



Ontario's Action Plan

Protect • Support • Recover



The Honourable
Rod Phillips
Minister of Finance



2020 Ontario Budget Speech
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Exposé du budget de l'Ontario de 2020*

Introduction

Thank you, Mr. Speaker.

In March of this year, when I introduced the first phase of Ontario's Action Plan, COVID-19 had only just become part of our daily lives.

For so many in this province, it was a time of anxiety. Worry. And fear.

Fear for our health. And the health of our loved ones.

For frontline workers, it was a time of anxiety about what was to come.

And for so many others — there was real worry about whether their jobs...

Their businesses...

Their ability to earn a living and support their family...

Would survive the pandemic.

At the time, Premier Ford, made a simple, non-negotiable promise to the people of Ontario:

Your government will do whatever it takes to get you through this.

In the ensuing eight months, we have remained focused...every single day...on living up to that promise. To do what it takes to protect you.

This promise has not changed. And it will not change.

We will do whatever it takes to protect and support the people of Ontario. Today. Tomorrow. And every day.

In the past nine months, some things have changed.

For one — we know more about this virus...how it is transmitted...how we can protect ourselves...and who is most at risk.

This has informed our government's approach to public health...on the necessary steps to stay ahead of the virus...knowing it is better to be a week too early than a week too late when it comes to people's health.

Ontario's Action Plan: Protect, Support, Recover

It has informed our approach to re-opening our economy in a way that is flexible and adaptable to changing circumstances...

...and it has informed the approach we are taking today.

Mr. Speaker, I rise to introduce the next phase in our government's response to COVID-19 — *Ontario's Action Plan: Protect, Support, Recover*.

It is a three-year Budget that builds on our \$30 billion initial response.

It is a plan that provides as much certainty as possible in an uncertain time...ensuring that we are always there to support those who need it most.

Today's plan continues to support frontline health care workers.

It includes support for those who have been hardest hit by COVID-19.

And it provides relief for families, workers, businesses and communities, while laying the groundwork for our future economic recovery.

Mr. Speaker, this is not the first very difficult time that our province and our country have experienced.

Next week, we mark Remembrance Day.

We will pause to remember and honour Canadian heroes...

From Vimy Ridge to Kandahar, they served to make Canada the best country in the world.

A place we can all be proud to call home, a country we can all be proud to keep building.

This year marks the 75th anniversary of the end of World War II.

More than one million Canadians wore our nation's uniform in that war alone.

55,000 were wounded.

45,000 made the ultimate sacrifice.

While we honour our heroes — let's not forget that winning that war required sacrifice from all of Canada's then 11 million citizens.

Everyone on the home front pulling together to support those who served on the front lines.

Canadians were called on to be great. And they were.

Mr. Speaker, today's fight is different. The front lines are in our hospitals, our schools, our long-term care homes.

And while many of our frontline heroes still wear a uniform, others do not.

And this time our enemy — COVID-19 — does not wear one either.

But what has not changed, is that once again, it is up to all of us to do our part to help our heroes win this fight.

And Mr. Speaker, for all the challenges the virus has caused, it has also exposed the greatness of the people of Ontario.

People like Cecilia, a PSW in Timmins, who compassionately cares for her patients day and night.

And Walter, a school custodian in Etobicoke. He stays late every single day, making sure his school is clean and safe for his students.

And Katrina, an ICU nurse in North York and devoted mom of three, who provides exceptional care to patients in their greatest hour of need.

Mr. Speaker, there are millions of people in Ontario like Cecilia, Walter and Katrina who contribute every day to our fight against COVID-19.

To them, on behalf of our Premier and this entire Chamber, I say thank you.

Our province has been through difficult times before. And come through stronger.

In the past nine months, our collective strength has been tested.

We know that COVID-19 is unrelenting.

Mr. Speaker, there are countless examples around the world of jurisdictions who have let down their guard. And they are paying a steep price.

Our government is determined to avoid those mistakes.

That said, no government is perfect.

We respect those who from outside of the government, in good faith, call for different decisions and different approaches.

But please, understand the difference.

When critics get it wrong, the consequences are minor.

Ontario's Action Plan: Protect, Support, Recover

When the government gets it wrong, people's lives are at stake.

And, every decision we make is made with the heavy knowledge that lives are on the line.

That is what I know keeps the Premier up at night.

It's what keeps the Minister of Health up at night.

It's what keeps me — and the entire government — working through the night.

But it's also what gets us up in the morning.

We all have a job to do. All 14.5 million of us.

Ontario's Action Plan

On March 25, I introduced *Ontario's Action Plan: Responding to COVID-19*.

