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Standing Committee on Finance and Economic Affairs

Committee business

Estimates

Ministry of Economic Development, Job Creation
and Trade

1st Session
43rd Parliament

Tuesday 10 September 2024

Comité permanent des finances et des affaires économiques

Travaux du comité

Budget des dépenses

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

1^{re} session
43^e législature

Mardi 10 septembre 2024

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

Tuesday 10 September 2024

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Mardi 10 septembre 2024

The committee met at 1102 in room 151.

COMMITTEE BUSINESS

The Chair (Mr. Ernie Hardeman): Good morning, everyone. I call this meeting of the Standing Committee on Finance and Economic Affairs to order.

We're meeting today pursuant to standing order number 120 to consider the text of a non-amendable motion. A copy of the motion has been distributed on the agenda. Who would like to move the motion?

Ms. Catherine Fife: Just a question, Chair, on this: Why is it unamendable? Did you say "amendable" or "unamendable"?

The Chair (Mr. Ernie Hardeman): Unamendable.

Ms. Catherine Fife: It's unamendable. Why is it unamendable?

The Chair (Mr. Ernie Hardeman): Because that's what it says.

Ms. Catherine Fife: I know it says that in your notes, but I've never seen this in committee.

The Chair (Mr. Ernie Hardeman): I'll ask the Clerk.

Ms. Catherine Fife: Okay.

The Clerk of the Committee (Ms. Vanessa Kattar): It's in the standing orders.

Ms. Catherine Fife: It's in the standing orders. Is this—

The Clerk of the Committee (Ms. Vanessa Kattar): Because the standing orders say "the text of a non-amendable motion."

Ms. Catherine Fife: Is this a new standing order?

The Clerk of the Committee (Ms. Vanessa Kattar): Uh—not very new.

Ms. Catherine Fife: I've never seen a motion come to finance in 12 years that members can't exercise their rights to try to change. But thank you for the clarification.

The Chair (Mr. Ernie Hardeman): With that, we have a motion from MPP Hogarth.

Ms. Christine Hogarth: I move that the committee enter closed session for the purpose of organizing committee business.

The Chair (Mr. Ernie Hardeman): No, the motion that we're here to hear first is written on our agenda: "That the Standing Committee on Finance and Economic Affairs meet immediately for the purpose of considering committee business...."

Ms. Catherine Fife: So that's the motion that's on the floor right now?

The Chair (Mr. Ernie Hardeman): That's the motion that I was asking somebody to make.

Ms. Christine Hogarth: Okay. I was moving that the committee enter closed session for the purpose of organizing committee business.

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

Ms. Catherine Fife: We have a motion before us, though, so the motion is already a public motion. We should be able to debate this motion in public and then move into in camera, because it's already on our agenda. It's already a public motion.

The motion is that we are going to be considering committee business respecting Bill 190, An Act to amend various statutes with respect to employment and labour and other matters, and the official opposition is quite happy to debate how we're going to deal with this piece of legislation in open session, in a public meeting.

The Chair (Mr. Ernie Hardeman): We have a motion that has not been read onto the floor, so the motion to go into legal and personnel now would be appropriate.

Any further discussion?

Ms. Catherine Fife: Chair, I'd like to move the motion that's before us.

The Chair (Mr. Ernie Hardeman): This motion has not been read into the record before us. That's what we're here to consider.

Ms. Catherine Fife: I kind of just did that, though.

The Chair (Mr. Ernie Hardeman): The motion before us on the floor right now is the motion of going into legal and personnel.

Ms. Catherine Fife: Okay. Thank you very much, Chair, for the clarification.

The official opposition once again sees no reason for the government to pull this conversation about Bill 190 and how we are going to deal with this piece of legislation, how the public is going to receive information about this bill into closed session. There is absolutely no need for the secrecy and the lack of transparency. In fact, it undermines the accountability of this Legislature by the government continually moving into in camera.

Okay. Are we all—did you get that?

The Chair (Mr. Ernie Hardeman): No. Just hold up for a minute here. I've reached this pinnacle in my life—I didn't think this would ever happen, but I believe I made an error. I just want to recess for a few minutes to make sure I got it right or wrong.

Mr. Deepak Anand: Until 11:10? A five-minute recess?

The Chair (Mr. Ernie Hardeman): Yes, a five-minute recess.

The committee recessed from 1106 to 1113.

The Chair (Mr. Ernie Hardeman): The sun shines brighter. I call the committee back to order and the sun shines brighter.

We were right, and we will carry on with the motion on closed session. Further discussion?

Ms. Catherine Fife: Once again, there's no reason to take this conversation in camera, and every time the government does this, we're going to show our discontent with this government in that manner.

The Chair (Mr. Ernie Hardeman): Okay. No further debate on closed session? If not, all those in favour? Opposed? The motion is carried.

We will now recess for a few minutes to go into closed session.

The committee continued in closed session at 1114 and resumed at 1500.

ESTIMATES
MINISTRY OF ECONOMIC
DEVELOPMENT, JOB CREATION
AND TRADE

The Chair (Mr. Ernie Hardeman): Good afternoon. The Standing Committee on Finance and Economic Affairs will now come to order.

The committee will now begin consideration of the estimates of the Ministry of Economic Development, Job Creation and Trade. Are there any questions from the members before we start? If not, I'm now required to call vote 901, which sets the review process in motion.

We will begin with a statement of not more than 20 minutes from the minister. Minister, the floor is yours.

Hon. Victor Fedeli: Thank you, everybody, for the work today and over the summer. I'll be sharing my time with Minister Tangri—I don't know if I need to tell you that, Chair, but I thought I would at least volunteer that information. I also want to bring certain greetings to MPP Triantafilopoulos, who is my parliamentary assistant—Effie.

So I want to talk for 10 or so minutes on where we are and maybe start with how we got to where we are, as well. Because when we came into office, the previous government's high-tax policies—they had been chasing jobs out of Ontario, and quite frankly, crushing our economy. Premier Ford often says we inherited a bankrupt province, and he's not far from being 1,000% right on because 300,000 manufacturing jobs were lost under the previous government, and not just lost: sent away.

If you recall from the 2017 economic report, a production that's mandated by the Legislature every year, the Liberal government actually said, "We will be getting out of manufacturing and moving into the service sector." It was six times in the first several pages. It talked about leaving manufacturing. I was shocked at that; I think we all were, at the time.

When we took office, we acted very quickly. We visited many of the companies, like Ford and others, and said, "What is it? Why are you all leaving us?" And they said that Ontario had become too expensive a jurisdiction in which to do business. And the Premier said, "We're going to do something about this immediately," and we looked at all of the things we as a government could do. We literally pulled on every lever that a government has to save these businesses, to save those jobs.

We began with the WSIB, our insurance. It had so much cash in it—far beyond any legal requirement, but more than that, far beyond any moral requirement. Without touching the benefits, we reduced the payments to businesses by 50%, which is \$2.5 billion a year now in savings. We did other things like put in what's called an accelerated capital cost allowance, which means you can write your equipment off in-year—saves \$1 billion. We lowered hydro rates for industrial and commercial by 16%—saved \$1.3 billion. The list goes on and on and on, including red tape reductions, but basically it adds up today to \$8 billion a year in lower costs for businesses.

And what did that do? A couple of things: This year alone, we've seen 150,000 new jobs—just this year alone—and over 800,000 new jobs since we took office. But here's a really interesting stat that just astounds everybody when we use it: In 2023, the province of Ontario created more manufacturing jobs than all 50 US states combined. That's the power, that's the might of what is happening here in the province of Ontario. Because we lowered the cost of doing business, we're open for business and we run things in a business-like way.

Last week, Site Selection magazine ranked Ontario as the most competitive destination in Canada. That's the third year in a row and the sixth time in the last seven years that we've had that distinction.

I'll talk auto for a moment, because in 2019, Reuters announced that automakers planned to spend \$300 billion globally and not one penny of it was destined for Canada. We fast-forward to today: Because of the changes we've made—this "open for business" and all of the things that we have in Ontario, everything we need—we've attracted in the auto sector alone \$44 billion in new auto and EV investment just in the last four years. That—another stat—is more than any other US state. As a result of all of this, Bloomberg now ranks Canada—ostensibly Ontario, because it's auto—as number one in the EV battery supply chain rankings. That has dethroned China for the very first time because we have everything to be the global leader in the EV production sector, which is why companies continue to choose Ontario.

I sat in this chair last year, and since then, of course, we've had billions in investments. The most recent was Honda: a \$15-billion investment, 1,000 new jobs and a great development in Alliston.

Asahi Kasei from Japan: \$1.6 billion is being invested. We'll be touring the site there on Thursday this week as it's beautifully levelled. It's in Port Colborne, and they will build a separator. That's an important component in a battery.

Goodyear, just last month: a \$575-million investment in Napanee, Ontario. That's two million tires a year, 200 new jobs and retaining a thousand.

We're going to hit, if all things go well, \$50 billion in new auto investment by year-end, and northern Ontario will be part of that end-to-end supply chain in auto for the very first time.

There's still more work to do in that sector, but for the most part, the companies that are in the sector pretty much all have a dance partner, so we are now pivoting a very hard pivot to life sciences. We have 70,000 STEM grads annually, a robust R&D ecosystem, 72,000 life sciences workers, 2,000 life sciences companies in Ontario, and we've landed over \$4 billion in life sciences in the last four years. We have a life sciences strategy that will take us to 85,000 employees by 2030. We've already added 4,800 employees since we launched our strategy. We have a \$15-million Life Sciences Innovation Fund. We've seen companies like Sanofi adding \$800 million. Next door, the plant that has invested \$925 million will open. The list goes on and on in the life sciences sector.

In the tech sector, we know that 10,000 tech workers applied for and obtained H-1B visas in the US to move to Canada—10,000 in a 48-hour period. We have 420,000 tech workers here in Ontario. That's 100,000 more since we took office. And just this week, Toronto saw more tech jobs gained last year than in any other North American marketplace. We have 30,000 AI jobs just in the last two years—85,000 altogether. It's where's cutting-edge innovation happens.

Of course, in the short time I have to offer this intro, it's just hard to encapsulate everything that's been happening. But certainly the tech, the life sciences and the auto are leading the way. We are an economic powerhouse. We put the conditions in place for those companies to hire and we will continue to ensure the conditions are there for businesses to continue to succeed so more good-paying jobs can be created right across the province.

My 10 minutes are up so I will pass it to Minister Tangri for the duration of our time.

1510

The Chair (Mr. Ernie Hardeman): Minister?

Hon. Nina Tangri: Thank you, Minister.

Good afternoon, committee members. It's lovely to see you all today. I'd just like to acknowledge my parliamentary assistant, MPP Deepak Anand, as well.

