information is critical. What we don't want to see is a situation where an individual purchases an over-the-counter hearing aid when they are under 18 or if they, in fact, have serious hearing loss that ought to be further investigated.

In that regard, we support strong communications and we think that this is something that should be done by government. We are certainly more than happy to collaborate in this effort, but we think it's important to be clear about where the responsibility for this lies, in terms of educating consumers, because of the risks that are associated with somebody inappropriately relying on an OTC.

I believe I'm at the end of my time, Mr. Chair.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you. Yes, you are.

I would like to welcome next Stephanie Crilly, from the Economic Developers Council of Ontario.

Ms. Stephanie Crilly: Good afternoon, Chair, and members of the committee. My name is Stephanie Crilly. I am the executive director of the Economic Developers Council of Ontario. Thank you for this opportunity to appear before you today regarding the fall economic statement.

EDCO, which is our abbreviation, is Canada's largest professional association of economic development practitioners, representing more than 1,500 members across Ontario. Our organization includes economic development professionals working in communities from the province's largest urban centres to its smallest rural and northern municipalities, as well as First Nation communities.

Our members are responsible for attracting investment, supporting local businesses, facilitating workforce development, promoting entrepreneurship and helping communities create the conditions necessary for long-term economic prosperity. Our members play a vital role in advancing economic opportunities in communities of all sizes and are committed partners in building a strong Ontario.

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Every day EDCO members work directly with business owners, site selectors, investors, entrepreneurs, municipalities and community leaders. They see first-hand how government policy translates into economic opportunity at the local level. EDCO and our members support measures that make Ontario more competitive, help communities attract investment, address workforce challenges and reduce barriers to growth. That is why we are pleased to support the many initiatives outlined in the fall economic statement.

Ontario is operating in an increasingly competitive and uncertain global environment. Trade disruptions, supply chain challenges, labour shortages and geopolitical instability continue to create significant pressures for business and communities. In response, the province has taken a proactive approach focused on protecting Ontario's workers, supporting businesses, encouraging investment and building a strong and more resilient economy. From an economic development perspective, these are the right priorities. The government's $8.7-billion Canada-Ontario action plan to strengthen the steel, automotive and critical minerals sectors sends a strong signal that Ontario intends to remain a leader in advanced manufacturing and resource development.

These sectors are not only major contributors to Ontario's economy but also foundational industries that support thousands of businesses across supply chains, extending into rural, northern and mid-sized communities throughout the province.

Similarly, Ontario's efforts to improve competitiveness through proposed Ontario competitive tax cuts are particularly noteworthy. Reducing the cost of capital investments and helping businesses invest in machinery, equipment, facilities and productivity improvements will strengthen Ontario's ability to compete for investment with other jurisdictions across North America.

The government's projection that the measures could attract at least $11 billion in additional investments, create 30,000 jobs and contribute approximately $6 billion to the GDP reflects the scale of opportunity that exists when government creates the right condition for growth.

EDCO also recognizes the importance of targeted supports for business facing trade-related uncertainty. Programs such as the Protect Ontario Financing Program provide critical access to working capital that allows businesses to maintain operations, protect jobs and continue investing in their future during periods of economic disruption. Likewise, the Trade-Impacted Communities Program acknowledges that the impacts of international trade challenges are often felt more acutely at the local level.

By helping communities strengthen economic resilience, diversify supply chains and develop new trade opportunities, the province is supporting long-term community competitiveness.

The government's six-month business tax deferral initiative also provides important liquidity relief at a critical time. Measures that improve cash flow and help business navigate economic uncertainty can make the difference between a business postponing investment and moving forward with expansion plans.

EDCO also applauds Ontario's commitment to supporting workers through the Protect Ontario Workers Employment Response Centres. Economic developers understand that workforce availability is often the determining factor in businesses' investment decisions. Helping workers access training, employment supports and new opportunities strengthens communities while supporting employers' workforce needs.

