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**Official Report
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(Hansard)**

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des débats
(Hansard)**

F-14

**Standing Committee on
Finance and Economic Affairs**

Pre-budget consultations

Less Red Tape, Stronger
Ontario Act, 2023

1st Session
43rd Parliament

Thursday 2 February 2023

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

Consultations prébudgétaires

Loi de 2023 visant à réduire
les formalités administratives
pour un Ontario plus fort

1^{re} session
43^e législature

Jeudi 2 février 2023

Chair: Ernie Hardeman
Clerk: Vanessa Kattar

Président : Ernie Hardeman
Greffière : Vanessa Kattar

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LEGISLATIVE ASSEMBLY OF ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

Thursday 2 February 2023

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Jeudi 2 février 2023

The committee met at 1000 in the Ramada by Wyndham Timmins, Timmins.

**PRE-BUDGET CONSULTATIONS
CONSULTATIONS PRÉBUDGÉTAIRES**

The Chair (Mr. Ernie Hardeman): Good morning, everyone, and welcome to Timmins. I call the meeting of the Standing Committee on Finance and Economic Affairs to order. We're meeting today to continue public hearings on pre-budget consultations 2023.

Are there any questions before we start? Seeing none, as a reminder I ask that everyone speak slowly and clearly. Please wait until I recognize you before starting to speak.

Each presenter will have seven minutes to make an opening statement, and after we've heard from all the presenters there will be 39 minutes for questions from the members of the committee. This time for questions will be divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition members, and two rounds of four and a half minutes for the independents as a group.

**ONTARIO FEDERATION
OF AGRICULTURE
PEARTREE FINANCIAL SERVICES
CANADIAN MENTAL
HEALTH ASSOCIATION
COCHRANE-TIMISKAMING**

The Chair (Mr. Ernie Hardeman): With that, we will start with the first panel. The first panel is made up of the Ontario Federation of Agriculture, PearTree Financial Services and Canadian Mental Health Association Cochrane-Timiskaming. The Ontario Federation of Agriculture, I believe, is on virtual. Good morning.

Ms. Peggy Brekveld: Good morning.

The Chair (Mr. Ernie Hardeman): The panels, as I said, will have seven minutes to make their presentation. At six minutes I will just say, "One minute." At that point, don't stop talking, because one minute later I will stop you from talking.

With that, we start off. The first presentation is from the Ontario Federation of Agriculture. We ask each presenter to start with giving their name—properly, to make sure

that it's in Hansard—so that your comments will be attributed to you, because they will be so good and you won't want to share those comments with anyone else.

With that, we'll turn it over to the Ontario Federation of Agriculture. Are we on, here?

Ms. Peggy Brekveld: We are now.

The Chair (Mr. Ernie Hardeman): Okay. Very good.

Ms. Peggy Brekveld: Good morning. Budget planning happens in all great businesses and organizations. This may seem routine, and few get excited about pages of numbers and columns. It is a time to evaluate past successes and long-term goals, with an eye to next steps.

Today I am here to share our perspective on ways to maximize one of the province's greatest assets: agriculture. The Ontario Federation of Agriculture represents 38,000 farm businesses across the province and is an economic powerhouse. The agri-food sector produces more than 200 farm and food products, generates nearly 750,000 jobs and contributes more than \$47 billion annually to the provincial economy. The vast majority of this happens in rural Ontario and rural parts of the province, but outside of this, it all tastes good. As such, the industry should be viewed as an asset that can be maximized with strategic investment. In other words, there are ways that we can be better yet, and you have an opportunity to be a part of those decisions.

Interestingly enough, the province has already set goals for Ontario agri-food to aim for. This December, Minister Thompson announced the Grow Ontario Strategy. The industry has been challenged to increase consumption of food grown and prepared in Ontario by 30%, production of food grown and prepared in Ontario by 30%, Ontario's food and beverage manufacturing GDP by 10% and our exports by 8%, annually.

The timing couldn't be better, for it is fresh on our minds as we look at this budget and how to really make those things happen. Farmers and agriculture have a part to play in this, and government and public investment does too.

As such, the themes today include:

—physical and social infrastructure investment in rural Ontario;

—addressing veterinarian care in rural and northern Ontario;

—promoting and protecting Ontario-grown food; and

—investing in agricultural risk-management programs.

Physical and social infrastructure spending is a perennial budget topic. In rural Ontario, the greatest needs on

the physical side continue to be roads and bridges, broadband and cellular needs, and energy in a few different formats. The social side looks at healthy people and healthy hubs.

At ROMA, I was reminded of how municipalities struggle to maintain or upgrade roads and bridges. These are the main routes so that food comes from our fields to your fork. They are critical to the food chain, and additional dollars to rural municipalities through the Ontario Municipal Partnership Fund will encourage continued maintenance and repair.

Broadband, as well, is a part of modern farming and agribusiness. Connecting markets and customers, input suppliers and even education opportunities through webinars and such are all expected parts of 21st-century life. A few years ago, government committed to 100% Internet coverage in Ontario by 2025. My comment today is, just keep going. OFA is 100% in favour of this plan.

The energy conversation in rural Ontario, on the other hand, is multi-pronged. Rural Ontario still sees unsafe leaning hydro poles and has challenges with surges and stray voltage. A lack of three-phase power holds back investments and further processing, and the continued push towards electricity being the main future energy source could leave rural Ontario at a disadvantage. A focus on upgrading and improving the grid in rural areas would be a step forward. A long-term energy plan should focus on affordability, reliability and sustainability.

Again, natural gas expansion is a piece of the puzzle and an affordable option for those who can connect. Do continue with the previously announced and further expansion of natural gas lines. Looking forward, those same lines could be used for biogas, a clean energy source that farmers can provide, so the lines have a dual purpose for current and future energy needs.

Social infrastructure includes vibrant communities. Highest on our priorities, like many of you, is health care. One of the greatest investments made this past year by government is the Farmer Wellness Initiative, a mental health program geared at farmers and their families. It is making a positive difference. We would like to see continued investment here, and we believe that it would benefit all to expand it to farm employees, as well.

Beyond that, we recommend a continued robust strategy to tackle human resource issues in health care. It's about leveraging technology, health innovations, supporting the next generation of health care professionals and continuing to address immediate workforce shortages, including through innovative scope-of-practice and patient care approaches.

On the animal side, a great challenge for agriculture is the shortage of large animal veterinarians and vets in general in rural areas. There have been a number of positive investments already made by this government, but financial incentives for vet students and practitioners to come and practise in rural and remote areas and financial support for clinics and such would make a difference.

Another challenge is recently unprecedented levels of risk and uncertainty. Whether it's inflation, trade and

supply chain disruptions, pandemic-related challenges or extreme weather events, all of these expose agriculture to risk. The Risk Management Program is a shared premium insurance between government and industry. Raising the investment in it from \$150 million to \$250 million—

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

Ms. Peggy Brekveld:—would help manage that risk and strengthen food security.

Finally, rather than an additional spend, I would suggest a change in public procurement policies. It's great to see government's recognition of the economic benefits of increasing made-in-Ontario food consumption. We believe this will strengthen and enhance the Ontario economy and we see a lot of untapped potential in this area. A 10% Ontario-grown procurement policy would not add to the budget, but it would add positive economic impact across the food chain. And, again, it tastes good.

All of these investments will help reach the Grow Ontario Strategy goals and our vision as OFA for agriculture, as well, which is farms and food forever.

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

Our next presenter is PearTree Financial Services.

Mr. Ron Bernbaum: Good morning. Taking your comments to heart [*inaudible*] six or seven minutes. My name is Ron Bernbaum. I'm the executive officer and founder of a company called PearTree Financial, with its subsidiary, PearTree Securities. We are the single-largest source of exploration capital in Canada in the junior mining space, deploying over \$500 million annually in junior exploration across the country, from Newfoundland to British Columbia.

Here in Timmins, I'd like to quote a local success story—other than the minister who's here, obviously—in Tony Makuch, a CEO who built Lake Shore Gold. In 2014, at the annual convention of the Prospectors and Developers Association of Canada, he said, "Since 2007, Lake Shore Gold has spent over \$1 billion in Timmins, including \$120 million on exploration and over \$550 million building the mine operations now employing more than 800 people. Our success would have been impossible without access to the flow-through share tax incentives in support of high-risk resource exploration and the crucial Q1 2009 and follow-on financings provided by PearTree."

1010

On a personal note, today in Timmins, I am really proud and pleased to say that I am bearing a first-pour pin from Lake Shore Gold. It's the first gold that came out of the ground here in Timmins on that Lake Shore site.

Our entire operation is based on the flow-through tax incentives that have been around since the 1970s and early 1980s in Canada. It is by far the most successful, long-lasting tax incentive in the Income Tax Act of Canada, and in the Taxation Act separately in Quebec. In its simplest form, the party that is funding the activity gets the deduction associated with the activity.

So a flow-through share—and I realize that in five or six minutes it's going to be a bit of a push—is nothing more than a common share issued from treasury. It's only

a common share that's been designated by the company for use as exploration. So the exploration expense that is typically deductible by any other company in determining their taxable income—for a junior mining company, it has no taxable income, so it flows through the deduction to that first subscriber funding the activity. So, \$120 million of Lake Shore Gold deployed in Timmins is matched to \$120 million of tax deduction in Toronto, essentially; \$120 million of deduction is matched to \$120 million of expenditure, so the after-tax risk to the investor is immediately reduced from a dollar of flow-through down to 50 cents.

Recognize that junior exploration is the riskiest end of venture capital. If you look at the TSX Venture, which is the home of the junior exploration market, last year, 2022, it lost close to 40%—39.2%. More telling for anyone who's been in the markets in the last decade, most markets have done remarkably well. The Toronto Stock Exchange Venture Exchange, the home of the junior market, has lost 64% of its value in the last 10 years, reflecting the fact that junior exploration investment is venture capital at its riskiest, and two times out of three, you're going to lose money.

What the other provinces have done, led by Quebec, and what they've done remarkably well is they further risk-adjusted the after-tax cost of making investments, and as a result, they outperform Ontario. Quebec provides close to 40% tax credit coverage so that an individual who is buying a flow-through share in Quebec, funding Quebec exploration, has an after-tax cost of investment significantly less than what it is in Ontario. The Quebec 39.75% tax credit; the British Columbia 30% tax credit—or for flow-through, more appropriately, 20% tax credit—result in significant investment in those provinces.

For about a decade, I have been advocating for an increase in the Ontario tax credit from the 5%—which by the way is fully taxable by the taxpayers, so it's only 2.5%, which is totally ineffective and, in my view, ought to be scrapped if we are not going to increase it. We ought to increase those tax credits in order to attract capital. The Ring of Fire will not happen without an increase in the tax credits to match the other provinces.

Tax incentives work, and the best current example of that is last year, in the April 7 federal budget, the federal government introduced a new 30% critical mineral tax credit. This is April 7 of last year. From April 7 to—although it was stated as being effective as of April 7, the legislation was unbaked until very late in the year. But even with not having a full appreciation of what the legislation looked like, we, PearTree, only one market participant—admittedly a large market participant—funded \$80 million in critical minerals in a dozen transactions: only one in Ontario for \$5 million, the balance largely in Quebec. Of that \$80 million, over \$60 million was deployed in exploration for critical minerals, largely for lithium in Quebec. Quebec will outpace Ontario all day long.

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

Mr. Ron Bernbaum: One minute.

British Columbia has adopted the Quebec model. Last week, the Honourable David Eby, at the annual meeting of the Association for Mineral Exploration in Vancouver, said, “Exploration is critical to our future. We had record-breaking exploration expenditures of \$740.4 million.”

If you look at your own account estimates for 2019 through to 2022, the most you will see, that 5%, results in \$125 million of exploration. If we increase that tax credit, verifiably, we can demonstrate to you that the cost to the treasury is nil—absolutely nothing—for reasons that can't be addressed in 32 seconds.

But having said that, I appreciate your time. Thank you. This is a binary decision: Either we do it, and we're successful in exploiting our minerals in Ontario, or we don't do it, and we watch the rest of the country prosper with additional jobs and northern prosperity—

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

We will now go to the Canadian Mental Health Association Cochrane-Timiskaming.

Mr. Paul Jalbert: Hello, everyone. Thank you for having me. My name is Paul Jalbert. I'm executive director with the Canadian Mental Health Association Cochrane-Timiskaming branch.

Thank you for allowing CMHA Cochrane-Timiskaming and my colleagues from across the province the opportunity to address this committee. From a CMHA Cochrane-Timiskaming perspective, we work daily to help people living with and impacted by addictions and mental illness by providing the supports they need on their journey to recovery.

Like the province, CMHA Cochrane-Timiskaming wants to see an end to hallway health care. In a community setting, hallway health care looks like long wait-lists, significant travel to access basic services, and these barriers lead to greater pressures on emergency and acute-care services, which translates to an increased cost to the system. Community addictions and mental health services need to be a part of that solution by ensuring that those accessing urgent and acute services are only those who require it, as these are more costly services.

We know that we have a population that is growing older. We have services, such as our seniors' mental health services, our Behavioural Supports Ontario services, that address the needs of seniors in maintaining their independence in community and reduce the burden on acute care, as there's a portion of ALC patients that are in hospital due to addictions and mental health issues.

Early intervention on first-episode psychosis saves lives and reduces hospital visits and acute care admissions. Assertive Community Treatment Teams are supposed to function as a hospital without walls, which supports individuals with persistent and complex mental illness. In the north, in Timiskaming-Cochrane, we do not have a fully funded ACT Team, and our early intervention psychosis funding has been stagnant for years.

Supportive housing with a wraparound approach is another key service. Although we're able to offer some level of service, the demand far exceeds the capacity.

We're partnering with the Cochrane DSSAB and an Indigenous partner for a 54-bed complex in the Cochrane district, as reports suggest that about 80% of our homeless population suffer from addiction and about 58% suffer from mental health issues.

There are some services in the north that are just simply temporarily available or not available at all.

In the Timiskaming area, partnering with the Timiskaming DSSAB, with the Kirkland Lake OPP detachment, with the Timiskaming OPP detachment, we've been able to partner to bring a mobile crisis program on its feet at the outset of the pandemic in 2020. Although we're grateful for these partners and the support they've provided us in terms of funding so that we can staff this service, three years later, with advocacy, we still don't have renewable funding for this service, which puts it at risk.

Day/evening treatment services are an intensive treatment for addiction. When I say "intensive," I mean daily contact with clients, nine to 15 hours of daily contact per week. It's often used as step-down care for individuals leaving either acute care residential treatment, or a step-up level of services for those in community who require it. Service isn't available in Cochrane or Timiskaming districts. This leads to an increased cost by either increasing the number of individuals who could be otherwise treated in community but end up in a residential or acute-care setting, or they are readmitted since the appropriate treatment modality just isn't available in the community.

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We are in the middle of an opioid epidemic. The numbers in Timmins in particular are dire. We have the highest opioid overdose rate in Ontario for medium population centres. Fortunately, the community has banded together and put together an urgent public health needs site. CMHA Cochrane-Timiskaming has submitted an application for a permanent supervised consumption service site. There is a request to Health Canada for an exemption. Our municipal council has endorsed our application, and there is a request for the Ministries of Health and Long-Term Care to fund the service, and we need the province's help on this initiative.

Our financial situation is quite dire. We've had decades of underfunding, increased needs for services and the impact of Bill 124 is having a devastating effect on our ability to support people in need. For example, CMHA has rarely received increases in annualized operating funding. This limits our ability to offer high-quality accessible care for our clients. Specifically, CMHA Cochrane-Timiskaming has received just one 2% base-budget increase over the last 10 years. And since 2014, inflation comes in at approximately 24%, so it's not difficult to imagine our precarious economic position. Needless to say, funding for our pre-existing programs has not kept pace, and the funding model for our sector has been broken for decades. This needs to change if the province truly wishes to champion community mental health and Indigenous services.

Compounding our problem, the request for service has dramatically increased, as demonstrated by a 60% increase in demand for our housing services, and our referrals for

our injection clinics have doubled. We work in an environment where clients are presenting with increasingly complex needs and, without adequate support, we're limited on how we can support them.

The impact of Bill 124, on top of the lack of base funding, on top of inflation, on top of high gas prices in the north has led many of our staff to leave for other fields. Our turnover rate for 2022 was nearly 17%.

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

Mr. Paul Jalbert: These challenges are echoed by many of my colleagues across the province, and some of them are here for the first time negotiating a reduction in their annual targets with Ontario Health. Each CMHA branch, including the Cochrane-Timiskaming branch, needs at least an 8% increase in base funding as an immediate emergency stabilization investment to be prepared for these challenges. For the entire community sector in the province, that amounts to an investment of \$125 million.

If we are to end hallway health care, it's imperative that our current budget limitations be addressed so we can respond to the needs of our clients and community and provide them with the care that they deserve. Without the investment in these services, we'll see a continuation of hallway health care.

I appreciate the opportunity to share the challenges and needs of our community during these dedicated consultations. Thank you for making the time to hear CMHA Cochrane-Timiskaming and other stakeholders in our region.

The Chair (Mr. Ernie Hardeman): Now we start the questions, and we'll start with the official opposition. MPP Vanthof.

Mr. John Vanthof: Thanks to all the presenters for coming. I'd like to go to Mr. Jalbert first. You said, just to clarify, you had a 2% increase in your base funding over the last 10 years?

Mr. Paul Jalbert: Operationally? Yes.

Mr. John Vanthof: And could you just outline or expand on what the situation is regarding mental health and the opioid crisis, how that has changed in that time, like how the pressures have changed? There was a discussion on Timmins council regarding homelessness—how has that impacted mental health issues and how you're trying to deal with that?

Mr. Paul Jalbert: I touched on the idea that the complexity of the individuals that are accessing our services has changed, and I think we've seen the needs in our communities where there's a confluence of some of the social determinants of health, the capacity for health care to respond effectively and matching that to the needs of the individuals.

Ultimately, the impact is longer wait times. And we know—and the research indicates—that the quicker we are to respond, the quicker we are to have better outcomes for clients. This means better quality of life. This means a reduction in symptoms. This could mean very well a return to work or a shortened health care leave, which again means that individuals are in a better position to resume activities of daily living.

Mr. John Vanthof: Could you give us a brief rundown or example of what the wait times actually are in Cochrane and Timiskaming for access to services?

Mr. Paul Jalbert: It varies by program. I'll give you an example. Day/evening treatment, which is an intensive addictions service, isn't available, so it's not going to happen here. What would happen in that case is these clients would either move into a more intensive service—a residential program or a two-tiered program—or be dealt with in the community through a less intensive service like case management. Access to those services can vary from 30 days, in the most optimistic of services—with wait-lists lasting almost a year.

Mr. John Vanthof: Unless there is financial intervention, what do you foresee happening in the area you cover with those people?

Mr. Paul Jalbert: The number one thing that I think is predictable in all of this is that we will have to renegotiate our service targets because we won't be able to provide the same level of services we do today. Disregarding the gap that's occurring, we're going to have to look at how we manage in terms of less client service per year, which again impacts wait times, which again impacts—it goes without saying that there are strategies we've undertaken to mitigate some of those. For example, we've integrated with two other organizations to really try to find efficiencies and maximize the benefits of this. But simply put, the funding just isn't there to make this eventuality not occur.

Mr. John Vanthof: It's safe to say that lives will be impacted unless—

Mr. Paul Jalbert: Absolutely—individual lives, families, the impacts on children. Mental health and addictions is health care.

Mr. John Vanthof: You mentioned that you had a very high turnover rate with staff. Could you describe that and how that is impacted by Bill 124?

Mr. Paul Jalbert: I'll give you an example of the impacts. To be fair, mining is a great economic asset in the community and is really important for a community, but from a health perspective, it does present some challenges. I'll share with you an instance where we offered our preferred candidate the top of our pay scale, and they pointed out to us that, as they worked in the mining sector, that wasn't even matching the entry level of their position.

We are losing people. They're not just transitioning from employer to employer. People are leaving the field, frankly, like I've never seen before.

Mr. John Vanthof: How much time?

The Chair (Mr. Ernie Hardeman): Just over two minutes.

Mr. John Vanthof: Thank you.

The other two presenters both mentioned risk in exploratory mining, and the Ontario Federation of Agriculture also mentioned the Risk Management Program. I'd like to turn to the Ontario Federation of Agriculture to give a quick description of what the Risk Management Program actually does.

Ms. Peggy Brekveld: The Risk Management Program is meant to help farmers manage risk, which seems so

obvious. It is a shared premium program which both the government and the farmer pay into, and it can help when there are significant swings in the financial situation of a farmer, which could be from significant market shifts. Many farmers are price-takers and the markets can move dramatically. It can also be caused by extreme weather events or disaster. We had drought here a couple of years ago. Risk management is one way that we can help manage that time and get through to the next year, which benefits society with food security and continued industry development—

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

Ms. Peggy Brekveld: —because we want to go forward and continue to grow great things. A lot of farmers, especially when they first start out, struggle with the financial shifts that can happen and the roller coaster there, so risk management really matters. The increase would help ensure that all farmers are able to be covered—not just a portion of the insurance they've purchased, but the full amount—more often.

1030

Mr. John Vanthof: Thank you.

The Chair (Mr. Ernie Hardeman): Thirty-two.

Mr. John Vanthof: Thirty-two seconds?

I would just like to add a bit of a statement. One of the important things about risk-management programs is that farmers have to go to the bank to borrow money to put in crops, and the Risk Management Program is bankable. So you can go to your bank manager and say, "I am going to get X," regardless of what the market does, and that's incredibly important. The way the Risk Management Program is working now—it's underfunded. Thank you.

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes your time.

We'll now go to MPP Bowman.

Ms. Stephanie Bowman: First of all, thank you all for being here. It's great to see the two of you in person, and Peggy, you, online.

Peggy, I wanted to ask if you could talk a little bit more about the investment required in the processing side of the industry. I know that to increase capacity and meet the 30% goal—I don't think there's 30% capacity in the current system. Could you talk a little bit about what those investments would look like?

Ms. Peggy Brekveld: Yes. Some of it is protecting the assets you currently have, where the food comes from that's going to those manufacturing plants, and ensuring that we can continue to grow on good farmland.

Part of that is about infrastructure such as the electricity system. We have one person—a very large producer, actually—north of Toronto who grows a lot of carrots, onions and beets. He was really interested in expanding his business, but there's no three-phase power. So with that, he just isn't going to expand, because the possibility isn't in that location. Unfortunately, that can be common, especially in rural Ontario.

It's also, further, about the continued investment in a labour force. I mentioned having healthy hubs and broadband and things. We also need to attract people to come

and live in rural Ontario communities. I will stress, as a federation, that we certainly need people, and there is room inside of our rural communities to build more houses and to have more people come and live. But they only want to come there if it's a good place to live, and those things include the health care and the schools; it includes broadband and really great places to do business. That would certainly support manufacturers and ourselves as farmers.

