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A Plan to Build Ontario Together

2019 Ontario Economic Outlook and Fiscal Review Highlights

November 6, 2019

The government has a balanced plan to build Ontario together. While the previous administration left behind a challenging fiscal situation, the government is taking action with a prudent plan to invest in critical services, like health care and education, while creating conditions for a more competitive economy. This plan focuses on making life more affordable, preparing people for jobs, creating a more competitive business environment, connecting people to places, building healthier and safer communities, and making government services smarter.

Make Life More Affordable

Ontario has a plan to make life more affordable for families and individuals in every corner of the province by putting more money in people's pockets. The plan includes:

- Helping to lower the cost of living in the North by proposing to reduce the aviation fuel tax rate in the North to 2.7 cents per litre from 6.7 cents per litre. This tax rate cut could help make life more affordable for families in the North.
- Making it easier to build more homes, more quickly, and in the right places — so everyone can find a place to live that meets their needs and budget.
- Helping eligible families with their child care expenses through the Childcare Access and Relief from Expenses (CARE) tax credit starting in the 2019 tax year. This credit enables eligible families to access a broad range of child care options and will provide about \$1,250, on average, in child care support.
- Helping people keep more of their hard-earned money through the Low-income Individuals and Families Tax (LIFT) Credit. A single full-time minimum wage worker with no other income could receive the maximum amount of \$850 in tax relief.
- Ensuring low-income seniors have access to dental care by investing about \$90 million a year in the Ontario Seniors Dental Care Program. This program will provide low-income seniors, aged 65 and older with an income of \$19,300 or less, or couples with a combined annual income of \$32,300 or less, who do not have dental benefits, with routine dental care.
- Making GO Transit trains and buses free for children 12 and under through the Kids GO Free initiative. This will help families save money and offers them a low-stress alternative to driving in the Greater Toronto Area.

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Prepare People for Jobs

Ontario has a plan to ensure today's students and tomorrow's entrepreneurs, innovators and workers have the skills needed to find good jobs in today's competitive global economy. The plan includes:

- Renewing focus on science, technology, engineering and math (STEM) fields and the skilled trades to prepare students for successful careers. The K-12 Ontario STEM Education Strategy will enable the province to become a global leader in STEM learning.
- Ensuring university and college graduates have the skills to compete and succeed in today's competitive labour market by linking 60 per cent of operating funding for postsecondary institutions to performance outcomes by the 2024–25 academic year.
- Establishing a new streamlined and modernized model to address challenges in how the skilled trades in Ontario were regulated and the high membership fees that apprentices and journeypersons were subjected to.

Create a More Competitive Business Environment

The government has a plan to create an environment that attracts investment and encourages entrepreneurs and risk takers to grow their businesses and create high-paying, good quality jobs in Ontario. The plan includes:

- Proposing to reduce the small business Corporate Income Tax rate to 3.2 per cent from 3.5 per cent, starting January 1, 2020. This would provide Corporate Income Tax relief of up to \$1,500 annually to over 275,000 small businesses.
- Developing an Ontario Small Business Success Strategy to identify the needs of small businesses and the additional steps the government can take to help their businesses flourish and grow.
- Strengthening investment, promoting competition and facilitating innovation in the securities and capital markets by updating provincial legislation to support Ontario's Capital Markets Plan.
- Proposing to form the Premier's Advisory Council on Competitiveness, which will consult with business leaders and private-sector workers while leveraging lessons from other jurisdictions to understand how to improve Ontario's competitiveness.
- Ensuring all regions across Ontario can share in prosperity by consulting on ways to encourage investment into rural and undercapitalized areas with the goal of restoring competitiveness and allowing the private sector to create jobs and growth.

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Connect People to Places

The government has a plan to build a world-class transportation network where new transit is built faster and at a lower cost so people can get where they want to go, when they want to get there. The plan includes:

- Collaborating with municipal and federal partners to build more subways and subway extensions to get people to where they need to be. The government's plan includes four new subway projects with a total estimated preliminary project cost of \$28.5 billion: the Yonge North Subway Extension, the three-stop Scarborough Subway Extension, the Eglinton Crosstown West Extension and the new Ontario Line.
- Expanding and improving highways and bridges, allowing people and goods to move more efficiently.
- Modernizing GO Transit by moving forward with the next stage of the GO Rail Expansion program to provide two-way, all-day service every 15 minutes on the network's core segments.

Build Healthier and Safer Communities

The government has a plan to build healthier and safer communities by improving patient-centred health care, creating supportive environments tailored to the individual needs of communities and providing the funding and tools that police need to fight gun and gang violence. The plan includes:

- Investing an additional \$68 million in 2019–20 to support small- and medium-sized and multi-site hospitals to help maintain critical capacity and response to increased demand in communities across the province.
- Making health care more convenient with the Digital First for Health strategy, which could allow patients to see doctors virtually and allow doctors to provide patients more options to access services.
- Supporting children with autism by investing an additional \$278.5 million in the province's autism program, bringing the total funding to \$600 million annually.
- Protecting the safety and well-being of children by making changes that would enable more responsive and accessible services.
- Expanding the inclusion and accessibility programs at the Abilities Centre in Whitby by investing \$1.07 million in 2019–20.
- Combatting gun and gang violence across the province to keep the people of Ontario safe by investing \$105.4 million in initiatives that target organized crime and gang operations.
- Fighting against human trafficking by developing a strategy to raise public awareness, help survivors heal and eliminate the root causes of violence.

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Make Government Smarter

The Province has a plan to make government processes and services smarter by finding ways to spend more efficiently while ensuring value for every taxpayer dollar. The plan includes:

- Improving services that will make government services easier, more efficient and over time cheaper to deliver, so people can access the services they want, when and where they want, by delivering simpler and faster online transactions, such as renewing a driver's licence or getting a health card.
- Modernizing provincial procurement and supply chains to make it easier for companies of all sizes to do business with the Province, and to combine and leverage public sector-wide purchasing agreements.
- Making government agencies more efficient through opportunities for back-office consolidations, the use of digital tools, and dissolving inactive or duplicative agencies.
- Exploring new non-tax revenue generating opportunities, such as advertising and naming rights for GO stations. These are revenues that can then support health care and education.