EDCO also welcomes the government's continued commitment to strengthening Ontario's tourism and cultural sector. Tourism is a cornerstone industry for many communities across Ontario, particularly in rural and northern and small urban centres, where it supports local businesses, creates jobs, attracts investments and contributes to community vitality.

Many of our members support this industry directly and recognize that tourism and culture are increasingly important drivers of economic diversification and talent attraction. Investments that support tourism infrastructure, destination development, cultural assets, festivals and community experiences not only generate visitor spending but also enhance quality of life for residents and improve a community's ability to attract workers, entrepreneurs and businesses.

EDCO supports the province's recognition of tourism and culture as an important contributor to Ontario's economic resilience and competitiveness. Continued investment in these sectors will help communities capitalize on their unique assets, strengthen local economies and showcase Ontario as a destination to live, work, invest and visit.

Taken together, these initiatives demonstrate an understanding that economic growth requires a coordinated approach involving investment attraction, business supports, workforce development, infrastructure and community resilience. While we are pleased to support the fall economic statement and the government's broader eco-

nomic agenda, we would also encourage the government to continue investing directly in the capacity of communities to participate in that growth.

EDCO believes that there is an opportunity to build on the objectives of the fall economic statement through continued support of the rural Ontario development fund. Rural communities are home to many of Ontario's key economic sectors, including manufacturing, agriculture, food processing, forestry, tourism, mining supplies and services, and entrepreneurship. While these sectors are essential to Ontario's economic success, rural communities often face challenges related to workforce attraction, housing, infrastructure, broadband connectivity and economic diversification.

The Second Vice-Chair (Mr. Rob Cerjanec): One minute.

Ms. Stephanie Crilly: The rural Ontario economic development fund has helped communities address these challenges by supporting economic development, business growth, strategic planning and investment readiness.

Chair and members of the committee, EDCO supports the fall economic statement because it advances many of the conditions required for long-term economic growth: competitiveness, investment, resilience, workforce development and business confidence. We also believe that continued investment in community economic development capacity, particularly through the rural Ontario development fund, will help maximize the impact of the government's broader economic strategy and ensure that growth opportunities are realized in every region of the province.

In closing, EDCO believes Ontario's long-term prosperity depends on strong partnerships among the province, municipalities, Indigenous communities, businesses and economic development practitioners. We appreciate the government's commitment to strengthening Ontario's economy and welcome continued collaboration on policies that support investment, job creation, housing development and community competitiveness.

Thank you for the opportunity to speak today.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you—well-timed.

Last up, CAA Insurance. Dwayne Williams and Elliott Silverstein, go ahead.

Mr. Dwayne Willliams: Thank you, Chair, and committee members. My name is Dwayne Willliams, W-I-L-L-I-A-M-S, principal of CAA Club Group advisory services. I'm joined today by my colleague Elliott Silverstein, our director of government relations for CAA Insurance.

I appreciate the opportunity to speak on Bill 143, the Plan to Protect Ontario Act. Our remarks focus specifically on schedule 15, which proposes changes to the Insurance Act concerning managing general agents and the distribution of life and health insurance.

We are here as both a consumer advocate and a provider of life- and health-insurance advice. Our experience working with multiple insurers gives us a practical perspective on how consumer choice, objective advice and ongoing service work together. We support the direction of the proposed changes: stronger consumer protection and clearer accountability.

Our contribution today is to highlight how the framework can recognize different distribution models while keeping consumers' interests at the centre. From a consumer's perspective, the needs are straightforward: appropriate advice, meaningful choice and reliable support throughout the life of the policy.

CAA Club Group advisory services were established in 2020 to provide Canadians with life, health and related insurance solutions through a client-focused advisory model. Today we have relationships with 10 insurers and policyholders across eight provinces. Those insurer relationships give consumers access to a range of products with advice focused on their needs, rather than offerings of a single insurer.