Ms. Stephanie Bowman: Thank you. And when you talk about protecting current farmland, could you talk a little bit more about what that could look like and what your concerns are about the current situation?

Ms. Peggy Brekveld: Sure. Between the last two censuses, we saw a loss of 319 acres a day in farmland. Some ways to describe that would be 75 million carrots or 23.5 million apples. It's significant portions of land that have been moved into developments of all sorts, including houses etc. We certainly, as OFA, promote the protection of farmland and that we incentivize building in and up and making really healthy cities and communities inside of their current footprint.

Ms. Stephanie Bowman: Thank you. I know that in all industries we're looking for more innovation and ways to be more productive. How do you feel about our likelihood of being able to innovate our way out of the loss of land at the rate of loss of land that we're seeing right now?

Ms. Peggy Brekveld: Farmers are innovative and modern and always looking for the newest technologies.

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

Ms. Peggy Brekveld: Saying that, we still need a place to grow it. Your location is about the soils. It is about the quality of land, but it's also about the climate. Even greenhouse operators will tell you that it's location, location, location. Those microclimates that allow for flower production or ensure that there are not significant shifts of temperature—those matter, whether you're growing inside a greenhouse or whether you are growing a field of wheat. We're not going to grow wheat in a container anytime soon.

The Chair (Mr. Lorne Coe): You have 22 seconds.

Ms. Stephanie Bowman: Thank you.

The Chair (Mr. Lorne Coe): Okay. Thank you.

We now go to the government. MPP Pirie.

Hon. George Pirie: I'll pull my mike a little bit closer; I was having difficulty hearing.

Peggy, this first question is for you. I should know this, but I don't. Where are you located? Where do you live?

Ms. Peggy Brekveld: I am a northern Ontario girl, which is a great reason to be presenting in Timmins. I am in Thunder Bay.

Hon. George Pirie: So you obviously know about the great Canadian Clay Belt and its 10 million acres of arable land?

Ms. Peggy Brekveld: Yes, I do.

Hon. George Pirie: There are significant opportunities to increase the arable land in Ontario through those developments of arable land in northern Ontario.

Ms. Peggy Brekveld: I am a big proponent of agriculture growth in northern Ontario, I really am. But I will

say right now, being from the north, I know that I'm not going to grow field tomatoes. I am going to definitely grow amazing canola and wheat and oats—all sorts of great things—but understanding that farmland in southwestern Ontario is always going to be more productive because of its climate at this time. I believe that there is room for expansion in the north, but it's not going to replace the amazing soils around the GTA area and other parts of southwestern Ontario and eastern Ontario.

Hon. George Pirie: I agree that southern Ontario has got a special set of circumstances that involve climate, but I'm certainly encouraged to see the fields of corn that are growing in our particular area that have never grown there before. So I think there's opportunities to capture more arable land and to replace some of the land that's in southern Ontario. Thank you very much for your comments.

Ron, I have got a question for you. You mentioned that the Ring of Fire will not be developed without flow-through. Can you expand on that a bit?

Mr. Ron Bernbaum: By all means. The exploration is very risky; it takes massive amounts of capital. The world investment community and Canadians will always seek the lowest cost of that capital. And because two thirds of all exploration is conducted through the flow-through tax regime where other provinces have lower cost of capital, that capital will then go to Quebec, British Columbia, Saskatchewan and now Manitoba that have significant tax credits. So the Ring of Fire is going to take massive investment.

Critical minerals is front page news every day now, as we all know, but there's a lot of jurisdictions around the world that are competing for those dollars. Canada has a great reputation for being a stable place to do business, a politically stable place. The resources are there; they just need to get out of the ground. What is astounding, though, is that when you look at a tax credit system—and Quebec will speak to this at length—the cost of that tax credit is more than offset by the tax recouped.

When we've pushed our numbers through—and our numbers are entirely verifiable—the cost of moving the 5% tax credit, which does nothing in Ontario, to 25% across the board, for critical minerals and precious metals, will cost the province, out of pocket, about \$10 million per \$100 million of economic activity, which is \$100 million of jobs, by the way. Exploration, by definition, is deploying individuals. If you look at the use of funds, it is all about labour, diesel, HST, recovery and provisioning, including beer—maybe not in that order.

That was meant to be funny. Obviously, it wasn't.

Hon. George Pirie: It was a try, Ron.

Mr. Ron Bernbaum: It was a try. It's still early, and not enough coffee.

So basically, it's going to require massive investment, and it won't attract it here. Ring of Fire or otherwise, Timmins area or otherwise, the bulk of the exploration capital in Canada is going to other provinces that really understand policy and understand numbers better than the previous governments in Ontario have.

Hon. George Pirie: If I could follow up, please, on a very basic basis: When we talk about investing—I mean, everybody in this room is an investor. It takes a mine, if it's going to be developed at all, and it's a risky proposition, up to 17 years to be built. Do you think that's reasonable that an investor would put any money into any exploration, assuming that it's going to take 17 years before you see a return on that investment? Is that part of the reason why, in fact, flow-through shares are incredibly important?

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Mr. Ron Bernbaum: Thank you for the comment and the question. It's a long, long process requiring massive capital, much of it thrown away because it's only in one out of 15,000 tries that you actually get a mine. It's a resource large enough to warrant a \$1-billion investment or more. That said, the investor's expectation is, what's the added value? When you get an announcement by a junior exploration company that we have intersected a certain resource and it looks promising, hopefully the stock goes up. Sometimes it doesn't. More often than not, it doesn't. But the great success stories, Great Bear in Ontario—we happily did the last exploration financing before they were bought out a year and a half ago with \$60 million. They're rare, but they do happen.

But along the way, when Great Bear started out trading at 17 cents or 22 cents and then \$1 and then \$1.50—I think they were bought out at, I don't know, \$29 or something. Wonderful. People made money along the way because Great Bear was adding value. They actually were able to say, "Look what's in the ground." So it's a long haul, but if we don't start sometime, it ain't going to happen. The only way to start is to actually ramp up the support.

We can't get close to the Quebec way of doing this since they have venture funds funded by the government.

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

Mr. Ron Bernbaum: They have all sorts of other things. But we can—and just the last comment: I know Osisko Mining has been successful in Quebec, hugely successful. Three years ago, we sat with the minister and said—and this is the CEO of Osisko that said, "If you go from 5% to 25%, we have claims in Ontario; we will put \$50 million in jobs in Ontario." He actually sat there with Ministers Rickford and Fedeli and said, "We will do this; this will be our commitment. Otherwise, we will continue to invest on the geological side of the same trend that goes from Abitibi to Timmins."

All their money has gone into Quebec, thus far. They are our largest single issuer. We have advanced over \$400 million to them over the last three or four years, and they will be successful in building a mine in Windfall that will replicate their previous experience and success in a place called Malartic.

We have to start now. This is something for our grandchildren. It's—

The Chair (Mr. Ernie Hardeman): Well, we have to stop now.

Mr. Ron Bernbaum: Thank you.

Hon. George Pirie: Thank you, Ron.

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

We'll now go to the official opposition. MPP Kernaghan.

Mr. Terence Kernaghan: I'd like to thank all our presenters for coming to appear at committee today. My first question is for Mr. Bernbaum. I just want to begin by thanking you for being an Imagine Canada caring company and donating 1% of your pre-tax profits back to the community.

I believe that you addressed my initial question, which was, what kind of economic impact would be realized by a certain investment by the province? And that was, if the province invests \$10 million, it will realize \$100 million in financial output. Is that correct?

Mr. Ron Bernbaum: By all means. So the current tax regime under flow-through is that the initial deduction—I invest \$100, I deduct \$100, and that's the federal program. There are additional tax credits, dollar-for-dollar credits, federally and provincially, Quebec being the leader with close to 40% of those tax credits.

If you look at our estimates, the government estimates and the actual expenditures, that 5% tax credit that we currently have, last year, or least the most recent one for 2021-22, cost the government of Ontario \$6.3 million—that's actually in the books and records of the government of Ontario—which equates to \$125 million of exploration cost. But what is not included in that number is the fact that that \$6.3 million of credit, and also the federal credits, are fully taxable in the hands of that subscriber. A tax credit is treated like a car allowance; you have to bring it back into income.

So the \$6.3 million actually costs us, when you add back our share of the federal credit inclusion, virtually nothing. We've shown these numbers to government in the past and they're attached to these numbers.

Mr. Terence Kernaghan: Very good. Thank you.

Mr. Ron Bernbaum: Totally verifiably, you can actually get the cost down to 9% or 10%, but that does not include the economic activity that is generated—\$100 million of taxable activity in the north will result in more than \$9 million recouped by the government of Ontario.

Mr. Terence Kernaghan: My next questions will be for Ms. Brekveld. I just wanted to thank you for advocating for an expansion of the Farmer Wellness Initiative and how you'd like to expand that as well to employees—I think that's very thoughtful—and also for the continued investment in that program.

You had mentioned health resources in health care, and I wanted to know if you would advocate for a provincial health care human resources strategy to recruit, retain and return nurses who have left the field.

Ms. Peggy Brekveld: I certainly would advocate for continued resources in rural and remote areas. I myself have felt that experience. My daughter had a seizure-like episode only about three weeks ago, and she still hasn't been able to see a neurologist—not in person, not online, nothing. So there are opportunities there to use technology or to encourage more people to come into the system, and

that includes nurses—and she actually is a nurse. She's not getting the care that she needs.

To me, it matters that health care isn't as healthy as it should be, and to rural Ontario, it does. We've got people that are struggling with cancer and significant other health concerns, and they can't access the people they need, and when they get there, it's waiting lists and long times and sometimes emergency rooms closed. And that's not the right answer. So certainly we would love to be part of the discussion on any kind of strategy regarding either nursing or health care, because rural Ontario needs to have at least one voice—but I think several voices—and hopefully, together, we can all find the right answers.

Mr. Terence Kernaghan: I'm so incredibly sorry to hear about the struggles your daughter has been going through, and I do hope that she gets the care that she deserves as soon as possible. I'm so terribly sorry.

Ms. Peggy Brekveld: Thank you.

Mr. Terence Kernaghan: My next questions will be for Mr. Jalbert. I want to thank you for indicating that housing is a social determinant of health. I think it's important to underline that for this committee. If you could also talk a little bit about your housing support program, I'd like you to underline for the committee what an investment in that program will realize.

Mr. Paul Jalbert: Thank you. When I speak to staff in this regard, I speak to the notion that housing is the first mental health intervention. Realistically, if we can't meet that need, our interventions aren't going to be effective. For somebody who doesn't know where they're going to sleep at night—*anxiety* is the appropriate response to that, and even if we could treat anxiety in that scenario, for example, what we would be doing is creating a scenario where an individual is accustomed to and comfortable with the notion of not knowing where they're going to sleep at night. The adaptive response to those situations is anxiety.

So the investment really is: We know that the research indicates that a housing-first approach, where we provide housing and wrap services around the individuals, is cost-effective. I think on the handout you see there's some numbers there. Realistically, for healthy communities, we need to live up to those obligations around social determinants of health, and we can provide those wraparound services.

Mr. Terence Kernaghan: Absolutely. I believe your handout indicates that for every \$10 invested in housing first, it will realize a savings, on average, of \$21.72, so that's more than a doubling of money.

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

Mr. Terence Kernaghan: I also wanted to ask: I noticed in the news that CMHA Cochrane-Timiskaming had absorbed South Cochrane Addictions Services and Minto counselling. When we were in Sault Ste. Marie, we heard from CMHA Sault Ste. Marie that there was a disparity between wages as a result of Bill 124. Has the same happened as a result of absorbing those?

Mr. Paul Jalbert: So we integrated on January 1, and there are wage disparities between the legacy employers.

We are unionized. At one point, we will be going through negotiations and we'll have to address those wage disparities as best as we can.

1050

Mr. Terence Kernaghan: I think in the Soo we found that people doing the same job were paid \$20,000 less, which is quite unfair.

Have you had any response about your request to fund the overdose prevention sites fully?

Mr. Paul Jalbert: Well, to be fair, the application was just submitted, and the first step—

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

We'll go to the independent. MPP Bowman.

Ms. Stephanie Bowman: My question is for Mr. Bernbaum. I feel like I'm in tax class. You did a good job of trying to explain this complicated product.

I'm wondering if you could talk a little bit about what the rate of the METC is in Quebec. You say that right now it's 5% in Ontario—

Mr. Ron Bernbaum: The numbers at the back are proposed numbers. When we look at Ontario, there's an addition to the flow-through regime that provides a 5% tax credit if an Ontario taxpayer invests in exploration in Ontario. That 5% tax credit is then taxed in the hands of that investor, so it's really, effectively, a 2.5% tax credit. If we're not going to increase it, you might as well scrap it; it does nothing. In Quebec, the equivalent number is 38.75%.

By the way, everything I'm telling you is 100% verifiable. Actually, I can send you or I can have somebody send you the Prospectors and Developers Association website link where the after-tax cost of investing in exploration is set out by province. It's all there.

The net, after-tax cost of investment in Quebec is significantly lower than Ontario, and that is clearly evident in our significant but not material part of this very large market. When we did \$80 million last year, it was in critical minerals, as a result of the change in the budget introduction on April 7, and \$60 million of that was in Quebec, because it was cheaper to invest in Quebec. It's not that we don't have lithium in Ontario; it's that the cost of investment is significantly lower. I should tell you that in the structure we developed post-2006, which CRA and Revenu Québec have signed off on, we actually have taxpayers buying the flow-through shares that, in a series of transactions, are then sold at a discount to international investors. Of that \$60 million in Quebec, \$53 million of it was Australian investors. So the world is knocking on the door, but the after-tax cost allows us to sell at a much lower price to an Australian than otherwise.

Ms. Stephanie Bowman: So the proposal that you're making is 25% for Ontario—

Mr. Ron Bernbaum: Move it from 5% to 25%, across the board. I would also put a time limit on it. I would say March 31, 2025, so it's a call to action. It also means that you'll limit your exposure, if there is any. We can demonstrate there isn't any.

Ms. Stephanie Bowman: And you're confident that that number will, again, draw in significant investment, because Quebec's would still be a more attractive market—

Mr. Ron Bernbaum: I think it's all additive. We're competing against Quebec, but if you talk to the province of Quebec, they would look upon Ontario as sort of having a second anchor—two ends of that same geological trend—in the same way that every major mall in the world has two anchors or more, and they would see it as additive. It would be accretive to the collective, not competitive.

Ms. Stephanie Bowman: We know there are broad labour challenges. We've heard about that from CMHA. And, of course, there are housing challenges. Could you talk about how potential new mines would attract the kind of labour—and also, potentially, help build housing for the new workers coming here?

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

Mr. Ron Bernbaum: Exploration and mining jobs pay extremely well. We just heard that. Also, the mining industry and the exploration industry is the single largest employer in Indigenous communities, across northern and remote communities in Canada. With capital comes exploration. Flow-through has to be met. It's not a flow-through share unless it's spent on labour. If you have the money, you will attract the jobs and you will get people coming into the industry rather than people leaving the industry.

The Chair (Mr. Ernie Hardeman): MPP Ghamari.

Ms. Goldie Ghamari: Ron, I have a couple of quick questions for you.

In your presentation that you provided—this is on page 3—you give the example that if the issuer spends \$1 million in exploration, the Quebec government will pay the issuer \$387,500, and then you provide the example for BC. Then, further down, you say that for Ontario, it ends up being worth less than 2.5%. So if I do my calculations correctly, to do a quick comparison, that \$1 million, if invested in Ontario, would result in a tax credit of \$25,000. Is that what you're seeing?

Mr. Ron Bernbaum: Yes, if it's funded through the flow-through regime. Both Quebec and now British Columbia have a—

Ms. Goldie Ghamari: Okay. I just wanted to make sure I got that quick—

Mr. Ron Bernbaum: You did, but there's a footnote to that, and that is, the Ontario credit is not refundable. If you have taxable income, you can use the credit, but no one is paying a cheque to anyone. What Quebec adopted 20 years ago and what BC has adopted successfully maybe five or six years ago is a—and I'm not advocating for this; I'm just telling you what the landscape looks like. Quebec has a fully refundable tax credit if an issuer doesn't access the flow-through regime.

Now, two thirds of all the exploration happens in flow-through, but a lot of exploration in Quebec and in British Columbia will be done without accessing the flow-through share regime. It'll be done with borrowed money, or it will be done with just common share equity that is not designated, because they're not certain what their budget's

going to be. They can't guarantee it'll be used on that labour, so they'll just raise regular equity. Under those circumstances, upon application, the Quebec government will write a cheque to an issuer per million of spend of almost \$400,000.

In the Osisko Mining example I gave—I've been talking to them recently—they just received back a cheque, because they were using non-flow-through funds, for \$80 million in the province of Quebec. We're not going to do that—

Ms. Goldie Ghamari: Sorry to interrupt. I know you could speak about this all day—

Mr. Ron Bernbaum: All day, all night.

Ms. Goldie Ghamari: I know, but our time is limited, and I know my colleague MPP Crawford has some questions as well, so I want to pass it along to him.

Mr. Ron Bernbaum: Okay. Sorry.

Ms. Goldie Ghamari: No, not at all. I wish we had more time.

Mr. Ron Bernbaum: We're happy to re-attend and help out.

The Chair (Mr. Ernie Hardeman): MPP Triantafilopoulos, did you have your hand up?

Ms. Effie J. Triantafilopoulos: Chair, I was not trying to get your attention. Over to MPP Crawford.

The Chair (Mr. Ernie Hardeman): MPP Crawford.

Mr. Stephen Crawford: Thank you, Chair. How much time do we have left?

The Chair (Mr. Ernie Hardeman): You have 4:51.

Mr. Stephen Crawford: Thank you. Great to be here today, great to be in Timmins, in northern Ontario, and thank you to all the presenters. I would like to continue on with Ron, if I could, just with some questions.

Certainly, our government's commitment to the north is very strong. We have a minister that has responsibilities to that. We have Minister Pirie right here, who is from Timmins. If you look at Ontario today versus 10 years ago, I believe—and I think many would agree with me—we are in a manufacturing renaissance in Ontario. We are seeing manufacturing jobs come back to Ontario. In my home riding in Oakville, we have the Ford assembly plant undergoing a major reinvestment to build electric vehicles. We have that in other parts of Ontario, in Windsor and Oshawa. Of course, we are going to need the critical minerals to complement that manufacturing. So we are big believers in opening up the north.

My question to you is, you mentioned—first of all, I would like to just ask about the dollar value in terms of the Ministry of Finance. You were saying it would cost zero on the treasury. Could you just, in maybe 30 or 45 seconds, explain that before I move on to other questions?

Mr. Ron Bernbaum: Forty-five seconds. Okay, here we go.

So the tax credits that are available—a 25% tax credit and flow-through shares will attract certain tax costs when they're disposed of. So, a flow-through share, when you buy it for a dollar, for tax purposes it's as if you paid zero, and when you sell it, even at a loss, there's still a capital

gains tax, and Ontario participates in that. All these numbers are well set out, and we understand these numbers. When you look at an additional tax credit, you will then immediately receive in the same year back—which is not on the books; all we see is the cost, not the immediate tax benefits. These are debits and credits. This is not like downstream activity. This is pure debits and credits. The net cost of a 25% tax credit is about 10%, so \$100 million of jobs for \$10 million out of pocket at the Ontario level. That said, that \$100 million has to be spent largely on labour. What's the payroll recoupment, the HST recoupment on \$100 million of northern job creation? It's going to get us down to zero.

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Mr. Stephen Crawford: To that point, I've talked to quite a few people in the industry, many who reside in my riding, and they've talked to me about Quebec and the success that they have had. I think this is one of the potential opportunities to create wealth and prosperity for the north, for municipalities, for Indigenous communities. This is a great way to bring our province up.

How do you see the potential impact on these communities in northern Ontario—Indigenous communities, municipalities like Timmins? And, second to that, because of the labour shortage we seem to have throughout the province, is there capacity if we get this—let's say we put through a flow-through tax credit, we get great investment and there's great demand. Is there the labour to be able to bring this through to fruition?

Mr. Ron Bernbaum: In speaking to lots of people in the industry on a daily basis, I can tell you that we are labour-constrained, absolutely, but, that said, we're paying world rates. Unlike other sectors, especially in health care and mental health, the private sector in mining and exploration pays extremely well. It's not unusual for somebody in the north to be earning well over \$100,000 a year driving one of those massive trucks.

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

Mr. Ron Bernbaum: So we can attract labour. I think it's easy to attract labour. And I think if we were to move to 25%, I don't think it will be anything less than a couple of hundred million dollars of activity in Ontario that's coming within the next year and a half. I don't think we'll have a problem with labour.

Mr. Stephen Crawford: More of a general question: Because we know this is a cyclical business, a cyclical industry, what is your outlook for the next—I don't mean six months or eight months, but the next 10 or 20 years for the minerals, critical minerals and the industry in general.

Mr. Ron Bernbaum: I didn't see the paper this morning, but I understand the Globe and Mail front page is critical minerals, China's way ahead, we've got to catch up etc. The world is evolving. It is moving over to critical-mineral requirements that are massive. If we start now, we will be successful.

Mr. Stephen Crawford: Is it fair to say that Ontario would be a leader in sustainable and ethical mining?

Mr. Ron Bernbaum: I would say that's a very reasonable, direct and appropriate comment.

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude the time for this panel, and we want to thank you all very much for all the time you took to prepare and to come and present to us. I'm sure it will be of great assistance as we move forward and do the report to the Minister of Finance for the next budget. With that, thank you very much again.

ONTARIO FOREST
INDUSTRIES ASSOCIATION
COCHRANE PUBLIC LIBRARY BOARD
CANADA NICKEL CO.

The Chair (Mr. Ernie Hardeman): The next panel, as we're changing the folks in the chairs, is the Ontario Forest Industries Association, Cochrane Public Library Board and Canada Nickel Co., if they would come forward.

Interjections.

The Chair (Mr. Ernie Hardeman): As was said, if we could take the discussion away from the table so we can start the next panel, MPP Crawford.

As we have done with the previous, you will have seven minutes. At the end of the six minutes of it, I will say, "One minute." Keep talking, because at the seven-minute mark, I'll stop you from talking. We do ask you to start your presentation by giving Hansard your name to make sure it's properly recorded.

And I forgot to mention that the number 3 presenter is presenting virtually in this panel.

So with that, we'll start with the Ontario Forest Industries Association.

Mr. Ian Dunn: Thank you very much. I'm Ian Dunn. I'm the president and CEO of the Ontario Forest Industries Association. Good morning, members of the standing committee. It is an honour to be here discussing the importance of Ontario's working forests.