It is a true pleasure to be here to talk about the importance of small business when it comes to Ontario's economic development. Entrepreneurs and small businesses play a critical role in our communities, creating jobs and contributing new ideas and resources to the economy. In fact, small businesses make up 98% of the more than 400,000 businesses in Ontario. They form the backbone of our economy, employing well more than two million people right across our province, and we want to see that number grow. That's why we're making entrepreneurship an easier undertaking so even more people across the province can contribute to our economy.

We're working hard to create the right conditions for Ontario's businesses to thrive, whether it's growing their main street businesses or selling their products and services to the world. We've acted by lowering taxes, reducing electricity costs and cutting red tape. Our actions are enabling an estimated \$8 billion in cost savings, as the minister mentioned earlier, and supports for all of our Ontario employers—\$3.7 billion of that impacts small businesses. This allows businesses to invest in research and development, cutting-edge technologies and innovations, a great opportunity to add more employees.

I've been travelling the province, hosting round tables with industry professionals in a wide range of sectors, including financial services, agriculture, tourism, manufacturing and industry, retail and personal services and also tech and innovation to identify ways we can help entrepreneurs start and scale up their businesses. We're continuing to tour the province, and we're meeting with small business owners—that will then bring us back and inform a small business success strategy, because it will take an all-of-government initiative to help our entrepreneurship and small business ecosystem thrive, grow and succeed in today's economy.

Our government currently offers a range of province-wide programs and supports, tools and resources to meet the diverse needs of entrepreneurs to assist them in starting and growing their businesses. Our network of 17 regional innovation centres, or RICs, or 47 small business enterprise centres, or SBECs, are located right across our province. They provide on-the-ground advice and support through seminars, workshops, training and funding to help businesses expand their global reach and diversify revenue streams.

For example, the Business Acceleration Program delivered through the RIC network is targeted to entrepreneurs that are looking for educational, business advisory, mentorship and financing services. So in 2023-24 alone, RICs assisted well over 5,500 businesses while the SBEC network connected with over 164,000 entrepreneurs.

The virtual Digitalization Competence Centre was launched in November 2022 through a \$10-million investment to provide businesses with training and focuses on small businesses with the potential for growth through digital adoption, particularly in the manufacturing, agriculture and resource industries. The DCC provides digital modernization and adoption plans, technology demonstration projects and other educational tools and resources to drive digital literacy and enable Ontario's small businesses to grow through the adoption and implementation of digital technologies. We've seen great success within this program. In fact, the Ontario Centre of Innovation is projecting well over 1,700 jobs created and nearly \$400 million in increased sales and revenue from this investment.

Our ministry also designs and delivers webinars to assist small and medium-sized entrepreneurs, or SMEs, in addressing challenges, managing intellectual property, accessing capital, scaling up and adopting technology. Business advisory services directly support the overall growth of Ontario's SMEs. It includes 25 senior business advisers that work directly with established SMEs providing

objective, professional and regionally pertinent advice and tailored options that may include accessing capital, navigating government programs and services, networking opportunities and organizational assessment.

Our government also offers programs including Ready 4 Market and Collaborate 2 Commercialize to accelerate early-stage innovative companies to grow and commercialize their intellectual property by supporting partnerships with Ontario's publicly funded post-secondary education. To help companies reach their full potential, Intellectual Property Ontario assists business and researchers to maximize the value of their intellectual property and strengthen their capacity to grow and compete in the global economy.

To support the next generation of bold business leaders, we've invested \$2 million in Futurpreneur Canada so young entrepreneurs across the province can access mentorship programs and loan capital of up to \$20,000.

The 2024 Ontario budget included a host of opportunities for our entrepreneurs. We're investing \$4.8 million over the next two years to expand the Starter Company Plus Program, helping an additional 500 entrepreneurs seed, start or grow their business. Starter Company Plus provides entrepreneurs aged 18 and older with one-on-one support, training, mentoring and business advice; access to workshops, seminars or networking events; and grants of up to \$5,000 to start or expand a business. Over the past five years, Starter Company Plus has supported over 5,500 companies, resulting in the creation of more than 6,300 jobs across Ontario.

We're also helping an additional 250 students across the province start and grow a business with an added investment of \$1.5 million through the popular Summer Company program. The Summer Company program provides at least 12 hours of business training, one-on-one mentoring and grants of up to \$3,000 to Ontario students aged between 15 and 29 to start a full-time business over the summer. The new funding is in addition to the annual \$1.6 million already allocated to the program. Over the past five years, the Summer Company program has helped launch over 1,700 youth businesses across our province.

Also announced in the 2024 Ontario budget, the government is investing \$500,000 in the Fédération des gens d'affaires francophones de l'Ontario, the FGA. The support will enable FGA to provide francophone entrepreneurs with the tools they need to start and grow their businesses, create jobs and contribute to building a strong and resilient community. The FGA will provide dedicated French-language advisory services, workshops and events to francophone entrepreneurs.

And with our online portal, Ontario.ca/business, entrepreneurs and business owners have access to a one-stop shop for information and comprehensive resources they need launch and grow their businesses in Ontario. It offers step-by-step guides on starting a business, including registration, permits and licensing, and this site also provides valuable information on funding opportunities, tax incentives and networking resources.

Small business owners and entrepreneurs are actively working to build a stronger Ontario by creating opportunities and jobs across the province, and as a government, we're

creating the right conditions and providing the right tools to help make their business dreams a reality. It's good for business owners, it's good for their communities and that's good for Ontario.

I want to thank you all this afternoon, and have a great committee.

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

As we move forward, as a reminder, I will allow members to ask a wide range of questions pertaining to the estimates before the committee. However, it must be noted that the onus is on the members asking the questions to make sure the question is relevant to the estimates under consideration. The ministry is required to monitor the proceedings for any questions or issues that the ministry undertakes to address. If you wish, you may, at the end of your appearance, verify the questions and issues being tracked with the research officer.

For any staff appearing today, when you are called on to speak, please give your name and your title so that we may accurately record it in Hansard to who we have.

We will now begin with the questions and answers in rotation of 20 minutes for the official opposition members of the committee, 10 minutes for the independent members of the committee and 20 minutes for the government members of the committee for the remainder of the time allotted.

If there are no questions, with that, we have MPP Fife.

Ms. Catherine Fife: Given the fact that we don't have independent members here and they've been allotted 10 minutes per section, is it amenable to the government members that we split this time evenly so that we allow more questions?

1520

The Chair (Mr. Ernie Hardeman): I'll have to put that to the Clerk.

The Clerk of the Committee (Ms. Vanessa Kattar): It's two hours allotted for everything, so it will be 20 minutes, 20 minutes, and then keep going until the two hours are done.

Ms. Catherine Fife: Okay, that's great. Thanks to the Clerk for that verification.

And thanks to Minister Fedeli and Associate Minister Tangri for being here. It will not surprise you, I'm sure, that I'm going to be asking about the Wilmot land assembly, because this pertains to vote item 902 and then 902-13. You've indicated that there's a 144.3% change in economic development and investment, according to estimates, so my question pertains to—this section is allocated towards the province's growth. If we want to focus on growth, it should be noted that according to the Ontario Federation of Agriculture, agriculture is one of the largest sectors in Ontario, generating more than \$47 billion in economic activity every year and supporting 750,000 jobs, or about 10% of the province's workforce. A lot of people don't know this, and I will also admit that my learning journey on this has been profound.

In Wilmot township, millions of dollars are being spent on buying hundreds of acres of farms for industrial purposes, with thousands more acres of prime farmland being targeted

for unplanned development that was never part of the regional official plan—or any municipal official plan, for that matter.

So my question is to you, Minister Fedeli. You did put out a statement about this issue. Why are farmers not being regarded as business owners when there's such a significant GDP contribution here? And how is the destruction of our local food sources helping Ontarians, which include Ontario's farmers and farming families?

Hon. Victor Fedeli: Thank you for the question. My quick answer before my longer version is that we understand Ontario's farmland is very critical to the success not only of the agri-food industry, but the success of the province and our entire economy. That's why we are taking a balanced approach to ensure the agri-food industry continues to thrive, as does the rest of the economy.

We know that the agri-food sector has grown incredibly rapidly since we took office. That's why they're at \$50 billion added to our GDP every year, employing a million workers, exporting \$26 billion worth of product. We will always support our farmers and create those conditions for business in every sector to succeed—

Ms. Catherine Fife: I'd like to reclaim my time.

Thank you very much for that answer. I specifically, though, want to talk about Wilmot, Minister Fedeli. You and MPP Harris put out a statement saying that you were not supportive of the way that the region of Waterloo has conducted themselves with regard to the forced expropriation by hiring a third party, Canacre, to go to those farmers, offer them \$35,000 an acre and say to them that if they do not accept the \$35,000, their land would be expropriated. When you did put out your statement, it was of interest to me that the regional chair—and I want to thank you for this: You did clarify that the province is funding the purchase.

I will note that around six months ago, when this issue first came up, I did note that the region of Waterloo had said they don't have the money to expropriate this farmland. That was through their budget process. And you had said, "While the province is supporting the region of Waterloo with funding to help" because of the land, "it is the sole responsibility of the region to assemble" that.

However, in response to your press release, Chair Redman was very clear. She said it's disappointing to see recent events unfold from the government because the government was driving the process. You established the terms of reference with regards to the expropriation timelines. The region had asked for some additional time to meet with farmers. The government has said that you are not driving the process. The region of Waterloo, the chair there, has said, "I'm surprised and I'm confused because from the very beginning of this project, we worked in lockstep with the province," specifically around these 770 acres, which is roughly 311 hectares.

Chair, you'll understand this, because you've been in politics a long time: The people of Wilmot, the people of the region of Waterloo—there's been no public meeting about this expropriation or sale or purchase of the 770 acres for the land assembly. There's been no transparency and, really, no accountability.

As it stands right now, the region has purchased, with your assistance, about 160 acres at about \$100,000 an acre. So we're looking at a substantive amount of money. Is that contained in the vote item on 902? Has the region already flowed the money to purchase this land? Because there is a need for us as politicians, as legislators, but also for the public at large to know why the government is pursuing this land purchase, given the fact that there is no identified purchaser for the property or anchor company, as has been described. There's been no transparency around how much money has flowed already. And there are competing stories here. The region says this is your process. You put out a press release with Mike Harris Jr. saying, "We do not support this process."

So, I just want to give you an opportunity to clarify for the people of Waterloo region what actually is going on with regard to this massive industrial land assembly on class 1 farmland.

Hon. Victor Fedeli: Thank you. I look forward to answering. You have a lot of questions in there; I've written a couple of them down. It was kind of wide-reaching.

But I do want to correct one thing: You had said the province set the expropriation timelines. That's absolutely false, just plain and simple. The province is not involved in setting an expropriation timeline. That was just something I wanted to clarify right off the bat.