The first phase of our response to the global pandemic was ultimately \$30 billion.

Including \$7.7 billion for frontline health care,

\$11 billion in direct support for people and jobs...

And \$11.3 billion in relief measures for individuals and businesses to improve their cash flow.

Ontario was the first government in Canada to provide a financial and economic update amidst the global crisis, because the Premier and I had committed to being transparent and accountable to the public.

And these principles of transparency and accountability continue today....

Because as any family or business owner understands, it is important to have a plan — especially amidst uncertainty.

Our initial \$30 billion response to COVID-19 has funded expanded testing capacity.

It invested in domestic personal protective equipment, or PPE, manufacturing and delivered support to people, businesses and communities.

And now, as we face the second wave, our plan has adapted to reflect the current needs of people in Ontario.

Our plan has three pillars: Protect, Support and Recover.

First, we are taking steps to protect people from this deadly virus by increasing our health investments to \$15.2 billion.

Second, we will build on our earlier relief to provide a total of \$13.5 billion in direct support for families, workers and employers, in addition to the \$11.3 billion in cash flow support.

And third, we are removing barriers to recovery and providing \$4.8 billion to protect and create jobs now and in the future.

Mr. Speaker, this next phase of Ontario's Action Plan brings our total COVID-19 response to \$45 billion over three years.

Economic and Fiscal Update

This Budget is unprecedented because it includes three possible economic scenarios that could impact the trajectory of our recovery from COVID-19.

We have done this because the people of Ontario deserve transparency about the risks to the public finances — especially given these extraordinary circumstances.

It's no secret that our government inherited a challenging financial situation.

Ideally governments, like families, budget prudently during good times, in order to have flexibility during tough times.

Unfortunately, that didn't always happen in Ontario.

But the good news is that our government made significant progress towards a sustainable fiscal path prior to COVID-19.

That progress enabled our \$45 billion response outlined in this Budget.

As the people of Ontario understand, the current levels of government spending are neither sustainable nor desirable over the long run.

But as the global pandemic continues around the world, they remain necessary today.

Mr. Speaker, this year our deficit is projected to be \$38.5 billion, unchanged from what I reported in the First Quarter Finances this summer.

We are projecting the deficit will decrease to \$33.1 billion next year and \$28.2 billion the year after that.

We are not alone in facing these fiscal challenges. Every country, province and state is wrestling with them.

But we remain confident in our balanced and responsible approach to Ontario's finances.

There is still great uncertainty in the global economy. And this means the same thing for the Ontario Budget as it does for family and business budgets.

This means there is a greater degree of risk underlying our projections than normal.

That is why we are setting aside \$4 billion next year, and \$2 billion the year after, in a dedicated pandemic contingency fund to ensure the resources we need are readily available for as long as necessary.

Nobody knows for certain what direction the pandemic will take. Or what direction our economy will take.

We need to be prepared for anything.

Which is why I will continue to provide regular, public updates on the province's finances each quarter.

We will return to the normal Budget calendar with another multi-year update by the end of March next year.

As time goes on, the impacts of COVID-19 will begin to recede, and so will the uncertainty.

I look forward to the day when the people of Ontario can, once again, see certainty in the long-term fiscal path...because that will also be the day COVID-19 is behind us.

The time will come when we will gather as groups in restaurants and arenas across the province. When we will shop for groceries without a mask.

But until that time, Mr. Speaker, we continue to ask the people to remain vigilant and prudent and our government will do the same.

Protect

Mr. Speaker, Protect is the first pillar of our plan.

It represents our most fundamental responsibility.

The people of Ontario have done — and are doing — their part by respecting and following public health advice.

And we are doing ours.

In total, we are spending \$8.3 billion this year to support our frontline health care heroes and protect people from COVID-19.

This includes supporting 141 hospitals and health care facilities and 626 long-term care homes since the beginning of the pandemic.

Mr. Speaker, COVID-19 has added extraordinary costs to hospital budgets.

So today, I'm announcing an additional \$572 million to ensure Ontario hospitals have the necessary resources to keep providing care for those who need it.

This means that in total, hospitals will receive \$2.5 billion more than they did last year.

Since March, working with our hospital partners, we have added an additional 3,100 hospital beds, to ensure our communities are prepared for every scenario.

Ontario has built the most robust testing network in the country, which includes over 161 assessment centres and mobile and pharmacy testing locations.

We are leading the country in testing with over five million tests completed since March.

Over the last eight months, our testing capacity has increased tenfold, thanks to our incredible health care workers and lab technicians who haven't stopped since the pandemic started.