Generating \$18 billion in total revenues and contributing \$4.3 billion to the provincial GDP annually, the Ontario forest industry supports 148,000 indirect and direct jobs right across this province. Over the last two years, \$500 million was collected from the industry in crown timber charges alone, also known as "stumpage fees." This money contributes directly to the province's Consolidated Revenue Fund and supports vital public services to the people of Ontario. A portion of these revenues is also redistributed to participating Indigenous communities, facilitating the sharing of economic benefits generated by a sustainable and renewable resource.

Of course, it's not just about driving economic activity. This money supports over 70 million trees being planted each year and over 280 million seeds used in forest regeneration efforts. Compliance effectiveness monitoring and third-party certification ensure that companies successfully undertake these activities. It is a highly regulated and complex operating environment.

Working forests are also a climate solution. Since 1990, Ontario's pulp and paper industry has reduced its total greenhouse gas emissions by 56%. Wood products from

Ontario's managed forests store 25 million tonnes of carbon, comparable to the annual emissions of about 28 million passenger vehicles.

The practice of sustainable forestry can also help our natural environment adapt to and mitigate the impacts of a changing climate, reducing wildfire risks to communities and assets and improving the resilience of our natural environment and ecological integrity. There is no question that sustainable forestry is contributing to a better Ontario and a better environment.

Our industry is grateful for this government's leadership, including the development of Ontario's Forest Sector Strategy and biomass action plan. By ensuring that species at risk continue to be managed and protected through the Crown Forest Sustainability Act and that power purchase agreements for forest biomass electrical generation facilities are renewed, Ontario has provided our sector with a more sustainable future and sets the stage for future investments.

However, the sector is particularly vulnerable to global economic pressures. Rising interest rates, inflation, a slowing housing and renovation sector, aging forest infrastructure, increasing carbon costs and protectionist trade policies have dramatically and rapidly changed this industry's competitiveness. For example, over the last couple of months, we've seen closures and curtailments in British Columbia, costing northern communities hundreds, if not thousands, of jobs. We're asking this government to continue its focus on cost competitiveness and ensure Ontario's forest industry remains on solid footing. Our complete pre-budget submission will be provided to you.

Today I'd like to focus my comments on forest infrastructure. The forest industry builds and maintains public forest infrastructure on behalf of the people of Ontario. There are 290,000 kilometres of forest roads and 2,700 water crossings and bridges across this province. This public infrastructure provides essential social, cultural, wellness and economic opportunities for First Nations and all citizens of Ontario by providing access to the province's abundance of parks, natural spaces, working forests and critical minerals. Tens of thousands of Ontario's citizens, businesses, anglers, hunters, cottagers and emergency services depend on a safe and well-maintained public forest road network.

This is particularly true in the region of the province we find ourselves in today. For example, the Sultan Industrial Road is a 115-kilometre gravel highway near Sultan. Though it is maintained by the forest industry, the road provides an essential connection between Chapleau and Sudbury, shortening the trip by 80 kilometres. The Sultan road also provides Hydro One access to several hydroelectric dams on Biscotasi Lake and access to towns, such as Biscotasing and Ramsey, which are otherwise accessible only by the CPR line.

The Watabeag road provides access to subdivisions, MNR's waste disposal site, MTO aggregate pits, a water control dam, tourist camps, and it connects Highway 11 in Matheson to Highway 66.

The Calstock bypass road serves as the emergency exit for the community of Constance Lake First Nation in the event that Highway 663 access is interrupted.

The Fushimi road is the only access road for the not-for-profit youth summer camp Camp Source de Vie, the Banks Lake and Stoddart Lake cottages, two quarries for local construction companies, the only access road for Fushimi Lake Provincial Park and access to claims for two junior mining exploration companies.

These roads are built and maintained by the forest industry. We have a massive list of examples like these right across the province. It has been an incredible public-private partnership success story.

We appreciate this government's commitment to maintaining the Provincial Forest Access Roads Funding Program. However, given inflationary pressures over the last six years and an increase in unfunded liability across Ontario's managed forest, the current funding envelope of \$54 million annually no longer meets the requirements and demands of the program. Using inflation calculators, the program needs to be increased to \$64 million annually to keep pace with inflation.

Through a comprehensive survey of all forest managers in the province, we estimate an additional \$20 million in unfunded forest road liabilities. This would include annual road maintenance, replacement of aging bridges and water crossings and the replacement of certain roads at the end of their lifespan. Based on MNR surveys, 10% of forest roads have been identified as having potential safety hazards and another 10% of forest roads as requiring maintenance in the next one to five years, with all forest roads requiring maintenance in the next 10 years.

1110

Improving this program will provide an incredible economic development opportunity for all northern and rural communities—Indigenous and non-Indigenous—right across the province, ushering in a new, golden era of forest infrastructure for all Ontarians.

As Premier Ford said, "We're a party of building infrastructure, and we'll get this province moving again." Investing in the forest access roads program, in my opinion, is the very best way to leverage private capital to do just that.

Thank you for your time. I would be happy to answer any questions.

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

Our next presenter is the Cochrane Public Library Board. That's the virtual one.

Ms. Jessica Horne: Thank you to the Standing Committee on Finance and Economic Affairs and the Minister of Finance for the opportunity to participate in today's budget consultation. I am Jessica Horne, assistant to the chief executive officer at the Cochrane Public Library. I am here representing my library, the Federation of Ontario Public Libraries and the Ontario Library Association. I'm proud to work alongside passionate librarians and library staff who make an impact for millions of regular people across Ontario, in communities large and small, every day.

Public libraries are Ontario's farthest-reaching, most cost-effective public resource and community hub. Millions of Ontarians rely on local public libraries to work, to learn, to connect to community and government services, and to find support or training for a job. We experienced this in our communities throughout Ontario over the past two years as public libraries pivoted from pandemic lockdowns to reopenings and a return to normal and more diverse services. Public libraries maintained access to critical services and responded to the changing needs of our communities during these tough times, whether it was making WiFi available in our parking lots, printing and laminating proof-of-vaccination certificates for tens of thousands of seniors and working people, or ensuring that residents could safely and continuously access our technology and physical resources. It's a testament to our mission of service and inherent flexibility to respond to what our communities need. But many Ontarians who depend on public library services are still falling through the gaps.

Municipalities still consider libraries as discretionary services, which tend to be the first on the chopping block for budgetary reductions. At my small, rural library, we have a growing community. Despite the critical services we provide and the high dependence our community has on these services, this mindset has caused our public hours to be shortened. We can no longer serve the nine-to-five working sector or students who depend on later available hours to access our physical services.

Through the tough times of pandemic closures, libraries have risen to the challenges and found ways to still provide much-needed services to our communities, like curbside pickup for books, packaged kits to take home in place of in-person programming, and connecting virtually. But we are now experiencing pre-pandemic circulation and attendance numbers at our in-person events, and it is a well-documented trend that library doors need to be physically open more.

Many service gaps existed prior to the pandemic, but the experience of the past several years has brought them to a critical point. The situation is even more challenging for many First Nation public libraries, where an unsustainable provincial funding model has left many libraries closed or with severely reduced access.

By investing in public libraries, Ontario will directly support people, their communities and local economies, no matter where they live.

We are strongly advocating for three critical investments that will stabilize our public libraries and ensure that they can continue to perform their vital role. First, keep local public libraries across Ontario sustainable by maintaining existing provincial operating funding for public libraries. Unlike most sectors in Ontario, provincial funding for public libraries has been frozen for over 25 years. While the majority of public library budgets are municipally supported, the provincial portion of funding is critical to support operations such as the Public Library Operating Grant, shared resources, broadband connectivity and pay equity. Continuing to maintain this critical

provincial funding at existing levels is vital to supporting the sustainability of local public libraries and the services they provide.

Equally, work alongside First Nation public library leaders to implement a sustainable funding model for those First Nation public libraries to ensure that these important local hubs are fully funded and viable. As an immediate first step, the First Nation Salary Supplement must be increased to ensure that all existing First Nation public library staff are fairly compensated for the work they perform. While band councils may provide some support for utilities, Internet and phone services, there is little to no funding available for collections, programming and technology resources. Many First Nation public libraries operate with only one staff member who is expected to perform many duties, and they contribute personally to purchase programming supplies out of their own pocket. This modest investment of \$2 million annually would sustainably fund library operations for existing First Nation public libraries and ensure a living income for front-line library staff there.

Finally, provide critical e-learning support and fair access to modern, digital resources for all Ontario public libraries by creating an Ontario digital public library. The Ontario government has recognized the crucial importance of public libraries to have broadband Internet access, making a historic \$4.8 million investment to install or upgrade broadband connectivity at over 100 public libraries across the province. However, many small, rural and First Nation communities struggle to afford and cannot provide the high-quality e-resources and e-books that people in the communities need. We're having the Internet, but we're not able to purchase the things to use on the Internet.

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

Ms. Jessica Horne: These resources are expensive, especially when purchased on a patchwork, library-by-library basis. We experienced an increase in patron downloads of e-books; however, we heard that a lot of our patrons are frustrated by the lack of content and the months-long wait-lists for this material. By leveraging the province's significant purchasing power, we can ensure high-quality e-learning and online resources are available at more public libraries.

Providing these critical supports is needed for us to continue to work together to deliver important government services, locally relevant resources and economic development close to home, in the communities where people live, learn and play. Thank you.

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

We now will go to the Canada Nickel Co.

Mr. Pierre-Philippe Dupont: I'd like to thank you for giving me this opportunity. I'm honoured to be here on behalf of Canada Nickel Co., which is a junior mining exploration company. I am replacing my boss, CEO Mark Selby, who could not be here today. He's in Korea—we've heard about trying to get investments from a foreign country into our province—so he's kind of busy right now.

First of all, I'm representing Canada Nickel. Canada Nickel Co. is a junior exploration company pursuing the development of a net-zero-carbon critical mineral hub to supply nickel, iron and cobalt to the electric vehicle and stainless steel markets from the heart of the Timmins-Cochrane mining camp. Our flagship project that we're working on is about 30 kilometres north of where we stand right now. We were formed in 2019—a brand new company. As industry-leading experts, we've all been involved in copper and nickel projects over the last 15, 20, 30 years plus and in building major projects.

As I mentioned, we're led by a 100%-owned flagship Crawford nickel project, which we brought from being nothing, no drilling, to—over three years—following a preliminary economic assessment, initiating environmental baseline studies, initiating permitting at the federal level, and now we're just about to publish our feasibility study for this project. If we were a major mining company, this type of thing would take us about 10 years, I would say, and we did that in three years.

The project we're talking about is an initial investment of over \$1.5 billion and a total investment that's going to be much higher than \$3 billion overall. It will be one of the biggest nickel sulphide mines in the world, consisting of an open pit that will be producing nickel, iron and cobalt over 40-plus years.

We are going to process at 120,000 tonnes per day. Just to give you a bit of an example of the scale, when we talk about the Kidd Mine site right now, we're talking about a 12,000-tonnes-per-day operation, so it's 10 times bigger. And we'd be creating 900 jobs.

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For the budget items, you've heard Mr. Bernbaum talking about the flow-through incentives. I'm a biologist, I'm a sustainability expert, and I think I've kind of learned a lot of things by hearing him talk about that, so I'm not going to expand too much on this. But obviously, there is a bottleneck between exploration and extraction in terms of our capacity to finance the project. It's well known in the industry.

There's a graph that's called a Lassonde curve that basically says that when you're in an early exploration stage, it's easy to bring investment to a mining project. You're generating results, you're drilling, you have success, you're showing results. At some point, you say, "Okay, we have a project that we need to push forward." Then you don't generate any results and you lose a lot of interest from the investors until you're able to build that mine, so there's that gap there that we call the "valley of death" in the industry. This is where we need a bit of support to help finance our project and have access to capital.

Part of the suggestions that we have is to extend the list of activities to include in Canadian exploration expenditures lists to assist companies in achieving the leap from the exploration stage to the operating stage. This extension could include engineering studies, metallurgical test work, community consultations, and environmental baseline studies and assessments—all the costs that are required nowadays to bring a mine into production.

Just to give you an example of the kind of spend rate that we have, we're spending about \$50 million a year to push these projects forward. Obviously, we're fast-tracking these projects, but this is the scale of capital that we need.

We are also asking for increased support in local processing, R&D and innovation. The industry is more than willing to support Ontario's goal of building a complete made-in-Ontario supply chain through expanding its capacity for critical-mineral processing and refining. But for that, we will need support.

We would suggest to:

- increase tax incentives for integrating extraction and downstream processing of critical minerals in Ontario;

- renew and significantly expand research-and-development funding opportunities for critical mineral projects such as the recently announced Critical Minerals Innovation Fund; I think it was already announced that this program would be expanded, but this is something that really supports our research and development aspects; and

- synchronize the investment tax credits for carbon capture and storage through the ones recently proposed by the federal government; we're talking about a 60% tax credit on investment in equipment to capture CO₂, 50% for investment in equipment to capture CO₂, and all other CCUS projects at 37.5%.

The one thing that's really important for us is Indigenous capacity-building. In Ontario, the crown duty to consult is mainly delegated to the mining proponents. Both the federal and provincial governments' approaches to determining First Nations involvement in projects have gotten a bit out of hand, I would say.

In the project we worked on in Quebec, we had one project, one community, to deal with. Right now for this project that we're working on, we were given a list of 16 communities to consult by the federal government, and the province is lowering that; we're talking about between five and 10 communities to consult.

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

Mr. Pierre-Philippe Dupont: This situation increases expectation from the communities and it may result in increased tensions between communities, especially regarding business opportunities. So we would like you to improve and focus the screening of First Nation communities to be consulted and engaged with, significantly increase the Aboriginal Participation Fund and support joint mining and First Nation initiatives.

My last point would cover support to municipalities. We know that mining brings a lot of value, but there's a bit of a curse that goes with that because we increase salaries. What we've heard from our consultations so far is that there's a need for affordable housing and support to health care and social services. I've got a list of programs here but I'm not going to go through that, because I haven't got enough time left. Supporting all these initiatives from the municipalities would be a key to get these projects to be successful. So we bring this economic push—

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes your time. Hopefully, we can get the rest of it in during our questioning.

We'll start the first round of questioning with the independents. MPP Bowman.

Ms. Stephanie Bowman: Thank you all for being here today. I'll start with Ian. Ian, could you talk a little bit more about the impact—I'll use the word "shortage" of funds to maintain the roads—on both your industry as well as the community? It sounds like there's about a \$20-million shortfall right now. What's the impact of that today?

Mr. Ian Dunn: Well, I think increasingly the public and other users of the forest roads are looking to the forest industry and the forest managers to maintain assets that the forest industry doesn't necessarily use. I recently heard of an example of a railway water crossing. There has been a lot of pressure put on the local forest manager to repair and replace that water crossing, even though it's a rail crossing. So it's a challenge.

I think if you talk to any of the stakeholder groups or Indigenous groups who use the roads, you'll often hear concerns around the state of some of the roads in terms of maintenance and safety.

The funding that we currently have allotted to the program is fully utilized, and then beyond that, the forest industry will also contribute above and beyond. We've used a multiplier of two to one in the past. Increasingly, the forest industry will have to take on the maintenance and replacement of bridges and water crossings and roads.

Ms. Stephanie Bowman: You said that some of those roads aren't used by the forest industry. What percentage that you maintain are used?

Mr. Ian Dunn: I don't have a percentage off the top of my head. But if you think of forestry as an activity, it happens in a very short period of time. You would build a road to access a certain stand of timber, then you would have silvicultural activities and tending, and then you would leave that area. In terms of impact and use, it's a very small amount of time, and then it is all the other users of those forest roads who would be using them to access remote areas of Ontario's forests.

Ms. Stephanie Bowman: So the typical life that you would use a road is five to 10 years, 20 years?

Mr. Ian Dunn: I'd say so, yes. Typically, forests are surveyed for regeneration between five and 15 years of age. Again, it would be just small blocks of time over those years, and then there would be very little use by the forest industry.

Ms. Stephanie Bowman: When we were in Kenora, we heard about some of the challenges around the waste or the—I forget the term.

Mr. Ian Dunn: Residuals.

Ms. Stephanie Bowman: Residuals. Could you talk a little bit about what the impact could be here in the local community for residuals from new projects and expansion?

Mr. Ian Dunn: About 60% of Ontario's annual harvest goes through a sawmill. A sawmill will create lumber, of course, but it also creates residuals—chips and bark and sawdust. That material needs to go somewhere. We have a very integrated industry in the province, so some of that material will go to an MDF plant or an OSB plant or a pulp and paper mill or a forest biomass electrical generation facility. If you don't have the pulp and paper mills, if you don't have—

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

Mr. Ian Dunn:—the forest biomass facilities, there isn't a market for that material. In the past, historically, way back when, the industry would actually bury it in a landfill. We don't want to do that, because that creates an environmental issue and, more importantly for municipalities, increased costs in terms of monitoring and creation of landfills—because we are reaching capacity in terms of landfill availability in the province. So having a market for those residuals is incredibly important. In terms of being successful in Ontario's forest sector strategy, increased use of those residuals and, I would say, lower-quality materials out in the bush is really, really important.

Ms. Stephanie Bowman: Would you say that there's significant interest in the industry in investing in biomass facilities that can process the residuals?

Mr. Ian Dunn: Absolutely. We were facing the end of the contracts for a number of facilities under power purchase agreements with the province—

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

We will now go to the government side. MPP Dowie.

Mr. Andrew Dowie: Thank you, everyone, for being here. This is fascinating for me to learn. I'm from southern Ontario.

I'd like to start with Jessica. I'm very fascinated with the library service. I served for 12 years on the Essex county library board, and I'm very familiar with a lot of the challenges that you brought forward.

I have a couple of questions for you. One is with respect to the e-resources and e-learning. I know the Ontario Library Service has a consortium for communities under 100,000 people that join in. I was hoping to find out from you if that's the model to go with, to expand it and grow that, or if your vision is to do something completely different than that.

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Second is in respect to your comment about keeping the doors open. The government has funded, through the Municipal Modernization Program, the Open+ technology for a number of branches across Ontario, which allow the doors to be open even when we can't staff the branches. I'm wondering what your thoughts would be on that model or if that model has been considered in Cochrane.

Ms. Jessica Horne: Hi. So for the first question in regard to the bulk purchasing for our e-resources, for my library, that's the way we've always done it. We wouldn't be able to afford them without the consortium prices. It reduces things from thousands of dollars to hundreds of dollars for us. However, I think it needs to be expanded, especially in terms of the e-books, because we then share all those books with all the libraries that are participating in the bulk purchase. So 300 libraries only have access to one James Patterson e-book. They're very expensive. There are very complicated copyright laws in regard to that, so we either need to expand the funding to purchase more or work at changing the copyright laws in terms of downloadable resources.

The second question: I'm not familiar with that process. Northern Ontario libraries are very different than southern

Ontario libraries. In Cochrane, we're just one branch; most are in all of our surrounding communities. So I don't really want to speak to that. I'm not familiar with it; however, I would guess that a big part of the conversation would be safety issues and concerns.

Mr. Andrew Dowie: Thank you.

My next question, for Ian: With respect to the forest road program, I'm hoping to understand—I believe it's \$54 million, the provincial contribution at the moment. If I heard you right, you're looking for an increase to \$64 million. How does the funding breakdown go? Is that \$54 million the total program budget or is that what the province contributes to the budget?

Mr. Ian Dunn: That is what the province contributes to the program. So for primary roads, the province funds 100% of those. For secondary roads, it's fifty-fifty between the province and the industry. And then for operational roads, the industry pays for them entirely.

Mr. Andrew Dowie: So basically, the industry is responsible for the network. The provincial funding comes at 100% for the main roads, but the industry takes care of the design and the engineering and the maintenance.

Mr. Ian Dunn: Correct. So there's a total pot of money right now of \$54 million, and that is weighted amongst the 40 or so forest management units or forests in the province based on harvest. So if there's a forest that harvests more in the province, then they would receive, theoretically, more forest roads funding through the program.

Mr. Andrew Dowie: Thank you. Can you share with me how the system worked prior to the introduction of the program in 2005?

Mr. Ian Dunn: That's a really good question. I was in my first year of university at that point so I'm not entirely sure, but I know it stemmed from a forest competitiveness study undertaken by the government at the time that concluded it was inappropriate for the industry to shoulder the burden of the entire forest road network in the province. I believe up until that point, it was industry paying for the maintenance and the building of the road network.

Mr. Andrew Dowie: Thank you very much.

Chair, I'll pass my time to MPP Babikian.

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

Mr. Aris Babikian: Thank you, Chair, and thank you for our witnesses for your insightful input to the committee.

My first question is to Ian. Since 2018, our government adopted very aggressive policies towards reducing red tape and saving money for businesses and individuals in Ontario. Of course, we still have lots of work to do to complete that mission, and so far, our work has paid off. We've saved hundreds of millions of dollars for businesses.

In the forestry industry, what kind of red tape reduction will help you to be more productive and save money?

Mr. Ian Dunn: We're very supportive of the red tape reduction that has taken place and that continues.

Right now, it takes about three years and roughly \$2 million shared between industry and the government to write a 10-year forest management plan. We think that's

too long and too much money. There's all kinds of approvals, duplication of efforts in terms of notifying the public of—

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

Mr. Ian Dunn:—forestry activities that are occurring in our managed public forests. There's all kinds of red tape that can be addressed through the forest management planning process.

There are a couple of recommendations that we will be providing in terms of streamlining foreign credentials for truck drivers. There are a lot of excellent candidates coming from eastern Europe. I'm sure every other manufacturing industry across North America is facing a shortage of truck drivers, so we're really hoping that we can move the needle on that.

Service standards: In order to first get an approval, there's a lot of interpretation locally at district MNR offices, I would say, at the moment. What we would like to see are enforceable service standards—so if you submit an approval on X date, you will have an answer in 30 days.

The Chair (Mr. Ernie Hardeman): We'll now go to the official opposition. MPP Vanthof.

Mr. John Vanthof: Thank you to everyone for coming to present. I think we all regret that there's not more time, because a lot of great issues have been brought up here.

My first question is going to go to Ian. Just as a back-drop, Timiskaming-Cochrane, the riding I represent just east and south of here, is unique in one way. Our three main industries are forestry, agriculture and mining—about a third, a third, a third. So I'm going to put you on the spot a little bit. It's something that Minister Pirie brought up. The Great Clay Belt has 10 million acres of possibly arable land, but that 10 million acres now is also used by the forestry sector. I know that there's always a competition, because we deal with it all the time in Timiskaming, and areas where that is could have big impacts on where the mills are. Do you have any thoughts on how we should proceed with that?

Mr. Ian Dunn: The challenge of forestry is that it occurs on such a broad land base and there are so many competing interests for the land. How do you balance that? It's a very difficult question to answer.