Now comes my longer answer. The short answer, it was exactly where I had ended. But I can tell you, you need to look at the why. Your last question is, why are you pursuing land? In my first opening of 10 minutes, I talked about a couple of billion dollars being invested in Port Colborne, almost a billion dollars being invested in Napanee, \$4 billion from a Korean company, \$15 billion going into Alliston and other areas. The list goes on and on. All the communities in Ontario understand that we are literally on fire in Ontario. We have more prospects than we have land that's readily available, and so Premier Ford put out a call to municipalities and said—

Interjections.

The Chair (Mr. Ernie Hardeman): Order.

Ms. Catherine Fife: We didn't—I'm sorry. What's going on? Are you okay? Okay.

Hon. Victor Fedeli: Premier Ford put out a call to municipalities right across the province and said, "Get your shovel-ready sites assembled. We need land. You want the jobs," and so municipalities all over Ontario began.

You asked why. It is the region pursuing land. It's not the province—

Ms. Catherine Fife: Because you asked them.

Hon. Victor Fedeli: It's not the province pursuing the land purchase; it is the region. The Premier asked all municipalities in a blanket statement, "Do you see what we're doing? It could happen in your community if you want."

Ms. Catherine Fife: Did you put any parameters on what that land—like, is class 1 farmland up for sale? Is that a part of your parameters of this deal?

Hon. Victor Fedeli: I still have about 10 of your other questions, so I'll get to that one.

Again, there are more prospects who want to come to Ontario because, as you've heard, this is the number one jurisdiction now in Canada. The Premier put out a call and said, "Get your shovel-ready sites assembled," whether it's a municipality that owns it or whether there are businesses that own land that want to put that land available for smaller prospects, as well—

Ms. Catherine Fife: These are not willing partners, though. These are not willing farmers.

1530

Hon. Victor Fedeli: The municipality has the option to come to the province and say, "We would like some help on this site." We are supporting the region of Waterloo with funding to help purchase the land, period.

Ms. Catherine Fife: No expropriation? You did not indicate that you are supportive of expropriation?

Hon. Victor Fedeli: Look at what we did at Volkswagen—

Ms. Catherine Fife: Just say no.

Hon. Victor Fedeli: But you have to look and see. I'll speak by example. Look across the highway at Volkswagen. We acquired 1,500 acres with zero expropriation.

Ms. Catherine Fife: That is not what's happening, though, in Wilmot. And with respect—

Hon. Victor Fedeli: This is the sole responsibility, though, of the region.

Ms. Catherine Fife: And with respect, though, the chair of the region, Karen Redman, says the "expropriation was an obligation in the partnership agreement they signed with the province." So they signed an agreement with you, and I'm just trying to get a sense of, if you don't have eyes on this deal, if you don't have hands on this deal, is there a deputy minister, is there an ADM that is directly dealing with this? Because the non-disclosure agreement that also the region tells us was a condition of your funding—I'm trying to get to the fact that, you know, this is out of character for the region. We have a long-standing tradition; we have a countryside line. I know the previous Minister of Municipal Affairs said someone took a crayon. No, it was done by planners. It was based on our capacity and sustainability around water and around the environment.

And so I want to get a sense from you, Minister Fedeli, did you insist that the region of Waterloo sign this NDA and also start with the expropriation mode? Because this is a tale of two—it's a tale of two stories, actually, but at the end of the day, it's causing chaos for farmers in Waterloo region and Wilmot, and I just want you to answer clearly: Did you obligate the region of Waterloo to start with expropriation?

Hon. Victor Fedeli: So, between the deputy and I, we'll answer your question, but again, I will point to an actual example across the highway—

Ms. Catherine Fife: I'm not interested in what's happening across the highway. With due respect, Minister Fedeli, I'm only interested—

Hon. Victor Fedeli: What I'm trying to say to you, though—

Ms. Catherine Fife: —in Wilmot.

Hon. Victor Fedeli: —it's the same process.

Ms. Catherine Fife: It is not the same process. What happened across the highway was without contention. There was no conflict. What's happening in Waterloo region right now, particularly in Wilmot, is that whether you admit it or whether you intended, the destabilization of farmers in that region—this is a real issue. And I know that you care about farmers. I know that you care about the GDP that these farmers are generating. But right now, they are stalled, and they are fearful that the government will come in, take their land and upset their family businesses and also upset the economic development potential of Waterloo region. This is what's happening in my community, which is why I'm bringing it to you in this committee.

Hon. Victor Fedeli: So, why I refer to the one across the highway is because exactly the same scenario was presented to the region of Waterloo. It is the sole responsibility of the region to assemble the land. It is their sole responsibility to work collaboratively with all of the stakeholders. I look at our role much the same as any other infrastructure project in your community: a sewer and water project or a land acquisition. The province funds these things, but the municipality—in your case, the region—does all of the work.

I'll ask the deputy to talk specifically to that.

Mr. JP Cadeau: My name is JP Cadeau. I'm the Deputy Minister of Economic Development, Job Creation and Trade. I would reiterate and echo that the province is supporting the region of Waterloo with funding to help support the purchase of the land, and it's the responsibility of the region to assemble the site and work collaboratively through that process. It is, as the minister said, no different than any other land assembly project the government supports across the province and the same approach that was used for St. Thomas's land assembly.

Ms. Catherine Fife: Thank you very much for that answer, but it is not the same, and that is my point, Deputy Minister. My point is that the region has said publicly now, in response to the joint statement that was put out by the Minister of Economic Development and the minister of red tape—the local member, MPP Harris—that these terms and conditions were set by the province. In fact, I would say to you, and I would argue, and I would win the argument, that if the province is funding the project, then you have set the terms and conditions for this land assembly. Did you set out these terms and conditions for the region of Waterloo to go about initially trying to expropriate and now purchase 770 acres of class 1 farmland for a large industrial land assembly? Did you set out these terms and conditions? That's the question.

Mr. JP Cadeau: Again, just to reiterate, we are providing the region with funding to support the purchase of the land and we're supporting them in that local effort. It is the same process that we're using and we have used for previous land assembly projects.

Ms. Catherine Fife: Okay, but clearly, as the deputy minister, you're watching how this is unfolding in Waterloo region. The 160 acres that have thus been purchased at almost \$100,000 an acre was recently—the corn on that field was recently destroyed at a huge cost.

We've learned some lessons from the pandemic around having a reliable food source, around food security, and yet—I mean, the region actually had to bring in farmers from outside Waterloo region because no farmer would ever plow over a viable corn crop just to make a point. They would not do that. And the rumoured cost for the destruction of that crop was \$370,000. Is the ministry funding the destruction of these crops in Waterloo region, yes or no?

Mr. JP Cadeau: As with any land transaction, the agreement with the owner includes conditions around due diligence, including archaeological work and to ensure that the parcels are suitable for future work. Archaeological assessments required that we go through that process according to standards. We understand that the region is working through that work on that parcel and due diligence activities like archaeology, like environmental assessments are standard processes as part of that process.

Ms. Catherine Fife: So this is so time-sensitive that the region, with the province's support, couldn't wait three more weeks for the harvesting of this crop? I mean, you would have seen the news today: One million additional people are visiting food banks in Ontario.

I'm trying to get a sense of what your control is with regard to this deal, right? Because the \$16 million that has thus been expended—this was not in the budget, per se. This is new expenditures. Regardless of the call for a large industrial land assembly in Waterloo region, this has genuinely caught the community off-guard. This is a very engaged democracy in Waterloo region. They have, traditionally, a very open and honest and transparent relationship with the regional level of government.

Just to remind you, these farmers were actually approached, before this land assembly was even rumoured, by a developer offering \$65,000 an acre. So somebody knew something was going on, right? This doesn't instill confidence. This is not the way government should operate. After that happened, then Canacre was employed by the region to go to these farmers and offer them \$35,000 an acre, and of course, those farmers turned it down. To date, the 160 acres have been purchased at great cost, and this is, as I would remind you, class 1 farmland.

But farmers want to know right now, is this going to continue? Is this bullying of farmers going to continue, and is the province going to continue funding it? Because if I were the government—

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

Ms. Catherine Fife: —I would recognize that this is class 1 farmland that creates great economic value for the entire region and provides great food security.

So my question to you, Deputy Minister, is, is the province going to continue down this road and disrespect farmers in Wilmot township? Because it sends a cooling effect to all farmers across this province.

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Hon. Victor Fedeli: I would say to you that it's the region who's running the ground game. We are completely reliant on the region to take a responsible and measured approach. We are here to support the region. We rely on their local judgment, their local expertise and their local

knowledge, and all of those decisions are made by the region. They're supported financially by the province for the purchase of the land, but it is completely and utterly up to the region to run the ground game and make those individual decisions—

Ms. Catherine Fife: Mountainoak Cheese has said they're not going to sell—

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

We now go to the government side. MPP Hogarth.

Ms. Christine Hogarth: Thank you, Ministers and Deputy Minister, for being here today and sharing the work you've done.

Firstly, I have to say, Minister Fedeli, you have been busy. You have been very busy creating jobs and making us all proud as Ontarians. I hear it on the streets. I had a weekend fair in my riding, and many of us had spent time knocking on doors in our ridings and heard from people directly how manufacturing has changed in this province.

You mentioned in your opening remarks about how many jobs were lost by the previous government. I'm going to say that 300,000 jobs were chased out by the Liberal government. That government is a tax-and-spend government that we just can't afford here in Ontario. I don't think we've seen so many jobs depart since the days of Bob Rae, so we really need to continue on this track that we're on to create jobs.

Sir, I just want to hear from you if you can share with some of the constituents who spoke to me about creating manufacturing jobs. We do have some areas in our riding where we can continue to implement more manufacturing business, but how are you doing this? And what are you doing to create this thriving, competitive business environment? Can you also share why it's so important that we continue to be competitive, especially when we talk about taxes? If you could please share, thank you.

Hon. Victor Fedeli: Yes, I really appreciate the question. It's interesting; there are many schools of thought on what happens when you lower taxes. We've proved what happens here in Ontario. Think about \$8 billion a year in lowered costs, lowered taxes to business.

Premier Ford and our government have never raised one tax since the day we were elected. That is money back in the pockets of families. In fact, all we've ever done is lower their taxes, lower their costs, lower fees, lower everything. The Premier and I were chatting about this on the weekend, and he said, "People can go and they can make the decision on how their money is spent." The opposition would like to tax you and spend your money. They'll tell you how to spend your money. Our philosophy is, you keep your money and spend it the way you would like to do that.

