Legislative Assembly of Ontario



Assemblée législative de l'Ontario

Official Report of Debates (Hansard)

HE-28

Standing Committee on Heritage, Infrastructure and Cultural Policy

Estimates

Ministry of Infrastructure

1st Session
44th Parliament

Wednesday 28 October 2026

Chair: Hon. Laurie Scott
Clerk: Tanzima Khan

Journal des débats (Hansard)

HE-28

Comité permanent du patrimoine, de l'infrastructure et de la culture

Budget des dépenses

Ministère de l'Infrastructure

1re session
44e législature

Mercredi 28 octobre 2026

Présidente : L'hon. Laurie Scott
Greffière : Tanzima Khan

Hansard on the Internet

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

Le Journal des débats sur Internet

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

https://www.ola.org/

Index inquiries

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

Renseignements sur l'index

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

Hansard Publications and Language Services
Room 500, West Wing, Legislative Building
111 Wellesley Street West, Queen's Park
Toronto ON M7A 1A2
Telephone 416-325-7400; fax 416-325-7430
Published by the Legislative Assembly of Ontario

Journal des débats et services linguistiques
Salle 500, aile ouest, Édifice du Parlement
111, rue Wellesley ouest, Queen's Park
Toronto ON M7A 1A2
Téléphone, 416-325-7400; télécopieur, 416-325-7430
Publié par l'Assemblée législative de l'Ontario

ISSN 2816-7252

CONTENTS

Wednesday 28 October 2026

Appointment of subcommittee HE-699
Estimates HE-699
Ministry of Infrastructure HE-699
Hon. David Piccini
Mr. Ali Veshkini

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON HERITAGE, INFRASTRUCTURE AND CULTURAL POLICY

COMITÉ PERMANENT DU PATRIMOINE, DE L'INFRASTRUCTURE ET DE LA CULTURE

Wednesday 28 October 2026

Mercredi 28 octobre 2026

The committee met at 1300 in committee room 1.

The Chair (Hon. Laurie Scott): Good afternoon, everyone. The Standing Committee on Heritage, Infrastructure and Cultural Policy will now come to order. Welcome to all the new members appointed to this committee.

APPOINTMENT OF SUBCOMMITTEE

The Chair (Hon. Laurie Scott): The first item of business on the agenda is the appointment of a government subcommittee member. Is there a motion, by chance? MPP Denault.

MPP Billy Denault: I move that MPP Pinsonneault be appointed to the subcommittee on committee business.

The Chair (Hon. Laurie Scott): MPP Denault has made a motion. Is there any debate? Seeing none, are the members ready to vote? Shall the motion carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare the motion carried.

ESTIMATES

MINISTRY OF INFRASTRUCTURE

The Chair (Hon. Laurie Scott): We are now meeting to consider the 2026-27 estimates of the Ministry of Infrastructure, for a total of two hours. We are joined today by staff from Hansard, broadcast and recording, and legislative research. From the ministry, we are joined by the Honourable David Piccini—welcome—Minister of Infrastructure; Ali Veshkini, deputy minister; along with other staff from the ministry.

As a reminder, the ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. I trust that the deputy minister has arranged to have the hearings closely monitored with respect to questions raised so that the ministry can respond accordingly.

Are there any questions from the members before we start?

Seeing none, I'm now required to call 4001, which sets the review process in motion. We will begin with a statement from the minister for up to 20 minutes.

Minister, welcome again. The floor is yours.

Hon. David Piccini: Thank you very much, Chair, and colleagues. It's wonderful to join all of you here today. I am pleased to speak here about estimates for the Ministry of Infrastructure. I was honoured to take over the portfolio in September, just very recently, building on accomplishments that we made at labour and environment prior to that.

I am joined today by Deputy Minister Ali Veshkini here and the incredible team at the Ministry of Infrastructure who are behind me. It has been a real privilege getting to work with them and getting to know them over the past number of weeks. We welcome this opportunity to highlight our ministry's accomplishments and progress as we deliver on the government's priorities.

Obviously, as Ontario continues to navigate global economic uncertainty and unwarranted US tariffs, our government remains very focused on protecting Ontario by pressing ahead with our $236-billion infrastructure plan. It's the largest capital investment of its kind in this country's history. Shovels are in the ground across Ontario, building new schools, hospitals, public transit, water systems, roads, bridges, and housing-enabling infrastructure. These projects are boosting Ontario's construction sector and helping to support its 577,000 workers.

At the same time, our infrastructure investments are also supporting Ontario's long-term competitiveness and resilience by ensuring that communities, families and businesses have the infrastructure, housing and services to grow and to prosper.

Our government recognizes that our $236-billion capital plan creates incredible economic opportunities for countless businesses and organizations across a number of sectors.

That is why, in the face of a strained trading relationship with the United States and global economic uncertainty, we introduced the Buy Ontario Act. In support of this legislation, the government released a new buy-Ontario procurement directive, which took effect in April of this year. It sets out the requirements that public sector organizations must follow: to prioritize Ontario and Canadian goods and services and public sector construction procurement, while maintaining value for money and the timely delivery of infrastructure projects. Provincial ministries, agencies, municipalities and the broader Ontario public sector are bound by this procurement directive. Our goal is to ensure that the construction materials, fixtures and equipment used in public sector capital infrastructure projects are sourced locally as much as possible—Buy Ontario for Ontario.

Buy Ontario is one of the main ways we are ensuring that the tax dollars we spend on public procurements are invested back into Ontario families, businesses and communities.

The delivery of such an ambitious capital plan demands innovation and close partnership across governments with the communities we serve and the construction sector. To that end, we've also taken fundamental steps to further integrate our approach to infrastructure delivery within projects across Ontario. The team is working with all of our partners to streamline processes, improve project tracking and strengthen performance measurement.

By centralizing the delivery and oversight of infrastructure projects within a dedicated team at MOI, we can deliver better value for taxpayers and speed up project timelines to get shovels in the ground faster.

As a first step, the ministry has assumed the capital delivery for major hospital projects and long-term-care homes. It's very exciting. And we will be exploring opportunities to expand this approach to other capital projects across government—coming to a ministry near you soon.

One of the primary ways we engage with the construction sector is through Infrastructure Ontario's market update. The most recent market update, from this past June, included a pipeline of 24 projects currently in pre-procurement and active procurement stages, representing a combined design and construction value of more than $25 billion. The market update also included 19 government-announced projects that are in the early planning phase.

Highlights from the June market update included:

—substantial completion of the Finch West and Eglinton Crosstown LRT projects in Toronto;

—contract execution for the new Ontario Science Centre facility at Ontario Place;

—contract execution for the Stevenson Memorial Hospital redevelopment project in Alliston; and

—the Brockville Correctional Complex and St. Lawrence Valley Correctional and Treatment Centre, which moved from pre-procurement to active procurement.

MOI and Infrastructure Ontario are also working closely to harness the power of new tools and technology to improve the quality, speed and effectiveness of infrastructure delivery. A recent example is our work to incorporate digital twins and, specifically, building information modelling, or BIM, into our project pipeline, procurement and contracting processes. The technology creates a virtual model of an existing or planned infrastructure asset, including detailed visual representations of internal systems and utilities. IO recently incorporated building information modelling into the procurement and contract requirements for the Ontario Provincial Police detachment and administrative and maintenance complex at Ontario Place. I saw first-hand the value of this modelling when I recently toured Parliament Hill and saw the value that provided that project federally.

Our government is also exploring opportunities to create a centralized digital map of all underground infrastructure in Ontario. Recently announced in the bill, I joined colleagues in announcing yesterday that this would include pipes, cables and other installations. Currently, planning around underground utilities and other assets remains a major challenge, especially on large infrastructure projects. In addition, information on the location of these underground utilities is fragmented, inconsistent and maintained by hundreds of organizations across the province. This makes it difficult to access reliable information needed to plan and build infrastructure projects. A centralized approach could help reduce costs, speed up delivery of infrastructure projects, and keep job sites safer for workers. I have asked Infrastructure Ontario to develop a plan to move forward with this initiative, leveraging the expertise of partners such as Metrolinx and Ontario Dig Authority, formerly Ontario One Call. Yesterday, as I mentioned, we introduced the Building Ontario Faster Act, which would enable the collection of location information for underground infrastructure assets across the province. We look forward to sharing further updates as this initiative progresses.

Colleagues, MOI's expertise in the delivery of complex infrastructure projects has also expanded beyond Ontario borders. It's why Ontario has been front and centre in the push for a stronger, more united Canada. To support these goals, we're working with our provincial partners to develop a potential northern shield energy corridor. This corridor includes a proposed 3,300-kilometre pipeline that would move crude oil from Hardisty, Alberta, to Sarnia, Ontario. This would be an end-to-end national energy corridor to boost Canada's energy and economic sovereignty, to reduce our reliance on foreign markets and strengthen trade diversification. The project would also provide critical redundancy to existing infrastructure, bring additional capacity to our refineries in Sarnia, bolster our supply chain, and create new jobs for Canadian workers. A feasibility study is expected to be completed by the end of 2026, or I'm sure MPP Bailey will be in touch.

Our centralized approach to the delivery and oversight of key public infrastructure projects has also extended to government real estate. Ontario's real estate portfolio is one of the largest in Canada, with more than 1,900 buildings and structures, 37 million square feet of rentable space and around 640,000 acres of land.

Effective April 1 of this year, our government implemented phase 2 of the Centralization of Broader Real Estate Authority—CBREA—initiative. Previously, real estate authority and responsibility were spread across more than 60 provincial organizations. Through the centralization, we've significantly reduced the number of provincial organizations exercising stand-alone real estate authority, consolidating responsibility within the Ministry of Infrastructure. We know this approach will allow for better coordination, allowing us to advance key priorities like housing, transit-oriented communities, economic development and long-term care.

1310

A further way we're supporting these priorities is through the sale of surplus and underused government properties. Since 2018, we've sold 163 surplus properties,

generating over $348 million in revenue, saving taxpayers $5.6 million annually in reduced operations and maintenance costs. A recent example is in Edwardsburgh Cardinal. The province is transferring more than 10,000 acres of land to the township. This agreement is expected to create approximately 600 jobs in the community and generate about $187 million in economic value for the region over the next decade. The transfer will help unlock future farm operations; create much-needed housing; and support conservation efforts, including potential new forests and trails for residents.

In addition to modernizing our approach to managing government real estate, we're working to optimize the government's office real estate portfolio by investing strategically in a mix of core owned and leased properties. We recently acquired four office buildings in Toronto to improve the long-term fiscal sustainability of our operations. These include buildings at 438 University Avenue, 25 Sheppard Avenue West, 1 Queen Street East, and an interconnected asset at 20 Richmond Street East. The government had an established, long-term presence at these locations. The transition from leased to owned will reduce ongoing operating costs, saving taxpayers approximately $100 million over the next 20-year period.

Meanwhile, we continue to focus on finalizing the Macdonald Block reconstruction in downtown Toronto. Once complete, the complex will reduce downtown lease costs, saving millions of dollars. Renovation work on this 50-plus-year-old heritage building has faced some technical and cost-pressure challenges that we continue to manage responsibly. Infrastructure Ontario is negotiating with the project consortium to reach an agreement to complete the project as quickly as possible, and we expect updates within the year.