From the forest industry's perspective, we are looking at an increase in demand for—globally, the UN projects a 30% increase in demand for forest products by 2030. We see Ontario as, really, the province of opportunity right now across Canada in terms of forestry. We have a very healthy and abundant resource due to our historical practices. They're very progressive. So my position would be, why aren't we capitalizing on the opportunity that forestry presents?

Immediately after, I'm going to be visiting GP in Englehart, in your riding. I know that for them and others in the riding, a predictable, affordable, cost-effective wood supply is very, very important.

Mr. John Vanthof: In many ways, forestry and farming aren't that much different; it's just that the crop rotation is longer.

Mr. Ian Dunn: That's right.

Mr. John Vanthof: We need to keep that in the back of our minds, that there are these acres. I'm a farmer, so I'm very pro-agriculture, but we need to keep in the back of our minds that these acres aren't just sitting there idly now; they're doing something.

I'd like to switch to Jessica. Thank you very much for your presentation. I would like to ask you to expand a bit on what role the library in Cochrane and other small northern municipalities actually plays for people who can't afford Internet. It's accessible—but maybe not accessible, because you can't afford it. Also, I'd like you to expand a bit on the digital library, because many don't have access and might never have access to books or to that information without the help from the library. Could you expand on that, how important that is for a place like Cochrane?

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Ms. Jessica Horne: Sure. In the Cochrane community, we have many people who live on concession roads. We have many farmers, many people who are a 15-to-20-minute drive outside of town. To bring Internet into their home is incredibly expensive, and it's unreliable. It's not only the cost of it, it's the reliability. So they choose—or can't afford that in their family budget. They use the library to come on our computers, or they bring their devices in, and they access the Internet for whatever reason. If it's for schooling, if it's for personal, keeping in touch with family, they use the library. So when we're only open until 5 p.m. throughout the week, that makes it really hard for people who work to be able to access those things.

We have some online resources that are available, like the Ancestry Library Edition—that's really popular—OverDrive, Libby—which is the e-books and audiobooks. But we used to have access to hundreds more, lots of academic journals and newspaper resources, that it just became not feasible for our library board to purchase. As more and more libraries dropped out and the consortium pricing got too expensive, we weren't able to keep up with all of those things. We used to have some that were directed at teens for health and wellness, mental health resources.

The library is a community hub in the sense that you can access many different kinds of services from within our doors, so we need to be able to provide lots of those resources to people who can't afford them at home. However, they're just as expensive for us.

I'm sorry; I forget what the second part of your question was.

Mr. John Vanthof: What I'm trying to get at is, I lived in Englehart most of my life, and now, because of this job, I live in downtown Toronto for six months a year. And the library in Cochrane and Englehart—it's almost the only access point for many people for those services. I think many people in urban Ontario don't understand the role that the library actually plays. When the doors are closed at 5, for many people, that's their end of access to that part of our world.

Ms. Jessica Horne: Yes. We are assisting people with printing their government forms or their medical forms

that then need to be faxed. Many people think it's crazy that we have a fax machine, but I probably fax 10 to 15 different important documents a week for ODSP.

Mr. John Vanthof: Thank you. How much time do I have left?

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

Mr. John Vanthof: One minute? My last is for Canada Nickel. Everyone's talking about Canada Nickel, especially other mining companies in my riding, because they're all wondering if you're going to steal their employees. I don't mean that facetiously, but labour is a huge issue. Mining pays very well, but where are we going to get the labour?

Mr. Pierre-Philippe Dupont: Well, obviously in mining, from what I've seen—I've been in the industry for 20 years, and so far what I've seen is that we've been kind of lucky, because there's always the cycle of a mine closing and the migration of the workers to the other projects that are opening. So far it's been going okay.

We used to see the industry flying people—like the fly-in, fly-out, in the northern projects. Now we see that in closer projects. We see some projects trying to get employees from the bigger cities, to get—

The Chair (Mr. Ernie Hardeman): Thank you very much. That was a bigger issue than he allowed you time for.

We now go to the independent, MPP Bowman.

Ms. Stephanie Bowman: My question is also for Pierre-Philippe. Could you talk a little bit about how you were able to accelerate the typical 10 years to three years? What were some of the best practices you used?

Mr. Pierre-Philippe Dupont: Yes. One of the things that's playing for us is that most of our key employees have been working on the Dumont Nickel Project, which is a really similar project in the Abitibi, close to Amos, so we're importing all the technology. It's like all the work that we've done in 10 years, we can compress in a few years, so that's the way.

Being able to raise capital and do the drilling is really expensive. Mark Selby, who is the CEO, is kind of a magician in terms of being able to raise capital. But the access to capital is really, really important, because as I mentioned, we're spending \$50-ish million per year. And now we're moving into the phase where you don't raise a lot of interest because you're not drilling anymore. You're not adding new drill holes with resources, with new sections that are interesting. This is where it gets challenging to get good financing, because we're doing geotech drilling, for example. We're trying to understand the competency of the rock and stuff like that that are not really appealing to investors at this stage.

Ms. Stephanie Bowman: Okay. Thank you. Could you talk about—I'm not very familiar with the process for getting to that stage—what kind of community consultation, including with Indigenous communities, are part of getting to the feasibility study stage?

Mr. Pierre-Philippe Dupont: We do that on a voluntary basis in Ontario, mainly. Right now, we know that getting the social licence to operate a mining project is one

of the key risks. So usually, right up front, when you know that you have a resource that could potentially become a mine, the strategy that we've used for non-Indigenous communities was to work with the city of Cochrane, city of Timmins, city of Smooth Rock Falls. Really early, we created three committees: an environmental committee, a socio-economic committee and more like a labour and training committee. We get everybody together to basically exchange on those potential challenges that the mine is going to bring and try to resolve them all together. That's the non-Indigenous.

Indigenous is more challenging, as I mentioned, because we used to work one project and one community; now it's one project and five to 10 communities. It's really capital-intensive, because when you consult these communities, you need to provide them with capacity to be consulted. Right now, we're working with what we call our core communities, which are the TTN—Taykwa Tagamou Nation, close to Cochrane—Mattagami, Matachewan and Flying Post. We signed an impact assessment agreement with them where we provided them with all the capacity to be able to have their input into the permitting process of the project, so they are fully consulted. They do their own traditional land use studies. We finance that. But just for you to know, the Aboriginal fund for consultation, which is \$4.7 million, we're spending probably a third of that on three communities. So this is the gap that we—of course, if these communities had more support to build their capacity to interact with the mining proponent, it would be really useful.

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

Ms. Stephanie Bowman: Yes. I guess I just want to highlight that reconciliation includes having more dialogue, right?

Mr. Pierre-Philippe Dupont: Yes.

Ms. Stephanie Bowman: I wouldn't want to short-change that, to accelerate at the expense of that dialogue. I know the Mississauga Nation was upset with the government's Bill 23 and opening up the greenbelt without consultation, so I don't want that to happen. We want job creation, but we don't want to do that without sufficient consultation. If the government needs to help with the funding for that, then I think that's the right thing to do, to consult with all the communities affected.

Mr. Pierre-Philippe Dupont: Because this cost item is increasing year after year.

Ms. Stephanie Bowman: Of course, yes. It's part of our duty to consult.

Mr. Pierre-Philippe Dupont: It's not a cost; it's an investment, but still.

Ms. Stephanie Bowman: Yes. Okay, thank you.

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

We'll now go to the government side. MPP Pirie.

Hon. George Pirie: Good afternoon again. I have three questions.

First, for the Cochrane Public Library, it looks like you're sitting at the Tim Horton recreational facility. Are

you sitting there, or is there another location that you're sitting at right now? Where is your library in Cochrane?

Ms. Jessica Horne: No, I'm in my CEO's office.

Hon. George Pirie: Okay, so that's in a municipal complex in Cochrane?

Ms. Jessica Horne: Yes, we're in our own building. We're across the street from the town hall, actually.

Hon. George Pirie: It looks like a great facility. A big part of the budget there must come from the municipality.

Ms. Jessica Horne: Yes.

Hon. George Pirie: Okay. Is part of the issue that the municipality is not funding the library to the extent that you would want it to?

Ms. Jessica Horne: In 2020, our budget was cut by almost \$40,000, and that produced a pretty significant cut in our service hours and some layoffs.

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Hon. George Pirie: We've got the same type of issues with our library in Timmins. I hope everybody here has a chance to look at it because it's magnificent. It's a world-class library in my opinion, but obviously the municipality has to fund the libraries the way they should be, for sure, so I'm just making that point.

In relation to the forestry sector, the robustness of the forestry sector has—we know that we lost four significant value-added industries right here in the Timmins area: waferboard, chipboard, two pulp and paper mills. How do we get that back?

Mr. Ian Dunn: Well, I'll tell you, I think we're on a good path. We've seen over the last couple of years some significant consolidation and acquisitions here in Ontario, and specifically in Timmins with Interfor acquiring EACOM, West Fraser in Barwick acquiring Norbord, or GreenFirst Forest Products. These are western companies divesting or looking east because they see the policy, the legislative framework, the competitiveness and the health and abundance of our resource here in Ontario.

On top of that, your government has created a forest sector strategy and biomass action plan. Implementing those two things will get us there. It will have to, because there is a goal in that forest sector strategy to harvest the current annual allowable cut of 30 million cubic metres. Right now, we harvest around 13 million, so those types of facilities will need to come back on the landscape.

To the question about residuals, the biomass piece is really critical to that. Right now, consumption at sawmills is really bottlenecked because there are these mixedwood stands out there on the landscape with some sawlogs, but there's a lot of hardwood, pulp-quality material out there on the landscape that needs a home: pulp and paper, biomass, district energy. We have, I think, 30 remote First Nations in this province that use diesel to generate their electricity. Let's get them on pellets, on biomass, to create green biomass electrical generation in those communities and get them off diesel. So those types of facilities are very important, and I talked about the integration of the sector. Without them, we won't be successful in the strategy.

Hon. George Pirie: Thank you very much.

Pierre-Philippe, just one question for you. You mentioned three years—you talked about it a bit, but could you

talk a little bit more about the relationships with the Indigenous communities? The fact that they participate in the real economy, they own their own transmission lines—I think it's been a phenomenal job that you've done. I'd like you to speak on that a little bit.

Also, you didn't mention it, the carbon-neutral mine, and critical to that is serpentine rock that's contained in the ore. Can you explain to everybody exactly how significant that is for the future of Canada Nickel?

Mr. Pierre-Philippe Dupont: Yes. For the first question, our relationship with one of the First Nations communities is really creative. So they want to move out of the IBA type of agreement with mining companies and be more of a player at the table. We have one agreement with the Taykwa Tagamou Nation where we're going to need a major investment to build a power line to the site—230-kV. It's going to be fully owned, built and maintained by Taykwa Tagamou Nation. So this is the deal that we have with them right now, and getting their partners—they're really well organized in that regard. I think power is one of the ways that the First Nations are trying to build to get in the game in northern Ontario, and we're really supportive of that. We have a really good relationship with them in that regard.

Regarding the carbon sequestration, this project stands out as being—you know, we can sell more than 700,000 carbon credits per year because the rock that we're mining has that capacity. It is a carbon sink, so instead of generating acid mine drainage when interacting with the atmosphere, it fixes carbon. It does that. If you let the tailings sit there, it's going to create carbonates.

So we're working on advancing that technology to inject carbon into the process. While doing that, we're not only net zero; we're a net carbon seller. So we have this capacity of creating this net-zero battery hub around the Timmins area, and it's getting more and more important to all the industry to be net zero.

We can work with the forestry industry as well to get the carbon and use the carbon coming out of whatever industries—

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

Mr. Pierre-Philippe Dupont: So this is a game-changer for northeastern Ontario.

Hon. George Pirie: That's exactly right. We talk about serpentine and the fact that it's carbon neutral; I think it's one of the only mining projects that I know of. But this technology is going to be very important for the future of mining, and it's being developed here in Timmins. In fact, there should be manufacturing facilities right here in Timmins to support this industry.

Again, the—I'm going to run out of time here. We've only got about 10 seconds.

The Chair (Mr. Ernie Hardeman): Nineteen seconds.

Hon. George Pirie: Yes. Okay. Well, I guess we'll—seven seconds. I guess we'll leave it at that. Thank you very much.

The Chair (Mr. Ernie Hardeman): We'll now go to the official opposition. MPP Kernaghan.

Mr. Terence Kernaghan: Thank you to all our presenters for coming to committee today. It's interesting;

there are two groups here that are talking about reducing carbon, and virtually we have a library.

I wanted to first say to the Canada Nickel Co., I think it's fascinating learning more about your net-zero nickel, your net-zero cobalt, as well as your net-zero iron.

My first questions will be for the Ontario Forest Industries Association. In Kenora, we heard about some difficulties with snow-clearing standards, and I wonder if you could speak to that.

Mr. Ian Dunn: To the snow-clearing standards? And that was from a forest industry representative?

Mr. Terence Kernaghan: What's that?

Mr. Ian Dunn: Was that from a forest industry rep?

Mr. Terence Kernaghan: It was Weyerhaeuser.

Mr. Ian Dunn: I'm not familiar with what Weyerhaeuser said during that, but that would also fall under the roads program. Was it a concern about, maybe, the availability of funding, or—

Mr. Terence Kernaghan: They had indicated that, when it had been something that was under the control of the government, the standard was much higher, whereas when it became privately outsourced, more so, the standard became much lower and there was a much greater wait time.

Mr. Ian Dunn: I would guess that it was perhaps a symptom of the current pot of funding available for maintenance on forest roads, but in terms of the standard, I can't speak to that as a provincial association. I'm not familiar.

Mr. Terence Kernaghan: Understood.

The industry itself has been called the most sustainable industry, and I believe the metric is that for every tree that's harvested, three are planted. I did want to ask, what is the industry's plan for tree planting in 2023?

Mr. Ian Dunn: It's going to be the same as it ever has been. Our member companies have to meet certain standards in terms of regenerating forest area. I think, based on MNR surveys, it's typically a 90% success rate. For those 10% of areas that don't meet the standard, companies are required to go back and re-tree those areas, replant those areas. It's all a function of the various forest managers' silvicultural programs. But historically, it's been pretty steady. It trends with annual harvests; we were harvesting closer to 24 million or 25 million cubic metres in the 1990s, so the tree plant was much higher at that point. It's since come down. The most recent stat is about 13 million cubic metres annually. We've been steady between that and 15 million or 16 million cubic metres, and the annual plant has always been around 70 million trees annually.

Mr. Terence Kernaghan: Also, in the 2019 budget, the 50 Million Tree Program was cancelled. I wonder if you could speak to any impacts of that.

Mr. Ian Dunn: Yes. That's a completely separate topic from our industry. That is a program designed to afforest and reforest, typically, agricultural lands. There is some private land within our membership, but our companies overwhelmingly receive their timber from crown land, and there are legislated requirements on crown land to reforest

those areas. That is funded by dues collected by the government from the industry. So there has been zero impact to the industry's tree-planting program.

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Mr. Terence Kernaghan: Is the industry looking for any supports from the government to expand third-generation production?

Mr. Ian Dunn: There are programs in place that I know our companies are accessing.

One thing I will mention: I did talk about increasing carbon costs, and I'm sure all industries are facing this. In Ontario, we've gone through three different carbon-pricing systems. We're very supportive of Ontario's EPS program. So we do think there's an opportunity to create a program using the proceeds generated from Ontario's carbon-pricing system to reinvest into the industry to further decarbonize our operations. There are all kinds of really interesting, innovative products, from replacing single-use plastics to glass being developed out of wood fibre. Basically, anything that you can produce from a barrel of oil, you can produce using wood fibre and lignin from trees. So that is happening. There are lots of programs in place. But on the carbon-pricing element, there's a real opportunity there, I think, for all of industry.

Mr. Terence Kernaghan: My next questions will be for the Cochrane Public Library Board. As a former teacher-librarian, I want to thank you for the work that you do. I think there's really some misunderstanding that—people look at libraries as vestiges of the past, when they are solidly focused on the future.

I also want to thank you for pointing out that libraries are the most cost-effective investments, whether it's through resources, training, or their existence as a community hub. I think the thought that library funding has been stagnant for 25 years should be an incredible shock to this committee.

I wanted to ask about maker spaces, either at the Cochrane Public Library or in other areas. Could you describe the opportunities that are available in maker spaces in libraries?

Ms. Jessica Horne: Maker spaces are a wonderful addition to programming at libraries. It is wholly dependent on space. Bigger libraries in the GTA have maker spaces that are recording studios. They're fully furnished, working recording studios and people can book time to go in and record an album or a podcast. In smaller libraries, such as mine and others—

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

Ms. Jessica Horne: Okay.

In Iroquois Falls, we have to use our space differently. Our maker spaces are little kits with wool and knitting needles and a free pattern, and we provide that for people to take out and learn a new skill. We have scrapbooking kits that we put together. We host things such as adult colouring nights, which is a social, interactive thing that people can get together and do. We consider those maker spaces. For the month of January, we had a table set up with all the supplies provided free for people to use to create vision boards, to start the new year on the right foot. For February, we're doing love notes to an author. These are different things that bring people into the library,

where they don't even actually have to physically touch a book, but they are using our resources, and it's always free to them. The library—

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude the time for the presentation, and that does end the time for the panel.

I want to say thank you to the panellists for the time you took to prepare for this and for coming here to talk to us about what we should be looking at, going forward, in the budget. I'm sure the minister will take all we heard into consideration.

With that, the committee stands recessed until 1 o'clock.

The committee recessed from 1205 to 1300.

The Chair (Mr. Ernie Hardeman): If we could—

Interjections.

The Chair (Mr. Ernie Hardeman): That's the first time I didn't get a complaint about hitting the hammer too hard, and that's because they didn't hear it at all.

Thank you all for coming back. We should have done it this morning, but we're going to do it now: We ask MPP Pirie to give us our land recognition for our ancestors before us.

Hon. George Pirie: I would like to acknowledge that we are located on the traditional lands of Mattagami First Nation, Flying Post First Nation and Matachewan First Nation, home of many Ojibway, Cree, Oji-Cree, Algonquin and Métis people. We also acknowledge that we are situated in Treaty 9 territory, also known as the James Bay Treaty, which is steeped in rich Indigenous history of many First Nations, Métis and Inuit people.

The Chair (Mr. Ernie Hardeman): Thank you very much for that, MPP Pirie.

We now welcome everybody back as we resume the public hearing for pre-budget consultations 2023. As a reminder, again, each presenter will have seven minutes for their presentation, and after we have heard from all the presenters, there will be 39 minutes for questions from members of the committee. This time for questions will be divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the opposition members, and two rounds of four and a half minutes for the independent members as a group.

TIMMINS CHAMBER OF COMMERCE
LOCAL SERVICES BOARD OF FOLEYET
CITY OF TIMMINS

The Chair (Mr. Ernie Hardeman): I will now call on the next presenters to begin. The panel consists of the Timmins Chamber of Commerce, the Local Services Board of Foleyet and Interfor Corp. So if our presenters would come to the front table to make their presentation—we'll ask all three to come to the table.

As we're coming to the table, we will remind you that you will have seven minutes to make your presentation. I will mention at the six-minute mark that there is one minute left. Don't stop talking because we're using your time when you hesitate. I'm just doing that so you don't

get really angry when I cut you off short at seven minutes, which I will do.

We do also ask that you give your name for Hansard, to make sure that the appropriate name is attributed to the comments that you're making. With that, we turn it over to the Timmins Chamber of Commerce—oh, and that's the virtual one, so there we go.

Mr. Dan Ayotte: Good afternoon. Can you hear me okay?

The Chair (Mr. Ernie Hardeman): Yes. You're coming through loud and clear.

Mr. Dan Ayotte: My name is Dan Ayotte, and I am the president of the chamber. As the voice of business in Timmins since 1949, the chamber is proactive in conveying our supporters' most significant barriers to business. Ultimately, our members share the province's goals to continue to make Ontario a better place to do business, and we look forward to working together to achieve them.

Northern Ontario offers some distinct opportunities to jump-start economic growth given the vast natural resources largely untapped in our history. Today, I will outline key recommendations drawn from our closed consultation with our members in northern Ontario and, more specifically, in Timmins and surrounding areas.

Housing: As you know, housing affordability is a critical issue in Timmins. For businesses, the growing unaffordability of housing in our community has significantly impacted their ability to attract and retain their employees, and maintain their operations, while eroding their customer base. Solving the housing shortfall is needed to support our residents and business community. Currently, the Canadian Real Estate Association's national price map indicated a nearly 40% jump in housing price increase in the Timmins region, going from approximately \$180,000 in 2022 to over \$250,000 last month.

The provincial Housing Affordability Task Force has made recommendations on addressing this issue, including a recommendation to eliminate exclusionary zoning. The chamber believes that eliminating exclusionary zoning policies is a critical recommendation the provincial government should adopt. Exclusionary zoning policies are an outdated approach to planning that prohibits even modest forms of density, such as triplexes, in most residential neighbourhoods. Allowing more types of homes in more places will help address Timmins's housing affordability crisis and enable a host of other economic, environmental and social benefits.

Broadband: "Dig once" is a policy that reduces broadband deployment costs by placing conduits during road construction, when access to the trench is easy. Using this method, a conduit can be placed while minimizing the need and cost of excavation and restoration. Later, the fibre optic cable can then be pulled through the conduit without any excavation. Digging once facilitates the installation of conduits in more and more locations in the public right of way, encouraging competition among regions with access to modern technology. Ideally, by digging once, a conduit can be installed in more and more locations in the public right of way, encouraging competition, thus lowering the cost of broadband Internet. A more

robust network will increase economic development, encourage community growth and create a more qualified and connected workforce. While other initiatives are in place to close the digital divide, a "dig once" policy will deploy more conduit and fibre at a lower cost in more locations, thus getting Ontario closer to allowing everyone access to reliable Internet networks.

We are urging the government of Ontario to coordinate with other municipalities, in partnership with telecommunication and broadband companies, to develop a uniform "dig once" strategy to increase the accessibility of broadband and fibre access to rural, remote and First Nations communities. Consult with the federal government to identify how financial tools can be leveraged to offset investments and provide affordable, equitable access to underserved communities and, where ground-based infrastructure is unattainable, develop accessible alternative solutions.

Infrastructure: As the province is aware, for any and all excavating of a new building, repairing buried infrastructure, landscaping, residential paving, building concrete slabs, or anything else that requires you to break ground, you must contact Ontario One Call a minimum of five days prior to the excavation. However, contractors and developers who submit a locate request to Ontario One Call in Timmins are being subjected to up to a three-month wait time to have locates come and do their initial assessment process to allow the dig to move ahead, which is currently one of three steps. Northern Ontario has a very narrow window of opportunity to complete critical infrastructure projects vital to our region's economic growth and development, given our short summer season. Furthermore, the massive financial burden these delays bring to our firms can heavily impact the outcome of the project and a community's ability to encourage new investments in the future. The backlog of locate submissions to Ontario One Call has further compounded the already growing barriers to completing projects on time, including workforce shortages and permitting and planning delays, which hinder our region's ability to remain competitive.