We've done the same thing for businesses. By lowering the cost of doing business by \$8 billion a year, that put 800,000 men and women back to work in Ontario. Last year, 85,000 new businesses were started. The revenue from those new businesses—not from tax increases, just the increase in revenue from all of these new customers, if you will, for the province—when we got elected, our

revenue in the province was \$150 billion a year; today, it's \$214 billion. By lowering taxes \$8 billion a year—I remember one of the radio announcers said, “Oh, my God, what did you have to do? You've lost \$8 billion a year.” Yes. We gained \$64 billion a year by lowering taxes.

That's what's driving businesses to Ontario: It's this exciting business environment. Yes, it's the talent. At every single business, it always comes right down to the talent. Look at Toyota, years ago named the number one auto plant in all of the world—not the number one Toyota plant; the number one auto plant in the world. Think how many auto plants there are worldwide, and we have number one right here in Ontario. It's our workers. We graduate 70,000 STEM grads every year.

We have clean energy. Think about a battery being made in Kentucky, with 6% clean energy; Indiana, 7% clean energy. You come to Ontario, and you can build a battery with 100% clean energy. You can assemble a car with 94% green energy. You could put green steel on that car. This is what you can't do in other jurisdictions. That's just the auto sector alone.

So I hope that that gives you a signal of why Bloomberg named us number one, why Site Selection named us number one and why the companies from around the world are naming us number one by flocking here. Again, as I had mentioned earlier, we have more prospects than we have places for them in Ontario.

Ms. Christine Hogarth: Thank you, Minister.

My next question is actually for the associate minister, Minister Tangri. Again, thank you very much for being here and the work that you're doing for small business.

Over the summer, I had some business tours of my small businesses. I went along the Queensway, the Kingsway, on Evans, just all where our businesses are, and I am seeing more businesses opening.

Over the weekend, we had a fair, the Taste of the Kingsway, so it was the business sector. Now, despite the bike lanes actually harming business, which was the number one issue of the weekend, I just want talk to you a little bit about the work you're doing to help out our small businesses. These are mom-and-pop stores. These are your constituents. This is the lifeblood of our community. I'm just wondering if you can share a little bit of what your area of the ministry is doing with regard to helping out our small business owners, because we want to see more, more small businesses in our communities. How is your area helping out our small businesses?

Hon. Nina Tangri: Well, thank you very much, MPP Hogarth, for the question, and thank you for the great work you've been doing. I've been watching you and joining you sometimes as you're visiting those small businesses. It really is heartwarming when we do get out to listen to our small businesses and how difficult it was for them to start and to grow and to hire people and to hear their challenges and to bring those challenges back to us in government to find ways on how we can support them, how we can get out of their way. Government needs to get out of the way of businesses.

One of the better parts of the things that we've done over the years is, in our red tape reduction area, we've been

listening where certain types of legislation and regulations have been slowing them down. They need so many different permits and licences, all renewing at different times of the year. So to the tune, as the minister mentioned, of \$8 billion a year for our business, \$3.7 billion of that is just supporting our small businesses in helping them.

One of the things is that many small businesses own their own vehicle, so getting rid of those licence plate sticker renewal fees, and now not having to even renew at all: If you don't have any tickets or anything, you don't even have to go on and renew. People can save time. It allows them to do other to do other things.

For our small businesses, I think it's just so important that they know the government has their backs, that our Premier, our ministers here and everyone respects what they do. They have a service to provide. They have a product to sell. And I think for us in government, it's our due diligence and our responsibility to support them to do that. But how do we do that to save them time, to save them money? When we're able to save a business money on their bottom line, what are they doing with that? They're hiring more people. They're adding more technology to their businesses. They are doing more manufacturing, for example, looking at finding ways on how they can enhance their products and make them more creative and using other initiatives.

I've been touring the province for the last few months and talking to industries and different small business owners, and they've been very, very supportive of the work we're doing, but there's so much more we can do, which is why we began doing these round tables: because we do want to build a small business success strategy, and by having these industry—and now the chambers of commerce, meeting with all of them—and I want to thank you and many of the others in the committee here that have been joining us at some of these meetings, where they have been able to tell us directly some of the challenges that they're facing and how we can support them. They come up with some of the best solutions themselves. So, government doesn't have all of the answers, but sometimes the small business owners do.

That's what we're doing right now throughout this province: We're visiting many, many, many businesses. I think the one challenge that I hear probably the most is the cost of the carbon tax, how the carbon tax has added the cost of every single thing—that their products are on the shelves, their own vehicles, where the carbon tax is charged significantly high. Our government has taken the steps to reduce gasoline tax by 10.7 cents. That has benefited everybody across this province, but for our small businesses, when we think about logistics, about getting product to their shelves, and then for consumers to get it to their homes, that cost is so high, and that's where they see the biggest challenges, which is why we're going to continue calling on the federal government to scrap the carbon tax, because it's one way that they can help every single small business and every individual across this community.

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Ms. Christine Hogarth: Thank you very much.

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

Mr. Sheref Sabawy: How much time left?

The Chair (Mr. Ernie Hardeman): You have 10 minutes.

Mr. Sheref Sabawy: Okay. Thank you very much, Minister Fedeli, for taking the time to appear before the committee today. My question will be regarding the eminent success Ontario had to rebuild our auto industry. We've seen before we took office, Ontario's auto sector had experienced years of steady decline, complicated processes of approvals and permits, high taxes, high cost of energy, red tape, WSIB, bureaucracy, slow-moving—also not ignoring the direct message of the previous government saying that we are moving away from manufacturing and moving to a service model.

I can attest, in Mississauga, we are having huge change you can see on the ground, from armoured truck factories to streetcars in Mississauga. We are doing the Hazel line; we are manufacturing the streetcars in Mississauga. Bombardier—a factory to do new lines of plants for airplanes. We see manufacturing coming back to Ontario.

We're looking into the pharmaceutical industry and life sciences in Mississauga. I have been saying that, since we came to power, Mississauga is the Silicon Valley for the pharmaceutical industry, not in Canada but in North America. We have universities like UTM, Guelph university, McMaster University and other universities—even Sheridan. They are graduating life sciences students—graduates, professionals. They are graduating health science professionals. They are graduating biomedical engineers, biomedical specialists. We have to find jobs for those people to stay within Canada, within the community, instead of seeking to leave the country to other places where they can find jobs.

With that said, I would like to thank you for the vision—you and Premier Doug Ford. We had a vision to bring the industry back. When there is a will, there is a means, there is a way to get that, and you have been managing to revert that to get Ontario back to the track. Can you please explain how these investments are going to help to strengthen our economy immediately and in the years to come?

Hon. Victor Fedeli: Well, thank you very much. I would think the fact that this combined effort of all of our government has brought so much employment—again, 800,000 new jobs created, more than 160,000 this year alone—this is really putting people back to work and putting money in their pockets. This has really returned our economy.

I've been here since 2011, along with others in this room since then, and we really saw the difference. If you would have been here and seen the destruction of Ontario's economy, the planned, purposeful move from manufacturing in writing in the economic report: "We're moving out of this"—we shook our heads. We didn't understand how you could do that.

There's a story in Windsor that tells everything. When you have Sergio Marchionne, who was the former chair and CEO of then called Fiat Chrysler, sitting on a stage in Windsor with then-Premier Wynne—and at that time, auto companies were leaving Ontario one by one. She said to the chairman of Chrysler, "Are you going to expand here in Windsor?" He looked at her very quizzled, and I'm para-

phrasing, but he basically said, "No, because you have made Ontario the most expensive jurisdiction in North America." She pushed him a little further, said, "Well, what will it take?" And he said to her, "You need to bring down the cost of doing business." We heard that loud and clear. We could hear it. This is one of the biggest employers in the province telling the Premier the road map to success.

God rest his soul now, but we credit him with writing our plan—Driving Prosperity is what we called it—and it was a systematic approach to visit all of these major businesses, confirm what the issue is, caucus and develop a plan to counter that and think of all of the things that could happen, like putting 800,000 people back to work. The money that they're going to be spending in the economy with that new job that they have and the fact that they're all paying taxes, maybe for the first time—that new revenue allowed us to invest in health care, for instance. When we were elected, health care was \$60 billion a year. Today, it's \$85 billion. Education is up almost a billion a year in investments. So it's unbelievable, the great things that are happening in the province, driven by economic development. It's been a complete turnaround.

Depending on other questions here, I'll talk about some of the experiences that we're hearing first-hand around the world.

Mr. Sheref Sabawy: Thank you, Minister.

The Chair (Mr. Ernie Hardeman): MPP Barnes, four minutes.

Ms. Patrice Barnes: My question is for Associate Minister Tangri. We've seen the evolution and growth of companies coming back into the economy and growing that economy. We recognize that small businesses—those are 98% of those businesses, so I just wanted to talk a little bit about coming out of COVID and some of the things that small businesses had to do to help them survive. We know a lot of them had to pivot to go online. They had to create a website and almost come into the new age of technology. So what are some of the things that are being done to support these businesses as they continue to pivot into a new world of doing business?

Hon. Nina Tangri: Thank you, MPP Barnes, for the question, and thank you for your great work. I've met with your chambers out your way, and they've been phenomenal in helping guide us in some of the ways that we need to move forward.

It's such an important issue. As we learned, especially through the pandemic, many stores and storefronts, as they were closed, needed to pivot to have an online presence. So we were working very much with them. We needed companies to have more of a digital literacy, a modernization plan, so that we could make sure that our Ontario businesses, small businesses especially, could survive through that time.

So we have partnered now with the Ontario Centre of Innovation. They are delivering the Digitalization Competence Centre program, the DCC program, and that now serves as Ontario's premier knowledge centre focused on driving digital transformation for our SMEs. That advances two primary functions: digital adoption and digital literacy.

Under the digital adoption, we're accelerating the integration of new technologies, so we're providing those SMEs with the support that they need so that they can adopt innovative equipment. I've actually visited many of the companies that have worked with OCI through this program, and they've had special advisers work with them on what they need to do, and so we're providing them with support and funding, matching funding with some of these companies. Perhaps it's just a new software.

I'll give a bit of an example here: There was a company who made staircases. Once they worked with OCI, now those staircases have extremely high accuracy rates. Think of a circular staircase. Now their accuracy and their lack of waste of wood has been a massive change for them, so they're saving so much. Because they were able to save so much on not having to waste a lot of their supply, they have now been able to hire significantly more people, so they have gone from being a small business to a medium enterprise now, which is what we love to see from our small businesses.

Helping companies adopt digital literacy is just so, so important. As we go forward—

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

Hon. Nina Tangri:—and we talk significantly about a lot of the STEM grads we have, we can put Ontario grads up against everyone in the entire world, and I'll say we're at the top. Because we have that, we have the way. It's just working with companies now on how we can match them together and make sure that we're at the forefront of all advanced manufacturing, technologies, digital literacy, to make sure that all companies can not just survive but thrive going forward, and it's working. OCI have done a phenomenal job in getting the word out there, but there's more that we're doing and that we can do as we're building our small business success strategy, as we're listening to companies on ways that we can support them. So thank you for the question. We're looking really forward to moving forward and having more companies get online.