The Queen's Park restoration project is another exciting project. The current Ontario Legislative Building we know has been in use since 1893 and has reached a point where piecemeal repairs are simply no longer viable. A full restoration is needed to bring the building up to modern safety, environmental and accessibility standards while conserving its historical and cultural integrity. A primary focus for the ministry, in partnership with Infrastructure Ontario and the Office of the Legislative Assembly, is determining the best options for maintaining the Legislature's operations during this renovation. At this time, no decisions have been made, and we look forward to sharing more details as the process unfolds.

Another key priority for our government is making life more convenient and affordable for families and residents by supporting more housing and increased transit options. Ontario is investing $70 billion in the largest transit expansion in North America, including the largest subway expansion in Canadian history. Ontario's population is projected to increase by almost four million people by 2051, leading to greater congestion and a significant demand for more housing, public transportation and new transit connections.

A key part of our strategy to fight gridlock and increase the housing supply is to build vibrant, mixed-use communities within a short distance of transit. Through the Transit-Oriented Communities Program, also known as TOC, the province is proposing TOC sites at 14 future stations along the province's priority subway projects in Toronto, including the Ontario Line, the Yonge North subway extension, the Scarborough subway extension and the Eglinton Crosstown West extension. TOCs are also being proposed at eight stations along the GO and light rail transit networks, including the Lakeshore East and West lines, the Milton line and the Stouffville line. It's estimated that the TOC Program could deliver approximately just shy of 300,000 new homes and accommodate over 82,000 jobs near transit stations—not to mention the common-sense reality of living above or around public transit and being able to get to work that much faster.

To support building TOCs and transit stations faster and smarter, our government has introduced new tools and measures to unlock the value of our transit investments. This includes the transit station charge, an optional tool that helps eligible municipalities fund the design and construction of new GO stations and recover the costs as new housing and developments are built around these stations. It was created in response to requests from our municipal partners. Already, Durham region, the city of Vaughan, Halton region and Niagara have expressed interest in taking the next steps to implement this tool. We look forward to sharing with members more on this in the coming months.

The province, federal government and the city of Toronto have also jointly invested almost $2.4 billion in the Waterfront Toronto initiative, with nearly $800 million from the province alone. As a result of our investments, a new community is taking shape that will ultimately include parks and public space, attractions for residents and visitors, and along nearby Queens Quay, up to 14,000 new homes, including affordable rental units.

Waterfront Toronto recently issued a request for qualifications to secure a development partner for the first residential buildings on the new island created by re-naturalizing the mouth of the Don River—the Ookwemin Minising new island and park there, that I recently visited alongside Waterfront Toronto leadership and board members.

In March, the former acting Minister of Infrastructure, Minister McCarthy, joined Prime Minister Carney, Premier Ford and Mayor Chow to announce that our three levels of government are investing together to bring rapid transit to the eastern waterfront.

Most recently, in June, we celebrated the expansion of Biidaasige Park, Toronto's largest new park in a generation, that is already proving to be a great hit with children and the young at heart. In addition to the new housing, parkland and amenities, Waterfront Toronto forecasts that building this world-class community is expected to generate 100,000 skilled trades jobs and contribute approximately $13.2 billion to the economy. For those of you who haven't had the chance to visit it, I would highly encourage you to go down and then grab some barbecue on Cherry Street after you're done. It is a beautiful, beautiful space,

and I look forward to seeing that space continue to come to life.

In addition to job creation, investing in public infrastructure also stimulates community growth, encourages nearby development and unlocks new housing opportunities. In fact, municipalities report that one of the greatest barriers to getting more housing built is the cost of the servicing infrastructure needed to support more homes, like roads, bridges, drinking water and waste water systems and facilities.

In response to these challenges, in 2024 we launched the Municipal Infrastructure Housing Program, or MHIP. Demand was high, with the program was immediately oversubscribed. Recognizing the urgency and significant need, we quickly expanded from a single $200-million stream to a $4-billion program across five distinct streams. These include:

—the Housing-Enabling Water Systems Fund, which helps municipalities develop, repair, rehabilitate and expand their critical drinking water, waste water and stormwater infrastructure;

—the Housing-Enabling Core Servicing Stream, which assists municipalities with building, maintaining and repairing roads, bridges and culverts;

—the Agriculture and Irrigation Steam;

—the Health and Safety Water Stream; and

—the new MHIP stream, the Non-Development Charge Municipalities Stream, which will open later this month.

Even with Ontario's historic investments in housing-enabling infrastructure and shovels in the ground for hundreds of projects across the province, all MHIP streams have continued to be oversubscribed.

In particular, municipalities that do not levy development charges often face greater challenges in funding infrastructure projects—we know northern and rural, remote communities, in particular. At the same time, these municipalities can also face higher construction costs, aging assets and significant infrastructure backlogs. In response, we've worked together with the federal government to launch the new $1-billion federal-provincial Non-Development Charge Municipalities Stream. This new stream is equally cost-shared with Canada's Build Communities Strong Fund and prioritizes water systems, roads and bridges while also supporting housing development in these communities. As I said, we're opening intake on the 29th, with additional intakes to be announced at a later date.

To date, we've seen incredible results—over 305 projects in 230 municipalities and First Nations, and helped unlock approximately 800,000 new homes and maintained water systems for 375,000 existing homes. These sorts of investments to help existing homes and unlock new homes are creating real opportunities for Ontarians, ensuring that—currently, shovels are in the ground for more than 200 active MHIP projects. It's forecasted to support more than 1,500 jobs annually over the next decade, and those are spread in every single corner of this province.

To demonstrate the positive impact, let's see what township mayor Ted Walker said. He said, "With the plant operating over capacity and development on hold, this investment brings us closer to lifting the freeze that is currently affecting more than 1,500 housing units."

1320

In addition to that, of course, we have the Ontario Community Infrastructure Fund, or OCIF, which this government has significantly expanded over the past number of years. We look forward to sharing more information in the near term on OCIF beyond its current funding commitment, which was a record historic funding commitment for municipalities.

In addition, obviously, we've mandated asset management plans for municipalities. They can allocate a portion of their funding, up to 40%—whichever is lower—to cover eligible expenditures for the development, updating and improvement of asset management plans. It has been critical in rural communities like mine.

I'd like to thank the Chair and committee members for their interest. As you can see, MOI is making incredible progress on the government's historic $236-billion capital plan to protect Ontario by building the infrastructure that's creating good-paying jobs, enabling more homes, supporting local businesses and strengthening the economy. Looking ahead, we'll continue to be innovative and modernize by reducing red tape, streamlining processes, and advancing new tools and technology—this all designed to get shovels in the ground faster and lay the foundation for long-term growth and prosperity in every community across our great province.

Thank you, Chair.

The Chair (Hon. Laurie Scott): Thank you very much, Minister, for your presentation.

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

As always, please remember to make your comments through the Chair.

As the Chair, if a member seeks to reclaim the floor during the rotation while the minister is responding, I will recognize the member and allow them to reclaim the floor to ask a new question.

For the deputy minister, assistant deputy ministers and ministry staff: Please state your name and title the first time you speak so that the proceedings can be accurately recorded in Hansard.

I will start with the official opposition. MPP French, please.

Ms. Jennifer K. French: Good afternoon, Minister. Welcome to the portfolio. I'm looking forward to having the opportunity to ask some important questions. I appreciate the Chair reminding all of us that there is limited time. I'm sure I won't need to reclaim my time but, not to be rude, I will if I have to.

I want to address the fact that infrastructure costs are doubling, tripling or quadrupling from what they were before this government took power. We don't have eyes on that. The public isn't able to scrutinize how the govern-

ment is spending the money. I hope that we can provide some clarity for the fine folks across the province on some of the important investments and projects that are happening right now.

Last year, at estimates, when we talked about the skyrocketing costs resulting from this ministry's P3 procurement processes—whether it was a hospital or a subway line—the interim minister chose not to answer at that time.

Minister, I know you've taken carriage of this portfolio, and I'm hoping that you will also be accountable for the skyrocketing costs of infrastructure, or at least take responsibility for it.

I want to talk about the transit-oriented communities. You raised it in your remarks. I want to understand the ministry's oversight of the Transit-Oriented Communities Program. The program's stated goals, according to the briefing book, are to "help increase transit ridership and address gridlock, while reducing the burden on taxpayers to build transit station infrastructure." Just to clarify, the way that I understand it is, we cut a deal with a developer, and the public gets cheaper transit infrastructure and other community benefits. Is that the basic idea?

Hon. David Piccini: Thank you very much, MPP French. There's a lot to unpack there.

Just to start, we, as in this ministry, do not cut deals. Infrastructure Ontario, as an agency, engages in a procurement process.

I would start by framing just on the cost pieces you mentioned. First off, yes, I'm accountable for expenditures and, as minister, I'm accountable for this ministry. I think you can appreciate the global realities we have that affect construction costs, which include the pandemic, which include tariffs. Steps we've taken to address that, MPP French, include—

Ms. Jennifer K. French: No, I'm not asking for the steps to address that specifically—it was more I kind of asked for the general overview of how we do things. I think you provided clarity. I'm going to drill into some specific projects, and I think you'll have a chance to provide clarity to me with those.

I'm glad to hear you say that you don't cut deals. The problem is, the government has a bad track record when it comes to picking development partners. Its very first transit-oriented community at Mimico in Toronto was to be built by developer Vandyk, which would pay for a new, fully accessible GO station that would otherwise cost taxpayers $105 million. But the new station remains a hole in the ground because Vandyk went bankrupt three years ago.

So is the infrastructure ministry or IO currently involved with the Mimico transit-oriented community project?

Hon. David Piccini: With respect to transit-oriented communities, let me first start by saying that I think we all agree with the principle of building communities around transit nodes and hubs. Obviously, expanding public transit has been a critical priority of this ministry—

Ms. Jennifer K. French: But specific to Mimico—because I think everybody understands the concept of transit-oriented communities—is the infrastructure ministry or Infrastructure Ontario currently involved with the Mimico TOC project?

Hon. David Piccini: We're involved with respect to all of our TOCs that are in various stages. The market realities dictate some of the challenges.

I would be happy to defer to the deputy to elaborate a little more.

Ms. Jennifer K. French: I think you did just answer, and I'll be happy for the deputy to confirm that. But if you are still involved—does the minister know when or if a new, fully accessible Mimico GO station will ever be built?

Hon. David Piccini: Our intent with all of our TOCs and our transit projects is to ensure that they come to life for Ontarians to help make their lives easier.

As I mentioned, when we engage with Infrastructure Ontario, who conducts the procurement for our TOCs, something I'm working with Infrastructure Ontario on—

Ms. Jennifer K. French: Specific to Mimico.

Hon. David Piccini: They engage, as I said, in the procurement process, with partners and interested market entrants to develop around the transit-oriented communities.

As I said, I'm happy to have the deputy elaborate on some of the specifics—

Ms. Jennifer K. French: Chair, I'm going to reclaim my time. I'm asking about Mimico.

Mr. Ali Veshkini: In terms of the transit timelines, that is a question for the Ministry of Transportation, as well as Metrolinx.

In terms of Mimico, right now, it is on pause as we're working with the municipality as well as Metrolinx to determine how we move forward in terms of the actual site development. I believe in 2026, in the spring, there was a motion taken to council to adopt, to undertake this review and look at the risk assessment and work with the developers to determine how to move forward with the development.

Ms. Jennifer K. French: Thank you. I appreciate that.

That leads to the next one. One year after the Mimico transit-oriented community collapsed, the government selected Distrikt developments to build a TOC in Oakville that will include 11 skyscrapers. Is a final transit-oriented-community agreement in place with Distrikt or are the details still being negotiated?