Our community is requesting that the province work with Ontario One Call to address the severe accumulation of requests for locates and consider how P3 partnerships with independent contractors who can provide locate services can assist in moving these projects forward in a way that is mutually beneficial to all involved.

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

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Mr. Dan Ayotte: Also consider how the city of Burnaby, British Columbia, automated the algorithm model, addressing the backlog almost immediately.

Support successor planning for Ontario's aging business owner: As nearly three quarters of the business owners are poised with retiring in the next decades, there's growing need for succession planning and support for the next generation of entrepreneurs. Having an appropriate continuity plan in place will help better preserve the value of the businesses and safeguard employment during the transition phase.

We recommend that the provinces begin work on an employee ownership policy framework with objectives of

reducing barriers, promoting awareness and creating targeted incentives to complement the federal government's approach and support greater business adoption of cooperative conversion as a method of succession planning through education and financial incentives.

Support mining and forestry: Ontario has existing competitive advantages—

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes the time for the first presenter.

We'll now go to the second one, the local services board from Foleyet.

Ms. Mary Lynn McConnery: Thank you so much for having me. Just a little bit about our local services board: We're an organization in the province of Ontario. We're contracted by the government to provide multi-level services to our community and our residents in Foleyet. We're a tight-knit community, to be honest, not just the 150 people here in Foleyet, but also in our surrounding areas. We have two First Nations reserves that we service with our fire department as well as our emergency service program with our paramedics. We have Ivanhoe Lake. We have Horwood Lake. We also have Maple Street Lodging. We have lots of tourism going on. Sixty per cent of our community is seniors, and the rest are new people coming into our community, building new families and looking to really grow Foleyet.

Last year, actually, they tried to remove our emergency service program, as well as our paramedics. Thankfully our town and surrounding areas got together, and they took it off the table for a year, but that comes back in June. We obviously want you to consider that for us.

Also our fire department—two years ago, we probably had seven volunteer firefighters. We're now up to 18. So what we're able to do now is go out into the community and up the 101 from Timmins to Chapleau and service those people. Thankfully, we were donated a truck and are getting that back in.

We're also in need of an emergency exit. Obviously everyone knows about the infrastructure and how much that costs. We're looking at a million dollars just to be able to get our residents out of our community if a flood were to come or maybe a train was derailed. We want you to consider that as well.

With that being said, we haven't had a budget increase from the government in three decades. We're still working on \$60,000. We're thankful that, as a board, we have a wonderful secretary and a board that applies for grants, but we'd really like you to consider just upping that budget for us and even considering the different infrastructure that we do need have in place moving forward as a small community. I appreciate the opportunity to share just a little bit about us. With that, back to you.

The Chair (Mr. Ernie Hardeman): Thank you very much for that. Our next one is Interfor Corp. The floor is yours.

Ms. Michelle Boileau: Well, hello. Actually, I was informed that I'm replacing Interfor, as they had to withdraw.

And so I'll present myself: Je m'appelle Michelle Boileau. I am the mayor of the city of Timmins. I'd like to

thank you for the opportunity to speak to you today on behalf of the city of Timmins.

Last year's announcement of Ontario's Critical Minerals Strategy was welcome news, and we recognize how important the growth and success of northern municipalities will be to the province in coming years. Our local MPP, the Minister of Mines, has a mandate to develop the Ring of Fire, which has been seeming unfeasible without first improving the health and well-being of people in communities such as ours.

Frankly, a large portion of our population is not well. The city of Timmins ranks among the worst in relation to most social determinants of health. We have some of the highest rates per capita of homelessness and opioid-related overdoses and deaths. For a municipality of approximately 42,000 people, which also serves as a northern service hub but has not been adequately funded as such, the present circumstances are no longer tenable. More housing of all types is urgently needed if we are to fulfill our economic potential and address the health and social issues challenging our community. Thus, we urge the province to apply in northern lands when creating policy and programs to build homes faster in order to ensure that opportunities are equitable and strategic.

We know from the last point-in-time count that nearly 90% of the homeless population in Timmins self-identify as Indigenous, which is why we fully support our partners at the Mushkegowuk tribal council and the Cochrane District Social Services Administration Board, the CDSSAB, in their plan to develop culturally appropriate supportive housing to offer a range of on-site, wraparound supports that would encourage rehabilitation through independent living and integration. The development initially proposed is a 54-unit building with a construction cost of approximately \$15 million. The city of Timmins has a signed relationship agreement with the Mushkegowuk Tribal Council and, as such, is committed to providing the land required for the supportive housing development, if desired. Whatever contribution the province makes will determine the depth of affordability for these housing units. Since facilities that are focused on serving mainly Indigenous clients should be Indigenous-led, we are engaged with First Nations leadership to come to a suitable arrangement for operations, which will also need to be appropriately funded.

The city of Timmins has taken seriously its responsibility for ensuring the overall well-being of the people residing in our community. In 2022, we committed over \$1 million to the establishment and operations of the Safe Health Site Timmins, a supervised consumption site in the downtown core. The current, ongoing operational cost is approximately \$85,000 a month. Officially opened in July 2022, Safe Health Site Timmins has demonstrated positive results and has been critical in reducing the number of opioid-related overdoses and deaths in our city. Again, being a regional service hub, our Mushkegowuk partners are looking to us to deliver on this vital component to the treatment continuum for the area.

Applications were submitted last Friday by the Canadian Mental Health Association Cochrane-Timiskaming for provincial funding for the consumption and treatment services

site. To date, Safe Health Site Timmins has been fully funded by the municipality, but the window to continue funding is closing, as we have a number of infrastructure priorities that need to be addressed, including for instance the redevelopment of the Golden Manor for a long-term-care facility.

But I won't take from my time today to talk about that project, not when there's always so much to be said about roads. Between April 1997 and January 1998, numerous highways were transferred to the city of Timmins. The magnitude of the transfer was 86.8 kilometres, which represents 80% of all highways transferred amongst the northern regional hubs, which include Timmins, North Bay, Sudbury, Thunder Bay and Sault Ste. Marie. The magnitude of the download has become unmanageable for our municipality. The condition of these transferred highways is very poor, and the inventory requires full replacement in the next five-to-10-year period, as maintenance costs are escalating.

An example of such a highway that's deteriorating fast is Municipal Road, which connects the city of Timmins and Highway 101 to Highway 11 and the town of Iroquois Falls. The road conveys forestry traffic from west of Timmins to mills in Quebec and the Timiskaming district. Located on Municipal Road are Kettle Lakes Provincial Park as well as some rural and seasonal dwellings on that route. Little of the traffic is local and most is provincial. Municipal Road is approximately 22 kilometres long, with 10 kilometres being part of the city of Timmins and 12 kilometres belonging to the town of Iroquois Falls. The estimated cost to renew Timmins's share was, in 2023, \$7 million, assuming the base is sufficient. Considering an upload to the province is likely improbable at this time, we would request that a special purpose grant be made available to the city of Timmins and the town of Iroquois Falls in order to jointly keep Municipal Road open.

Coming back to the notion that much like the rest of northern Ontario, the city of Timmins must grow its capacity to meet current and future labour market demands, it's essential that we address the shortage of early childhood educators in our child care system. That said, ensuring the availability of qualified child care providers does not only have an economic benefit; we know that quality early learning is essential to the development of skills required to succeed in school and beyond. As we struggle to grapple with health challenges among working-aged residents in Timmins and the area, early childhood education should be seen as an upstream strategy to solve worsening social issues by ensuring that our future generations get the best possible start in life.

In Timmins, children's services are administered and delivered by the CDSSAB. Presently, we need 113 additional ECEs in order to fully utilize the allotted spaces across the Cochrane district, with another 56 additional ECEs needed to fulfill the new notional targets that were submitted. In the city of Timmins, 79 additional ECEs are required today to meet our current need. We are concerned with our ability to meet the demand for child care spaces created by the new CWELCC system, as recruitment and retention of ECEs is jeopardized by the low rates of enrolment and graduation of ECEs in the north and particularly

hampered by the wage gap between ECEs in child care centres versus those in the education system.

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This is especially concerning with regard to our ability to continue to ensure the availability of French-language early learning in the city of Timmins and the broader northeastern region. Therefore, we ask that the relevant ministries work together to offer a stay and learn grant specific to early childhood education programs offered in northern Ontario, similar to the one that was announced for paramedics in January 2022.

With more time, we could also speak to the need for increased provincial supports and services for newcomers, assistance to municipalities with the pre-construction costs for land development, assistance with physician recruitment and much more. I recognize that everything mentioned can only be done in partnership with our neighbouring communities, so though these may be out of self-interest, they are presented out of enlightened self-interest.

With that, I thank you for this opportunity and I look forward to answering any questions you may have. Merci. Meegwetch.

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

We will start with the first round of questions from the government. Anyone in particular? We have one: MPP Smith.

Mr. David Smith: My question is related to Timmins Chamber of Commerce. We know how important the chamber of commerce is to the regions or the communities that it serves, and there are some very lengthy concerns that I have in terms of what you listed. The first question I'd like to ask is in terms of red tape. What are red tape impediments you might have from what you're hearing in your community that we can bring together to ensure that we are helping you to go through, or navigate through, to get to a better place for your community?

Mr. Cameron Grant: Mr. Chair, I'll be answering the questions on behalf of the chamber, if you don't mind.

And so in that case, thank you very much for the question. Yes, of course, we were pleased to see the Associate Minister of Red Tape Reduction, obviously. Canada is one of the most regulated countries, including misalignment, particularly with the Crown Forest Sustainability Act and the Species at Risk Act. We're looking at federal-provincial alignment for particular legislation—as it does with our natural resource sector. As a result, there is some impediment to the industrial trade manufacturing sectors that service those large-scale natural resource extraction services, as well. So if we can look to alignment, that would be much better for that, as well.

Beyond that, I would say that a one-window approach for mining, particularly, and assigning one particular associate for a project will certainly expedite any mining projects that could be upheld. It now takes 10 years, if I'm not mistaken, to get a mining project on its way. We have some very large projects ahead of us, including our very own minister's portfolio on the Ring of Fire. So meaningful engagement with Indigenous communities, of

course—but understanding where alignment can be met from the provincial and federal side.

Mr. David Smith: Okay. Thank you very much. I just want to give you 30 seconds. Let's talk about succession planning, and if you could explain what that means.

Mr. Cameron Grant: Basically, it's the sale of a business. In Timmins, we just launched our business discussion planning report, which I'm happy to share with the committee afterwards. Seventy-five per cent of our local businesses are not prepared; they do not have a formal or informal succession plan in place in case of death, health issues or just the general sale. From the survey respondents, we're about to see in the next five to 10 years—there were 100 survey respondents. So of the 220 locally owned and operated businesses, that's \$26 million in assets we're going to see shift in the next five years with no present plan in place.

We would like to see the province support some sort of program that will allow international students and immigrants to have a nominee program provided by the province that would allow them to have an expedited permanent residency track as a result of them looking to purchase a business.

Mr. David Smith: Thank you. I'm going to yield my time because it's only seven minutes. I'll pass it on.

The Chair (Mr. Ernie Hardeman): MPP Dowie.

Mr. Andrew Dowie: Thank you to all the presenters; very fascinating. I'm delighted to be here in Timmins.

I guess my first question is back to the chamber. With respect to the Ontario One Call backlog that's been cited, the government passed Bill 93 just last April, which was intended to address the backlog. To hear that it's still out there is concerning. Have you noticed any difference since the legislation has been passed to help accelerate locates?

Mr. Cameron Grant: No. I would imagine that it's a human capital component, which many sectors are facing. The city of Burnaby, BC, has actually reached out as a result of the letter that we sent to Minister Rasheed back in November 2022. What you'll note is that Burnaby, BC, has created a completely automated system. If I dig at 6 o'clock in the morning and I send an email to an automated messaging service at 5:50 a.m., I have all that I need that a locate would provide otherwise in terms of the underground infrastructure. They're also using augmented reality and other technology applications to provide real-time data as to what infrastructure exists under the ground, further expediting these projects. So where human capital gaps exist, automation is the next and natural step.

Mr. Andrew Dowie: I'd like to move to Mary Lynn. Just in terms of the local services board, I know that in southern Ontario we don't know a whole lot about them. In the past, prior to the early 1990s, a lot of municipalities had joint agreements of some form. I'm hoping you can detail a few more of the challenges that you've run into, being a consortium of smaller municipalities, and how you've overcome some of the challenges.

Ms. Mary Lynn McConnery: That's a really great question. I've been chair of the local services board for two years, and some of the challenges that we find are,

because our budget is so low, we look to fundraisers—that's what we looked to try to replace our EMS. Thankfully, they took it off the docket, and I hope we'll be able to not ever have that on the docket.

The other challenge is our water. We are a small community. We pay approximately \$15,000 a month to service our community, just those 150 residents here. And the roads—you guys are talking about roads in Timmins. It's the same thing here in Foleyet. The government doesn't give us any money to cover all of those things. So, as a community, we've come together and helped raise money and things like that. But now, with the older community, it is really difficult to have them come out and volunteer.

I hope that answers the question.

Mr. Andrew Dowie: Chair, how much do I have left?

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

Mr. Andrew Dowie: Okay. I just have a question for the mayor. Thank you so much for being here. I'm delighted about the hospitality that we've received in Timmins. I look forward to coming back many, many times.

You mentioned the ECE issue. I know that it's something we've heard across Ontario, that we really don't have the workforce capacity. Being in the north and being in Timmins, undoubtedly you find that recruiting is an extra challenge, because you're not close to services as much as in the south. Can you elaborate a bit on some of the strategies that you have employed so far and whether there have been some deliverables?

Ms. Michelle Boileau: Thank you for your question.

Through you, Mr. Chair: The issue is that the base minimum wage for ECEs doesn't actually meet the living wage here for Timmins and for the northeast region. The living wage in the area is just shy of \$20 an hour, and most ECEs in the area aren't earning that much. So that's one of the first issues. Luckily, international student recruitment has been able to fill some of the gap. However, we're not seeing French-language recruitment of international students as successful as English—

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

We'll now go to MPP Vanthof.

Mr. John Vanthof: Thank you all for coming. We always learn a lot. That's why we're here.

My first comment would be to the chamber of commerce regarding Ontario One Call. It's a good example. The reg is good—five business days. We ran into the same issue in Timiskaming—months, months, months. I don't mind saying publicly that people were breaking the law because they could not get a check where the lines were. I'd like to talk about it after, because it's an issue. The company contracted to do it just did not have the capacity to do it. We got other companies trained in our area to do it, to relieve the backlog. So I thank you for bringing it up, because it's a prime example of how sometimes we pass something in Queen's Park and you don't hear about if it actually works until you come to present.

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My first question would go to the mayor of Timmins. Congratulations, and thank you for bringing up an issue

that is near and dear to my heart as well. I represent Iroquois Falls, and the download of provincial highways is a huge cost to municipalities for roads that they don't use. So when the Harris government did the download—and I'll use Iroquois Falls as an example—they only downloaded to towns above 5,000, and Iroquois Falls has the distinction of having the most kilometres of road per person in the province.

So we fully support anything that the province can do to actually take responsibility for roads that really have no connection at all to the municipality. Could you just expand on what that's costing you, having to take care of a road like that when it has really no connection to your municipality?

Ms. Michelle Boileau: Yes. Thank you for your question. The cost is, as I said, unmanageable, and since we're so committed—we're engaged right now in what is looking to be about an eight-year infrastructure project with renewing our connecting link roadway—we won't actually have the chance to get to the work that needs to be done on municipal roads until that's completed, and quite frankly, we don't believe that municipal road has that long. The shoulders are disappearing along the sides, it's increasingly unsafe, and we don't have resources—and I'm thinking human resources—to be focused on both the connecting link project, which we're so grateful the current government has invested in, and also look at tackling municipal road.

And we know, of course, that we're in a dire situation; the town of Iroquois Falls is even worse off, and so we're looking to work together to see what we can do to try to, like I said, keep this road open, because as is, in the next few years, we're going to have to make some very difficult decisions.

Mr. John Vanthof: Thank you very much for advocating on that.

My next question would be to the services board. Congratulations on saving your EMS. Could you tell us, if the EMS is taken out of Foleyet, where is the next one? How close?

Ms. Mary Lynn McConery: Well, we're an hour from Chapleau and we're an hour from Timmins. With that being said, we have a lot of seniors in the town, and we also have some children with life-threatening issues on an intubator. So honestly, if we had to wait to call an EMS that was an hour away, I'm sorry to say, one of our residents would pass. It's a really serious issue here in Foleyet, with, obviously, the same things that are happening in Timmins. We don't have any jobs out here, so we're really hoping for people to come and create new business. I hope that answered your question, sir.

Mr. John Vanthof: Why I asked it is to identify what issues people in rural and northern Ontario face, because that's not an hour with traffic; that's an hour providing the road is clean, right?

Ms. Mary Lynn McConery: Absolutely, sir. And the other—I didn't address this; you were asking about those concerns, sir. One is the flooding here in Foleyet. You may not really know where we are, but we're really halfway in between Timmins and Chapleau, a little tiny community,

and kind of in a swamp. That's why the emergency exit is so important. We're talking about roads here, and the money that you do give us, that's what we use to get our roads done. I've had to increase our taxes 2% to our residents, our seniors, so that's another big problem here in Foleyet and for our surrounding areas. With that, back to you, sir.

The Chair (Mr. Ernie Hardeman): You have two minutes.

Mr. John Vanthof: Could you just repeat what your budget is and how long it's been since you've had an increase?

Ms. Mary Lynn McConery: So it's been three decades, they tell me. I've only been the chair of Foleyet—this is my second term. It's been three decades, and the budget is \$60,000.

When I looked at that emergency exit, it looks like \$1 million just to build a bridge over Ivanhoe River to be able to get most of our residents out, and that's not including any other infrastructure like our culverts. Our EMS alone was—I believe the DSSAB said it was about \$60,000 to have here. And we were trying as a community to try and raise money, when I really feel like—we're an advocate here. You've asked us to be an advocate here for our community, and so here I am, asking, sir.

Mr. John Vanthof: Back to the mayor: Timmins has a lot of very good jobs. There's a lot of high-paying jobs. But the other side of the Timmins area is, increasingly, more homelessness, more—

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

Mr. John Vanthof: I applaud you for bringing this up. Could you give us a bit more overview of what's happening in your city?

Ms. Michelle Boileau: I would say that the lack of health services—mental health and addictions treatment services—is what's really causing this. We know that mental health and addictions isn't discriminating, so it's people with good-paying jobs who are struggling, along with people who are under-housed and experiencing homelessness. We know that one tends to lead to another. Of course, a lack of affordable and appropriate housing is another major factor. We know that “housing first” is probably the best approach in solving homelessness and, quite frankly, we don't have the capacity to be able to do that right now. So it's multi-faceted. But definitely more treatment services and supports would be necessary if we want to look at improving the situation here.

The Chair (Mr. Ernie Hardeman): We'll now go to the independent. MPP Bowman.

Ms. Stephanie Bowman: Thank you all for being here today.

My question is to the chamber of commerce. You talked a bit about the employee ownership trust model, or employee ownership, and I want to just ask you a little more about that. The federal government has announced that they're looking at creating this trust within the Income Tax Act which would allow employees to own companies. What's your specific ask to the provincial government to aid in meeting that kind of goal?

Mr. Cameron Grant: From a northern Ontario standpoint, I think our biggest concern is looking towards immigration. We're the only region that is citing negative population growth currently—in the last year, at least. Outside of the Indigenous communities, Canada's fastest-growing population, we're looking towards immigration, newcomers, movement within Ontario.

Obviously, the models that they've created, primarily—as well, with the capital gains tax exemption for family, which has been encouraging, and something that the chamber network has been advocating for for years. The employee model is fantastic; what we need to see is more expedition for immigrants and newcomers receiving permanent residency, as a result. We know that the new federal legislation banning foreign investment has been a hindrance for those who are already here and currently awaiting permanent residency. We've seen that to be a massive barrier to those who are looking to purchase homes, who are employees employed locally.

Those are our top priorities at the moment.

Ms. Stephanie Bowman: My next question is for the mayor. You talked about ECE and the CWELCC program, which is geared, as you said, to helping children get a good start in life but also to getting more women in the workforce. Could you talk a little bit about the workforce here in Timmins? What percentage of women are underemployed or not employed, and who might be able to benefit from a full implementation of the program here?

Ms. Michelle Boileau: Unfortunately, I don't have the stats or the data to really speak to that. I can say, though, that with the economy being traditionally based on resource extraction and a lot of traditional trades employing people in the area, we are seeing mostly men in the workforce. Women have been slower to return after the pandemic. However, we are, like I said, a service hub—social services, governmental services—so there are a lot of opportunities for women to be working.

I would say that access to child care is one of the biggest hindrances at the moment. We know that just in terms of educational enrolment, it does end up causing issues for women to be able to study, to retrain, to be able to obtain gainful employment. Essentially, that's what it is—and especially the fact that any new spaces right now, any capital funding that's available, is limited to child care spaces being added within a school context. Unfortunately, that's creating a little bit of what we're referring to as “child care deserts” in our more urban areas, because we're not able to access capital funding to be able to create community-based child care centres in the more urban settings like the city of Timmins. It does add barriers in terms of transportation and getting children to child care and then women to their jobs. So it has been slower but—

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

Ms. Michelle Boileau: —I don't have stats or figures to support that.

1340

Ms. Stephanie Bowman: Okay. My last question is probably for the mayor, as well. You've talked about the issue of homelessness. Mental health, of course, is part of

that, and housing. You may know that the previous Liberal government had a pilot for universal basic income, which—you also talked about the living wage here, which would basically be about what you were talking about, the living wage. Were you familiar with that? Do you think that kind of program would be of benefit here in Timmins?

Ms. Michelle Boileau: Absolutely. We've seen the benefits of just increasing the minimum wage in recent years locally. But as I said, the living wage in Timmins is approximately \$20 an hour and so, even by raising the minimum wage, it hasn't been sufficient in terms of meeting the current demands. That's why we're seeing a lot of early childhood educators actually retrain and change careers, because they're not even able to support themselves, especially in a single-income family or in a single-income household. So I would say that it should be something, perhaps, that should be looked at, and perhaps local—

The Chair (Mr. Ernie Hardeman): Thank you very much for that answer.

We will now go to the government. MPP Triantafilopoulos.