What distinguishes our model is how that choice is supported. Our advisers are CAA associates working within an integrated governance compliance and servicing framework. This includes internal oversight, insurer supervision, regulatory obligations and external distribution partner requirements.

A consumer's need for advice does not end when a policy is sold and it should not depend on whether an individual adviser stays with the business. Consumer protection should extend beyond the point of sale because life and health policies may remain in place for decades. Policyholders need reliable support, even if their original adviser is no longer available. In our model, responsibility for ongoing service remains with the organization throughout the life of the policy.

Schedule 15 would give the managing general agent—or MGA—framework clearer legislative structure, including licensing and compliance requirements. We support the government's proposed clarification of the scope of MGA licensing. In particular, we support focusing the licensing requirement on organizations that act as intermediaries between insurers and agents and perform the core oversight functions associated with an MGA.

That distinction is important. An organization should not be treated as an MGA simply because it works with multiple insurers. Licensing should reflect the functions an organization performs and where responsibility for those functions reside.

Licensed MGAs should also be required to maintain appropriate compliance systems. We also support the proposed rule-making role for the Financial Services Regulatory Authority of Ontario—FSRA—including standards for recruitment, training and supervision, and clearer responsibilities for insurers, MGAs and agents. Much of the practical detail will follow through regulations and FSRA rules, making continued consultation important.

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In our model, safeguards and ongoing service are embedded at the organizational level, rather than relying solely on an individual adviser's conduct or continued presence. Those distinctions matter when determining which requirements apply.

We support an approach in which regulatory obligations follow the functions being performed and where accountability for those functions reside. This provides

greater certainty for businesses, reduces unintended duplication and, most importantly, preserves clear accountability for consumer outcomes.

We also support the principle that delegation should not obscure accountability. Where an insurer or MGA delegates an activity, consumers should continue to have a clear line of accountability, and the regulated organization should remain responsible for ensuring that the delegated activity is performed appropriately. The consumer benefit of our model comes from combining access to multiple insurers with organizational accountability and ongoing service.

Requirements should recognize those safeguards. Applying MGA-specific reporting, governance and compliance obligations without accounting for existing controls could duplicate existing regulatory controls without improving consumer outcomes. Recognizing different distribution models should not mean a lower standard of consumer protection; it should mean understanding where accountability already sits, recognizing effective safeguards and addressing any remaining gaps.

Finally, while it falls outside the immediate scope of MGA licensing, consumer education remains an important part of protecting Ontarians.

The Second Vice-Chair (Mr. Rob Cerjanec): You have one minute remaining.

Mr. Dwayne Williams: Licensing and oversight are essential, but consumers also need to understand the products they are buying and the coverage choices available to them.

In closing, we support the direction of schedule 15's life and health MGA provisions. As both a consumer advocate and an advisory business working with multiple insurers, we want implementation to support informed choice, objective advice and reliable service throughout the life of a policy. As the framework is implemented, it will be important to preserve the distinction between activities that appropriately trigger MGA licensing and activities that may be subject to standards of practice but should not, standing alone, cause an organization to become an MGA.

Thank you. We'd be pleased to answer any questions that you may have.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you.

This round of questions, we'll start with the official opposition. Go ahead.

Ms. Sandy Shaw: I want to start my line of questioning, if I could, with Stephanie, if that's okay. Previously, I think in the last round, we had representatives from the Ontario Chamber of Commerce, and one of the things that they stressed was the concern that we needed to make sure that we see, from this government, disciplined fiscal management. That's the kind of thing that their members needed to see to continue to have confidence in the economy and confidence in putting their capital at risk, for small business and so forth.

As you will know, this government is now—I would be hard-pressed to call them good fiscal managers. They have a deficit that continues to grow from last year. Their deficit now, for this year alone, is almost $17 billion—that's up from last year—and they have a combined debt barrelling towards $500 billion—half a trillion dollars, and the government's fiscal outlook by the credit rating agency has been downgraded.