Hon. David Piccini: As the deputy said, again, I'd refer some elements of that to the Ministry of Transportation and Metrolinx.

What I would say with Oakville is, we're working collaboratively with the community on expansion. The community has provided some vital feedback that has been instrumental—like a daycare, a community centre, things of that nature—as well as consortiums of people, consortiums of proponents to bring the station to life. It's not one individual; rather, there's a consortium involved in the TOC. As I said, we're working very closely with Oakville and the community there to bring that site to life.

Ms. Jennifer K. French: So there isn't a final agreement in place? You said you're working collaboratively

with consortiums of proponents. But is a final TOC agreement in place with Distrikt?

Hon. David Piccini: I'll defer to the deputy.

Mr. Ali Veshkini: Yes, there is an agreement in place with Distrikt. Currently, we're looking at nearly 7,000 homes being unlocked and close to 400 jobs that that would stimulate. There is an anti-overshoot as well for the site. And we're continuing to work with Distrikt and the city of Oakville to bring this project forward.

Ms. Jennifer K. French: It turns out, though, that this particular developer has never built a high-rise before, and its president has been embroiled in financial and legal problems related to another development that had gone bankrupt.

So after being burned by one bankrupt TOC partner, does it make sense for the ministry to select another TOC partner that, on top of being inexperienced, is also embroiled in bankruptcy proceedings?

1330

Hon. David Piccini: Well, again, I would say it is not us who selects those partners. It is done through a procurement process through Infrastructure Ontario. They assess financial health as an important component in looking at consortiums of players.

I think a recognition that this government has, working in partnership with municipalities, is that proponents require—in this market, the reality is, not a lot is getting built, so you have to ask yourself, what are the some of the inhibiting factors to that? Are proponents putting credible cash flow up to bring a development to life? We have to look at those realities. As a government, we've tackled that—reducing development charges. We've brought forward measures with transit-oriented communities. We're supplying vital infrastructure that brings these communities to life, to unlock these developments.

Ms. Jennifer K. French: Earlier this year, the government issued four MZOs for certain properties around the Oakville site.

MZOs used to be the exclusive domain of the Ministry of Municipal Affairs and Housing. They employ land use planners and lawyers with the technical expertise to draft a zoning law; as far as I know, the Ministry of Infrastructure does not.

My question is, who is it who drafts the MZOs for the Ministry of Infrastructure?

Hon. David Piccini: Our officials, working in collaboration with MMAH and other partner ministries.

Ms. Jennifer K. French: Has any of the language for the four Oakville MZOs been proposed by the developer?

Hon. David Piccini: Again, when we put forward these measures to unlock development, we do it in consultation with the community—the Oakville community. We've received vital feedback for them.

As for the specifics on the drafting, which ultimately comes up through partnerships with other ministries, I'd defer to the deputy to elaborate a little bit more on that process.

Mr. Ali Veshkini: As the minister said, we work with MMAH as well as Infrastructure Ontario to draft them. As well, we have expert, third party legal and planners who help us with the drafting.

The MZO will align with the agreement that we have with any TOC partner. So any MZO that we have aligns with an agreement of what is being built, and those are the towers and the heights that are contained within the MZO.

Ms. Jennifer K. French: When I asked, did the developer propose the language for any of the four Oakville MZOs, it appeared you shook your head, but I don't want to speak for you. So is that—

Mr. Ali Veshkini: We do it in collaboration, based on the agreements that are provided.

Ms. Jennifer K. French: Okay.

I want to talk about the public's confidence in the transit-oriented communities. Distrikt has a partner, the Remington Group, which owns property within the Oakville TOC area. Remington's president, Christopher Bratty, happens to be close friends with the Premier and actually even attended his daughter's wedding reception.

Does the minister understand why the public might not have confidence in a TOC project where the development partner has no expertise in high-rises and its main qualification appears to be relationship-based?

Hon. David Piccini: I would say a few things. First, Chair, just to address the last comment: I would caution against putting any words in anyone's mouth here, with respect to the questions being asked.

I obviously defer to officials to provide additional context with respect to the transit-oriented communities.

We've got a problem in Ontario with not enough houses getting built, so it's imperative that we address the systemic barriers to getting those houses built—from vital housing-enabling infrastructure to working to expand public transit, to making sure we're working with municipalities to reduce barriers like development charges, and to be responsive for various players within our respective communities.

I know in my own community, for example, Stalwood Homes has provided vital feedback for the mayor, for all of us—

Ms. Jennifer K. French: Thank you, Minister. I have limited time.

I agree that there is a need for thoughtful planning and houses and homes and public transit, but I think that these are all decisions that should be based on public interest, public need, and I just worry about well-connected developers and their interests. So I'm glad to be reassured, and I will pay attention as we move forward.

Earlier this year, the city of Toronto passed a motion to ask the provincial government for an outline of its risk assessment processes taken before entering into a transit-oriented community agreement. Did the ministry ever prepare this outline for the city of Toronto? If it was indeed prepared, can the committee have a copy?

Hon. David Piccini: To the member, through you, Chair: When engaging with transit-oriented communities, it's important to ground ourselves in the programmatic aims to increase transit ridership, increase housing supply—

Ms. Jennifer K. French: I asked specifically about—

Hon. David Piccini: —stimulate the economy. We work very closely with our municipal partners to achieve the aims of bringing retail and community amenities—

Ms. Jennifer K. French: Thank you.

Hon. David Piccini: —and public community spaces.

The member referenced the vital need to bring things like community centres, daycares—

Ms. Jennifer K. French: Stop, please, Minister.

The Chair (Hon. Laurie Scott): Thank you, Minister.

MPP French, you've got a minute and 15 seconds.

Ms. Jennifer K. French: I said the city of Toronto passed a motion to ask the provincial government for an outline of its risk assessment processes taken before entering into a TOC agreement. My question is very specific: Did this, indeed, get prepared by the ministry, and if so, can the committee have a copy? Was it prepared for the city of Toronto? Yes, not yet, or never?

Hon. David Piccini: As I said, we work very closely with our municipal partners when engaging in the TOC process.

Ms. Jennifer K. French: Was it prepared?

Hon. David Piccini: As for some of the specifics on the back-and-forth, as I mentioned to you—

Ms. Jennifer K. French: It's not back and forth. Can we have a copy?

Hon. David Piccini: IO, Infrastructure Ontario, has robust policies in place to ensure responsible agreements are in place—

Ms. Jennifer K. French: Chair, I'd like to reclaim my time.

Hon. David Piccini: I defer to the deputy to elaborate a little further—

Ms. Jennifer K. French: Answer the question.

The Chair (Hon. Laurie Scott): Are you okay with the deputy answering?

Ms. Jennifer K. French: I would be very pleased. I think I might get an answer in this case.

The Chair (Hon. Laurie Scott): You have 18 seconds, Deputy.

Mr. Ali Veshkini: I don't know, in terms of that specific motion—but I do know, working with the city manager and with the city, we talk about risk assessment on all the TOC projects. They can include risk assessments regarding enabling infrastructure timelines, integration risk. So, yes, we do talk about risk in terms of TOCs, as well as other projects with the city. I just can't answer that specific question on that motion.

The Chair (Hon. Laurie Scott): MPP Blais, we'll move on to you.

Mr. Stephen Blais: Thank you, Minister, for being here with your officials. I appreciate it.

As you know, this is our first week back after 21 weeks in our communities. The budget motion was introduced 216 days ago and was approved 101 days ago. I'm glad that a day before the minister's midyear update, we're finally getting to estimates for your ministry. I appreciate that.

Just before I begin with substantive questions—earlier, in response to MPP French, when you were discussing an RFP process or a competitive bidding process, you indicated that you're not responsible for that, but IO is responsible for that. I just want to make sure that we're on the same page. Ontario's agencies and appointments directive 1.1 states: "The minister's accountability for each provincial agency cannot be delegated." So you agree that you have ministerial responsibility for Infrastructure Ontario as an agency?

Hon. David Piccini: I led my response in saying that when it comes to costs, when it comes to how agencies function, absolutely, as minister, I'm responsible for that.

I think it's important to note that agencies are overseen at arm's length by a board—

Mr. Stephen Blais: I appreciate you taking responsibility.

Hon. David Piccini: —who have fiduciary duty—

Mr. Stephen Blais: Madam Chair, I got my answer. I'm very happy to get—

Hon. David Piccini: —and we work closely with those agencies.

Mr. Stephen Blais: You're not working closely with the agency. You are ultimately responsible and accountable for the agency. That is the directive of your government. As long as we can agree on that, then I think we can have a productive conversation.

Minister, I'm going to call your attention to vote 4003-02, which is on page 29 of the document. In there, the capital spending in the infrastructure policy, planning, and projects program is going to see a reduction of some $763.3 million from last year. This is the program that invests in and supports municipal infrastructure. I'm wondering, in a housing crisis, when your government is claiming to invest in infrastructure to support housing development, how is it possible that this program is decreasing by $763 million?

Hon. David Piccini: Well, it's not. We've invested over $3 billion to date, $4 billion in various municipal programs—

Mr. Stephen Blais: I'll call your attention to page 29—

Hon. David Piccini: Chair, I just would like a little time to respond, if that's all right with you.

The Chair (Hon. Laurie Scott): MPP Blais, do you want the minister to respond or do you want a more specific question?

1340

Mr. Stephen Blais: Well, he said the dollar figure wasn't going down; that's how he led his answer.

On page 29 of 69, it's vote 4003-02. It's going down from $1.497 billion last year to $733 million this year. So I'm wondering, in the context of a housing affordability crisis, when your government claims to be investing in infrastructure to accelerate housing construction, how can it be getting a 51% reduction in spending?

Hon. David Piccini: Chair, if I may: As I was in the process of explaining, it's a significant fund. We work with municipalities. As the member, I'm sure, can understand, the municipalities lead those projects, so those project timelines vary. The dollar figure towards the commitment has not changed. Project timelines vary.

We have some municipalities—in my own community, for example, and other communities—that are coming forward and saying, "We actually have done this under cost and are looking at expanding ways to better deliver for the residents we serve." We have some that approach us and say, "Costs, reality, supply chains etc. have resulted in cost overages."

So the actual fund itself—we will continue to ensure those dollars get out and support vital programs, but as the member, I'm sure, can understand, project timelines vary.

Mr. Stephen Blais: Project timelines do vary.

Reducing investment by $763 million in a housing crisis is shocking to me.

Minister, the city of Ottawa faces—

Hon. David Piccini: Chair, we're not reducing the funding—

Mr. Stephen Blais: That wasn't a question. In fairness—

Hon. David Piccini: No, that's my—

Mr. Stephen Blais: —anyone can go to page 29 of the document. And I understood that, accounting documents—if it's in a bracket, that means a reduction or less, right? So you've got a bracket—$763,334,700 less this year compared to last year. It's on page 29. I encourage you to take a look.

The city of Ottawa—

Hon. David Piccini: Chair, to answer that question, if I may—

Mr. Stephen Blais: In fairness, Madam Chair, that wasn't a question. It was a statement.

The Chair (Hon. Laurie Scott): MPP Blais has the floor back.

Mr. Stephen Blais: Minister, the city of Ottawa is facing an $11-billion infrastructure shortfall over the next decade.

As we saw with the July 1 floods, stormwater and sewer systems couldn't cope with that record rainfall. Your government has failed to respond to the city's requests for help with that particular emergency.