Ms. Effie J. Triantafilopoulos: Thank you all for being here to present before us today. My first question is for Mary Lynn. Mary Lynn, I would say that many people, including some of us here today, are not familiar with the local services board and how it operates. I can see that the services you provide are clearly essential services, and you mentioned that you'd had no budget increase in about three decades. So I wonder if you could just share with us what the government sources are as between municipal, provincial and federal, and ultimately what kind of operating budget you would need to be able to do more.

Ms. Mary Lynn McConnery: Wow, that is such a great question. Well, we provide water, fire, hydro. We actually just had the fibre come in; we don't have it quite yet. To be honest with you, an operating budget, when I look at something like this—oh, wow. I would say probably about \$20,000 a month to operate a little town like this. It's really hard to say because I am new, but yes, it's going to be expensive for us and everyone's talking about the jobs and things like that. It's difficult for us here in the north, being so far away from Timmins and Chapleau, for our community to even have an income. So to raise taxes for them is not a good thing.

To be honest with you, I think it would cost about \$1 million a year, if not \$2 million, to run a little town like this with the surrounding areas. I know it seems like a lot of money, but we're throwing around \$50 million and things like that. I hope that answered your question.

Ms. Effie J. Triantafilopoulos: What kind of population are we talking about? How large a population?

Ms. Mary Lynn McConnery: So we have 150 residents, inhabitants, here in the actual Foleyet catchment that we get taxes from. But with all the tourism that's going on, I would say any given—even in the wintertime, we're looking at about 10,000 to 20,000 people coming. In the summertime, I would probably quadruple that based on all of the fun things that we have going on up here.

Ms. Effie J. Triantafilopoulos: And is it a funding agreement that you have with a municipality or with the province? How does that work?

Ms. Mary Lynn McConnery: So we do do an audit every single year. The government has allowed us—I believe it is \$60,000. And what we do is we write some grants; we ask for grants, you know? We wanted to do a senior's program, so we've applied for a grant for that. We wanted to have a library brought back, and so we applied for that grant.

Even for the EMS and our fire department, our citizens are paying for it through fundraisers and through the \$60,000 and the fantastic grants that my secretary has done so well with getting. And now we're basically just coming to you to say, "What does it look like, and how can we get an income to help us take that load off of our shoulders?"—if that makes sense, ma'am.

Ms. Effie J. Triantafilopoulos: It does. Thank you so much.

I'll cede my time to MPP Babikian, Chair.

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

Mr. Aris Babikian: Thank you for coming and sharing your views with us.

My question is to the mayor and the chamber. As we have noticed during the earlier presentations, the issue of human resources—manpower, skilled workers—is a big problem for Timmins and surrounding regions. We know that the federal government is planning on bringing 500,000 newcomers to Canada every year and 60% of these newcomers will settle in Ontario. How can we encourage some of these newcomers to come and settle here in the northern part of our province?

Ms. Michelle Boileau: Thank you for your question. If you don't mind, I'll take the first part of that, through you, Chair.

One idea that has been floated around is a provincial nominee stream specific to northern Ontario, so that we could be better aligning the skills that are entering the province of Ontario with the jobs that are available and the skills that are required here in the north.

Another thing I would raise is the need for additional services and supports for newcomers. Up until last year, there were no provincially funded settlement services here in Timmins. They're now available but still very, very limited. I would say we're receiving about \$1,500 worth of funding a month from the province, here in the city of Timmins, for newcomer settlement services. Of course, we know that increasing the supports that newcomers will receive and helping them better integrate into the community and set down roots would mean that we'd be more successful in retaining newcomers as they arrive.

We have a lot of international student recruitment by our post-secondary institutions that's happening here, and they've been very successful in that—but again, it's making sure that they stay, so of course housing is going to be a key component, which my colleague here touched on as well. Also, focusing on the uniqueness of our region, especially here in the city of Timmins, you can live, work and play in French, as well, and so really focusing on a French-language immigration recruitment strategy would be important for our region, especially in meeting some of

those needs, as I mentioned, in early childhood education and elsewhere.

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

Mr. Cameron Grant: I'll leave it with the mayor.

Mr. Aris Babikian: Do you think putting a condition on the newcomers settling in Canada or in Ontario to, for a certain period of time, reside in a northern part of the province could help?

Mr. Cameron Grant: I think that's a slippery slope. Once they reach permanent residency, Canadians have the freedom to move anywhere within the country. That's the glory of this process. I think tying them to one particular region could be rather nasty, depending on the circumstance. Obviously, as the mayor said, incentives are the only way to do it. Funding cultural activities, initiatives, infrastructure that will look to attraction campaigns as well as retention is helpful. So just flow the dollars, create the incentive, create the conditions that will be allowing businesses to incentivize those employees, as well, through either the purchase of the business or training and upskilling—

The Chair (Mr. Ernie Hardeman): Thank you very much for that answer.

We'll now go to the official opposition. MPP Kernaghan.

Mr. Terence Kernaghan: Thank you to all our presenters who have come to visit us today.

My first question is for the chamber. I want to thank you for reminding this committee about the Housing Affordability Task Force and how exclusionary zoning policies need to be eliminated. I also thank you for your recommendations about how broadband could be deployed. I think it's wise to dig once, especially given the unconscionable and unfathomable situation of Ontario One Call. I think about the economic impacts to your businesses and to folks, and that's completely unreasonable.

You brought up a statistic that is quite concerning: that 75% of businesses have no succession plan, and that represents \$26 million. You're asking for provincial supports. You specifically talked about the employee ownership model, and I wonder if you could expand on that.

1350

Mr. Cameron Grant: I think that was the colleague to my right who mentioned the employee model. It is not, particularly, something that we're looking to do right now. Obviously, if there is any support that's provided to somebody who is looking to succeed, a business purchaser or purchasee—sorry; rather, a seller or buyer—then any supports will do.

Make sure that you're consulting with the people who have the information on the ground—that is always the case. Businesses will fill in the gaps where government is looking for information. Grassroots movements will provide that information to you. But again, immigration incentives will work towards retention components by making it easier for them to purchase businesses.

Mr. Terence Kernaghan: Understood. I guess there are two different models that some like to employ, whether it's the employee ownership trust or the employee stock ownership plan. Thank you very much.

My next question is to the Local Services Board of Foleyet. You had indicated—and it's been mentioned a few times—that there has been no budgetary increase in 30 years. Would you be able to describe for the committee what the population change has been in your area in the last 30 years?

Ms. Mary Lynn McConnery: Well, yes, that's interesting, because, obviously, when Foleyet was first brought about, it was a logging town, and so there were lots and lots of people here. In the past 10 years, I would say, we've gone down to about 150 people, so from 3,000 to 150.

Now, I will say, though, interestingly, in the change of what's happening in the next five years—I hope they give me that time to make some good changes here—I would say we'd be back up if we could bring those services and people would want to come out here. I'm hoping that within the next five years we have 10,000 people here.

Mr. Terence Kernaghan: I see. Thank you.

Ms. Mary Lynn McConnery: Does that answer your question, sir?

Mr. Terence Kernaghan: It does indeed. With 30 years of no budgetary change, it's almost as though you're being asked to do more, each and every year, with less.

My final questions will be for the mayor. Thank you for the welcome to the city of Timmins, Mayor. You had specifically mentioned, on housing and the need for wraparound supports, that the contribution of the province will reflect the affordability level of housing here in Timmins. What would you like to request from the government in terms of investment?

Ms. Michelle Boileau: Well, quite honestly, a lot of the supportive housing projects that we're looking at, especially through the lens of the DSSAB, would have been doable three to five years ago without any provincial support, just based on the portfolio and leveraging the assets that we have. But with rising costs in construction and the rising cost to borrow money, it's just not feasible anymore.

Essentially, what we're asking is—anything the province can give will end up determining the depth of affordability of the unit. So on a \$15-million project, \$5 million would be good; \$10 million would be better. That just ends up helping us bring down the cost per unit for each individual, or enhance the supports and services that are available within that housing development.

As I said, we'd be looking at a cost-sharing type of model, because the city of Timmins is willing to put up the land and potentially even look at servicing it, if necessary. The DSSAB will do the work that they're doing and all of that, and we have our partner in the Mushkegowuk Tribal Council. But still, with all the partners around the table, we will need some sort of provincial contribution if we want this to be feasible and to be affordable and to serve the purposes and the people that need it the most. Merci.

Mr. Terence Kernaghan: Also, in terms of helping people maintain the housing that they currently reside in, would you like to see expanded rent controls and the ending of vacancy decontrol?

Ms. Michelle Boileau: I mean, it's not something that's being discussed right now, because the situation is just so dire. I would say that looking at an aging-in-place strategy would be important, especially for seniors. Honestly, what we've been talking about is just a need to enhance the supports that are available to those that are aging in place and those that have special needs who would like to reside in their homes and in their communities. We've been requesting a doubling of our community paramedicine budget so that we could enhance it and reach more people in their homes.

As it is, it's really the cost of construction that's making it so that we can't maintain and repair the current stock that we have right now, and it's an aging stock. There's affordability on behalf of the renter, but essentially our stock is deteriorating without any kind of solution. Thank you for your question.

Mr. Terence Kernaghan: Understood. I also wanted to thank you for advocating for—as a former educator, I've worked with many gifted and talented early childhood educators, and we cannot speak more highly about how they impact the fundamental growth and development of children and how talented and wonderful they are. You'd mentioned the wage gap with home child care as well as the educational system. Would you like to see provincial supports to bridge that gap?

Ms. Michelle Boileau: Absolutely. We've been receiving provincial supports, especially with the revitalization of the system in recent years.

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

Ms. Michelle Boileau: However, we need to see an increase because—myself, personally, my daughter has been in daycare for three years now, and every French-speaking educator that she's had has gone to a school board, so she doesn't have French-language education. She's not receiving it. It is that we would have to increase the minimum wage for educators. That would have to be subsidized, in my opinion, on behalf of the province.

Mr. Terence Kernaghan: Last but not least, I just wanted to underline and thank you for advocating for the stay and learn grant for paramedics. I think that would be something that hopefully the government will listen to and implement.

Ms. Michelle Boileau: It was very well received from our communities, so we hope that we could see something similar for educators. Merci.

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

We'll now go to the independent. MPP Bowman.

Ms. Stephanie Bowman: Mary Lynn, I'd like to come back to you. Like my colleague MPP Dowie said, we're really learning a lot here. Local services boards are obviously—again, they've got their own challenges. I just want to come back to the numbers. I know we've talked a bit about that, but—you get \$60,000 annually from the province. There's been no increase for the last few decades. Could you talk a bit about your operating budget as a whole?

Ms. Mary Lynn McConnery: Yes, absolutely. Things have changed a little bit here since we've got some new firefighters, and so we're kind of extending that. Our fire department is probably about \$3,000 a month. We talked about our water, which is \$15,000 a month just to keep that going. Our secretary, who is awesome—we can only pay her \$850 a month, and she does all of our grants for us. And our roads board, which is awesome—we have a local roads board, and they deal with all of that part of it, which is nice. We just deal with our fire department, with our snow removal. We're probably looking at \$20,000 a month just to run the town.

I hope that has answered your question. I didn't have my secretary here to give me the actual numbers. I'm sorry about that; I'm not prepared.

Ms. Stephanie Bowman: I just wanted to confirm, because I think earlier you said it was about \$20,000 a month in total to run your town, and so I just was—

Ms. Mary Lynn McConnery: It's a little—yes, I looked back on that, and I was like, "That's not true," because it's \$15,000 just on the water alone. Honestly, I would guess about \$25,000 to \$35,000 is what—my secretary is just nodding at me right now behind the camera.

Ms. Stephanie Bowman: Okay. You talked about fundraisers and things, but the rest of that is made up from municipal or—again, I'm not sure of the right word—board taxes? Is that correct? Property taxes?

Ms. Mary Lynn McConnery: There's taxes—yes, property taxes—as well as that we do apply for grants. We were just given a grant, thankfully, for \$100,000 for the water plant, to be able to clean the lagoon and to make sure that all our chemicals are up to par. We did get a grant for that, thankfully.

Ms. Stephanie Bowman: Do you know how much you collect in property taxes in a year or in a month?

Ms. Mary Lynn McConnery: I would have that number. If you just give me one second, I'll calculate that. Not including the businesses here in town, just our residents—because if you have a business here in town, you pay a little bit more—we're looking at about \$12,000 to \$13,000 a year in taxes.

Ms. Stephanie Bowman: Is that a year or a month?

Ms. Mary Lynn McConnery: No, that would be a year.

The Chair (Mr. Ernie Hardeman): One minute, please.

Ms. Stephanie Bowman: Okay.

Ms. Mary Lynn McConnery: Our average taxes for our residents are—\$817 a year is what they pay. That's not including the businesses; they pay obviously a little bit more. They're about \$1,500 a year in taxes.

1400

Ms. Stephanie Bowman: Okay. I'd love to see your town. I know I have limited time, but we've heard today about forestry jobs. We've heard about mining jobs. It sounds like at one time you had 2,500 or 3,000 people living there, so maybe there are homes and houses that are unoccupied that could be revitalized to attract or to house workers.

Ms. Mary Lynn McConnery: Yes.

Ms. Stephanie Bowman: I would just encourage you and the towns here, the municipalities, to make sure there's lots of dialogue going on between those potential big employers to say, "Hey. Yes, you might live a little further away, but there's some very affordable housing that could be"—

The Chair (Mr. Ernie Hardeman): Thank you very much. That concludes the time for the question and also concludes the time for the panel. We thank you all very much for taking the time to prepare to come here today to bring us your thoughts on what should be in the next budget. Again, thank you very much for participating in the process.

Just before we go to the next panel, the Clerk wants to talk to the—

Interjections.

The Chair (Mr. Ernie Hardeman): If the committee could turn to their attention this way, the Clerk has to advise you on using the translation for the next presenters.

The Clerk pro tem (Mr. Isaiah Thorning): Hi, everyone. For the benefit of everyone that's in the room, committee members as well as those of you in the gallery, we do have these mobile interpretation devices. If you switch it from "off" to your preferred volume and then turn it to knob 2, that's where you'll be able to find the simultaneous interpretation.

ASSEMBLÉE DE LA FRANCOPHONIE DE L'ONTARIO

COCHRANE DISTRICT SOCIAL SERVICES ADMINISTRATION BOARD

The Chair (Mr. Ernie Hardeman): The next panel is the Assemblée de la francophonie de l'Ontario and the Cochrane District Social Services Administration Board. We only have two delegations in this presentation. Those are the two. If they will come forward, we'll have the Assemblée de la francophonie de l'Ontario be the first speaker.

You will have seven minutes to make your presentation. At six minutes, I will say, "One minute." Don't stop talking, because the time keeps ticking. At seven minutes, we stop it and then we'll go to the next one, and then we'll have the process of the questions.

As you start speaking, if you would express your name for the Hansard, it would be very much appreciated.

M. Fabien Hébert: Fabien Hébert, président de l'assemblée de la francophonie. Any time, I guess, right? Everybody's ready? All right, perfect. Thank you.

Merci, monsieur le Président. Chers membres du comité, bonjour. Hello. Je suis très heureux d'être parmi vous ce matin pour participer au nom de l'Assemblée de la francophonie de l'Ontario à vos consultations prébudgétaires.

Je m'appelle Fabien Hébert et j'ai été élu président de l'assemblée de la francophonie, l'organisme porte-parole des Franco-Ontariens et Franco-Ontariennes, en octobre dernier. Je suis accompagné cet après-midi par notre directeur des politiques et des relations gouvernementales, M. Bryan Michaud, qui est en vidéoconférence.

Depuis plus de 400 ans, les Franco-Ontariens et Franco-Ontariennes façonnent l'Ontario, que ce soit en affaires, en éducation, en justice, en arts et en culture et dans toutes les sphères de notre société. Nous avons l'intention de marquer encore davantage les 400 prochaines années de notre province et de notre pays.

Ayant consulté nos membres au préalable, nous vous soumettons humblement quatre recommandations pour le prochain budget. Elles sont à l'image de l'Ontario français et proposent au gouvernement de l'Ontario des actions qui nous permettraient de maximiser notre contribution au développement social, culturel et économique de la province.

Our recommendations for this upcoming budget are in health care, post-secondary education, the French-language and bilingual workforce shortage, and the linguistic modernization of our provincial services.

La santé est aujourd'hui, plus que jamais, la priorité numéro un de nos membres. Lors de notre dernière assemblée générale annuelle, nos membres ont adopté à l'unanimité une résolution demandant à ce que l'AFO fasse de la santé une grande priorité et y accorde les ressources nécessaires afin d'intervenir proactivement en amont des décisions politiques.

Depuis la naissance du système de santé tel qu'on le connaît aujourd'hui, la lentille francophone n'a jamais été présentée à la base de la planification dans la conception, la présentation et l'évaluation des services de santé en français. Une solidification de la structure des services en français permettrait au gouvernement de l'Ontario de mettre en oeuvre deux éléments législatifs et administratifs adoptés par celui-ci, soit la Loi de 2019 pour des soins interconnectés et la Stratégie ontarienne pour les services en français.

Nous observons une volonté du ministère de la Santé et du ministère des Soins de longue durée, ainsi que de Santé Ontario, de solidifier la structure pour assurer que les membres de notre communauté francophone aient accès aux services de santé en français dont ils ont besoin.

L'AFO recommande que le ministère des Finances mette à la disposition du ministère de la Santé et du ministère des Soins de longue durée les fonds nécessaires en vue d'être bien appuyés dans l'objectif de restructurer les services en français au sein du système de santé et d'offrir activement les services de santé en français.

Un autre thème cher à nos membres est l'accès à plus de programmes universitaires postsecondaires de langue française. Au cours de la dernière année, l'Université de Sudbury, sous la direction d'un recteur visionnaire, a accompli un travail colossal. Elle a amendé ses règlements administratifs afin de devenir une université laïque gouvernée par et pour les francophones.

L'Université de Sudbury a obtenu des fonds fédéraux pour répondre à la demande de la ministre des Collèges et Universités, l'honorable Jill Dunlop, de faire un examen organisationnel de l'institution. L'Université de Sudbury est passée à l'action et a terminé ce processus. La communauté franco-ontarienne, elle aussi, est passée à l'action et s'est mobilisée derrière le projet de la transformation de l'Université de Sudbury.

Le gouvernement de l'Ontario a désormais tous les éléments en main pour livrer une modernisation de la programmation universitaire de langue française dans le moyen-nord

de l'Ontario. Dans le prochain budget, passons à l'action. Le ministère des Collèges et Universités de l'Ontario devrait octroyer à l'Université de Sudbury le financement de base accordé aux autres universités publiques de la province.

The Ministry of Colleges and Universities of Ontario should formally recognize the public character of the University of Sudbury and ensure that the 2023-24 budget of the government of Ontario grants it the same basic funding as other public universities in the province.

La pénurie de main-d'oeuvre francophone et bilingue est le premier frein à l'épanouissement de notre communauté, ce qui a une incidence sur le développement économique et social de l'Ontario. Elle est présente partout et dans tous les secteurs.

The province of Ontario is suffering from severe francophone and bilingual workforce shortages across nearly all of the sectors which impact the economic future of the province.

C'est pour cette raison que nous demandons que le ministère des Finances mette de l'avant des initiatives en éducation et en immigration francophones afin d'augmenter le bassin de travailleurs et de travailleuses francophones et bilingues dans la province, et instaure des initiatives visant à retenir le personnel déjà en place dans les postes désignés sous la Loi sur les services en français.

Avant de conclure, je veux souligner une dernière demande. Dans les derniers 18 mois, le gouvernement de l'Ontario, sous l'excellent leadership de la ministre des Affaires francophones, a modernisé la Loi sur les services en français et a amorcé une refonte de ses règlements. L'arrivée de l'offre active nécessitera des efforts de promotion auprès de la communauté franco-ontarienne et des organismes gouvernementaux au sens de la Loi sur les services en français—tout particulièrement chez les tierces parties. Afin d'assurer la mise en oeuvre la plus souple de cette réforme majeure—

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

M. Fabien Hébert:—nous recommandons que le ministère des Finances accorde un financement additionnel au ministère des Affaires francophones pour l'implémentation et la promotion de la nouvelle Loi sur les services en français, et ce, entre 2023 et 2026.

Je vous remercie tous et toutes pour nous avoir invités à cette consultation. I look forward to working with all of you for the benefit of the Franco-Ontarians of this province.

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

We now go to the Cochrane District Social Services Administration Board.

Mr. Brian Marks: Thank you. My name is Brian Marks. I'm the chief administrative officer for the Cochrane District Social Services Administration Board. Thank you for allowing me some time here today. While we have a laundry list of items, I've limited my time today to two items. I believe you have some information in front of you.

The first is that I feel like I have to start by saying that all DSSABs are a municipal level of government that was created by the Conservative government in the late 1990s as a product of the local service realignment, and created

because there was no tax structure to be able to deliver the services that the 140 municipalities across northern Ontario require: child care, Ontario Works or social assistance, land ambulance and community housing. In 2012, homelessness became our responsibility as well. I think it's important to understand some of the restrictions that come with delivering those services on a largely declining property tax base, which I don't think was the intention in the 1990s, when the services were downloaded.

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Nonetheless, here we are today and, before you, my request is for about \$15 million to develop 54 supportive housing units. I came in as Mayor Boileau was explaining part of the project, and with respect to one of the questions, I think that will lead us in a good way to explain some of the project. Cochrane DSSAB has a pretty good track record over the last 10 years, through the support of the board, to develop housing. We are not only the caretakers of our local housing corporation units, which we inherited at the time of local service realignment—but realizing that all of our municipalities along the Highway 11 corridor, city of Timmins and Moosonee needed a platform from which municipalities could build on economic development and recruit and retain people in their communities; not to mention the fact that the DSSAB, being responsible for over \$200 million in insured assets, needed those assets to be filled instead of empty. An example is we built 32 affordable seniors units in the town of Cochrane seven years ago—the home is called Cadence—and we did that without provincial money. We did it by leveraging some pretty innovative financing through commercial lenders; banker's acceptance, interest-rate swap for a 40-year term at prime minus 1.5%. So when we know what those numbers are, we can build affordability into the development. Mayor Boileau mentioned that those kinds of deals these days are no longer possible when interest rates have risen to the point where they are, because the cost of money is no longer—we're no longer able to do it, given the cost of money combined with the increased cost of materials and lack of contractor availability.

So with the \$15-million request that you have in front of you—if there was a contribution of \$5 million from the province, it would result in a rent with an affordability depth of a certain amount, depending on what the final costs of the program are. If it was a contribution of \$10 million, the depth of affordability bit would be greater; if it was \$15 million, it would be the best that it could be. We build our model based on Ontario Works social assistance rates, which, as you all know, are not much, so we leverage the other funds from the province that we get to top up those rents to the market rent to support the project.