My question to you: When it comes to economic developers whose job is to operate in economic climates that are healthy and that are balanced and that have good future prospects, is this government's debt burden and how much money they're spending now just to service the debt a concern for any of your members across Ontario?

Ms. Stephanie Crilly: That is not something we've heard from our members, but we also don't poll our members on their concerns when it comes to the budget. We tend to look more at the programs that are going to assist our members in attracting business and support their business community.

Ms. Sandy Shaw: If you're looking to attract businesses to communities, some of the things that are important are the kinds of things that investors want to see: an educated workforce, a healthy workforce, and people who can actually live in those communities.

What we're now seeing with this budget is a government that is now underfunding health care drastically across all of Ontario. In fact, in Ontario every single day, as we sit here right now, 2,000 people are being treated in hallways in hospitals across the province. We are seeing layoffs of front-line nursing staff. We're continuing to see this lack of funding or lack of support for the kinds of basic infrastructure, health service infrastructure, education, health care that people who are investing in a community—economic developers—count on the government to have already established. These are the healthy economic conditions that we need to see in our communities in order for people to want to invest and to put their capital at risk.

So my question to you is, do you see the continued layoffs of our health care workers, the hallway health care, the wait times, and the lack of supports in our schools as something that would deter people from investing in our communities across Ontario?

Ms. Stephanie Crilly: I don't feel educated in being able to answer that question properly, as that's not something that we've weighed in to. We have not heard from our members that there are concerns with that. Ontario remains strong in attracting investment and the workforce. But certainly, we would be able to speak to that in future, once we hear from our members.

Ms. Sandy Shaw: You talked about your members and workers.

I think it's important to know that this government has invested billions of dollars in companies like Stellantis and US Steel, and there seem to have been no job guarantees, no strings attached to these taxpayer dollars.

So my question to you is, when this government is providing investments to companies and corporations, don't you think that there should be some value for taxpayers? It is, after all, their money that they're investing.

The Second Vice-Chair (Mr. Rob Cerjanec): One minute remaining.

Ms. Sandy Shaw: Don't you think that this would be a good look for this government, to make sure that our tax dollars ensure that workers are considered when these investments are being made? As you know, we have layoff

after layoff, not only in the health care sector—in Hamilton alone, we're losing 10% of our health care workforce. Don't you think the government should be creating conditions where, when they give these huge incentives to corporations, there should be some guarantee that jobs won't be sacrificed whenever there's a downturn in the spreadsheets of these corporations?

Ms. Stephanie Crilly: Again, that's not something that our membership has spoken to us on, so I wouldn't be able to—

Ms. Sandy Shaw: So can I just take it from you that your members have absolutely no concern with the economies of the communities across the province of Ontario and that everything is working well for them in all of these communities, from Windsor to Kingston—they have no concerns about the economy?

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you. That's time.

I will now move to the government side and MPP Allsopp.

Mr. Tyler Allsopp: Thank you very much, Chair, and might I say, for your first time, you're doing an incredible job.

I wish I could do a five-and-a-half-minute rebuttal to a number of the things that my colleague MPP Shaw said, but I think out of respect for the presenters, I'll ask questions that are relevant to your organizations.

I would like to ask Stephanie from EDCO about some of the provincial supports that we put forward in light of the tariff situation that we're facing. Obviously, we know this is a very tough time for businesses—particularly businesses that were affected by the section 232 tariffs on steel and automotive and critical minerals and some others.

You mentioned in your opening address a couple of the programs, including the Trade-Impacted Communities Program, which is a $40-million envelope to help strengthen resiliency at the community level—also, the Protect Ontario Financing Program, which is a billion-dollar envelope that helps businesses that are having trouble meeting some of their core obligations, whether that's overhead, salaries, things of that nature, in terms of getting the liquidity that they need. One of the ones that you didn't touch on was the Ontario Together Trade Fund, which is a $150-million envelope; we've currently allocated about $139 million of it to support 90 companies in creating and retaining 10,000 jobs across Ontario.