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Ms. Patrice Barnes: Thank you.

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

We'll now go to MPP Kernaghan.

Mr. Terence Kernaghan: My first questions will be for Associate Minister Tangri. I want to thank you for your comments about small businesses because I think we should be all able to agree that Ontario's small businesses are the backbone of our economy. I believe that they comprise roughly 80%. They are job creators. They bolster community identity, vibrancy and so much more. But despite the fact that they comprise 80% of our economy, we see much more attention from this government towards large multinational corporations. I think about, during the pandemic, how a billion dollars was handed over to the foreign-owned 407, for instance—a debt that was not collected. I think about all the housing that could have been built, investments that could have been made towards health care and education at such an important time.

Now, I think you're right, Minister, in saying that there's so much more that the Ontario government can do and should do for Ontario's small businesses. When we look at the current economic climate, retail giants such as Amazon and Walmart, they're battling it out for that e-commerce dominance. Amazon has perfected overnight shipping. Walmart is strengthening the supply chain. Their vast network of brick-and-mortar stores also benefits their ability to compete, but it raises the question, where does that leave Ontario's incredible small businesses, and how can they compete with these Goliaths?

Kay Matthews, who is the executive director of the Ontario Business Improvement Area Association, called the Digital Main Street program that was instituted during the pandemic “an indispensable asset in fostering ... growth and resilience of ... businesses across Ontario.” It was a significant influence on Ontario's economic landscape and the program has equipped small businesses with tools and knowledge needed to cultivate the digital landscape and a spirit of community and resilience and adaptability. I couldn't agree more.

They are also calling for further investments to expand the DMS initiative and enhance support mechanisms for small businesses across Ontario. However, funding for this program was quite abruptly cut—it expired on March 31, 2024—and it left the only stream truly powered by the federal government.

Associate Minister, I would like your comment on why the provincial government ended this powerful support for Ontario's small business community.

Hon. Nina Tangri: Well, thank you, MPP Kernaghan, for your question. I do want to talk a little bit about the Digital Main Street program, because it was something that throughout the pandemic our government collectively championed. It was a great program, and it did have that sunset clause of March 31, 2024, that was put in place. As we move forward—it was crucial at the time to help people get that online presence, help them have a point-of-sale system online, and many others—just to have good visuals for their websites, in many cases. We invested over \$57 million into that program. Over 91,000 businesses were able to have that online presence and enhance their online presence, as well.

So now that this program has ended, we still remain very committed to ensuring enterprises can access the tools and the training that they need to adapt, transform and thrive. So there are ongoing initiatives—as I mentioned a little earlier, the Digitalization Competence Centre provides specialized guidance that helps partners all across our province with on-the-ground support. And we are stewards of our economy, so we want to make sure that we have the right programs in place that—

Mr. Terence Kernaghan: I'm going to reclaim my time, Chair.

Thank you, Minister, but specifically to my question: Why was that funding ended when it was so successful, as you say, and while many industry stakeholders and partners were calling for the extension of that funding? Why was it ended?

Hon. Nina Tangri: So that program was—the additional funding that we put into that throughout the pandemic—it was always meant to sunset March 31 of this year, and OBIAA, Kay and I and TABIA together, they all understood that that program was going to sunset at that time. So we're working with them—it was continually to work with OBIAA—they do phenomenal work, and Kay and I meet quite often to talk with our small businesses on how we can start building our small business success strategy going forward and how our government can support small businesses, whether it's with an online presence or in other ways as well. We're working very collaboratively right now with many industry partners as well. There are many ways we can support small business, and an online presence is a very important one of them. We're looking forward, as we move forward, to providing some supports for our small businesses in that way.

Mr. Terence Kernaghan: Thank you, Associate Minister, but respectfully, Kay has called for an extension of this funding. I do believe working in partnership with Ontario's small businesses would be by respecting their wishes and continuing that Digital Main Street funding. While it did support businesses during the pandemic, there are also new businesses which would greatly benefit from a continuation of that funding. I believe that on vote item 902-13, \$21 million has been moved from that, and I think that is a grave concern.

Other stakeholders have also indicated their support for the continuing funding for the Digital Main Street program. In fact, those would include Ontario's Big City Mayors. They passed a motion to continue with Digital Main Street funding. They passed this, I believe, on June 14, 2024, and they sent a copy to Minister Fedeli; they sent a copy to you, Associate Minister Tangri; they sent other individuals in the government copies of their request to continue this funding. In fact, if you'd like copies, I have some here with me; I'm happy to send one over.

Associate Minister, how will you answer Ontario's Big City Mayors and their request to continue the Digital Main Street funding?

Hon. Nina Tangri: As mentioned earlier, that program was meant to sunset on March 31 of this year, and it was known to them—

Mr. Terence Kernaghan: But they don't want it to sunset.

Hon. Nina Tangri: It was a great program. Like I said, 91,000 businesses across our province benefited from that program. It actually kept a lot of people's businesses thriving throughout the pandemic. However, we've come through that. The pandemic is somewhat behind us, and none of us ever want to go back there.

But now, there are many other ways we can start supporting our small businesses, which is why collectively, we decided to build a small business success strategy going forward, and we're well on our way to getting there. We're meeting with chambers of commerce, boards of trade, industry leaders. But more than that, we're meeting with small business owners who are telling us, for some of them, yes, the online presence is important. Many of them

have done it. New entrepreneurs, as they're meeting with our small business enterprise centres, are already working on making sure they have an online presence as they begin their enterprises, so we're making sure that we're helping them right at the very beginning of their businesses and then helping them move forward.

Many businesses have already built up their online presence, but we're looking at ways on how we can support our small businesses in other ways as well as an online presence, so there's much that can be done to support our small businesses. That was just one of them, but now there is much more that we need to do.

Mr. Terence Kernaghan: Thank you, Associate Minister, though respectfully, I would contend that in order to have a collaborative and respectful relationship with municipalities as well as the OBIAA, you would continue the funding that they have requested.

Now, I'd like to move on to some comments that have been made about electric vehicles. I think we can all agree that we're very happy that Ontario has become a destination for the manufacture of electric vehicles. We've seen billions that have been invested. My question to Minister Fedeli: How are we ensuring and how is this government ensuring that Ontarians can have long-term jobs and will be able to afford these EVs that are being created within Ontario?

Hon. Victor Fedeli: We are, again, thanking the companies who have invested \$44 billion here. Not only did we literally save the 100,000 auto workers whose jobs were in jeopardy, but we have seen these companies now line up to create tens of thousands of new jobs in the auto sector. This is just a truly exciting opportunity for a made-here-in-Ontario solution—the EVs, the cars that we will build here in Ontario. It's just an exciting opportunity for residents of Ontario to purchase these cars because 800,000 of them today have a job that did not have a job six years ago when we were elected. And we know that all of these other companies that are still coming are going to create tens upon tens of thousands of additional jobs.

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We've continued to put money back in the pockets of all of the people you're referring to in order to help them. Whether it's 10 cents a litre in the price of gas or all of the other things that we've done, we've lowered the cost for families. We have fought and will continue to fight one of the worst taxes, the carbon tax, that has put a price on everything, whether it's farm, food—

Mr. Terence Kernaghan: I'm going to reclaim my time, Chair. Thank you very much, Minister.

I wanted to actually get your thoughts on the record, because we've noticed that GM in Ingersoll, members of Unifor Local 88 who now create the BrightDrop system, unfortunately, while creating a superior Ontario-made product, have not had the opportunity to have that system purchased by corporations such as Canada Post federally. It's jarring to see all these investments being made into EV manufacturing and yet government partners not actually purchasing Ontario-made products.

Will the provincial government reach out to the federal government and write them a letter, get them to purchase these superior Ontario-made products, or is this something that has not been on your watch?

Hon. Victor Fedeli: Well, I can tell you that if you looked at last budget, you would have seen that Ontario committed to purchasing all of our replacement vehicles—all of the vehicles that the government of Ontario will purchase are coming from Ontario-made manufacturers—from electric vehicles. So it's a very, very big step that we are taking.

We're thrilled to see, by the way, that General Motors in Ingersoll, the one you're talking about, just yesterday came out with an announcement that they're adding an entire new shift. That's how popular the BrightDrop is. We're thrilled to see that.

I know that you, too, are very pleased to see the investments that we've made. I've read your press release where you talked about the billions that are invested in the EV sector. I agree with what your press release said, that Ontario is now renowned for world-class manufacturing and that we're industry leaders—

Mr. Terence Kernaghan: Thank you, Minister. Would you agree that the province has a responsibility to call upon the federal government to purchase those?

Hon. Victor Fedeli: I believe the federal government has a responsibility to do exactly what the province is doing and buy locally, buy provincially—

Mr. Terence Kernaghan: Then will you call upon the federal government to support the GM BrightDrop system and the purchase of vehicles for Canada Post? You've said that you agree with the press release. Part of the substance of that press release was that it was calling upon the Conservative government to call upon the federal Liberal government to do the right thing and purchase Ontario-made, superior products. Will this government be doing so?

Hon. Victor Fedeli: We call upon them to do the right thing on a day-to-day basis, especially lowering the carbon tax, reducing the carbon tax, axing the carbon tax.

Mr. Terence Kernaghan: Good. So then hopefully you will also do the right thing by Ontario's workers and make sure that the federal government is purchasing Ontario-made products.

Hon. Victor Fedeli: They can certainly take a page out of our book, where we are purchasing all of our electric vehicles—

Mr. Terence Kernaghan: I'm going to reclaim my time. Respectfully, Minister, I'm not sure that I'm going to get a direct answer on that, so I will suggest that we move on.

Hon. Victor Fedeli: But thank you for your press release praising the government; I appreciated that.

Mr. Terence Kernaghan: And I will appreciate you following the entire spirit of the press release. I will look forward to your letter to the federal government sometime shortly.

Minister, you've mentioned that the government's goal is to make Ontario the ideal destination for EV assembly and the EV battery supply chain. But unfortunately, if you look across Ontario, there is a serious lack of EV infra-

structure. There's a serious lack of EV charging stations. I think there is approximately one public charger for every 25 vehicles on the road. Now, Ontario is a laggard, because if you look at the numbers for the globe, there is a ratio of 1 to 8.

I'd like to know, how is it possible to make Ontario the ideal destination for electric vehicles when we don't have enough charging infrastructure?

Hon. Victor Fedeli: Well, through the EV charge program, we've invested \$91 million to make chargers available right across. In fact, if you look in the media, you will see that Honda noted that it will sell their initial supply of the Prologue, the Honda Prologue, a new EV, only in Ontario, Quebec and British Columbia, and it chose Ontario because it has a "broad EV charging infrastructure."