I'm wondering, out of the infrastructure dollars you plan to spend in the upcoming year, how much of that is going to the city of Ottawa?

Hon. David Piccini: Chair, MMAH, as the member knows, and as was asked today in question period, deals with the emergency response to specific municipalities. I know we've not only done that but established a Ministry of Emergency Preparedness that has ensured folks are on the ground—Ontario Corps—to be responsive to those sorts of needs. And we've increased our investments in Ottawa.

In fact, I just toured the Ottawa Hospital the other day—

Mr. Stephen Blais: We'll get to the Ottawa Hospital shortly, Minister.

Hon. David Piccini: —and it's an incredible investment—

Mr. Stephen Blais: If I could reclaim my time, Chair—

The Chair (Hon. Laurie Scott): MPP Blais.

Mr. Stephen Blais: I wasn't asking you about the emergency. I referenced it to articulate how old the infrastructure in Ottawa is and how desperately an infrastructure investment is needed. Given your claim about investment in municipal infrastructure and given the age of this infrastructure in Ottawa, I'm wondering if you could inform the committee and the residents of Ottawa about how much infrastructure money your government plans to give the city of Ottawa.

Hon. David Piccini: Through you, Chair: These are application-based envelopes, so to presuppose exactly the amount—what I can say is, we've stepped up as a province. When that member was on council and systematically did not invest in the asset management and the important investments that we needed to make in the city, this province stepped up. This province stepped up to support the LRT—grossly mismanaged. This province stepped up to support hospital infrastructure so that folks can get better care closer to home.

I recently had the opportunity to tour the Ottawa Hospital with their CEO, Cameron Love, the other day—

Mr. Stephen Blais: If you don't know the answer, Minister, just say, "I don't know the answer" or "We can't provide the answer." That's the simplest way to answer the question.

You just did a tour of the new Civic campus, and you were talking to Dr. Love. That's fantastic.

The original budget or the original estimate for the Civic hospital expansion was supposed to be $2.8 billion, which would have led to a local share of roughly $700 million. There has been recent public reporting that that estimate now may exceed $5 billion, approaching $7 billion. In fact, I believe last week at the building and trade conference in Ottawa, where the Premier spoke, after the Premier's speech, the moderator addressed the convention and thanked the Premier for $15 billion for the Ottawa Hospital expansion, which, if correct, would be something like a 435% increase in project costs.

So I'm wondering if you can confirm what the cost of the Ottawa Hospital expansion will be.

Hon. David Piccini: First off, Chair, I don't want to presuppose what other folks said at conferences. But I can tell you what an incredible response the Premier had from building trades, unionized members who unequivocally support the direction of this government, because we're making investments that put their members to work. When they see Premier Ford and they see this government—

Mr. Stephen Blais: What is the cost of the Ottawa Hospital project?

Hon. David Piccini: —they see incredible investments that are being made to put their members to work—

Mr. Stephen Blais: What is the cost of the Ottawa Hospital project? The Civic hospital project at Dow's Lake—how much is it going to cost?

Hon. David Piccini: Again, through you, Chair: On an investment just shy of $10 billion towards the hospital, we have—it is on track, on time and on budget—

Mr. Stephen Blais: In fairness, Minister, it's not on time. All reporting—

The Chair (Hon. Laurie Scott): Through the Chair.

Mr. Stephen Blais: Fair enough.

Minister, you gave the answer: just shy of $10 billion. If that's the answer, that's the answer.

The original estimate was $2.8 billion. If it's just shy of $10 billion—let's round it up to $10 billion, just to make the math easier. That will mean the local share—this is the share that is required to be fund-raised in the community or levied through an additional tax by the city of Ottawa or gained some other way—will go from $700 million to, let's call it, roughly $2.25 billion to $2.5 billion. That is a significant increase. Ottawa is not the same market as Toronto. We don't have the same corporate business community that the city of Toronto has. That will require an enormous effort to raise. The foundation has raised about $400 million towards its original $500-million goal, which was already going to be leaving the city of Ottawa to try to come up with $200 million. Now it looks like they're going to have to come up with close to $2 billion in the local share. I'm wondering how you can account for that.

Hon. David Piccini: Through you, Chair: First and foremost, I find it troubling that we almost have a member advocating for less funding for their own community—

Mr. Stephen Blais: I'm advocating for transparency.

Hon. David Piccini: —to vital investments in their community.

I think to understand some of the nuance around that, in particular, relative to development charge fees, relative to a number of the municipally imposed fees, it would require walking the site. As the leadership said there—and members—they have not seen that member there recently to actually dig deep into understanding the nuance around some of those costs. When you impose those fees, the relative fee—

Mr. Stephen Blais: Thank you.

Madam Chair, if the minister is not going to answer the question—

Hon. David Piccini: Chair, if I could just answer that—direct answer—

The Chair (Hon. Laurie Scott): MPP Blais, do you want him to finish or do you want another question?

Mr. Stephen Blais: If he's willing to give a direct answer, I'm willing to get a direct answer.

How do you justify a 5x increase in cost?

Hon. David Piccini: Those increasing costs, as I talked about supply chains etc., also municipally imposed fees which increases—

Mr. Stephen Blais: So you're blaming the city. That's your answer. The city of Ottawa is responsible for a 5x increase in the cost of the hospital.

Hon. David Piccini: —so we're working collaboratively with them and will continue to invest, Chair.

I would invite the member to tour—

The Chair (Hon. Laurie Scott): MPP Blais.

Mr. Stephen Blais: Well, he said he would give a direct answer, and he's not giving a direct answer.

Hon. David Piccini: On a positive note, I'd love to invite the member to tour with me—

The Chair (Hon. Laurie Scott): MPP Blais, there's an invitation for you. But it's your time. You've got three minutes and 20 seconds.

Mr. Stephen Blais: I would be happy to tour the hospital.

Anyway, there is a chill with many public agencies in Ottawa and actually reaching out to the opposition, and I wonder why that is sometimes. But that's not my question.

Let's talk about northern Ontario for a moment. You referenced northern Ontario in your remarks. Again, it's on page 29—this is vote 4003-02, the rural and northern infrastructure program or fund. From 2025-26 to 2026-27, the federal contribution will go up by $4 million, making it about 116% of last year; the provincial contribution is going to go down by $10.6 million. So I'm wondering, Minister, if the federal government is putting in more money and this is a priority for you and your government, why is that amount decreasing by $10.6 million?

1350

Hon. David Piccini: I would say, as we look at a project's profile and costs are spread out amongst years—I think those are some of the key realities here.

As for the specifics of that particular line item, I'd just defer to the deputy to elaborate further, MPP Blais.

The Chair (Hon. Laurie Scott): One minute, 30 seconds left.

Mr. Stephen Blais: By all means, explain the decrease.

Mr. Ali Veshkini: Thank you.

That is not a decrease in terms of taking any money out of anything. It's just project profiles in terms of timing of projects and scheduling, and that's aligning our dollars—federal dollars—as well as the project.

In terms of investments in the north under MHIP, we've invested—out of the $3 billion, $1.9 billion is going to small, rural and northern communities. So 70 communities in the north have benefited from the Municipal Housing and Infrastructure Program that the ministry has—

Mr. Stephen Blais: But in 2024-25, according to this document that you've provided to us, the actuals for rural and northern infrastructure provincial contribution was $10,342,200, and your estimates in your budget are $4.4 million. That's an actual decrease, between what was actually spent and what you plan to spend next year, of $6 million. So I'm not sure how project scoping or budget timelines take $6 million out, comparing actuals to budget, unless you're actually planning to spend less money.

Hon. David Piccini: Just to again reiterate what the deputy and I said, which is, as you profile a project over years, those realities—no money is being taken away. It may be put towards out years, depending on design realities, depending on construction realities.

I think it's important to note, over $600 million has gone to northern communities—incredible investments from this government—since 2024, through OCIF and MHIP programs combined. In fact, the actual number, just for the record, is $213 million for OCIF—

The Chair (Hon. Laurie Scott): Thank you. I'm afraid the time is up, Minister, but there will be another round of questions.

Right now, we'll go to the government side. MPP Dixon will begin.

Ms. Jess Dixon: Minister Piccini, congratulations on the portfolio.

As with many of us in the room, but certainly in mine—Kitchener South–Hespeler is a very, very rapidly growing riding, with a lot of young families, newcomers to Canada etc. I do hear often about the challenges in affording housing, and for some, home ownership still seems to be unattainable. What infrastructure funding is the government providing to municipalities across Ontario in order to enable and maintain housing development, to remedy those concerns?

Hon. David Piccini: Thank you, MPP Dixon. I appreciate that and your leadership, in particular, around workforce development in the communities that are supporting these investments. And I appreciate your leadership for folks in shelters.

Under the leadership of the Premier, as you know, we've made an over $4-billion investment to invest in roads, bridges etc. since its launch in 2024. As you heard me mention earlier, over $3 billion in MHIP funding has been allocated to support over 305 projects in over 230 municipalities and First Nations. These investments underscore our dedication to unlocking new housing.

For context, as I mentioned, MHIP is divided into subfunding streams, which include Housing-Enabling Water Systems Fund; Housing-Enabling Core Servicing Stream; Health and Safety Water Stream; Agriculture and Irrigation Stream; non-development charge stream for municipalities which will be opening, again, at the end of this month.

The MHIP Housing-Enabling Water Systems Fund helps municipalities build, expand, repair and rehabilitate core drinking water, waste water and stormwater infrastructure that can support new housing. We've seen that in communities like mine—in the town of Cobourg, for example, unlocking, already, municipal plan development in the east.

Thanks to this ministry's investments in communities like Brighton, in my own community, in my own riding, we've seen an absolute freezing—just pause there: freezing. I think one of the things that this Premier has stepped up to recognize after previous government failures is that you have to service these areas and you have to plan for growth and the future, and you have to look beyond a four-year election cycle. I'm really proud of what this government has done to look long-term down the road. I know in Brighton, this has allowed that community to expand and grow responsibly over the coming years. The municipalities are making those investments.

Mayor Ostrander was just re-elected, so here's a shoutout to Brian and the team there. They're doing great work, and that's because of these investments.

I think in every one of our communities—and I know many of you would share this—you can point to tangible, specific examples of that core infrastructure investment unlocking incredible potential, whether it's affordable housing, whether it's expanded community benefits, whether it's allowing a municipality that was literally frozen—no development. So when a proponent came to town—a local community builder, demonized by the opposition, who put forward incredible cash flow first to donate to the hospice, first to donate to local charities. When they wanted to grow and propose an expanded retirement community or long-term care, partnering with a long-term-care proponent—again, we've talked about the value of multiple partners coming together—they didn't even have the meeting because the answer was, "No, you just couldn't expand."

Thanks to this government, thanks to these investments, we're now expanding, which is, I think, responsible. And what's exciting is that that's going to long outlive my time in office.

The Chair (Hon. Laurie Scott): MPP Smith.

Ms. Laura Smith: I want to begin by congratulating the minister on his new portfolio.

I want to talk about enabling municipalities along with our partners. I'm so glad that the minister talked about some of the streams.

The Housing-Enabling Water Systems Fund was something that the Vaughan Metropolitan Centre benefited from as of recently, and we were able to unlock over 20,000 new homes as a result of that water system being regenerated, renovated and brought to life. That happens because of partnerships—because of municipal partnerships, because of federal partnerships.

Getting priority infrastructure built across Ontario and Canada is a high priority.