So that is the development of supportive housing units. It's good to hear that we have a commitment from the city of Timmins for land. Also, we have made good progress in our relationship with Mushkegowuk, which represents eight First Nations in northeastern Ontario, much in the same way that the DSSAB represents 13 municipalities. We think this project would go a long way to helping us

achieve our goal of ending homelessness in northeastern Ontario by 2025.

Take a look at the graphics; the numbers speak for themselves. We lead the province in the number of homeless people per 1,000 population. The other graphics clearly demonstrate the need to have a culturally appropriate support mechanism, because in 2021, at the time of the point-in-time count, the count was 82% reported as Indigenous. More recent estimates are that that number has grown to over 90%.

Finally, the reason for supportive housing: You can see the incidence of mental health and addictions in that population, so we absolutely need to build this model and get this done so that we can end homelessness.

The second case that I put in front of you has to do with our homelessness prevention program. By way of context, I will mention that we were grateful for the social services relief funding that we did receive in the five waves. However, I am still seeking an explanation on the allocation model for the SSRF funding, given the fact that the numbers speak for themselves, with the graphics, that we do have the greatest proportion of homelessness in the province per thousand people, and yet we received SSRF allocations that were less than some of our neighbours who have populations that are half the size and do not have homeless shelters. We were able to leverage our SSRF funding to keep food on people's plates and make sure people had access to food seven days a week in all of our 13 municipalities.

However, I have to also draw the similarities between the SSRF funding and what used to be the CHPI funding and is now the HPP funding.

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

Mr. Brian Marks: We receive an allocation that is in the bottom 10% of the province, and yet, as you see, we have the highest incidence of homelessness per thousand people.

I'm sure other presenters have already demonstrated the costs of providing service in northern Ontario, so that ask on that side is to double our HPP funding from just under \$2.2 million to just over \$4.3 million. That would give us the chance to actually provide all of the services that are required, not only focusing on emergency shelter services, but also to enhance our support for victims of domestic violence and second-stage housing for victims of domestic violence, as well as ensuring that our food banks can continue to stay open and provide what unfortunately has become a necessity of life for far too many people in northeastern Ontario. Thank you.

The Chair (Mr. Ernie Hardeman): Thank you very much for your presentation. We will now start the questions with the official opposition. MPP Vanthof.

Mr. John Vanthof: Thank you very much for both your presentations. Bon après-midi, monsieur Hébert. Merci beaucoup pour votre présentation. Je vais continuer en anglais, parce que je parle le français d'Earlton. It's not that good.

You mentioned the state of health care for francophone health care. Could you paint a picture for us for the French-

language health care services since the 2019 health reforms?

Mr. Fabien Hébert: Well, thank you for this excellent question. I speak the French from Hearst, but I will answer your question in English just so that—I'm pretty sure we wouldn't understand our different dialects.

Since 2019, there's been good advancement in some sectors. One of the things I would congratulate this government on is having given the responsibility to two deputy ministers, one in long-term care and one in the Ministry of Health for the accountability, for the responsibility of French-language services.

Having said that, what is a little bit more difficult is: How do we measure the results of those initiatives, and what are the indicators that the ministry is using to measure those, and the same for Health Ontario? We don't know.

So we do applaud the fact that somebody's ultimately responsible and it's been designated, but I think that now we need to understand how the ministry measures the results of the accomplishments of the French-language services within the system.

Mr. John Vanthof: Okay. You mentioned the University of Sudbury. What are the roadblocks preventing full accreditation in your view?

Mr. Fabien Hébert: From my understanding, all of the requirements have been met in regards to moving forward. Federal financing was secured for the studies required to be done. A business plan was deposited to the Ministry of Colleges and Universities, so I think now it just requires final approval and budgeting. I think that that's where we're at with the University of Sudbury.

Mr. John Vanthof: Okay. Thank you.

I'd like to switch to Mr. Marks. Thanks for your presentation. Anecdotally, I feel it in my riding too. I think not too many people would make that assumption that we have the highest level of homelessness per 1,000 people in the province; that is very sobering and is something that all these DSSABs are having trouble dealing with, but us especially.

For social housing, what's the waiting list?

Mr. Brian Marks: Right now?

Mr. John Vanthof: Yes, what's the waiting time?

Mr. Brian Marks: I can't say, only because victims of domestic violence and homeless people get jumped to the top of the list, so if you're neither of those you could be waiting for over 16 months, 18 months.

Mr. John Vanthof: Okay. That's considerable. Could you just—not restate, but how the program works is depending on how much the government puts in, right—the 15%, 10%, 5%. Because if there's no investment from the province, basically, that housing would be inaccessible to a large chunk of the population.

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Mr. Brian Marks: Yes and no. Your question really pertains to rent-geared-to-income units, which is largely the local housing corporation. We are the operator of the local housing corporation. All of the non-profits have a

split of market and rent-geared-to-income units, so that is where the waiting list applies.

For all of the affordable housing that we develop, that is not subject to the wait-list, and that is the model that we're speaking of here, in that if we are able to build, then we leverage the funds that we get through other provincial funding, like COCHI and OPHI—those are acronyms that I wish I could remember to tell you what they are. But again, we don't get enough in those programs for capital builds, so we use those as rent supplements to subsidize, from Ontario Works and ODSP to market rent, to make the projects viable.

In this particular case, with supportive housing, that's what we would do. After we knew what a contribution from the province looked like, we would know what we would need to leverage to make the project viable based on that contribution from the province, what the actual final costs of the project are, and then what we can do with Ontario Works and ODSP to supplement to the top.

Mr. John Vanthof: Okay. This is going to be anecdotal, your own opinion: When we're looking at homelessness, if the province invested more in mental health support, in availability of treatment for addiction, would that—obviously it would lessen the problem, but would that help you to be able to cope with the issue?

Mr. Brian Marks: At the risk of spending the next five hours: Certainly if mental health and addictions service delivery had a different strategy, and the Ministry of Health or Ministry of Long-Term Care, or both, saw that the objectives of ending homelessness and serving mental health and addictions are not competing but complementary, and restructured in a way so that services could be delivered in an effective way—any enhancement to mental health and addictions in a homelessness perspective would certainly help us end homelessness.

For as long as it is social services knocking on the door of health, it will always be difficult to achieve the ends that are needed to end homelessness, when, as you can see, the incidence of mental health and addictions is so high in that population.

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

Mr. Brian Marks: When it goes the other way and health recognizes social services is part of the health continuum, then I think you have a shot at ending hallway medicine and overburdened emergency rooms. Until then, people who can access health care, like people who are homeless, will continue to be a burden on the health care system. So you're absolutely correct.

Mr. John Vanthof: Okay. Thank you very much.

The Chair (Mr. Ernie Hardeman): To the independent: MPP Bowman.

M^{me} Stephanie Bowman: Bonjour. Bon après-midi. Je vais essayer en français. Monsieur Hébert, est-ce que vous pouvez parler un peu de la « trend line » de l'investissement dans les services francophones en Ontario depuis les cinq ans passés?

M. Fabien Hébert: L'investissement dans les services en français? So you want to know about the—

M^{me} Stephanie Bowman: Au total, oui—en santé, en éducation.

M. Fabien Hébert: Ce que je sais—do you want an answer in English?

M^{me} Stephanie Bowman: En français.

M. Fabien Hébert: Ce que je sais : les entités de planification de services de santé en français ont leurs budgets gelés depuis les derniers cinq ans. Je crois que c'est depuis les derniers 10 ans, depuis qu'elles ont été créées. Donc, avec les pressions financières, c'est sûr que c'est très difficile pour eux de continuer à maintenir le travail qu'ils font parce que l'investissement n'a pas suivi le taux d'inflation. Donc, c'est sûr que pour eux ils doivent réduire le montant de travail qu'ils sont capables de faire.

Le ministère des Affaires francophones, comme je mentionnais tantôt, a fait de l'excellent travail. On est à moderniser la Loi sur les services en français, mais je crois vraiment qu'il va devoir y avoir un investissement de la part du gouvernement pour permettre au ministère des Affaires francophones de bien faire leur travail. Parce que, présentement, avec le budget qu'ils ont, ils vont être dans l'impossibilité de livrer la marchandise.

Puis je vais vous donner l'exemple de l'offre active. On vient d'avoir une nouvelle réglementation sur l'offre active qui a été adoptée par le ministère, par le gouvernement. Ceci veut dire que maintenant la responsabilité va être sur les pourvoyeurs de santé de faire certain de faire savoir que les services en français sont disponibles. Ça va prendre un investissement en temps et en argent pour qu'on puisse donner le message à tous les pourvoyeurs de santé qu'ils ont cette responsabilité-là, incluant les tierces parties.

Donc, on a besoin de majorer l'investissement pour les services en français qui sont présentement dans le système, et on a besoin d'investir en surplus pour s'assurer que la livraison du nouveau règlement se fasse.

M^{me} Stephanie Bowman: OK. Merci. Est-ce que vous avez parlé avec la ministre d'établir ces mesures?

M. Fabien Hébert: On a parlé avec la ministre. On a applaudi la ministre sur l'établissement du règlement. On n'a pas eu de discussion formelle avec elle au niveau du financement, mais la ministre est au courant que ça va lui prendre—basé sur les initiatives qui ont besoin d'être mises de l'avant pour atteindre l'offre active, je crois que la ministre est consciente que ça va prendre un investissement supplémentaire.

D'ailleurs, une de nos recommandations, c'est justement de faire certain que le ministère reçoive une majoration en financement pour être capable d'offrir ces services.

Ms. Stephanie Bowman: Merci. Now, for Mr. Marks, we've heard a lot about very similar challenges across the north. In fact, we know it's everywhere in Ontario. This amount of funding that you're asking for—have you asked for similar amounts in the past? Is this a repeat request? I know that this housing project has been—maybe it's a new proposal, but in terms of the core operational funding, is this a new request or is this a continuation of past requests?

Mr. Brian Marks: This is a new request.

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

Ms. Stephanie Bowman: All right. If you can get that increase that you've asked for, approximately doubling your existing, you feel that that will, again, give you a good foothold or base to meet the needs of the community?

Mr. Brian Marks: I'd be able to sleep at night, but it won't meet all the needs of our 13 municipalities.

Ms. Stephanie Bowman: Sorry, of your—

Mr. Brian Marks: Of our 13 municipalities.

Ms. Stephanie Bowman: Okay. So what kind of percentage increase do you anticipate would be sufficient, really, to meet the needs?

Mr. Brian Marks: It's hard to answer that question, only because no amount of money that can be directed only to the DSSAB will address homelessness. As I mentioned, so much of it has to do with services we don't control. Health care is the big elephant in the room when it comes to homelessness, but not far behind is education, so—

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude the time on this one.

We'll go now to the government benches here. MPP Dowie.

M. Andrew Dowie: Thank you to our delegations. Merci beaucoup à tous les deux. Ma première question, c'est pour M. Hébert.

Merci pour vos recommandations. Je voulais vous questionner un tout petit peu sur la main-d'oeuvre qui existe ici en Ontario, non seulement pour les employeurs, mais pour les services en santé et en éducation.

Ça fait quelques jours que j'avais une infirmière qui était immigrante ici en Ontario. Elle provenait de l'Afrique, et elle ne pouvait pas trouver un stage pour avoir ses compétences pratiques ici en Ontario. Alors, sa possibilité de « licensure » n'existait pas chez nous.

Alors, j'essaye de penser; comment est-ce qu'on peut faire en sorte que ceux qui peuvent travailler en français ont la capacité de se débrouiller? Parce que souvent j'ai trouvé dans ma communauté, même quand je cognais sur les portes l'année passée, qu'on a des francophones bilingues, mais aussi des francophones qui parlent seulement le français et peuvent quand même se débrouiller du jour au jour. Mais dans les centres comme Windsor, on a besoin d'avoir les compétences dans les deux langues. Ça, c'est une barrière pour amener les francophones en ligne, parfois.

Je veux juste savoir : est-ce que ce problème existe partout en Ontario, même avec les francophones qui cherchent des emplois? Ou est-ce qu'ils ont besoin des outils pour faire en sorte qu'ils vont avoir du succès dans ces domaines?

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M. Fabien Hébert: Donc, je crois que l'attribution des places de stage en formation est répartie entre les institutions formatrices, comme avec les universités et les collèges communautaires. Et ça devient plus difficile lorsqu'on amène une nouvelle arrivante ou quelqu'un qui arrive avec une certification, qui veut obtenir sa certification en Ontario, au niveau des places de stage.

Le système de santé est extrêmement taxé avec la pandémie, comme de raison, avec les ressources qui sont

extrêmement limitées. De demander à un professionnel de la santé de prendre en plus une personne en formation, souvent, c'est quelque chose qui est plus difficile, puis qui fait peut-être déborder le vase pour les professionnels. Je crois que, oui, ça se produit même pour les francophones qui sont dans des institutions francophones, qui ont de la difficulté à trouver des stages.

Si vous ne saviez pas, ma formation professionnelle—j'étais un professionnel de la santé. J'étais directeur général d'un hôpital pendant plus de 20 ans. Puis les stages cliniques, ça a toujours été quelque chose que—pour nous, c'était important, mais par contre, ce n'est pas toujours facile d'être capable d'avoir les placements.

M. Andrew Dowie: Et juste pour ajouter, je voulais te demander—depuis le temps que j'étais jeune, et comme, moi, je suis anglophone, j'ai fréquenté des écoles francophones, incluant le postsecondaire à l'Université d'Ottawa. Dans ma communauté de Windsor, où j'habite—bien, Tecumseh, spécifiquement—on a moins d'écoles anglophones. Il y a beaucoup plus d'écoles francophones. On a plus d'étudiants qui apprennent le français et vont avoir la capacité d'apprendre et de parler, d'avoir une conversation en français. Alors, on a plus d'étudiants dans notre système francophone. Est-ce qu'on a vu une amélioration dans le nombre de personnes qui ont la capacité de travailler dans les services francophones depuis 20 ans ou est-ce que c'est plat?

M. Fabien Hébert: Je crois qu'on a eu une diminution—

M. Andrew Dowie: Une diminution?

M. Fabien Hébert: —de la capacité au niveau de formation en santé, spécifiquement parce qu'on a perdu beaucoup de programmes d'éducation au niveau des collèges communautaires, par exemple, en soins infirmiers, où est-ce que le collège des infirmières a demandé la transition pour l'entrée à la pratique au baccalauréat. Donc, les institutions postsecondaires francophones qui offrent un baccalauréat en sciences infirmières ont beaucoup diminué, spécifiquement avec l'abolition des programmes à l'Université de Sudbury, qui a fait mal. Mais toute la perte de la capacité de graduer des infirmières dans les collèges communautaires a grandement diminué la part des professionnels de la santé en Ontario pour les francophones, parce que ces programmes-là ont disparu avec les changements au niveau des exigences pour entrer dans la pratique professionnelle. Donc on a vu une diminution.

L'autre facteur que je pense est important, c'est de noter qu'il y a environ 40 % des étudiants qui graduent d'une école secondaire francophone qui choisissent ou qui vont dans un programme d'éducation postsecondaire anglophone, possiblement à cause du manque de disponibilité. Donc je pense que c'est quelque chose qu'on aimerait, puis ce qui vient appuyer notre demande d'appui à l'Université de Sudbury, c'est justement la possibilité pour permettre aux jeunes francophones de finir leurs études postsecondaires en français, par exemple, dans une institution comme l'Université de Sudbury. S'ils pouvaient offrir un programme en sciences infirmières pour la santé, ça serait excellent.

Mr. Andrew Dowie: I'll pass my time to MPP Ghamari.

The Chair (Mr. Ernie Hardeman): MPP Ghamari.

Ms. Goldie Ghamari: How much time do I have?

The Chair (Mr. Ernie Hardeman): You have 1.4 minutes.

Ms. Goldie Ghamari: Okay. I will begin but we'll have to continue.

Bonjour. C'est un plaisir. Je pense que c'est vraiment important que vous êtes ici, parce que je pense que la langue française est quelque chose de vraiment important pour les Canadiens. Moi, je suis immigrante. Mes parents ne peuvent pas parler français, ils ne peuvent pas le comprendre, mais ils ont reconnu l'importance d'être bilingue, et c'est pour cette raison que, moi et ma soeur, nous sommes allées à l'école d'immersion et que je peux parler. C'est comme ci comme ça, mais je dois pratiquer.

J'ai beaucoup de questions pour vous, mais je voudrais commencer avec—premièrement, tu as parlé beaucoup d'éducation, et l'éducation est vraiment importante—

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

M^{me} Goldie Ghamari: —pas seulement d'avoir de l'éducation en français, mais parce que ça va aider les personnes pour travailler et servir les personnes qui parlent français, les francophones. Et ça, c'est quelque chose de vraiment important à Ottawa, la ville dans laquelle j'habite, et je suis une députée là. Je sais que—I think approximately one and half years ago—j'ai fait une annonce avec la ministre des Collèges et Universités, quand on était à Ottawa, pour des nouveaux programmes pour entraîner les personnes en français—in health care, so nurses and PSWs and things like that.

So have you heard about that from the association? Have you heard about that, maybe from your members, about these programs that our government has initiated over the past few years to support French-language services?

The Chair (Mr. Ernie Hardeman): Thank you very much, but that concludes the time.

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

Mr. Terence Kernaghan: Thank you to our presenters today. My first question, and I apologize for it being in English, is to the Assemblée de la francophonie de l'Ontario. You'd mentioned the discussions around the 2019 health reform. What are the gaps since that change?

Mr. Fabien Hébert: For us, we've noticed that with the removal of the LHINS and the arrival of Santé Ontario—of Ontario Health—the lines of communication between the French-language planning entities and the ministry has been scrambled. Definitely, that's an area that we know we need to have some realignment, because that's one of the areas where we believe that the impact or the reports from the French-language planning entities are not influencing the system at the right level. We need to be able to influence the system at the inception of the program.

When we say we need to have that French lens, we need to have that French lens at the right level so that it influences the decision-making process, so that when the end result comes out, it's already adapted to the French

community. You don't want to be doing catch-up work after a program has been rolled out, and now you're thinking, "Oh, okay, well, we didn't think about the franco-phone population and how that is going to apply to them." I think that when we have that lens on the right place, then we ensure that the program is developed in accordance and it rolls out more smoothly. I think it would result in savings, actually, to the government, if we were able to have that lens on the right place.

Mr. Terence Kernaghan: Absolutely. Without that lens, it sounds as though it would be wasteful otherwise to have to go redo work.

My next question is about the Université de Sudbury. You'd said that all requirements were met and that you've submitted the business plan and it's just awaiting final approval. Has there been a timeline given?

Mr. Fabien Hébert: I am not aware of a timeline. I might ask my political analyst, our director of political affairs—Bryan, if you could give us an update, please. He's closer to the file than I am.

Mr. Bryan Michaud: No worries. Thanks, Fabien. So basically, the Université de Sudbury finished with PEQAB, which is a process of organizational evaluation, at the end of last year. The ministry had all the documentation from PEQAB, and the Université de Sudbury finalized and sent at the beginning of last month the last few documents, including the business plan. So we're saying that the community made the job, the university delivered, so now it's time, basically, for the Ontario government to pass to action with this, and the next budget is a good opportunity because they seem to have all the elements in hand since a few weeks now.

Mr. Terence Kernaghan: Good, good. My next question is for the Cochrane District Social Services Administration Board. I just wanted to state how impressive it is that you're able to leverage so many different funding packets and sources to their best ends and able to do that balancing act.

Now, in regard to social assistance rates, we've recently seen a very meagre 5% increase to ODSP, and they've been left languishing for 15 years or more. What would your recommendation be for ODSP and Ontario Works? What would be an acceptable increase?

Mr. Brian Marks: Well, immediately raise them to at least the living rate. They were cut by 22% in the late 1990s, and they weren't increased for over a decade, and then they have seen small increases since. I would gauge it to the same science that goes into finding what living wages are versus minimum wages, by municipality. Perhaps there's a strategic approach that needs to be applied to social assistance rates, because people are on ODSP and on Ontario Works across Ontario—which is very different in Moosonee than it is in the GTA. The science is there; it's not difficult to imagine what an actual useful and strategic social assistance model would look like so that people can succeed, by municipality, in the province of Ontario. So in terms of an across-the-board blanket increase, I can't give you one.

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Mr. Terence Kernaghan: You also mentioned the disparity in the allocation of SSRF funding. Have you made a specific inquiry, a request for what the numbers were and what the process was?

Mr. Brian Marks: Yes.

Mr. Terence Kernaghan: Have you received a reply?

Mr. Brian Marks: Yes.

Mr. Terence Kernaghan: Okay. I know that there are many housing providers within my community that are currently struggling with the end-of-term of their mortgages. Is that something you're facing at this stage?

Mr. Brian Marks: Specifically, that has not manifested as an issue in our district. However, I would suggest that it is; it just hasn't come to the DSSAB doorstep yet.

We do offer home ownership programs. Again, because we're in between funding envelopes at this point, we haven't allocated for our home ownership program, but it would be considerably more difficult in this environment to offer that in a meaningful way. Just given the increase in housing across the district, it's difficult to provide an amount with the limited funding that we get in a meaningful way, so we really have to repurpose that strictly for homelessness prevention, which is a step in the wrong direction when it comes to trying to be a platform for economic development, growth, recruitment, retention.

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

Mr. Terence Kernaghan: You mentioned the lack of coordination between homelessness and addictions services. How could these be coordinated?

Mr. Brian Marks: Locally, the coordination is good. I think where the discrepancy—and even at cabinet level, it seems to be good. It's in between, when it comes to changing how health is funded, instead of by management service agreements that fall down and they have to do what they did last year and the year before that and the year before that. Those kinds of things preclude changing your strategy as needed. Whether you're talking about opioid addiction, aging population—really take a look at, "Do we need as many pediatricians? Or can we incent people who focus on geriatrics?" That's the kind of strategy that needs to happen, but our systems aren't built that way.

The Chair (Mr. Ernie Hardeman): We'll go to the independent. MPP Bowman.

Ms. Stephanie Bowman: Brian, I want to continue on our last question. Even the core funding request for increase is a new increase this year. Could you talk a little bit about why you haven't asked for it in the past few years?

Mr. Brian Marks: In terms of the HPP?

Ms. Stephanie Bowman: Yes.

Mr. Brian Marks: We requested an increase in what was called CHPI, the Community Homelessness Prevention Initiative. However, recognizing that it is popular for an equity model to be applied across all 47 service managers, you can appreciate that when I'm in a room, it's not popular to say that we want more than the next service manager. However, I have long advocated for a strategic approach to the province allocating funds. While it's in people's interest to make sure everybody's happy, it doesn't address where the problems are actually occurring.