We are pleased that there are over 3,500 public EV charging stations and roughly 9,500 level 2 and level 3 high-powered EV charging stations. We have installed EV fast chargers at all 20 of the renovated ONroute stations along the busiest highways. And of course, through the legislation that we put in with the ultra-low overnight price plan, we're now lowering the cost for those who want to charge their EVs at home overnight.

But I think the fact that we are supporting the installation of public EV chargers outside of Ontario's large urban centres, at hubs and other highway rest areas, carpool parking lots and Ontario parks, is also leading the way from the other provinces, which is why Honda said they're here because of the "broad EV charging infrastructure."

Mr. Terence Kernaghan: I think it was this very PC government that reported that there were 1,800 public charging stations across Ontario—I think this was last year—with more than 5,000 charging ports. Now, this is really far away from where the province needs to be in terms of the federal government's targets.

This government had the opportunity to vote upon the member from Oshawa's motion on June 5 to amend the building code so that EV infrastructure rough-ins would be included with all new builds. I believe that the National Association of Home Builders indicates that the pre-wiring, this rough-in, for a level 2 charger will cost roughly \$500 to \$1,500. And while I know this government will claim that prices of housing will go up as a result of this very nominal fee, I believe that it costs in the thousands of dollars for a homeowner to include this post-construction.

Will this government learn from its ways and promote EV infrastructure within buildings, within homes, by including this within the building code? Yes or no?

Hon. Victor Fedeli: Under the EV ChargeON Program, you're going to see, as I mentioned, \$91 million to make chargers more accessible. I'm not sure where you got your numbers from, but maybe they were a year ago, which, just contrast the numbers you read compared to the ones that we have today. There are 3,500 public EV charging stations, and not 5,000, but 9,500 EV charging ports in Ontario. So we're continuing to install these, but I think for the homeowner, the real important fact is the ultra-low overnight pricing plan, where we've lowered the cost for those who charge their EVs overnight.

Mr. Terence Kernaghan: Very good. The article itself, I will point out, was the Pointer. It was written on July 8, 2024, and it does point to the PC government's numbers from the last year.

It doesn't answer the question though, Minister. You speak about providing an ultra-low rate for homeowners for home charging, but do you think that homeowners should be saddled with the additional cost of installing their own EV charger within their homes when it could be done for a fraction of the price in a more effective way during the home's initial construction?

Hon. Victor Fedeli: We're doing a tremendous amount to support electric vehicles, right across Ontario, not only saving the 100,000 jobs, but providing the jobs for the tens of thousands—Volkswagen alone, not only the 3,000 people that will work there; it will be the 30,000 supplier jobs that are being created at Volkswagen. We're seeing a tremendous shift in the employment level here in Ontario, when you see the 160,000 people alone this year who have gone to work and have a job for the very first time, in many different cases.

Mr. Terence Kernaghan: Respectfully, Minister, I'm seeing a tremendous shift away from the question that I've asked.

Hon. Victor Fedeli: Well, the important part is, there is more money in the pockets of the people today than there was. When you think of 800,000 people earning a wage today that didn't have a wage back when we first got elected—and multiply that times the average wage over the course of the year—there's a tremendous amount of dollars within the marketplace today, and there's much more coming.

There are 30,000 jobs being created just from the suppliers at Volkswagen and the tens of thousands of jobs that are created in the other communities throughout Ontario. I think of those few hundred new employees over at Goodyear making electric vehicle tires. I think of the site we'll be visiting in two days down in Port Colborne; almost \$2 billion being invested there. They'll announce their hiring numbers, but it's a tremendous amount of people that are going to have a new job.

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Mr. Terence Kernaghan: Thank you, Minister. I look forward to the government supporting MPP French's motion to make sure that homes are EV-ready in the future because it is a wise investment, it is a cost-effective investment, and it is something that will benefit our EV future in Ontario and I think it's the right decision to make.

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

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

Mr. Deepak Anand: Minister, thank you—both the ministers, thank you for coming.

I'm just going to go back into the history. When we think of the previous Liberal government, we often recall the businesses and the good-paying jobs that were lost under their watch. Minister, I'm looking at the Globe and Mail from 2013; the heading is, "The Future Looks Bleak for Ontario's Manufacturing Sector." But we also need to

remember the damage they did to Ontario's reputation on the global stage. When companies are looking to invest and expand, they look to jurisdictions where it's easy to do business. Not only did the Liberals chase businesses out with their high taxes, high red tape, they also tarnished Ontario's reputation globally with investors and companies viewing Ontario as an expensive place to do business.

Fast-forward, Minister, I'm taking another look: June 15, 2023, Canadian Manufacturing Outlook 2023, which says that 72% of manufacturers expect companies' earnings to increase by up to 10% and head counts also to increase by 10%. It's data. It's clear data.

Also, you talked about lowering the cost of business by \$8 billion annually, reducing the red tape by 500 pieces and creating 800,000 new jobs, more than 160,000 this year alone—and this is the data again—bringing more investment, up to \$44 billion in new auto and EV instalments.

Minister, the investments you talked about, whether in automotive, tech or the life sciences space, are from companies across the globe. They could have gone anywhere. It's a global village today, but they chose to come to Ontario. So we want to say thank you to you and everyone who got engaged in this. Thank you to Premier Ford for bringing those policies.

To everyone who is watching this, can you explain what you've been hearing from businesses abroad when you embark on trade and investment missions to promote Ontario, and by doing so, are you bringing home more job-creating investments?

Hon. Victor Fedeli: I appreciate the question. I'm going to read something. I dug deep into my iPhone because I actually carry this around with me as a constant reminder. I've referred twice already to the 2017 economic report from the previous Liberal government. This is in the first six pages; these are a couple of sentences that the report said:

"The structure of the Ontario economy will continue to shift from goods-producing to service-producing sectors." And then another quote: "Shifting employment from goods-producing industries, in particular manufacturing, to service-sector industries." And then the report also projects a drop in the growth of Ontario's GDP. So not only did they purposely move away from manufacturing, they knew it was going to damage our economy: "drop in the growth of ... GDP, a decline in private sector savings, imports, exports, labour participation rate"—in fact—"nearly all of" the "major economic indicators." This in their report. This is what they intended to do.

So fast-forward to where we are today. Whether it's in Korea, Japan, Germany, as we travel, attracting companies—virtually every one of our sales missions has attracted a business here. We don't go there on missions taking 50 people along for a photo. There's one or two staff, we roll up our sleeves, we're sitting across a table and we're doing the deals. But you also are developing friendships with these companies and these people over multiple visits. And it's really interesting that no matter—and I've said this in the Legislature. No matter which country we visited,

no matter what company in the country, it all comes down to the same kind of phrase: They say, “In this very tumultuous time that we’re living in around the globe”—they all talk about Russia’s illegal invasion of Ukraine. We haven’t travelled a lot since the Israel attacks, but they talk about Israel as well. They talk about China and the broken supply chains and the dominance, this massive uncertainty that we have around the world. They have this furrowed brow and a very concerned look on their face, and then they stop and they point. “Across the ocean,” they say, “it’s like a beacon of hope, a beacon of light, the sea of tranquility that’s Ontario.” And they say it just like that. They say, “You have stability, dependability, reliability, credibility.” They know exactly what they’re going to get when they come to Ontario, Canada, and they all say the same thing. And then they all say the second thing: “It’s safe.” Whether it’s in Europe or Asia or anywhere, they all say the same thing. They know the success record that we’ve hit in Ontario, and they all want to be a part of it.

Mr. Deepak Anand: Being part of manufacturing for the first half of my life, I always enjoyed it, and I miss manufacturing. I’m a big supporter of manufacturing.

I want to move to the Associate Minister of Small Business. I think you’re the one who has worked more with Minister Fedeli than any of the other MPPs. “Pill Hill” is in your riding, and life sciences strategies—what do you have to say about that?

Hon. Nina Tangri: When I was first elected, a couple of my local life sciences companies contacted me, and I went out to visit with them. When they educated me on their industry, the impact, the number of people employed and how much of our GDP it was affecting, I was blown away. Minister Fedeli and I had many, many conversations with the Premier on how we can enhance and build upon that. A year later, I became parliamentary assistant to Minister Fedeli, and then we just took it by the horns, I think—investment after investment with the industry here. They know that we have the best graduates coming out of our universities and colleges. They needed that talent, and they wanted that talent to stay here in Ontario. Remember, we’re competing for that globally, so in order to keep those companies here, to help them grow, we needed to make sure we had the talent. Combining all of those things together and making sure that we had the availability of all of those things, Minister Fedeli, the Premier, myself, Minister Jones—and Minister Elliott, previously—worked with these companies on how we can help them grow and bring those really well-paying jobs here to Ontario.

Minister Fedeli touched it on the head: If you’re going to uproot a family and bring them to another country, Ontario, bar none, is the best place to bring them. Minister Fedeli goes around the world, talks to many of these companies and sells Ontario—because that’s what we do. We sell our great province. It’s a great place to live, a great place to work, a great place to own a business, and a great place, very importantly, to raise your children, because of our great education system and our health care system, which is why we’re able to attract so many businesses to come here. It’s working, and we’re going to continue to do

that. And I do want to thank Minister Fedeli; his leadership in this has been profound.

There are a lot more great announcements and a lot more things happening with our life sciences strategy, phase 1; we’re talking about phase 2 now. Our innovation fund—it has really been one area of the economy that has sort of been left behind by previous governments. Now we give them a top priority. Minister Fedeli is working significantly now on the next part of the life sciences strategy and diligently working on bringing more investments here to Ontario. He has been doing a great job, and we know he’s going to continue to do so.

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Mr. Deepak Anand: Thank you.

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

MPP Smith?

Mr. David Smith: I’m so proud to be a part of this team that is making Ontario feel like it’s on the right tracks again.

Minister Fedeli, I must say to you that wherever I travel in Ontario, your name is coming up almost like a household name. People are talking about you like you’re a champion, and you seem to understand the economic engines of Ontario. You’re so right when you speak about how Bloomberg ranked Canada number one in the global battery supply chain. You’re so right on global demand for EVs, up 35% last year, set to ramp up this year even further. I am very impressed with you under the leadership of Premier Ford and your ministry staff and yourself, the work you’re doing along with Minister Tangri.

I want to talk about what went on prior to our government taking office. We saw a lot of manufacturing jobs, which you’ve emphasized, leaving Ontario. In other words, we were seeing the tail lights of manufacturing jobs leaving Ontario. I’m proud to say, being a part of this government, that we’re now seeing the headlights. More and more dollars are coming in, and I want to thank you for your criss-cross across the globe to bring those dollars to Ontario. I’m seeing first-hand—and each and every one of us in this room, if you have eyes to see, our economy is doing very, very well. It’s your work. So we’re pulling our minds and bodies together to ensure that we’re meeting those obligations and the demands of the goods and services people need right here. We’re creating better jobs, bigger paycheques, better benefits, better pension plans, and I think we all should be very happy that we have us as a team working together to make Ontario be that better place to attract more businesses here.