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I'm just wondering how you think these supports are landing on the ground and what additional measures you think we could put forward, and if your members are appreciating the benefits of these programs.

Ms. Stephanie Crilly: Yes. Our members have enjoyed the benefits of these programs in helping them attract and retain their businesses. We've had a number of announcements with expansions happening across the province because of these programs, and our membership appreciates those programs. We work closely with the ministries to deliver information when the grants open and how to apply. That's something that we do as assistance with our members.

Mr. Tyler Allsopp: Fantastic. And just as a follow-on to that, in terms of creating economic opportunities across the province of Ontario, obviously Invest Ontario has been very heavily involved in that since its creation by our government. One of the great things—and people often don't know this about Invest Ontario—is it really is our sort of white glove concierge service for investment in the province of Ontario. It's not just about funding; it's also about information, demographics, comparative analyses between jurisdictions. What do you think of the job that Invest Ontario is doing, and how is that impacting some of the members that you represent?

Ms. Stephanie Crilly: I think Invest Ontario is doing a great job. We work closely with them. One of their members is a liaison board member so that we share information back and forth on a regular basis. We're able to share the information that they're providing. They've enhanced the agency over the last three years especially by including the maps with the available lands, which helps all of our communities, not just the larger communities. So our small rural communities are able to upload their available land, which is allowing investment across the province.

Mr. Tyler Allsopp: Thank you so much.

Ms. Stephanie Crilly: Thank you.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you.

I recognize MPP Kanapathi.

Mr. Logan Kanapathi: Thank you to all the panellists, and thank you for your presentations.

My question is to the College of Audiologists and Speech-Language Pathologists. Margaret, thank you for your great work. This is a very, very important sector. My open-ended question: You mentioned there are 1,000 audiologists in Ontario. How does that demand and supply work? You also mentioned about population growth. Are you meeting the demand for audiologists?

Ms. Margaret Drent: Thank you for that question. If I understood you correctly, the question was whether or not the current number of audiologists that exists is in fact appropriate in terms of the demand. I think, to answer the question, I would say it is not really an issue that the college engages with directly. We do, of course, manage entry to practice, so we operate a registration program, and applicants have to meet certain requirements in order to become registered.

I would say, though, what I have observed in the course of my work is that the two audiology programs in Ontario have increased the number of seats. Those are located in London, Ontario, as well as in Ottawa, and they are accepting some more candidates than was previously the case. I think that's positive in terms of the profession hopefully growing, albeit slowly.

I'm not sure if there's anything my colleague Samidha Joglekar would like to add to that. Samidha, as I mentioned earlier, is in fact an audiologist.

The Second Vice-Chair (Mr. Rob Cerjanec): One minute remaining.

Ms. Samidha Joglekar: Thank you for the opportunity to contribute to the answer to that question. I would add to Margaret's remarks that part of the reason that we wanted to convene a task force to examine the question of enabl-

ing over-the-counter hearing aids is because we do realize that there are barriers for the public to access some of these services: audiology services as well as hearing aids.

One of the biggest barriers is cost, so that was something that we looked at quite closely with the task force in terms of enabling the safe use of these devices. I think that's also to respond to the fact that we have an aging population, that hearing loss is more prevalent. There's an increasing incidence, as Margaret mentioned, of hearing loss in adults—age-related hearing loss. So difficulties with accessing hearing aids and accessing services from an audiologist—

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you.

Just for our presenter online, if you don't mind just stating your name just for the record, please.

Ms. Samidha Joglekar: Yes, I will do: First name is Samidha; last name is Joglekar.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you.

For the second round, we'll be going to the official opposition. MPP Bell.

Ms. Jessica Bell: I just have a few questions. My first question is to the representatives from the College of Audiologists and Speech-Language Pathologists of Ontario. Just to clarify, one of the points you want to make across is, to summarize, that you are in support of over-the-counter hearing aids, but you want to make sure they're approved by Health Canada and that they wouldn't apply to people under 18. Is that a reasonable summary?