For example, like I said, for SSRF and CHPI, or HPP now, to be allocated the way it is to some service providers in municipalities who don't have emergency homeless shelters, who don't have the same rate of homelessness, is just not strategic, because we need the money here to actually be able to address very significant issues. That's not popular in my circles, because everybody is doing good work with the money; it's just a question of doing the best you can with a finite provincial envelope.

Ms. Stephanie Bowman: Okay. Let me just make sure I understand this. So the whole envelope probably would need to increase, right?

Mr. Brian Marks: Correct.

Ms. Stephanie Bowman: Within that, though, it sounds like your share might need to be a little bit higher based on your per-1,000-population homelessness numbers being a little bit higher.

Mr. Brian Marks: Correct.

Ms. Stephanie Bowman: And that has not encouraged, you're saying, in terms of the dialogue that you have with your colleagues or with the various ministries—

Mr. Brian Marks: We don't talk about that much, only because every service manager—the 47 service managers in the province get their allocation, and they do good work with it. We're not going to negotiate with ourselves to cut up a fund that everybody is doing good work with. If we're going to actually use the money to end homelessness, which I believe is the intention, then there's a much larger all-of-government approach that needs to be applied, because the 47 service managers don't control health care. And even though we deliver paramedic services, for some reason, we're not a health care transfer payment agency, so we can't access health care dollars to provide nurse practitioner or mental health and addiction services to the supportive housing units that we want to create. If that can be rolled into HPP and get health care money, then perhaps we would have a different strategy altogether when it comes to actually building supportive housing and delivering the services that we need to.

I'm afraid I'm not answering your question.

Ms. Stephanie Bowman: It leads to my next question, I guess, which is that—we're not talking about Bill 46 right now in terms of red tape reduction, which is kind of geared to businesses and consumers etc., but it sounds to me like there is some red tape within the government that is creating some problems for organizations like yourself to get the funding that you need. When you talk about that—I forget the term you used, in that middle piece, where lines are broken—we also heard about that with the francophone services.

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

Ms. Stephanie Bowman: Can you talk a little bit about how you would like to see that improved?

Mr. Brian Marks: I can't speak to the red tape. It's the nature of the work that I'm in. Really, there's as much red tape on the federal side and the lack of understanding on what social service boards are when it comes to the rapid housing program. Certainly, Infrastructure Ontario and other provincial bodies could gain from an appreciation of what it is service managers do so that we're not held to the same account when we apply for money as a multi-billion-

dollar hydroelectric project. We don't have access to teams of lawyers. We don't have access to planners. We're trying to end homelessness, so some help on the bureaucratic side would go a long way. I believe I could speak for all 47 service managers on that, because municipalities, as you know, are strapped.

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

We will now go to MPP Ghamari.

Ms. Goldie Ghamari: Thank you very much.

Interjection.

Ms. Goldie Ghamari: That's okay. I'll restart. First of all, I just wanted to know if your members are aware of the investments into the programs that we've made in education, especially in colleges and universities.

Mr. Fabien Hébert: I am not personally aware of the program.

Ms. Goldie Ghamari: No, but you haven't heard anything through the AFO or—

Mr. Fabien Hébert: I will ask Bryan to speak to that—in the previous years, they were aware of the program.

Mr. Bryan Michaud: Sorry, I'm not sure I'm understanding the question. Could you repeat?

Ms. Goldie Ghamari: Yes. I'll give an example. Je pense que c'était le 13 octobre 2021. Notre gouvernement a annoncé un investissement de 400 millions de dollars dans des programmes novateurs de formation pour, you know, nurses and other things in Ottawa. What's the feedback you've received on that, if any, from your membership?

Mr. Bryan Michaud: Okay. You're talking about the new places at La Cité and Boréal and the—

Ms. Goldie Ghamari: Yes, the French-language training.

Mr. Bryan Michaud: Obviously, our institutions were thrilled about those investments. I know that they started—or are starting; I would have to double-check—to do that training. I understand that the inscriptions are doing well. I would need to probably have an update from our two institutions, because it was at the—mostly at the time, it had been announced that we had discussion on that. If you want, I can get back to the committee or to your offices directly with a more concrete answer, but I know it was really well received by our colleges and the community in general.

Ms. Goldie Ghamari: Okay. That's—

The Chair (Mr. Ernie Hardeman): If I could—just for a moment. If you would move your microphone a bit so it will come through better.

1450

Ms. Goldie Ghamari: Okay. I'll move my microphone closer. Thank you.

The Chair (Mr. Ernie Hardeman): That's better.

M^{me} Goldie Ghamari: Ça, c'est un exemple. Nous avons fait les investissements dans ces programmes et autres choses aussi, mais je pense qu'il y a toujours plus que notre gouvernement peut faire to support the French language, pour supporter les Franco-Ontariens.

Ma question pour vous est : quel genre de service l'AFO a-t-elle trouvé le plus en demande pour soutenir les Franco-Ontariens depuis la pandémie?

M. Fabien Hébert: Selon nos analyses, on sait qu'on a un manque d'au moins 2 500 enseignants. On a des postes vacants, on a des gens qui enseignent aujourd'hui dans des écoles secondaires sous des lettres de permission, qui n'ont pas les qualifications requises, mais on leur permet d'enseigner. On sait qu'on a, aussi, environ la même chose en santé—2 500. On a 2 500 postes d'infirmières désignés bilingues qui sont vacants; il n'y a personne à l'intérieur de ces postes-là. On n'est pas capable de recruter.

Dans les centres pour la petite enfance, les garderies, on sait qu'on a environ 40 % des postes qui sont vacants, des gens qui ont quitté à cause des salaires qui sont plus bas. Ils sont peut-être capables de se procurer un emploi qui est plus rémunérateur ailleurs, donc ils quittent le domaine.

Donc, on a des pénuries dans tous les domaines au niveau de la francophonie, mais c'est clair que dans ceux-là qui nous tiennent à coeur, comme la santé et l'éducation, c'est très apparent qu'on a ces manques-là.

M^{me} Goldie Ghamari: Je sais qu'un des problèmes avec les postes qui sont vacants, c'est que, quand quelqu'un doit être bilingue, especially en français, le test est vraiment difficile. Par exemple, si je voulais—if I want to apply for something, I would probably fail. Je comprends le français, je peux le parler, mais ce n'est pas comme the professional level.

Est-ce que vous pensez que these guidelines are maybe a little bit too strict, or do you have any opinion on that? Is there an opportunity to fill these spots if there's people that are bilingual—maybe French isn't their first language, but they can understand—or is it more preferable to the Franco-Ontarian community that someone speaks with them in French all the time, if that's a service they're looking for? I'm just trying to understand where that sort of balance is, in respecting people's rights to access service in French versus the shortage of—

Mr. Fabien Hébert: You're asking the question, if I should choose between the good, the better or the best, right?

Ms. Goldie Ghamari: Yes.

Mr. Fabien Hébert: Obviously, the best is—if you can get your care, 24/7, by somebody that is able to speak your language and understands the culture, then that's the greatest, right? But it might not be possible. There are issues.

In a health care setting, not every health care provider is willing to identify themselves even as being bilingual, because they fear that that's going to represent an extra workload for them. So they're not going to raise their hand, saying, "I'm fully bilingual," because now they're going to be called upon to care, over and above, for other clients, other patients.

In the long-term-care setting, where you're taking care of the elderly who might not have the linguistic abilities to understand basic English, then obviously you want to have the best level.

On the day that I go to the hospital, I know I'm able to speak in French and in English, and I will often make the choice of requesting English services because I fear the wait time. In my case, I'm a health care professional, so I can understand what the person is telling me, but for

somebody else that doesn't have the health care background, you get into a discussion with a health care professional that is explaining to you your illness in English—and no, you've lost it. I mean, there's no way you can make sense of what they're saying. And getting news like, "You have cancer"—

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

Mr. Fabien Hébert: That should be done in your language, for you to understand.

Ms. Goldie Ghamari: Thank you. This isn't a trick question; I'm just curious. Are you aware of the foreign nomination program that our government has introduced recently? What it does is it allows employers to bring in workers from other countries, through immigration, to work for them. Given that there's such a shortage in French language, I've definitely noticed an increase in new Canadians who come from countries that speak French. I'm curious if the membership is aware of this program that our government has introduced to encourage immigration and whether or not they're taking advantage of that to increase the French-language workforce in Ontario?

Mr. Fabien Hébert: We are aware of the program. The issue is, is the program identifying the applicants who are francophone, and are they—

Ms. Goldie Ghamari: So that would be up to the employer, because the employer nominates—

The Chair (Mr. Ernie Hardeman): Thank you very much. That does conclude the time, and that also concludes the panel. We thank you very much for taking the time to prepare your presentations and to come here and share them with us. We very much appreciate it. I'm sure we'll take it forward as part of our report to the Minister of Finance, so he creates a budget that deals with all the challenges we've heard about.

That also concludes the budget consultation here in Timmins.

LESS RED TAPE, STRONGER
ONTARIO ACT, 2023

LOI DE 2023 VISANT À RÉDUIRE
LES FORMALITÉS ADMINISTRATIVES
POUR UN ONTARIO PLUS FORT

Consideration of the following bill:

Bill 46, An Act to enact one Act and amend various other Acts / Projet de loi 46, Loi visant à édicter une loi et à modifier diverses autres lois.

The Chair (Mr. Ernie Hardeman): We will now resume public hearings on Bill 46, An Act to enact one Act and amend various other Acts. The presenters will have seven minutes for their presentation. Afterwards, there will be 39 minutes for questions from members of the committee. This time for the questions will be divided into two rounds of seven and a half minutes for the government members, two rounds of seven and a half minutes for the official opposition members, and two rounds of four and half minutes for the independents as a group.

ONTARIO FEDERATION
OF AGRICULTURE

The Chair (Mr. Ernie Hardeman): Now we'll call on the Ontario Federation of Agriculture to begin their presentations. I just looked up at the screen, and it looks like a familiar face.

Please state your name for the record, and then carry on with your seven and half minutes. I will let you know when you're at six minutes, and I will cut you off when you're at seven if you haven't finished already. With that, the floor is yours.

Ms. Peggy Brekveld: I'm Peggy Brekveld, president of the Ontario Federation of Agriculture. I'm glad to be back today to give comments on the agricultural portions of Bill 46, Less Red Tape, Stronger Ontario Act.

The OFA is the largest general farm organization in Ontario, and we proudly represent more than 38,000 farm-family members. This morning, I spoke about the economic powerhouse that we are. We produce over 200 different food and farm products. We fuel rural communities and generate nearly 750,000 jobs and contribute over \$47 billion to our GDP.

The province's Grow Ontario Strategy aims to strengthen the agri-food sector and support economic growth by removing barriers and unnecessary costs and red tape. Ontario farmers will be positioned to seize those opportunities even more, including the ways we can do that that I mentioned this morning, and they can rise to the challenge of an ambitious growth strategy, allowing for the agri-food sector to drive the economy forward even more.

I'm going to talk to two particular schedules in the opening comments. The first one is schedule 1, Animal Health Act. The health and safety of livestock and poultry is of the utmost importance for Ontario farmers. The livestock industry in Ontario can and has faced significant threats from foreign animal diseases such as the highly pathogenic avian influenza or African swine fever. The Animal Health Act provides important tools to detect and respond to significant animal health hazards or animal-related threats to human and animal health in Ontario. If such a disease or virus is found in local flocks or herds, it could lead to animal losses, border closures and disruption or loss of markets. It can even occasionally threaten human health. Those could cause significant impacts on Ontario farm families, agri-food businesses and the economy. I believe that everyone, including you at that table that I can see, wants to ensure that animal and human health and the provincial food supply remain protected in the event of an animal health emergency. To be effective, any response needs to be timely and appropriate.

1500

With this in mind, OFA supports the proposed amendments to the Animal Health Act, which include allowing the Ontario Minister of Agriculture, Food and Rural Affairs to issue a temporary response order to specific hazards, which would include animal health emergencies. A temporary response order, effective for up to 72 hours,

would permit a more immediate response by the minister, upon advice from the Chief Veterinarian for Ontario, and help safeguard human and animal well-being in an effective and timely manner.

We also support allowing the minister to extend the temporary response order for an additional 72 hours, upon the recommendation of the Chief Veterinarian for Ontario, should the criteria for issuing the order continue to exist. Some examples of situations where this could have been applied would include in the 1990s—collectively, industry and government may have been able to dampen the impact of a new strain, at that time, of bovine viral diarrhoea and what effect that had on the cattle industry. If the extent of the emerging problem had been understood sooner and we had been able to push the pause button sooner, we may have made a difference. Similarly, in the early stages of porcine reproductive and respiratory syndrome—which is the pork industry—the overall response may have been improved if, collectively, we had been able to respond more quickly. In essence, the change should be able to activate the pause button when a virus or disease is detected so that the ministry can quickly summarize and collect the complete data to provide a more wholesome response to emergencies.

OFA also recommends that the compensation provisions outlined in section 26 of the Animal Health Act also apply to temporary response orders. The compensation regulation provides the Minister of Agriculture, Food and Rural Affairs with a framework to authorize payments of compensation for orders issued under the act. There may be some instances or circumstances where a report to the Chief Veterinarian for Ontario leads to actions by OMAFRA to minimize risk to human health, animal health or both. In some cases, to control spread, the ministry may order animals or other things to be destroyed, or a barn or facility to be cleaned and disinfected. In appropriate circumstances, financial compensation may be provided at the minister's discretion and as authorized by the legislation. That compensation can be paid to owners for animals that are destroyed or injured as a result of the actions taken under the Animal Health Act, and to persons for cleaning and disinfection costs and costs associated with destruction and disposal of animals or animal-related items.

In regard to schedule 4, the Ministry of Agriculture, Food and Rural Affairs Act: It's always interesting to look at older pieces of legislation and wonder if they still apply today. This one, which comes from the late 1800s, we believe, speaks of horses and carriages at the inn, and it may not seem relevant, but it still has applications. Section 3 of the Innkeepers Act provides a simple and effective remedy for farms and stable owners to resolve situations where money has not been paid—

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

Ms. Peggy Brekveld: —after care and management of those animals has been provided, or when livestock has been abandoned by owners. It also provides custom livestock feeders with the right to obtain payment through a possessory lien. We agree that the Ontario Feeder Cattle

Loan Guarantee Program should be the priority security. However, we do not support the proposed amendment to exempt cattle enrolled in the feeder finance program from section 3 of the Innkeepers Act. Instead, we'd like to see the cattle feeders potentially become secondary in situations where payment has not been received.

With that, I'll look forward to more questions on that particular portion.

Thank you for your time.

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

We'll start the first round of questioning with the independents. MPP Bowman.

Ms. Stephanie Bowman: Thank you, Peggy. I think you've read my mind. If you could you expand a little more on section 3 of the Innkeepers Act, what you support and what you don't support, and the reasons why you don't support it—i.e., what could the impacts be, unintended or intended; what could the negative consequences be if it goes ahead as laid out?

Ms. Peggy Brekveld: Yes, so, often animals have a loan put towards them. When they're purchased already, there is an advance in funds, and then when the animals are sold at the end of their growing, the dollars have to go back and pay off the loan. The full title, if I remember right, is the Ontario Feeder Cattle Loan Guarantee Program. It's often called the feeder finance program. So there is a lien against those animals from a very young age.

If they then go into a custom feed operation, or a feedlot, the question is, should the person abandon the animals there or fail to pay for the upkeep of those animals, who gets paid? Of course it would make sense that the feeder finance program would be the first ones to get the dollars. They had liens against those cattle already from the very beginning. However, the person who has raised them at the feedlot or the feeding station also has put dollars into that and has no feed left because they've given it to the cow etc. They also deserve to be paid.

What we recommend, as OFA, is that you, of course, put a priority security position towards the loan programs and then put secondary those who have been part of the feeding process in that animal's life.

Ms. Stephanie Bowman: Okay. Thank you.

Ms. Peggy Brekveld: The other piece I will say about the Innkeepers Act is there is a potential to move it outside. Right now the Innkeepers Act, actually, is under tourism and the tourism industry. So there is potential to move that to the Farm Products Payments Act. It would make sense to have a consolidation of all legislation under the farm financial protection programming, to put it all under one act. And it would probably also allow us to have more wholesome conversations with a ministry that understands feeder finance etc.

Ms. Stephanie Bowman: Do you know of any groups that would have wanted the legislation written as is related to the feeder cattle? Is there another side to this argument, or maybe it was just an oversight on the part of the drafters of the legislation?

Ms. Peggy Brekveld: So big supporters of the feeder finance program would be Beef Farmers of Ontario, and we certainly don't speak against their position that the feeder finance program is a valuable tool for the beef industry. What has been skipped in this and what is not there in the particular membership are those who might be custom feeders.

Ms. Stephanie Bowman: Are there any other, I'll say, red-tape-reduction elements that you would have prioritized over these, or any others that you would like to see?

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

Ms. Stephanie Bowman: Again, I know there are always chances in the future, but are there any that you think would have a big difference right now for your industry?

Ms. Peggy Brekveld: At this moment, we're going to provide comment on section 7 as well, but very briefly, just to say we support the act, that it's going to do some governance structure pieces for OSPCA. But other than that, at this moment, those are the pieces we're going to comment on.

Ms. Stephanie Bowman: Okay, great. Thank you.

The Chair (Mr. Ernie Hardeman): We'll now go to the government. MPP Crawford.

Mr. Stephen Crawford: Thank you to the OFA for presenting here today on Bill 46. We've been travelling the province with Bill 46, getting feedback. We were down in Essex and Windsor a week or two ago. It was interesting to hear the critical importance that the agri-food business plays, not only, of course, to the health and safety of our population and feeding our population, but also to the economy, and the export business that comes from this business to Japan and many other countries in beef, pork and other areas. So I think it's critically important to maintain the good reputation that Canada and Ontario, specifically, have. We know that it takes years to build a reputation, and we have a good reputation, but it can dissipate pretty quickly, so I think the safety and security of this particular business is critically important.

Last week, we had Brian Lewis, who's on the board of directors with the—

Failure of sound system.

Ms. Peggy Brekveld: I'm sorry, I lost the audio at "Brian Lewis."

Mr. Stephen Crawford: Can you hear me now?

Ms. Peggy Brekveld: I can now.

Mr. Stephen Crawford: Okay. We had Brian Lewis on the board of directors for the Chicken Farmers of Ontario speak to the importance of biosecurity and risk management for Ontario's 1,300 chicken farmers. Could you explain to the committee why it is crucial that Ontario has the appropriate tools to take immediate action in the event of an animal health emergency?

1510

Ms. Peggy Brekveld: Biosecurity is about protecting our animals and protecting our farms. Really, without biosecurity, you lose the ability to control what comes into your barn, and that could come in on your shoes, it could

come in through contact with improperly cleaned surfaces etc. Biosecurity means to me the protection of my animals by taking extra special care, which might mean wearing special boots, disinfecting and cleaning them, disinfecting and cleaning trucks etc. Many sectors of the agricultural industry work very hard to do that.

I think that the changes proposed here help to—when there is an incident that we cannot control, that we can proceed to do good action quickly and push that pause button and ensure that we can protect as many farms and animals and even people as possible.

Mr. Stephen Crawford: Okay. Thank you, Chair. I'll pass to my colleague MPP Babikian.

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

Mr. Aris Babikian: We have seen with the recent developments around the world how the food industry is a volatile industry, and it is under stress, and we have seen in so many places around the world—it is not an exaggeration to say there is a famine happening in some places around the world because of this volatility.

Our government has been committed to ensuring the stability of the food supply chain and committed to growing the Ontario agri-food industry. Could you explain how the changes to the MAFRA Act would benefit the industry?

Ms. Peggy Brekveld: In regard to the Animal Health Act, it gives the opportunity for the minister, upon first hearing that there may be a significant risk, to be able to push the pause button. In certain situations, we could possibly become aware of a virus or disease that's starting in one small location, and by the minister being able to put a hold on the transport around that area for those 72 hours, it gives them an opportunity to investigate and ensure there's a wholesome response. I think that, as well as some other measures that the government has done, certainly have worked to protect our livestock and our farmers and farm operations in a wholesome way. I hope that we will continue to have conversations about how to do that best.

The Chair (Mr. Ernie Hardeman): Okay. We go to the opposition. MPP Vanthof.

Mr. John Vanthof: Thank you, Ms. Brekveld. I would just like—we're fully in favour of schedule 1. I think, maybe, perhaps some people are missing the importance and the gravity of it, because for the minister to make that decision very early on is very impactful for the farmer or for the person who has got 50 chickens in their backyard—all of a sudden, boom, right? This is serious stuff. If you think that this is less—like, this is a case of the difference between valuable regulation and less red tape. This is really serious stuff, and I really appreciate that you have lent your support to this. This is tough stuff, just so you know. But I'd like—

Ms. Peggy Brekveld: I think people need to remember that avian influenza is non-discriminant. Whether it's your pet bird or your flock of 50 or a barn full of birds, it will affect them all.

Mr. John Vanthof: Exactly. Anecdotally, the CFIA vets in my riding came to shut down someone who had backyard chickens and one of the owners ended up in jail. This is serious stuff, and we are not taking it lightly.

On the Innkeepers Act—actually, I borrowed money through feeder finance a long time ago. I think the issue is, the person who borrows the money to buy the cattle through feeder finance—yes, feeder finance means that you're protected, but the person who has got the second-most risk in this transaction is the cattle feeder, the person who houses and feeds the cattle. So if there's a bankruptcy, the way it's proposed now, the person who takes the second-most risk just goes into the pile with the general creditors. Am I mistaking this? If you could restate what you're asking for—what you are suggesting is that the person, the business, that has the second-most risk in this transaction is second on the list of creditors. Am I close?

Ms. Peggy Brekveld: Yes, that's exactly where I would go. Like you said, the first one—we understand the priority there. The feeder finance program—we recognize that. But the second person with the most risk is the person who is doing the feeding, so we want them to be able to recover their costs in advance of the general creditors etc. So, yes, you've explained it very well.

Mr. John Vanthof: When an operation runs into problems, it's often not just their feeder finance loan that's in trouble; like any business, the whole operation is in trouble, and the custom feeder could be dragged into this and they could lose everything on troubles that were not their own. They could be feeding this livestock for six months, and all of a sudden all their investment is gone because something happened on the original farm.

I'd like to thank the OFA for bringing that forward. Honestly, I didn't catch that myself until they brought it forward. If we're going to go to the trouble of changing this, then we should make sure, from a business perspective, that the custom feeder is protected.

I have no further questions.

The Chair (Mr. Ernie Hardeman): Any further questions?

Thank you very much for the presentation. We very much appreciate it. The information will go forward to the red tape bill, as to what the authors of it propose to do.

I think that concludes everything here. The committee is now adjourned until February 6, 2023, in Ottawa.

The committee adjourned at 1518.

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