Can the minister tell us how the province is working with the federal partners to help meet the infrastructure needs of the municipalities? How will municipalities benefit from new infrastructure investments being made through the Build Communities Strong Fund?

Hon. David Piccini: Thank you very much, MPP Smith. I look forward to working with you in this new portfolio—with you and MPP Gualtieri as well. I'm really looking forward to the weeks and months ahead.

I think your comment around partnerships is essential. We have to work with all levels of government now more than ever. In the face of incredible global uncertainty, working collaboratively is vital. So we've worked incredibly close—as the Premier affectionately says, "Pink, purple, red; doesn't matter, the partisan stripes." What matters is that we're coming together to advance the common shared interests and priorities of those we serve. So working collaboratively with the federal government, we've unlocked incredible investments to support municipalities—$8.8 billion through the Canada-Ontario Partnership to Build.

As of April 7, 2026, the government of Canada launched the Build Communities Strong Fund, with more than $6 billion for Ontario. This is thanks to the leadership of the Premier, sitting at the table nationally with fellow Premiers, advocating to unlock that. Without his leadership, we wouldn't have seen a commitment to reduce development charges. We have the largest and highest development charges, if I'm not mistaken, in the developed world, as a massive barrier for housing construction.

Thanks to his leadership, we've worked in partnership with the federal government.

We recently announced the $1-billion MHIP non-DC charge stream, to be funded through a combined $500 million each co-investment between the province and the federal government. First intakes are opening on October 29. And what I've heard, without question, when I've travelled the province is from rural and northern municipalities that said to me, "David, we were ignored in the past, and thanks to the collaborative approach you've taken, we've invested in broadband." That's the difference for Laver Farms, for example, monitoring feed intake for the chickens. That enables Jesse Miedema at Miedema Farms in my riding to be able to monitor the cows, the milking, their eating habits, and he can do that on a phone, he can do that using his mobile device. What does that give him? It gives him time. This is a government that profoundly values the time of everyday Ontarians, helping people through reducing congestion—getting to work faster—putting a little more money back into their pockets. That time that he can now spend with his loved ones thanks to those investments—and it's because we've not forgotten rural and northern communities. I'm really proud of those investments.

1400

For a number of these communities, programs like OCIF and others are sort of the lifeblood for their communities. And through our OMPF, through the combined funding with the federal government, we've helped support aging infrastructure, and it's the largest investment in Canadian history.

We're going to continue working collaboratively with those communities. And I think taking an active interest, as you heard mentioned earlier, doesn't require an invite—it requires us doing our job and taking an active interest and walking the sites, going to visit those sites, understanding from the various partners what some of the challenges are facing the delivery, what some of the encumbrances are that are increasing costs, increasing time. It's through understanding that that we can collectively work as a Legislature to make sure we stay true to these incredible commitments that we're making, and that we're not allocating those costs over more years; rather really ensuring that those investments can be built and be built faster.

Those are some of the steps we're taking, whether it's through ministerial zoning authorities and things, to try to build faster. It's a real recognition—and AMO, who have supported us with all of these announcements, recognizes the need, collectively, to build faster.

Ms. Laura Smith: Collaboration.

Hon. David Piccini: Absolutely.

The Acting Chair (Ms. Jess Dixon): MPP Denault.

MPP Billy Denault: Thank you to the minister for attending before this committee and answering some pretty pertinent questions for the people of Ontario.

I think we can all recognize that the government of Ontario continues to build across Ontario, with highways, roads, schools, hospitals, long-term-care homes and other critical projects—all of them coming online right across our great province. I know of so many in my own riding.

However, I think we can also recognize that infrastructure projects often face regulatory and approval delays that impact timelines and budgets.

I was just wondering if you can explain what is being done by the ministry to help address these infrastructure gaps and prevent delays for these major projects across the province of Ontario.

Hon. David Piccini: Thank you very much, MPP Denault, for your advocacy—always a diligent and hard-working member for your community.

I think, MPP Denault, these are some of the questions you heard from the opposition as well, rightly asking about expenditures. Hopefully this time gives me, as minister, the opportunity to get into some of the nuance around why we would see those cost overruns.

I think when you look at steps we've taken as a ministry to improve data and evidence-based planning, innovative approaches to procurement, looking at the design-build model—is that the only model we can look at? Can we look at progressive procurement models? What are some of the other ways we can explore doing that? And credit to Infrastructure Ontario, because they've been lauded worldwide for their leadership in taking these progressive approaches, looking at taking a large-scale project like the Ottawa Hospital—taking lessons learned in how we can better stagger and separate certain procurements such that we could drive competition, ensure medium-sized contractors have the ability to bid on some of these civil works.

Enhanced oversight: Looking at, for example, hospitals and looking at various standardized ways—respectful, obviously, of that collaborative approach, respectful of the reality that the hospital board and hospital leadership will want to see things done in a certain way. But working with them and making sure that—there are certain realities relative to an operation suite or other elements of the hospital that I think we can look to standardize, and we can look to assist in ensuring we're able to drive outcomes for that.

Schools, for example—we've done that in schools, and we've seen accelerated builds in my own riding, for example, with the Kawartha Pine Ridge District School Board, through standardizing certain elements. Again, working collaboratively, we can do that.

You talked about regulatory approval delays. I touched on that a bit earlier. Working with municipalities collaboratively, we can identify ways, provincially, through the standardization, through progressive procurement models etc.—but I think it's a dual relationship, that we could look at ways through permitting approvals, that we can ensure that municipalities are doing their part too. I recall, vividly, building a training centre in my last ministry, and it was six months for a sign permit—just a sign to say "future home of an 11,000-square-foot expansion to train the next generation of tradespeople." It took six months for that. I think we can look to ways to streamline that.

We've supported municipalities—for example, permitting in one of the municipalities in my riding. They digitized it; they brought it online. It was a very progressive way in which we can do that. We provided funding to support them in doing that.

Regulatory approvals and permits are a consistent theme we hear from proponents—leading to delays. I think we all hear that in our communities—

The Chair (Hon. Laurie Scott): One minute left.

Hon. David Piccini: —and working collaboratively, we can tackle that to drive better outcomes.

We just had a meeting on Buy Ontario with the Premier, AMO and other partners to make sure the intent of that Buy Ontario—which I think we can all agree on, supporting Ontario-made products—is being properly followed at the municipal level. Working collaboratively, we got to the bottom of that. I think it takes a really open approach. When you have accessibility, a Premier who sets the benchmark for that, and ministers, caucus members etc. who work collaboratively to do that—working with opposition members too at the end of question period, when they come over and give you the paper on how you can get that. That's how we can get things done together. And I look forward to working with all members of the Legislature to achieve those outcomes.

The Chair (Hon. Laurie Scott): We'll now go to the official opposition. MPP French.

Ms. Jennifer K. French: I want to build on the minister's remarks as we were just talking about the so-called progressive P3 model—and my Liberal colleague here who understands now, based on the minister's comments, that the hospital in Ottawa is going to be about $10 billion.

With those things in mind—the Auditor General, in her 2024 report, looked at the procurement of the Mississauga hospital project and noted that both for the Mississauga and Ottawa hospital procurements IO got only a single bid. I think that taxpayers should be concerned about the lack of competitive bids with this progressive P3 procurement model.

The Mississauga hospital P3 contract came in at over $14 billion, which, in real terms, on a per-square-foot basis or per-bed basis, is an order of magnitude higher than what similar hospitals have cost in the past.

We're seeing costs of infrastructure projects doubling, tripling, even quadrupling within a decade. It feels like evidence of problems with IO's P3 procurement process.

I'll get to my question.

So, $14 billion used to buy more than a dozen large hospitals—and now it only buys one.

Transit infrastructure costs are also skyrocketing. We're spending over $30 billion to build a single 15-kilometre subway line, when that amount of money—it used to buy 10 times as much subway, in real terms.

Does the infrastructure ministry know how much an infrastructure project ought to cost?

Hon. David Piccini: Thank you to the member for that question.

I think part of the challenge with delays, permit approvals etc., is that costs continue to increase. What we're dealing with now is addressing systemic failures over past decades of underinvestment in infrastructure, which is why the Premier and this government have stepped up to do that.

1410

I think working closely with Infrastructure Ontario—we're able to work with them and other partners to both address delays, cost escalations and the delivery of major projects. How have we done that? There are a couple of ways that we work collaboratively to do that: introducing indexing mechanisms in the project agreements to manage cost escalations; strategically staging and dividing large projects, as I mentioned earlier, so that we can increase competition; consistently updating contract approaches—

Ms. Jennifer K. French: Minister, increasing competition is a conversation worth having—but in the case of the Ottawa Hospital procurement, IO got only a single bid.

I think that there should be a threshold at which this ministry should look at the price tags of the P3 projects and say, "No. Do you know what? This should not cost so much. Something has gone wrong with our procurement and delivery processes."

I hear you on the fact that costs go up. People go to the store; they are trying to pay their rent—everybody knows costs are going up.

But does the minister think that a $14-billion hospital—is that what communities should expect to pay, $14 billion for one project?

How high must the costs rise before the ministry finally says, "We need to think about how we procure and deliver infrastructure projects in Ontario"? This is not sustainable.

Hon. David Piccini: Chair, I completely agree that we have to look at cost escalation. I want to divorce anyone in this room of the notion that we aren't actively looking at that now and that we aren't working with partners to do that.

One of the things, as I mentioned, through dividing large projects into more manageable parts, is looking at market sounding with partners small, medium and large to understand ways we can better drive competition prior to procurement launch, such that we have open and transparent conditions and can increase competition—

Ms. Jennifer K. French: Thank you. "Open and transparent" is a thread I'd like to pull.

Infrastructure costs are rising so fast as deals are negotiated inside IO's effective black box, surrounded by private consultants who, arguably, do not serve the public interests, with no public scrutiny—because we don't have access to the information. So doesn't the evidence show that this secrecy is hurting Ontario's economic interests, not helping them—and certainly does not suggest accountability?

Hon. David Piccini: Through you, Chair: As I said, when we look at ways that we can improve the process—looking at staggering procurements, that's done openly: looking at procurement terms, looking at the timetables, looking at how we allocate risk.

To touch on some of those very specifics—and I appreciate the member asking that—I'm going to ask the deputy

to elaborate a little more on some of the themes I've already touched on.

Mr. Ali Veshkini: Thank you, Minister.

The progressive model is one model of building. That model is used for certain characteristics of a project, as all models are used. Whether it's design-build-finance or a stip-sum model, every one is used for a different context and a different asset class, depending.

In terms of the progressive model, that was used during COVID. That was used during a time when there was a lot of risk transfer. Third-party vendors didn't want to take risk transfer, so you didn't have very many people bidding, because a lot of people didn't have the appetite to be able to take on large projects and digest any unknown risks that would come from those large projects.

Ms. Jennifer K. French: Thank you.

Back when we used to procure infrastructure projects using traditional public delivery, with professional management by competent and accountable public servants—who I have faith in, by the way; I have faith in public servants—costs were much lower, the public wasn't kept in the dark.

And now we see this government refusing to disclose estimated costs of a P3 project under procurement until after the contract is signed, when it would be too late to do anything if we signed a bad deal. That's what I'm talking about. It's not to go back in time—I would say it's to move us forward, to have public servants who are competent and capable take us to a place where the public of this province actually can put eyes on decisions and have a sense of how on earth we get to $14 billion for a hospital.

However, I'm moving on.