Ms. Margaret Drent: That is correct.

Ms. Jessica Bell: Okay, good. I'm pleased to hear about that.

And then my second questions are to the Economic Developers Council of Ontario, Stephanie Crilly. Thank you so much for being here. So, just to summarize, what are the Economic Developers Council of Ontario's recommendations to the government with the fall economic statement?

Ms. Stephanie Crilly: In summary, we are supportive of the elements that have been created for job creation, investment, attraction—the programs that I listed. I think that's all I have to say.

Ms. Jessica Bell: Okay, all right. It helps me to better understand what it is you're advocating for, just before we go into amendments and clause-by-clause. That's really the main reason why I'm asking.

I personally am very interested in economic development, especially local economic development. I've met regularly with the economic development council at the city of Toronto to see what they're doing to really spur investment in a whole lot of things, especially film and television. I mean, as we've heard, Toronto has a lot of industries.

So my just general question to you is, what do you find is most effective to spur local economic development?

Ms. Stephanie Crilly: Programs like the rural Ontario development fund that I spoke on is excellent for our rural communities, which is the majority of Ontario, so we're big advocates for that program specifically. But also, for our larger centres and for northern Ontario, the Canada-Ontario action plan with the province's steel, automative and critical minerals sector is huge for the entire province.

The work that's happening in Darlington is also funding companies in Toronto and Hamilton. I'm originally from Grey-Bruce, so I know Bruce Power and how the economy runs up there and supports that entire area. And it's not just one sector or one community that benefits; it's the entire province, specifically in the rural areas and northern areas for that fund.

Ms. Jessica Bell: And I do find that rural areas in particular are being particularly hard hit when it comes to rising unemployment during this trade war.

We have been following pretty closely the investments the government is looking at making into industry. Certainly, investment in industry is essential. But we are also calling for certainty so that the investments that are made reach the right people. And for us, if we're looking at investing a billion dollars into the auto sector, I think there's real value in making sure that it doesn't result in a lot of workers being laid off and a company taking that money, giving it to shareholders and then moving their manufacturing to the United States, even after they were given government money.

So, when we're looking at this kind of investment, what kind of reasonable conditions should be put in that money to ensure that our communities can benefit?

Ms. Stephanie Crilly: I don't feel that I'm educated to be able to answer that. That's not something that we've polled our members on.

Our organization concentrates on professional development of economic development professionals; we don't usually analyze the programs that are offered through the government.

Ms. Jessica Bell: Okay. Thank you so much for coming here today, all of you. I apologize if I do not have a question for you. Your presentation was very thorough and that is the extent of my questions today.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you.

Okay, and now moving to the government side, MPP Racinsky.

Mr. Joseph Racinsky: Thank you very much, Chair, and thank you to the presenters for coming this afternoon.

Stephanie, I wanted to ask you a question as well, and I was very impressed with your presentation. I think you've packed the most into five minutes that I have ever heard; it was very efficient. Well done.

I wanted to follow up on the rural Ontario development fund. This has been a fantastic program for my riding. I represent a rural area. There was investment given to Puslinch, to beautify downtown Morriston, and $50,000 given to the town of Halton Hills for their harvesting opportunity economic development strategy to promote agricultural economic development in the town of Halton Hills.

What are some key benefits to that program that your members found?

Ms. Stephanie Crilly: I think one of the biggest benefits is that it supports rural communities. A lot of the funding isn't always as easily attainable for rural communities, so it supports downtowns. It can support an array of opportunities. I think Brant county received money when

they were doing the downtown dig in Paris to keep the downtown corridor open. They were able to keep the businesses thriving during that time.

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When I think about Ontario, our infrastructure is aging and those types of programs where they can access the funding and support the downtown businesses in staying open is fundamental. We've seen all kinds of programs, from strategic planning receiving funding to events that support the growth of a community. I think that's what's important.

Mr. Joseph Racinsky: Thank you. I know my colleagues have more questions, so I'll pass it over to them.