Our doors are open for business; you’ve said this over and over in the Legislature, in your conversations. I’ve watched you on television as you speak. You even have some billboards driving that message. I’m very proud of the work that we’re doing under the leadership of Premier Ford right here in Ontario to attract more businesses, to keep our economy viable and strong. Thank you.

Ms. Christine Hogarth: Was there a question?

Mr. David Smith: Oh, yes. There is a question. Sorry.

Minister, can you share with this committee how Ontario’s tech sector is doing and how we have been able to

stay globally competitive amid fierce competition from across the globe?

Hon. Victor Fedeli: First, thanks for all the comments. I share those with Premier Ford on a daily basis when they come in because I've said this a thousand times: There's no better closer than Premier Doug Ford. All of the deals that we've done around the world, they end up sitting at his home where he can look them in the eye and shake their hand and close the deal.

I still remember the Volkswagen one. We were sitting in his office a month before we were given the answer from Volkswagen. I looked at Sebastian from Volkswagen, and I looked at the Premier, and I watched the interaction, and I thought to myself, "Damn, we've just won this—biggest deal in Canadian history, \$7 billion." At the time, it was the biggest. We've eclipsed that far beyond. But it's all personal relationships and it's just having—I like to use the expression, when his big meathooks come out and shake your hand, you know you've got a deal, and you know we've closed a deal. We'll see if I still have a job tomorrow after the "meathooks" line.

But to your comment, MPP Smith, we visit the tech sector. Think of our many trips in India—we've never come home without a tech company. Now, in Minister Tangri's riding, in MPP Anand's riding, there are companies with 1,000 employees, 1,400 employees, 1,700 employees. There were zero there six years ago in the tech sector. It's just really something else. We've got 100,000 tech jobs since we got elected. Again, I talked about CBRE's report last week. It said Toronto saw the most tech job gains in North America over the last five years. But it's not just Toronto; Toronto ranked fourth, Ottawa ranked 10th and Waterloo ranked 21st. This is in the top 50 tech locations in all of North America. We have three of them. We punch way above our weight here in Ontario.

The Premier likes to talk about stories where he's chatting with somebody in California or somebody in Florida and they're boasting about their growth in the community, growth in the population. They say, "We're the number one growing jurisdiction." Well, not a chance. When we're growing by 800,000 people a year and they're boasting, "We grew by 1,000 people a year," he chuckles. He likes to use the expression—he used the expression with the governor of New Jersey the other day: "We're eating their lunch." We really are truly eating their lunch. With 85,000 AI workers in Ontario—this is the cradle of AI. This is where AI was invented. It's 30,000 AI jobs just in the last two years.

So, MPP Smith, it all comes down to the people. We've got the people, and we're training them: 70,000 STEM grads every year.

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

Ms. Effie J. Triantafilopoulos: Ministers, thank you so much for being with us before the committee today. I've got a question for Minister Fedeli, and it's very much focused on our Ontario and US trade relationship.

We have an election taking place this coming year for the US president. We hear a lot of what's going on there

in terms of the presidential election and, certainly, concerns in terms of where Ontario and where Canada are vis-à-vis our trading and our economic relationship, given our close ties. I know that, from time to time, on both sides of the aisle, we hear about the protectionist issues that American politicians have spoken about and what that might actually mean to our relationship and our workforce.

I was with the Oakville Chamber of Commerce and Ford Canada yesterday in a round table, where we talked about all of Ford Canada's plans here. They told me about your working relationship, particularly on the Critical Minerals Strategy and what that's going to mean for Ford in Ontario.

I know that the Premier and yourself have signed a number of MOU strategic bilateral agreements with a number of the US states, so I wonder if you could expand a little bit more about what we've been doing to be able to insulate Ontario and, therefore, Canada from some of the protectionist sentiment that's been going on.

Hon. Victor Fedeli: That's a great question because there's just never been a more important time in our history to strengthen economic ties between the US and Ontario. Ontario is the US's third-largest trading partner. We do more than a billion dollars a day between the US and Ontario—\$500 billion a year; \$250 billion, almost evenly split, ingoing and outgoing—versus their number one trading partner, which is now Mexico: almost all incoming into the US, with very little outgoing. Their number two trading partner is China: almost exclusively incoming, with nothing going out. And Ontario, number three trading partner: \$250 billion coming in, \$250 billion going out. So it's a remarkable trading relationship.

We're the number one trading location for 17 US states. We are their number one customer. And we're the number two for 11 other US states. So for 28 US states, we are directly involved in their wheelhouse on a day-to-day basis.

We've done these deals that you spoke about. It's like a memorandum of understanding, and what that really means in English is that we have a deal that says, "You can come here and do this, and we can go there and do that." That is now signed this weekend with New Jersey, Illinois, Indiana, Nevada, Michigan, and our first one was Maryland. That is really important in terms of streamlining our trade opportunities. It's delineated what we can do and what we do.

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

Hon. Victor Fedeli: So that's a really exciting opportunity. We have great representation in Chicago, Dallas, New York and San Francisco, and our AG—agent general—in Washington. This is an important year, with the US election coming up. NAFTA 2.0, as I call it, is going to be reviewed in 2026, so we need to be at that table, and we have had a steady presence in the US, making sure that we are there loud and clear.

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Ms. Effie J. Triantafilopoulos: How much time do we have?

The Chair (Mr. Ernie Hardeman): You have 17 seconds.

Ms. Effie J. Triantafilopoulos: Well, I would speak to you specifically about the battery supply chain that you were talking about, congratulating Ontario and Canada on being ranked by Bloomberg as the number one annually—

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

We'll now go back to the official opposition. MPP Fife.

Ms. Catherine Fife: I think it's wonderful that you mention Waterloo, their IT sector and how productive—and the overall GDP value to the province of Ontario. As I pointed out in my original comments, though, the agriculture and agribusiness in Waterloo region is also very profitable—in fact, fairly comparable to the value around job creation and goods and services for the region as a whole.

So I have to go back to Wilmot because, I must tell you, I'm not very satisfied with the answers that I received. I think that this comes down to the expropriation question because, Minister and the deputy minister, you've been very clear that you have a hands-off approach to what's happening in Wilmot, whereas the regional chair has said, and this is a direct quote, "We have been transparent with landowners who said 'if I don't want to sell, would expropriation be an option?' Expropriation is one of the tools that is in the kit, when we made an agreement with the province. We have never said we want to expropriate, we want fair and equitable negotiated settlements with all the landowners, but when people ask, is that a possibility," they had to say yes because the province indicated so.

I think, if we're looking at financial transparency on what's happening in Wilmot, I guess my question to you, Minister, or to the deputy minister is, are you going to continue to funnel and flow Ontario taxpayer dollars to fund the expropriation of class 1 farmland in Ontario for what at this point is an undisclosed large industrial land assembly in Wilmot township? Do you agree that this is a mechanism that you're willing to fund to the tune—if everything happens as it has thus far, this would be \$77 million to decommission class 1 farmland, kick farmers off of their land for an undisclosed large industrial project. Is this something that the province will move forward with?

Hon. Victor Fedeli: Let me talk about expropriation. First, when you say "undisclosed," I don't know what you mean by that.

Ms. Catherine Fife: I'll clarify. So to date, all of this has been proceeding without the knowledge of what actually is going to be going onto that land, which also increases the stress and anxiety of the community as a whole.

Hon. Victor Fedeli: Yes. There is no client or customer.

Just give me latitude for one second when I talk about Volkswagen's site again because—just so we're very clear—we bought the Volkswagen site before we ever heard the name "Volkswagen." So this was a project that we worked on with Elgin county—again, no expropriation. The land was assembled, because if any company around the world wanted a site that was a thousand acres, we had nothing in Ontario. The previous government did not buy any land, so that's why, when we bought that land, there was no customer. "If you build it, they will come"

was the thinking back then, because we had no sites, so the same scenario would exist.

But expropriation, MPP Fife, is a very serious tool.

Ms. Catherine Fife: Yes, I agree.

Hon. Victor Fedeli: It is a tool that is available to municipalities. It is available. So when we work with municipalities, we want to make sure this very serious tool is wielded very carefully and with appropriate plans and approvals.

Ms. Catherine Fife: Thank you for that. What I would say, though, is if—

Hon. Victor Fedeli: I'm not finished. I'm not finished yet.

They don't get wielded without the province's approval, and that approval has never been granted for Wilmot, nor were we consulted when the suggested use of expropriation was made.

Ms. Catherine Fife: That's a very interesting point that you're making, because the expropriation and the purchase of the 770 acres of class 1 farmland would not be happening without the province's funding. Do you agree or disagree?

Hon. Victor Fedeli: Well, the province is funding it, but we're not managing the project.

Ms. Catherine Fife: With all due respect, Minister Fedeli, you are funding the expropriation, because you are the funder—

Hon. Victor Fedeli: No, no, no.

Ms. Catherine Fife: Yes, yes, yes.

Hon. Victor Fedeli: No, no, no. The approval for expropriation was never granted for Wilmot—

Ms. Catherine Fife: In fact, actually, it was mentioned by the chair of the region—

Hon. Victor Fedeli:—nor were we consulted.

Ms. Catherine Fife: No, it was actually said by the chair of the region—

Hon. Victor Fedeli: But I am saying to you, we were not consulted.

Ms. Catherine Fife: Well, let's take a step back. This is another thing that Chair Redman said: "One of the things that was really evident from the beginning was that the timelines provided from the province were very, very tight" and not negotiable. You set the timelines. You asked the region of Waterloo to sign an NDA. Is this correct? This question is for the deputy minister. Did the province of Ontario ask the region of Waterloo to sign an NDA?

Hon. Victor Fedeli: I would say that the NDA is involving the dollar value. I'll leave it to the deputy to verify what I'm talking—

Ms. Catherine Fife: That's a key point that you've just said. These are not your dollars. They're not my dollars. These are Ontario taxpayer dollars, and Ontario taxpayers are not in support of kicking farmers off their land.

Hon. Victor Fedeli: In the fullness of time, when all is said and done, everything will be public record. But right now, what's under the NDA is the dollar value, because we want fairness for the taxpayer and fairness for the sellers. But they can't know what our top-line dollar is;

that's not how business is done. I understand you might not be aware of that.

Ms. Catherine Fife: Actually, this is not how democracy is done, I would say to you.

Hon. Victor Fedeli: But in the fullness of time—

Ms. Catherine Fife: Kicking farmers off their land is un-Canadian—

Hon. Victor Fedeli: But this is managed by the—

The Chair (Mr. Ernie Hardeman): One at a time.