Mr. Speaker, the Premier has led the charge, calling on the federal government to approve rapid testing so that people can get test results quicker...

And progress has been made. 110 PCR-based rapid test analyzers have been shipped to us and will be in use in the coming weeks.

Antigen-based tests are also being ramped up and will be in use soon.

This is good news...because rapid testing needs to be deployed, widely in Ontario and across Canada — right away.

Ontario's Action Plan: Protect, Support, Recover

The new rapid tests will begin deployment next week in some of our highest need areas and remote communities.

Since March we've purchased \$1.1 billion in personal protective equipment, or PPE, to protect our frontline heroes, so they can do their essential work, safely.

That's 300 million masks. 900 million gloves. 50 million gowns. 6 million face shields.

Our Ontario manufacturing workers are the best in the world.

Showing their incredible Ontario Spirit, they have retooled to make critical medical supplies available amid global shortages.

Thanks to partnerships with industry, supported by our Ontario Together Fund, Ontario manufacturers now produce masks, gloves and gowns, hand sanitizer and sanitizing wipes right here at home.

Thanks to strategic investments by the Ontario and federal government, we will soon be mass producing N95 respirators and lifesaving ventilators.

Just as Ontario has the world's best manufacturers, we also have the world's best researchers.

We have invested in Ontario scientists racing to find treatments and a vaccine.

And we are building on that.

Today, as part of our commitment to protect people and the environment, we are investing \$37 million to protect our community's water supplies.

This includes \$12 million to detect COVID-19 in wastewater. This innovation will help detect outbreaks early, ensuring public health measures can be timely and targeted.

Ontario is investing \$25.5 million to protect our agri-food supply chain by supporting this crucial sector's work to supply safe, high quality and locally produced food.

Mr. Speaker, mental health is health. Our government has made a historic \$3.8 billion investment in mental health over the next 10 years.

This year we are providing \$195 million to help expand access for critical mental health services as people deal with the challenges of COVID-19.

In September we introduced our \$2.8 billion plan for the second wave, which includes \$1.4 billion for more testing and contact tracing...

\$70 million for the largest flu shot campaign in Canadian history...

And \$284 million to clear the backlog COVID-19 created in our hospitals...ensuring 60,000 surgeries will now go ahead.

We are also protecting our most vulnerable — today we are announcing \$30 million to support group homes, women's shelters, children's aid societies and other organizations with continued infection prevention and control.

Today we are launching a new Victim Support Grant to support partnerships between police services and community groups to fill the gaps for victims of domestic violence.

Mr. Speaker, I know I speak for all of us when I say — the loss of lives in long-term care homes remains the darkest chapter of the COVID-19 pandemic.

In July our government appointed a Commission of Inquiry, led by the Honourable Associate Chief Justice Frank Marrocco, to provide answers for the families, lessons we can learn and solutions to ensure such a tragedy never happens again.

But just as the second wave is not waiting, Mr. Speaker, neither are we.

We know there are steps that need to be taken, right now, to strengthen the long-term care system in our province.

Years of inaction by governments of all stripes have led to an unacceptable situation, including bed shortages and staffing challenges.

Between 2011 and 2018, just 611 beds were built in our long-term care sector when tens of thousands were required.

These challenges are not simple to solve. But our government is determined to act.

Since the beginning of the pandemic, we have made close to \$800 million available to protect our loved ones in long-term care.

And, as we announced this week, we will make Ontario the leader among Canadian provinces in terms of the quality of care our loved ones receive.

Our government is investing \$1.75 billion to build more beds and upgrade existing ones...part of an investment that will create 30,000 beds.

We are moving forward with the campus of care model — a pilot that will see new, modern long-term care beds built in months, not years.

The campus of care pilot will add 1,280 beds in four new homes in Mississauga, Ajax and Toronto by 2022.

But Mr. Speaker, it is not just about the quantity of beds. The quality of care is even more important.

That is why we are committing to an average of four hours of direct care per day for our loved ones living in long-term care homes.

Ontario is the first province in Canada to take this important step...

The significance of which was underscored by the interim recommendations of the COVID-19 Long-Term Care Commission last month.

The challenges of finally fixing our long-term care system are complex and will require partnerships with labour, homes and training providers to recruit and train tens of thousands of new staff over the next four years.

We know the incredible caregivers, including PSWs and nurses, are doing their very best amidst challenging circumstances. Our entire province is going to step up to help them.

Mr. Speaker, as long as COVID-19 continues to threaten our health, we will continue to be there to protect the people of Ontario.

Support

Mr. Speaker, Support is the second pillar of our plan.