The Second Vice-Chair (Mr. Rob Cerjanec): MPP Pierre.

Ms. Natalie Pierre: Thank you to all of the presenters this afternoon.

My question is for Margaret from the College of Audiologists and Speech-Language Pathologists. First, thank you for the work that you do in the province of Ontario. I know that members of my family have benefited from both professions, actually. I also wanted to thank you and CASLPO for your support around the expanded access of over-the-counter hearing aids for adults 18 and over, you mentioned, with mild to moderate hearing loss.

Talking about the over-the-counter hearing aids and how they may help address barriers to hearing care for some adults—so mild to moderate hearing loss—what impact could increased access to these devices have on encouraging earlier intervention, perhaps for folks who may not go out and have an appointment with an audiologist? What do you see the benefits being in terms of quality of life for people?

Ms. Margaret Drent: Thank you for the question. I actually think I'm going to ask my colleague Samidha Joglekar to respond as an audiologist.

Ms. Samidha Joglekar: I'll begin by saying our hearing is what supports our communication with others in every aspect of our lives and hearing loss is quite a common condition. The World Health Organization indicates that one in four adults above the age of 60 has measurable hearing loss and this contributes to difficulties with communication, which can be frustrating and isolating but also difficult to come to terms with. There does continue to be some stigma around hearing loss, especially age-related hearing loss, and difficulties with accepting that this might be a significant health problem.

At CASLPO, we convened a task force, as mentioned, that examined various questions around enabling over-the-counter hearing aid access for adult Ontarians. Based on a literature review, the task force found that, in addition to difficulties with acceptance, one of the most significant barriers is cost. With the rising incidence of hearing loss for adult Ontarians with our aging population, having access to an affordable, convenient and socially comfortable option could potentially help a segment of the adult population. It would provide an entry point into awareness of hearing health, the opportunity to try a hearing aid, which might provide the adult with some support, and if not, it might motivate that adult, that individual, to see a regulated audiologist or physician and get the help that they need.

We also know from the literature review that if hearing loss is addressed and treated in a timely way, this may help mitigate some of the risks associated with untreated hearing loss in mid to later life that would lead to higher costs to the health care system in the long run. Some of these risks of untreated hearing loss in mid to later life would include social isolation, loneliness, mental health issues and an increased risk of cognitive decline. These are some of the benefits that we think enabling access for a specific segment of the adult population with mild to moderate hearing loss could provide some help and make a difference.

Ms. Natalie Pierre: Just a quick follow-up question: You talked about needing to motivate adults to be able to get help. Any suggestions if we know someone in our community or our family who we may think would benefit from seeing an audiologist?

Ms. Samidha Joglekar: Thanks for the question. I would suggest that there's nothing lost in trying and getting one's hearing tested. Just as we monitor our vision health, our oral hygiene and health, it's important to monitor one's hearing health. I think this is something that we need to talk about more, obviously, and enabling these devices might contribute to that conversation. There's really nothing to lose by getting your hearing checked and by having a conversation about whether hearing loss might be impacting your quality of life on a day-to-day basis. It doesn't mean that you have to get a hearing aid right away. It's just a good baseline measure. It's a good thing to have a baseline measure of your hearing so that that can be monitored over time. So that might be something that could be shared with a loved one to motivate them to check their hearing.

The Second Vice-Chair (Mr. Rob Cerjanec): Thank you, and that's time. That's a good closing message, I think, for today.

This concludes our scheduled presentations for today and public hearings on Bill 143.

As a reminder, the written submission deadline is tonight, Wednesday, November 18, 2026, at 6 p.m.

The deadline for filing amendments to the bill is also tonight, Wednesday, November 18, 2026, at 7 p.m.

There being no further business, this committee now stands adjourned until 9 a.m. on Tuesday, November 24, 2026, when we will begin clause-by-clause consideration of Bill 143.

The committee adjourned at 1646.

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