The minister talked about transit station charges. He and I both share a part of the world where we're both very eager to see the Bowmanville GO become a reality. A year ago, the ministry made a regulation to allow municipalities to levy transit station charges to pay for new GO stations—it's page 25 of the briefing book, but you guys are familiar with it. I know that Durham region was a part of that, at the idea stage and all of that. I don't want to hear the story of Durham, but what I want to know is, how many municipalities have passed a transit station charge bylaw to date?

Hon. David Piccini: We continue to work with municipalities on that. Several municipalities, as the member mentioned, including Durham, have expressed an interest in initiating the TSCs to recover costs for funding the design and construction of new GO stations. We continue to work with these municipalities to support the implementation of the TSCs. None have been signed to date.

Ms. Jennifer K. French: None have been signed. That's actually different from my question, but connected. None of them have passed a bylaw?

Hon. David Piccini: At this time, no municipality has fully gone through all the TSC implementation steps.

Ms. Jennifer K. French: So my next question of how much revenue has been generated from transit station charges to date—they're not at that stage. Thank you.

The government has blocked municipalities from levying development charges to pay for new municipal infrastructure. I would be glad to be walked through why they are encouraging or how it is that they are encouraging municipalities to levy a new development charge to pay for provincial infrastructure, as we see with the transit station charges.

Hon. David Piccini: Chair, through you: I would take a step back and say that when you have the highest development charges in the developed world and literally everybody says to you that this is a massive barrier for construction, you have to act and you have to work collaboratively. I think some of the healthy tension that's necessary in any multiple-order-of-government relationship is—to say, "If you lower those development charges, we will be there to support you with enabling infrastructure." That's what this government has done through various envelopes—supported municipalities that have done that. And we've seen that as a major inhibitor. Right now, obviously, with interest rates and the global realities—

Ms. Jennifer K. French: But specific to the transit station charges, Minister—because that's a development charge; it's of a different name, the transit station charges. On the one hand, you're saying that the development charges are bad, and on the other hand, we have this transit station charge. I'm just curious how the government reconciles that politically.

Hon. David Piccini: I think this uplifts the collective value around these stations. It's a voluntary tool available to municipalities, that attracts vibrant, mixed-use communities and much-needed housing, and that elevates the collective value of that entire area.

I don't know, Deputy, if you want to add a little more on that, because this has been an area of recent discussion.

Mr. Ali Veshkini: Absolutely. One main point is, this is a voluntary tool that any municipality can use. Unlike development charges, this charge is really to help—as you are bringing the enabling infrastructure in the station and then building around that station, there is a benefit to all those homeowners and the price that they will be able to get for those homes. So we're providing this voluntary tool for municipalities to be able to recoup that, because they are paying for the station. That's uplifting the value of everyone's property. Unlike development charges, which are just downloaded, there is a net benefit to the homeowner because they're getting a higher-value home being connected to transit and integrated within the community.

Hon. David Piccini: Like I said, one thing that I think will—

Ms. Jennifer K. French: No, I'm going to reclaim my time here.

You and I share the same area, and I think I can say this—and the minister can correct me: We both are excited for the Bowmanville GO station.

What I will say, though, is that through the years, as I have been doing this work, as the former, now, transportation critic and infrastructure critic—I believe that the

provincial government should be paying for provincial infrastructure, and I think that stations are provincial infrastructure and should be paid for by the province.

The fact that we now have this choose-your-own-tool, buy-your-own-station is disappointing, and I understand it was a creative workaround and that the fine folks at the region of Durham worked hard to put this together. Again, I have faith in public servants. They should not have had to come up with the idea for how to fundraise for their own stations.

1420

If municipalities along the Bowmanville extension GO corridor are not able to raise enough money to pay for Metrolinx's new GO stations, and considering they don't even have the bylaws—we're not even at that point yet—does this mean that we're going to have tracks without stations, which I've asked for years? The province is paying for tracks. The province is not paying for stations. How will people get off the train?

Hon. David Piccini: First off, I'm very excited for the Bowmanville station expansion, and I look forward to discussing expansion beyond Bowmanville.

I just have to underscore that the TSC is a targeted use to help recover some of those eligible costs. It has been developed working in collaboration with Durham region and others, allowing this to plan for transit and housing growth together and being responsive to global realities around the construction of these places—

Ms. Jennifer K. French: But the global reality is that around the globe, governments pay for public infrastructure, such as—and not only—stations. We have to pay for our own stations. This is a tool to help us raise the money over time. I get that. But will the province change its mind and pay for our stations? While I'm here, I thought I'd ask.

The Chair (Hon. Laurie Scott): You're got one minute left.

Ms. Jennifer K. French: Just say yes.

Hon. David Piccini: I think perhaps offline we can engage in a deeper discussion with Metrolinx as well, who are ultimately responsible for the stations.

We at Infrastructure Ontario and the Ministry of Infrastructure are looking at working collaboratively with giving folks the tools to bring these places to life. This is a tool we've developed in partnership with municipalities. It's very targeted and very time-limited—

Ms. Jennifer K. French: But they still can't use it. Is that correct?

Hon. David Piccini: —to help bring them to life. We're working actively with them right now to make sure that we're bringing these stations online and to life, and I think it's a back-and-forth—

Ms. Jennifer K. French: So right now this is a tool in the window, but it's not one that they can actually use; it doesn't exist. There are no bylaws. The agreements are not done. They cannot use the tool as it stands today. Is that correct?

Hon. David Piccini: They absolutely can use the tool, and we are working in collaboration with them to utilize that tool, working collaboratively with officials, as you mentioned—

The Chair (Hon. Laurie Scott): Thank you, Minister. Time is up.

MPP Blais, you have the next 15 minutes.

Mr. Stephen Blais: Minister, as we've already discussed, a number of infrastructure projects in the province are behind schedule and over budget. We discussed the Ottawa Hospital. The Mississauga hospital is estimated to be $4 billion over—you confirmed that the Ottawa Hospital is five times the original.

I'm wondering if you can let us know how many major projects currently under Infrastructure Ontario's management and responsibility are over budget and behind schedule, and by how much.

Hon. David Piccini: Well, first off, I would say that when we look to making these investments, I want to reiterate the realities that we have faced as a province—global, geopolitical realities that are affecting project timelines. When we think to supply chains that have been rapidly disrupted, all of our social projects under the P3 program, 96% of which are on budget, working with municipalities for some of—

Mr. Stephen Blais: In fairness, Minister, I understand that you want to talk about why projects are behind schedule and over budget.

I was simply asking if you had a number, on how many projects were on time and/or over budget. We understand that the world is a different place. Things change, and that creates problems and challenges that the government and builders need to overcome. I was just asking for a number. If you don't have the number, that's fine. You can commit to getting it to us later. I'm wondering, though, since you—

Hon. David Piccini: I do.

Mr. Stephen Blais: Okay, sure, if you have a number—

Hon. David Piccini: As I was saying, I think looking at that P3 example, over 90% across the board, over 80% in Infrastructure Ontario's annual report, which I'd encourage the member to look at, are on budget. I think we're working actively with partners to make sure that we are responsive to some of the realities that are leading to cost escalation.

Mr. Stephen Blais: So 20% are over budget or delayed. That's the simple answer—it took me 10 seconds; it took you 90 seconds.

One of the challenges, I think, in coming up with how many projects are over budget or delayed is that there is a challenge with project oversight.

I'm going to point to page 49, table B1, vote 4007. In 2025-26, for operational funding for infrastructure partnership projects and agency oversight, you budgeted $18.7 million; in this year's budget, you're budgeting $11.2 million. This is operating funding, so it doesn't carry over one year for the next. It has nothing to do with changes in project delivery or cash flow etc. There is a $7.5-million reduction in what was budgeted last year to this year for operational agency oversight. I'm wondering

why you don't think oversight is as important as it was last year.

Hon. David Piccini: The Ministry of Infrastructure, as we established earlier, has the legislative responsibility for IO. We provide the strategic oversight through governance reporting, performance management, as set out in the directive. IO reports outcomes-based key performance indicators in its business plan, annual reports, including indicators to measure our ability to deliver timely projects within approved budgets and identify value, ultimately, for the clients. Major projects delivered through IO—

Mr. Stephen Blais: Thank you.

You're reading what IO is supposed to do, and that's fine. I can look that up on the Internet as well.

The question was, why is there a $7-million reduction in budgeted oversights if you claim to be on top of things and dedicated to delivering projects on time and on budget—20% of which are over time or over budget, according to you. Is that related to the $7-million reduction in oversight in your budget from one year to the next?

Hon. David Piccini: As I said, we're working, Chair, in partnership with Infrastructure Ontario to centralize capital delivery functions that will improve coordination, manage risk. We have talked about centralization of hospital capital, long-term-care capital, and that will better help ensure projects are delivered on time and on budget.

We are talking about the largest investment in infrastructure in Canadian history. It stands in stark contrast—even having this conversation, you have to make the investment, something previous Liberal governments didn't do, something this government has done—

Mr. Stephen Blais: Thank you.

The answer was the first part of your sentence—it was, you're working towards improving processes by centralizing. That was the answer. Everything else is just extra.

Given that you're working on making improvements and centralizing—and I think that's not entirely an unreasonable thing to pursue—will you commit for us this afternoon that your government will publish a list of all projects, their original estimated budget, their current anticipated budget, their original anticipated timeline, their current anticipated timeline, and then when those projects are actually realized, what the final budget and final timeline actually was?

Hon. David Piccini: I would encourage the member to visit Infrastructure Ontario's website, which publicly communicates our major projects and the delivery of those major projects. As the member had mentioned, and as I was explaining, we are working with them to centralize that capital delivery to make sure we're improving coordination, managing risk earlier, looking at various procurement models, looking at ways to ultimately take that number from 80% to 100%. That's a commitment and something that is important to me—to continue to drive those outcomes for the people of Ontario. We'll do it working collaboratively with municipalities. We'll do it working with hospitals, with their boards. We'll do it working with the agencies that I oversee—

Mr. Stephen Blais: That's a perfectly fine answer—or non-answer, I should say. Thank you.

Minister, as you know, the ministry hands out hundreds of millions of dollars and potentially billions of dollars in a year for projects where ultimately IO—which is accountable to you, the minister—has oversight and discretion to award or choose not to award.

I'm wondering if you can commit to publishing any scoring criteria and other criteria that goes into making a decision about contract awards for this upcoming fiscal year, under your leadership.

1430

Hon. David Piccini: Chair, when we look at what Infrastructure Ontario does on their procurement and we talk about some of the collaborative approaches we've taken with them on that process—I direct the member to look at the projects that are currently there, on Infrastructure Ontario's website, the delivery of those projects in communities like his, in Ottawa and around Ontario.

We'll continue to work to improve the procurement process, the evaluation process—

Mr. Stephen Blais: The answer is, "Go to the website." That's okay.

Minister, given that there have been concerns in the past about political decisions countering those of the public service when it comes to the allocation of funds for application-based government priorities, I'm wondering if you can confirm to us today who in the ministry has ultimate decision-making authority about which projects move forward and which contractors receive the contract award.

Hon. David Piccini: Chair, as I mentioned, when it comes to the procurement process, something overseen by Infrastructure Ontario, it really depends on what we're looking at. There are a number of commercial contracts executed by Infrastructure Ontario.