COVID-19 has brought severe challenges and economic difficulties to families and employers.

Since the beginning, we have promised to be there to help those struggling the most. Today, we are expanding that support.

Seniors

This starts with giving back to all the seniors who built this province.

We provided \$75 million dollars in relief by doubling the Guaranteed Annual Income System payment for 194,000 of our lowest income seniors.

We allocated \$16 million dollars to the Ontario Community Support Program to help with the subsidized delivery of meals, medicines and other essentials.

More than 230,000 deliveries have been made to date.

We will extend this program into 2021 to ensure that low-income seniors, and persons with disabilities, continue to get their meals and other essential supplies delivered to their homes this winter.

COVID-19 has reminded us all that our homes are a special place where we should be safe.

But for many seniors, staying in their homes requires expensive improvements, such as wheelchair ramps and stability bars, to be safe and accessible.

And so, Mr. Speaker, we're proposing a new Seniors Home Safety Tax Credit for the 2021 tax year.

This investment will help tens of thousands of seniors stay in the homes they love, longer.

The tax credit would be worth 25 per cent of up to \$10,000 in eligible expenses and will be available to every senior whether they owe taxes or not.

It means an Ontario senior, or a family with a grandparent living in their home, would receive \$2,500 back for a \$10,000 renovation to make their home safer.

Mr. Speaker, helping our seniors stay in their homes longer is something we can all support.

The government is also increasing funding to the Seniors Active Living Centre Program by 22 per cent for a total of \$17 million.

This will help seniors stay active, engaged and independent, while respecting public health advice.

Mr. Speaker, as I said, we have been through difficult times before. Our elders know this better than anyone. We all owe them our deep appreciation for the province they built. We are proud to support them, especially during these challenging times.

Mr. Speaker, parents also need our support.

Whether kids are attending school online, in person or a mix of both, every parent in Ontario is feeling the strain of COVID-19.

As part of our commitment to keep students safe, we made available \$1.3 billion to support the safe reopening of schools — the most robust and comprehensive plan in the entire country.

Our thanks go to the parents, teachers and staff whose daily vigilance and hard work ensures all our children are learning and safe.

We are also investing in new programs to help kids learn online, as well as creating a digital learning portal so that parents and students can easily access the curriculum.

Our government continues to look to the future — which is why we are investing \$13 billion over 10 years, including \$1.7 billion this year and \$1.9 billion next year, to build new schools and improve existing schools in Ontario.

But we also need to deal with today's challenges.

Ontario's Action Plan: Protect, Support, Recover

We have heard from parents that new expenses to support their kid's education in this COVID-19 era are straining their pocketbooks.

The government can't end the global pandemic. But we will provide a measure of relief with the Support for Learners initiative.

Parents will once again receive a payment of \$200 per child age 12 and under, and \$250 per child 21 and under with special needs.

This \$380 million investment in families builds on the \$378 million provided to parents during the first wave of COVID-19.

So, an Ontario family with three children, including one with special needs, would receive \$1,300 this year that could help cover the costs of an accessible workspace and technology to enable learning online.

Mr. Speaker, that is money well spent.

Black Youth Action Plan

Like many in the province, I've been reflecting on the important conversations that are happening across our communities about anti-Black racism.

Ontario is a place where every person deserves respect and the opportunity to be all that they can be.

Unfortunately, systemic racism and other forms of hate persist. And that is simply unacceptable.

In many cases, COVID-19 has exacerbated existing inequity and hardships.

Important work is already underway to address these issues.

One example is the Black Youth Action Plan.

Today I am proud to announce that our government is doubling the base funding for the Black Youth Action Plan, providing an additional \$60 million over three years.

Consultations are underway by the Premier's Council on Equality of Opportunity, chaired by the Premier's Advocate for Community Opportunities, Jamil Jivani, working with community partners to inform and target these additional investments.

Mr. Speaker, we will continue to remove social and economic barriers for Black, Indigenous and racialized youth, and put more opportunities within their reach through our Education Equity Strategy and the work of the Council.

Supporting Job Creators

Mr. Speaker, all of us know a small business owner struggling during COVID-19.

We see the anxiety in their eyes when we get a haircut or visit our favourite restaurant.

These anchors of our community employ our neighbours, our family members and our friends.

COVID-19 has hit them hard. But in Ontario, they have responded with resolve and resilience. Their efforts have been nothing short of heroic.

They have adapted and provided safe experiences for their customers and employees.

We have worked with our partners in the federal and municipal governments to support these job creators.

We have made \$300 million available to assist eligible businesses with fixed costs including their property taxes and energy bills.