Ms. Catherine Fife: —and it is absolutely disrespectful to what's happening here.

I just want to say, Minister, you and I served for many, many years together. If the Liberals were trying these shenanigans in Wilmot township, you and I would be on the same page, because there's not one public meeting, not one financial statement or budgeted item for the cost of kicking these farmers off their land. It is un-Canadian. It is not the Waterloo way. And it's being driven by the province, because it would not be happening if you didn't fund it.

Hon. Victor Fedeli: I said, much like any other sewer and water program, they're funded by the province, and they're managed locally. We're reliant on the region to take responsible, measured steps to manage this program. We're here only to support the region financially. They're the local experts. They're running the ground game. They make all the day-to-day decisions.

Again, to your earlier point, expropriation was not an approval that has ever been granted for Wilmot, nor were we consulted when it was brought up.

Ms. Catherine Fife: Okay. Let's take a step back here, because this entire process has been completely flawed. Even before the region approached the six main farmers, a developer went to those farmers and offered them \$58,000. It was Stephen Litt from Vive industries. Was it a red flag or a blue flag for you that a developer knew that this was all happening? We all know that once the land is purchased, it goes from \$58,000 to potentially \$1 million per acre. Who is tracking this in your ministry?

Hon. Victor Fedeli: Again, we're here to fund the region. The region runs the entire show. All of the day-to-day decisions, all of the ground game—all of those local decisions are made by the region.

Ms. Catherine Fife: I'm hearing that the province has set the terms and the framework for this farmland grab in Wilmot, but I'm not hearing anybody taking any responsibility for the funding of this expropriation and the purchase of this land.

I would just go back to the chair's statement. She said, "I was surprised, and I am confused," when you and Mike Harris put out that press release. She said, "I am confused because from the very beginning of this land assembly process, we have been lockstep with the province. So I didn't see this coming and I guess I would say, I'm pleased the province is now lifting the confidentiality obligations and I hope this will now allow greater transparency as we move forward with our land assembly partnership." I would say that the farmers don't view it as a partnership, right?

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Hon. Victor Fedeli: Well, I can say to you that you read my statement. I said, and Minister Harris said the same thing: We're disappointed in the way the region has handled this. Again, we didn't get into the specifics, but I've said it to you today with respect to the word "expropriation"—because you've used it so many times that I wanted to answer that—it was not something that was granted by the province or approved by the province, nor with our knowledge, plain and simple.

Ms. Catherine Fife: But can you acknowledge, at least, on a very transactional basis, that none of this would be happening in Wilmot township if you were not funding it? So even though you say you have a hands-off approach, at the end of the day, you're driving the process because you're funding the process.

Hon. Victor Fedeli: We're not driving the process. Again, I'm going to point across the highway at St. Thomas and Elgin county. We were approached—

Ms. Catherine Fife: It's completely different.

Hon. Victor Fedeli: No, they're absolutely identical. It's the same contract.

Ms. Catherine Fife: No, they are not identical.

Hon. Victor Fedeli: It's the same contract. They're absolutely identical. One handled it differently than the other, who chose to use a different approach without the understanding or knowledge or previous knowledge of the province, and so this is where they find themselves, but they're the ones who are running the ground game. They're the ones making these decisions. We want it to be—we want them—in my statement, we said, we want a respectful process. We want to see fairness for the sellers and fairness—

Ms. Catherine Fife: You can create a respectful process. You can. You can create a respectful process by stopping the funding of this purchase of this farmland grab.

And I want to say, there has to be some transparency and accountability of where the funding is actually going. I do want to say, the province is not in a good financial position. I will say that as the finance critic, but I'm actually backed up by the Canadian Taxpayers Federation, who just on Friday addressed the finance minister's "serial overspending," arguing that he's exceeded his own spending plans by \$66 billion since taking the job in 2020. The statement also takes aim at your government's Ontario Place parkade and the cost overruns on transit projects such as the Ontario Line.

So the fact of the matter is—and this goes onto say: "In just four short years," Minister "Bethlenfalvy will have added \$56 billion of debt to the province's bottom line. By any metric, that's a lousy record."

My job as the finance critic is to follow the money. So what have you budgeted, your ministry specifically—because we are looking at estimates. What have you budgeted for the Wilmot farmland grab?

Hon. Victor Fedeli: First of all, in six short years, we've also seen our revenue increase by \$64 billion a year. But when you think about the fact that we are in a fierce competition US-wise and across the country—there are 40 states who have land assembly programs. We need to have

these sites assembled to complete our investments and to compete with all of those investments around it. But—

Ms. Catherine Fife: Very good. That's a very good clarification, because it seems to me that given the fact that \$47 billion in economic activity is generated by farmers across this province and the agribusiness, you are making a decision. You are choosing a large industrial farmland grab over the fact that this is—it defies logic, Minister, that we are kicking farmers off class 1 farmland and choosing a large industrial project, undisclosed, without having some even fiscal responsibility or even fiscal transparency. What have you budgeted?

Hon. Victor Fedeli: It's a decision of the region, and again, all of the dollars that are to be allocated will come out in fullness of time. We can't tell the buyer what we've got available for them to buy.

Ms. Catherine Fife: There's nothing to hide here. It's fully open. These six farmers—so the 160 acres that have been purchased at \$100,000 an acre, plus the destruction of the farmland, which, I want to say—the region of Waterloo just passed a motion saying they do not want to destroy farmland, because they were appropriately and responsibly noting that the destruction of that farmland was equal to half a million dollars that could have gone to food banks.

Hon. Victor Fedeli: But they're also the ones who told us they want these anchor investments to create these healthy communities and jobs for generations to come. They're the ones who want us to backstop this, but the process is done exclusively by them.

Ms. Catherine Fife: However, you have set the timelines. Can you deny this?

Hon. Victor Fedeli: No, but I will add to it. I will tell you that the timelines for them have been extended several times, so—

Ms. Catherine Fife: So they're not meeting your objectives as the region—

Hon. Victor Fedeli: They're not meeting the joint objectives of time.

Ms. Catherine Fife: Because even the region of Waterloo has—as part of their strategic plan, expropriation will only happen if there is a willing host. Wilmot residents have said they are not a willing host.

What will it take for you to stop funding this farmland grab, which is fiscally irresponsible? I would argue, in 2024, we should know better about growing our own food and having sustainable practices from an agricultural perspective.

Hon. Victor Fedeli: I think that's a question you would pose to the region and to the municipalities, because they're the ones looking for these anchor investments.

Ms. Catherine Fife: I want to ask you, Minister, what is it going to take? What would it take for you to say, "This farmland grab is inappropriate in 2024. It's irresponsible"? Not having this anchor company that everybody talks about and not knowing what's going to be happening on that land, especially given our aquifer needs in Waterloo region—this is a high-risk project, and no one can tell the taxpayers of Ontario or Wilmot what the return on investment is and what the risk management plan is that the province is asking for.

Hon. Victor Fedeli: I know you won't like my answer, but I would only direct you to the unbelievable success just across the highway at the VW site in Elgin county and St. Thomas, where 30,000 new spinoff jobs are going to be created—3,000 direct. In St. Thomas, they will be building the fourth-largest building on planet Earth to employ 3,000 people.

Ms. Catherine Fife: Is that plant happening on class 1 farmland? Can you answer that question?

Interjection.

Hon. Victor Fedeli: We're uncertain.

Ms. Catherine Fife: You're uncertain.

So I would argue that these are very different deals. You clearly had willing hosts and willing partners with the Volkswagen deal. I can tell you, based on the 40 tractors that came to downtown Kitchener a couple of Wednesdays ago, based on the region of Waterloo's motion where they said that they are not supportive of the destruction of more farmland, that the opposition to this undisclosed anchor project is real.

Hon. Victor Fedeli: But you can't keep calling it an undisclosed—there is no anchor. Just like across the highway, there was no customer; there was no prospect. We wanted to see that project develop—and yes, we did purchase farmland, by the way. I just don't remember class 1 or—but if my memory serves me correctly, there were 17 farms. They were all willing sellers. There was no expropriation. The land was cleared. The building is about to be erected, and 3,000 people are going to work on that site, and 30,000 are going to be employed to supply goods and services to the site.

Ms. Catherine Fife: I just want to say, the reason, Chair, that I keep asking about this particular issue is that there is going to be a cost to the local taxpayers because Waterloo region is one of the only municipalities in the province of Ontario that relies on groundwater—80%, actually, of our water. It's built on the Waterloo moraine, which is where this plant is supposedly going to be. There is going to be a cost to build a pipeline to Lake Erie, there is going to be infrastructure costs to the township of Wilmot to connect with the city of Kitchener, and there has been no financial plan or transparency. It's like rolling the dice at the risk of actually moving—the farmer, Mountainoak Cheese, said that he's not going to sell. Are you going to support the expropriation of his land? Are you going to fund it?

Hon. Victor Fedeli: Again, I go back to—you say that there's no customer or there's no client. It's the same across the highway. We have no large industrial megasites in Ontario. If we're ever going to continue to compete with the 40 US states, who are envious of the success that we've seen in Ontario and envious of the tens of thousands—and hundreds of thousands, actually—of jobs being created, you have to have a site, much like you did—

Ms. Catherine Fife: I would argue that food and water is also important—

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

Ms. Catherine Fife:—for the people of Ontario, Minister. And what we did learn during the pandemic is that having the food security issue for Ontario to be sustainable is also

very important. It's like the importance of social infrastructure to draw investment into the province of Ontario. Kicking farmers off their land is un-Canadian. It is not the Ontario way, and it certainly isn't the Waterloo way. What I wanted to get—

Hon. Victor Fedeli: Well, that's something you should take up with the chair of the region.

Ms. Catherine Fife: The expropriation would not be happening without your funding. That's—

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

The time has expired for the committee's consideration of the estimates of the Ministry of Economic Development, Job Creation and Trade. Standing order 69 requires that the Chair put, without further amendment or debate, every question necessary to dispose of the estimates. Are the members ready to vote?

Shall vote 901, ministry administration program, carry? All those in favour? All those opposed? Carried.

Shall vote 902, economic development, job creation and trade program, carry? All those in favour? All those opposed? The motion is accordingly carried.

Shall the 2024-25 estimates for the Ministry of Economic Development, Job Creation and Trade, carry? Members ready to vote? All those in favour? All those opposed? The motion is carried.

Shall the Chair report the 2024-25 estimates of the Ministry of Economic Development, Job Creation and Trade to the House? All of those in favour? All those opposed? The motion is carried.

The committee is now adjourned until September 17, 2024, at 3 p.m. I thank both ministers for your presentation, and we thank the committee for the participation this afternoon. Have a great evening, folks.

The committee adjourned at 1702.

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