There are also funding envelopes through our ministry—some of which we've touched on—thanks to the Premier's work with the federal government. Those projects are evaluated by the incredible team sitting behind me here. And ultimately, I as minister am accountable for all of those projects, as the member pointed out earlier—their delivery and making sure that we select projects that are responsive to the needs of northern Ontario, rural Ontario, from big cities to small communities, Indigenous communities throughout Ontario.

Mr. Stephen Blais: I appreciate that answer. Thank you.

So that leads me to believe—and I don't want to put words in your mouth, so please clarify. Your answer leaves open the opportunity for political overruling of the public service when it comes to project award or project criterion scoring. Is that as I understood it?

Hon. David Piccini: No.

The simplest way to not put words in one's mouth is to just not do it, for starters.

Mr. Stephen Blais: Well, I'm asking you to clarify.

Hon. David Piccini: As I mentioned, we work with various proponents, including rigorous evaluation criteria

within our ministry, to make sure we're responsive to communities across Ontario.

Working with some team members behind me prior to taking on this portfolio, advocating as a local member through the responsible minister at the time, we were able to bring forward community concerns around the funding formula with the OCIF fund. The ministry was responsive and was able to improve the way we deliver dollars into rural communities through funds like OCIF, OMPF funding and then through application-based funding like the DC stream that's about to open. We have all of our guidelines posted publicly for all Ontarians to see—

Mr. Stephen Blais: Thank you.

I gave you exactly 60 seconds to simply say that there will not be political changes to recommendations from the public service, either on the criteria for a project, the selection of a project or the awarding of a project, and I didn't hear you say that—so if you're willing to say that with either a yes or a no, I'm happy to continue on that particular question. But if you're not going to commit to not politically overriding based on the priorities of the government—which is, I believe, a pretty direct quote from you in a previous program—then I'd just like to move on.

Hon. David Piccini: I would—

Mr. Stephen Blais: By all means, go ahead.

Hon. David Piccini: I would say that if you look to a lot of our large spends, as has been consistent with previous ministries I've held, a number of these funding—the magnitude goes through the Treasury Board as well. There are a variety of mechanisms used to ensure that we're advancing the priority projects for Ontarians.

As I said, something I've maintained in previous portfolios, and you referenced it—ministers are ultimately accountable, and we are elected. You do not elect civil servants. You elect ministers. You elect members first, and then they become ministers, and they are accountable for ensuring that the programs that we publicly take to the people, our plans that we take to the people—they then vote us in, representative of the will of the people across Ontario—that we're executing on those priorities; priorities like building schools, whereas previously they were closed—

Mr. Stephen Blais: Wonderful. I appreciate the civics lesson. I have a degree in this. I thank you for reminding me of high school civics.

I just wanted a yes or no as to whether or not you would override public service; I didn't get that. I guess we'll have to see how things progress into the future.

I'm quickly running out of time, so I'm not going to engage in another line of questioning.

I appreciate your presence, Minister. Have a good afternoon.

The Acting Chair (Ms. Jess Dixon): Thank you.

Ms. Jennifer K. French: How many minutes are left?

Mr. Stephen Blais: There is a minute left.

The Acting Chair (Ms. Jess Dixon): We're moving back to the government side. MPP Pinsonneault, go ahead.

Mr. Steve Pinsonneault: Thank you, Minister, for being here, along with your staff. Just one month into your portfolio, I think you've got a pretty good grasp on it.

No question, it has been a challenging couple of years for Canada and, more specifically, Ontario.

Given today's economic landscape and continued tariffs from the United States, how is the Ministry of Infrastructure protecting Ontario and pivoting its approach to balance competitiveness, risk and a Canada-first approach to procurement and infrastructure delivery?

Hon. David Piccini: Chair, I appreciate this opportunity.

I didn't know the member has a degree in that. You learn something new about members of the Legislature every time you are here. So I appreciate that opportunity.

I appreciate you referencing the challenging times we are in. When faced with a bully—only one way to describe that—south of the border, our closest trading partner and ally, you have to be responsive to that, and you have to be able to look at what we can do to be responsive.

As the member knows, we already stepped up to make the largest commitment in infrastructure in Ontario's history. And why do we need that infrastructure? Not just for homes and critical infrastructure we talked about—but let's talk about the Ring of Fire. Let's talk about energy production.

There is a fundamental will within this elected government for Ontarians to reclaim the sort of nationalism and pride that I think was quite evident in my grandfathers' generation—both, who talked to me about their immense pride in being Canadian, about tackling large projects, about tackling large problems. Somewhere along the line, I think we lost some of that ambition—an ambition clearly articulated through the Premier; an ambition to protect this province, taken to the people. People elected us back with a majority to execute on that, and that means workers who feel abandoned by other parties, abandoned by Liberals and New Democrats who have turned their backs on unionized workers; who know that when this government makes a commitment to refurbish a nuclear generating station—this is a station that would have been closed down should the NDP, God forbid, have had that opportunity, and the previous Liberal government. Not to mention the ambition to build new nuclear—this is energy, and the need for energy is only increasing as we electrify, as our population grows. Some 50% of our baseload power is new nuclear. So we're committing to build new nuclear and the enabling infrastructure to make that a reality.

Mining the critical minerals in the north—some of our greatest assets sit beneath our feet. Until Premier Ford and this government were elected, we never saw that ambition; rather, a dependency on China, a dependency on unreliable partners. I think we have to look inwards when faced with these challenges.

1440

We implemented the Buy Ontario Act, which has helped ensure we're supporting our supply chains. One of the most rewarding experiences was, I got a text message from one of our mechanical contractors when I was labour

minister, and he showed me the workers taking a major component in the small modular reactors that came down through the Welland Canal; down from Welland, Ontario; ultimately up to Darlington, right on the border of the riding I represent. I saw, literally, local members from my own community in that picture. Members collect a paycheque thanks to investments this government is making, ambition we strive to achieve. They're put to work, and they know that they want to be a part of that nation building. I think at its core, this government has worked collaboratively with the federal and municipal partners, and implemented progressive pieces of legislation to achieve that ambition. We've seen people being put to work, notwithstanding global economic uncertainty. There is a certainty towards unlocking the Ring of Fire, a certainty towards our energy production.

Coming from rural Ontario, you would know the ability for nuclear—you need 500 times the land mass for solar, and I think it's 1,500 or 1,300 times for wind. So it's about a complete mix. We're doing wind. We're doing solar. We're doing hydroelectric. We've made improvements to the dams in my own riding. And we're building new nuclear, something that only this government can say we fully support.

Mr. Steve Pinsonneault: Yes, sovereignty is so important. I'm happy to see infrastructure moving forward to keep Canada healthy for generations to come.

Hon. David Piccini: I would also add that when we passed this legislation, not only did we put measures in place for future procurement, but Infrastructure Ontario and MOI, working collaboratively, went to the previous 11 procurements and said, "Can you make best efforts?" They rose to the occasion, and I'm proud to say over 90%—94%, I think it is—of our procurements are supporting a completely domestic supply chain. That's the type of thing that you get when you have the leadership of a Premier focused on supporting our workers, focused on supporting our supply chains.

The Acting Chair (Ms. Jess Dixon): MPP Gualtieri.

MPP Silvia Gualtieri: Chair, I would like to congratulate our new minister on his portfolio.

I'm certainly proud to be part of your team, the team with the Ministry of Infrastructure.

I also welcomed your former statements on the innovation and change for northern communities that have been a priority for our government. Having lived on a farm, I know first-hand how hard they work. Farmers work very hard for all of us, and I thank them.

Now, at a time of growing global economic uncertainty, trade disruptions and unwarranted US tariffs, our government is taking decisive action to protect our economy.

Could you please explain what the primary benefits of completing the Northern Shield Energy Corridor feasibility study are?

Hon. David Piccini: What an excellent question.

I look forward to working with you as well. I recall vividly the first days getting out together in your community, the passion for that. I look forward to working with you to achieve our infrastructure goals that support our communities—yours, mine and others; as you said, northern and rural. I was really touched to hear you say about the upbringing on a farm—that's my community, where I'm from.

I was just out at the poli-ag tour—it's where politicians get brought around by our Northumberland Federation of Agriculture—and they talked about input costs. These are things that are totally divorced from the realities, I think—and I don't beget the person, but if you come from, perhaps, an urban city centre, you might not appreciate fully those realities. You get to travel in the roles we're in, and hopefully you get to see it. But I think, certainly, when you have more narrower perspectives, you're divorced from the everyday realities of a farmer. People don't have the luxury of not relying on natural gas in communities like mine. The luxury of connectivity is not always there on farms.

That's why this government has said to rural communities, "We're not going to turn our back on you"—and to do it, you need energy corridors. For too long, we saw a lack of ambition from previous governments with respect to supporting pipelines and supporting the critical energy corridors needed to achieve sovereignty.

Unlike existing Enbridge line 5, which runs partially through Michigan, if approved, this will completely increase our energy sovereignty on a line that goes completely through our own sovereign territory. We've been working with Indigenous communities, with municipalities. The feasibility study is under way right now, and we expect that to be complete in the very near future.

As we heard from the environment minister today with respect to the interdependency for simple things like our garbage—you saw in the budget in Michigan the challenge, the potential increase on tipping fees, the very real reality of tariffs imposed on things.

This underscores the need for our own energy sovereignty. I choose to work collaboratively with fellow provinces of all different political stripes to achieve energy sovereignty. We know the incredible opportunity this presents us for jobs.

We know Sarnia is home to one of our largest refining and petrochemical hubs. It's a strategic destination, and we want to unlock that potential. MPP Bailey has been an incredible advocate for that community, their immense potential.

When I was labour minister, I went down to the local building trades, and we went to an awards ceremony, saw the next generation of apprentices who knew that the future, their ability to put food on their table, depends on the ambition of leaders like Premier Ford and others. We had Premier Kinew down here from Manitoba. There's a real recognition that we have to harness and unleash our economic might as a country, and we're doing that. Those workers know that under Premier Ford's leadership, we're going to get the job done on that.

I look forward to working with all of you as we complete that feasibility study towards the end of the year and work with partners to unleash our energy might as a country.

The Chair (Hon. Laurie Scott): MPP Smith, please go ahead.

Ms. Laura Smith: How much time do I have?

The Chair (Hon. Laurie Scott): You have 3.5 minutes.

Ms. Laura Smith: I want to thank the minister once again. He talked about some really important issues that really hit home for me.

As a government, we're always talking about reducing red tape and streamlining processes, which is so important when we're talking about issues relating to long-term care and housing.

Ontario's real estate portfolio is one of the largest in Canada. How is the ministry working to minimize maintenance costs associated with ownership of surplus lands?

Hon. David Piccini: Thank you very much for that important question.

I'll first start by saying what we've enabled through our surplus lands. We made a commitment to Ontarians to look at underutilized assets and declare them surplus and achieve net community benefit.

In Oakville, we saw 640 long-term-care beds through the construction of two homes.

We saw, in the city of Hamilton, 512 new long-term-care beds through the construction of two 256-bed homes—270 seniors' housing units.

1450

I remember going to my zia Giuliana's house in Hamilton. It's a large house. She's got a garden she maintains. I get the tomatoes when I go visit her. She has had real conversations with me about downsizing.

This is something we've talked to seniors all over Ontario—the real realities about it. They've been faced by "no," by barriers and delays, by a previous government that only built 611 net new long-term-care beds in their entire tenure. That is absolutely shameful. Thankfully, today, we have more in my region under construction or completed than we did in the tenure by the previous government.

In Grey county—three sold forfeited properties to the city of Owen Sound to support the development of below-market-rate housing, through the social service system manager.

These are some of the things we've done to lower our costs for maintenance on these builds, to unlock over $300 million in revenue for Ontarians. And I look forward to continuing to do that.

The Chair (Hon. Laurie Scott): One minute left.

Hon. David Piccini: Just at the end of question period—something folks maybe watching online don't see—a member of the opposition came across and spoke to me about one of those surplus properties that had come on the market. She was excited about the potential that that offered her community, about achieving the potential of those lands, and shared a letter with me that I will pass along to our officials to review. That's the Legislature, essentially, at its best. But that wouldn't have happened if we didn't have the Premier and this ministry putting forward these surplus lands.

The Chair (Hon. Laurie Scott): There are 20 seconds left—but everyone's okay that we can move for the remainder of the time?

I believe MPP French is going to go. There are 10 minutes—

Ms. Jennifer K. French: And 20 seconds?

The Chair (Hon. Laurie Scott): And 20 seconds.

Ms. Jennifer K. French: Perfect.

Minister, I have less time in this rotation, so I have some quick questions. They're a bit more—not necessarily to your staff, but asking of your team.

With the limited time, would the ministry please provide this committee with a written explanation for the year-over-year spending changes within the government real estate program? It's on page 16 of the briefing book. It's got operations and capital expense asset items and consolidation adjustments. I don't have time to delve into each one, but on page 16, we see some unexplained spending changes. I am just looking for an explanation. I know that the team has been good at providing some, but these are—a $456-million increase to the consolidation adjustment under operating expenses. There's a $580-million decrease to the consolidation adjustment under capital expenses; it's negative this year for some reason. And the capital adjustment is on top of a $383-million increase to capital expenses above the line, which have more than doubled this year. I'm asking if there's something that could be succinct and provided.

Hon. David Piccini: Through you, Chair: I know that this ministry has worked diligently to take advantage of market conditions, to look at leases. In my opening remarks, I talked about cumulative cost savings. When we look at investing in capital assets that have resulted in a lower cost per square foot for assets that are in vital need of repair and reinvigoration for the vital programs and services, and those men and women who deliver on that within our civil service—

Ms. Jennifer K. French: Minister, if you are actually explaining some of these, I do hate to cut you off—

Hon. David Piccini: It's okay.

Ms. Jennifer K. French: —but because I am so limited for time, is this something that you would allow, for your ministry to give us a breakdown of those things from page 16?

Hon. David Piccini: As I mentioned in my opening remarks—

Ms. Jennifer K. French: No?

Hon. David Piccini: —we'll continue to work to look at realty assets. I cited a number of specific properties in my opening remarks that the government has looked at—

Ms. Jennifer K. French: If you won't allow them to, can you say that, or if you will allow them just to—this is not unusual, to ask for a written explanation on those year-over-year spending changes on page 16 of the briefing book.

Hon. David Piccini: Chair, as I said, I've answered the question, as to why we see variances there, taking advantage of market conditions—

Ms. Jennifer K. French: I'm not asking for the breakdown now. Can the committee have this from the staff? If you won't allow them, I will move on. If you will allow them, I would like the commitment.

Hon. David Piccini: As I said, Chair, we'll continue to be responsive—

Ms. Jennifer K. French: That's disappointing. Thank you. I don't see any reason why you would not allow that.

Anyway, on page 26 of the briefing book, we see that the ministry has set a goal of generating nearly half a billion each year from selling off government real estate. The government's realty directive, which requires the ministry to prioritize the public interest when disposing of surplus realty assets, seems to be inconsistent with this goal of maximizing revenue. Can you reconcile that for me?

Hon. David Piccini: I think when you look at achieving the value that we've achieved—as I said, over $300 million—we're also responsive to community benefit and to making sure we're able to unlock the sort of community benefit that I mentioned in Grey county, where we saw below-market-rate housing unlocked, long-term-care beds in communities like Hamilton. I think that when that's brought forward, it undergoes rigorous analysis by our team through our directives, and I think is responsive to what Ontarians want to see with those assets.

As I mentioned, at the end of question period, one of the opposition members actually came forward and gave me a letter that I've shared with our officials about—

Ms. Jennifer K. French: Thank you. Minister, I look forward to being one of those members who sends you lots of letters.

Hon. David Piccini: Thank you.

Ms. Jennifer K. French: The ministry, as per page 26 of the briefing book, has set a goal of generating nearly half a billion each year from selling off real estate. That's the stated goal. But the government's realty directive requires the ministry to prioritize the public interest. I appreciate your thoughts on community benefit—I think all of us do—but I worry that those two goals are at odds, and I'm asking if that can be reconciled.

Isn't the goal of maximizing revenue inconsistent with the goal of prioritizing public interest when disposing of surplus realty assets? How will you reconcile those two?

Hon. David Piccini: Through you, Chair: I think you can achieve both. Let's look at some of the numbers: 163 surplus properties sold, over $348 million in revenue generated for Ontario taxpayers, more than 10,000 acres, $5.6 million in operating expenditures that have been eliminated thanks to the sale. That's why I think you can achieve both.

I've given some tangible examples of Grey county, Hamilton, while also touching on some of the numbers that are consistent with the ambition to achieve value for taxpayers—the sale—

Ms. Jennifer K. French: I appreciate that answer, because making a quick buck versus maximizing benefit for communities—I hope we're all on that same page.

How am I for time?

The Chair (Hon. Laurie Scott): Four minutes.

Ms. Jennifer K. French: I am also requesting that staff provide this year's target value for each of the listed KPIs. Pages 14 and 15 of the briefing book list key performance indicators for assessing the ministry's performance towards three listed goals: increasing and maintaining housing supply, reducing deferred maintenance, and achieving revenue targets. Can we be provided with this year's target value for each of the listed KPIs, as well as the historical values of these KPIs from previous years? Is that something that is reasonable that I can request, that will be follow-up?

Hon. David Piccini: Yes, I think that the Municipal Housing Infrastructure Program, as an example—

Ms. Jennifer K. French: No. May I have that—

Hon. David Piccini: —includes complete supporting documentation. We've seen over $3 billion awarded to date—

Ms. Jennifer K. French: Minister, will you allow your staff to provide this year's target value for each of the listed KPIs on pages 14 and 15, as well as the historical values of these KPIs from previous years?

Hon. David Piccini: As I said, when we set forward—

Ms. Jennifer K. French: Chair, may I have my time back? That was a "may I have this"—and the answer is not a story. May I reclaim my time?

The Chair (Hon. Laurie Scott): MPP French, you have the floor.

Ms. Jennifer K. French: Thank you. I'll move on. It's disappointing.

The minister mentioned Macdonald Block. All of us are familiar with how long it has taken.

Do we have a reopening date for the Macdonald Block, and if we do, what is it?

Hon. David Piccini: Chair, I think it's really, really important to look at the great work that has been done to date on Macdonald Block. I do want to address, if I may, some of the realities, because I think it's important for Ontarians to know—

Ms. Jennifer K. French: I remember when it was the elevators—it has been a mess, I know, and we don't have all the details. But do we have a reopening date? Every member in this building walks by it and is dying to know.

Hon. David Piccini: Let me get there with you. So—

Ms. Jennifer K. French: No. Yes or no?

Hon. David Piccini: I'm glad you're aware of the elevators.

I think 2027 is the year. I know you're looking forward to this. I know you touched on some of the realities.

For those watching, they do need to know, with respect to fire, when you have assets and drawings that aren't complete, you knock down a wall, and you see realities that otherwise weren't there. We all want a building that is compliant with fire code.

We all want a building that is now responsive to the new buy-Ontario procurement directive.

I was talking with officials about some of the furniture that's going to support—Ontario-made furniture—

Ms. Jennifer K. French: Minister, I hate to cut you off—

Hon. David Piccini: I'm very excited that we can see things made by Ontarians, for Ontarians.

The Chair (Hon. Laurie Scott): There is one minute and five seconds left.

Ms. Jennifer K. French: And I am excited to have it back. I heard 2027 is the year. I am very excited.

I had the opportunity to serve proudly as the Chair of the committee that did good work on the renovation and restoration project; a lot of the behind-the-scenes work that fellow MPPs put in. I'm no longer a part of that committee. The minister said no decisions have been made. I am curious to know, though, what is the next decision that we can expect to be made regarding that? Is the renovation and necessary decant work actually moving forward?

Hon. David Piccini: Yes, and I think it's an important process to the work. It is the people's House, and through the Board of Internal Economy, which includes representatives of all parties, and through presentations, the standing committee will continue to provide updates on the important work that's being done. Right now, we're analyzing decanting and to where, and where are those assets and what's owned, and having a look at some of those external realities that put us in a place to make a recommendation forward on what that expansion looks like.

The Chair (Hon. Laurie Scott): Thank you very much, everyone. This concludes the committee's consideration of the 2026-27 estimates of the Ministry of Infrastructure.

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

Shall vote 4001, ministry administration, carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare vote 4001 is carried.

Shall vote 4003, infrastructure policy, planning, and projects, carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare vote 4003 is accordingly carried.

Shall vote 4006, government real estate, carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare vote 4006 is accordingly carried.

Shall vote 4007, infrastructure partnership projects and agency oversight, carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare vote 4007 is accordingly carried.

Shall vote 4008, infrastructure delivery program, carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare vote 4008 is accordingly carried.

Shall the 2026-27 estimates of the Ministry of Infrastructure carry? All those in favour, please raise your hands. All those opposed, please raise your hands. I declare that it is carried.

Shall the Chair report the 2026-27 estimates of the Ministry of Infrastructure to the House? All those in favour, please raise your hands. All those opposed, please raise your hands. I shall report to the House; it's carried.

That concludes our consideration of the ministry's estimates.

I'd like to thank Minister Piccini and everyone here today for their participation.

There being no further business, this committee stands adjourned.

The committee adjourned at 1504.

STANDING COMMITTEE ON HERITAGE, INFRASTRUCTURE AND CULTURAL POLICY

Chair / Présidente
Hon. Laurie Scott (Haliburton–Kawartha Lakes–Brock PC)

First Vice-Chair / Premier Vice-Président
Mr. Guy Bourgouin (Mushkegowuk–James Bay / Mushkegowuk–Baie James ND)

Second Vice-Chair / Deuxième Vice-Président
MPP Tyler Watt (Nepean L)

Mr. Guy Bourgouin (Mushkegowuk–James Bay / Mushkegowuk–Baie James ND)
MPP Billy Denault (Renfrew–Nipissing–Pembroke PC)
Ms. Jess Dixon (Kitchener South–Hespeler / Kitchener-Sud–Hespeler PC)
MPP Silvia Gualtieri (Mississauga East–Cooksville / Mississauga-Est–Cooksville PC)
MPP Catherine McKenney (Ottawa Centre / Ottawa-Centre ND)
Mr. Steve Pinsonneault (Lambton–Kent–Middlesex PC)
Hon. Laurie Scott (Haliburton–Kawartha Lakes–Brock PC)
Ms. Laura Smith (Thornhill PC)
MPP Tyler Watt (Nepean L)

Substitutions / Membres remplaçants
Mr. Stephen Blais (Orléans L)
Ms. Jennifer K. French (Oshawa ND)
MPP Bill Rosenberg (Algoma–Manitoulin PC)

Clerk / Greffière
Ms. Tanzima Khan

Staff / Personnel
Ms. Sude Bahar Beltan, research officer,
Research Services