That money will begin to flow this month.

We are providing \$60 million for one-time grants of up to \$1,000 for PPE for main street small businesses.

We have invested \$57 million with the federal government in the Digital Main Street program to help close to 23,000 businesses build their online presence.

We will continue a critical source of revenue for restaurants by exploring ways to permanently allow the sale of alcohol to be part of food take-out and delivery orders.

We partnered with the federal government to support 64,000 small businesses with \$960 million to assist with rent in the first six months of the pandemic.

We expressed concerns about how the program was structured, and the federal government has listened.

I was very pleased to see the legislation for a new, improved program introduced this week and I call upon all federal parties to work together to ensure that it is passed and implemented quickly.

Tourism and Communities

Ontario's Action Plan: Protect, Support, Recover is going further.

Few small business owners have been harder hit than our tourism operators.

We expect that travelling within Ontario will be safe sooner than travelling beyond our borders.

Which is great, because as a tourist, Ontario has something for everyone.

Right here in Ontario, you can go on a world-class wine tour, visit exceptional art exhibitions, go hunting, fishing and camping. You can ski, skate and snowmobile. Ontario has some of the best cultural attractions than anywhere in the world.

All of us can support our tourism operators by making 2021, the year of the Ontario staycation.

To help out, our government is exploring ways to provide Ontario residents with an up to 20 per cent tax credit for their eligible Ontario tourism expenses.

We look forward to working closely with our partners in the tourism industry and releasing the details soon...again, when it is safe.

COVID-19 has been a challenge for many organizations that make up the fabric of communities.

Today we are launching the \$100 million Community Building Fund that will support tourism, culture and sports organizations, all of which are facing significant pressures due to the pandemic.

Funding will be available through the Ontario Trillium Foundation, and will help organizations like museums, theaters, fairs and cultural institutions sustain operations in the short term, while helping municipalities and non-profit sports and recreation organizations invest for the long term.

We are investing \$26 million to support and upgrade Ontario Parks and expand and protect Ontario's green spaces in partnership with groups like the Nature Conservancy of Canada.

Ontario is also providing one-time funding of \$25 million for Ontario's arts institutions to help cover operating losses incurred as a result of COVID-19.

We are also supporting our province's outstanding agricultural and horticultural societies with more funding this year to help cover losses as a result of cancelled fall fairs and other events that are so important to our rural communities.

And we are establishing the COVID-19 Relief Fund for Francophone non-profits to ensure these vital organizations continue contributing to Ontario's vibrant French-speaking communities.

Mr. Speaker, as COVID-19 continues to create challenges, we will continue to be there to support the people of Ontario.

Recover

Recover is the third pillar of our plan.

It is about direct actions that help get through today, while providing hope for tomorrow.

As we all deal with the day-to-day fear and impacts of COVID-19, it may seem ambitious to talk about recovery.

But someday, hopefully soon, COVID-19 will fade. And every government in the world will be focused on recovering from the economic crisis caused by this pandemic.

For Ontario to recover, we need strong, sustained economic growth. We cannot expect our economy to just bounce back and the lost jobs to return on their own.

We need to start the work of recovery now.

There are longstanding, structural barriers that we all know, without action, will prevent the growth necessary for job creation and a full economic recovery.

They existed before COVID-19. But what was a strong headwind for job creators then, could prove to be a hurricane impossible to overcome in the post-COVID-19 world.

Failing to act today will cost the people of Ontario tomorrow.

So, we are not waiting to act. We are protecting and helping to create jobs now, and in the future...

With a plan to train workers. A plan to address job-killing electricity prices and regulations. A plan to reduce taxes on jobs. And a plan to connect every home, business and farm in Ontario to broadband.

These efforts include a recognition of the disproportionate burden of COVID-19 on women.

When I hear reports that one third of Canadian women are now considering leaving the workforce — that is an alarm bell.

That is why we created 16,000 licensed child care spaces, an increase of four per cent over last year.

But more is needed. We remain committed to our promise to create 30,000 new child care spaces. That work is underway.

We have also provided families the CARE tax credit to help cover the cost of child care.

Families can receive 75 per cent of their child care expenses, or up to \$6,000 per child under seven.

Retraining and Skilled Trades

It is indisputable that child care challenges brought on by this pandemic have disproportionately impacted women, and that many of the heavily impacted sectors — such as hospitality and tourism — have a high percentage of female workers.

Now is the time to invest in retraining our workers, so they are ready to contribute to the recovery of our province.

The government is investing an additional \$181 million in employment services and training programs to connect workers in the industries most affected with industries facing a skills shortage.

This includes \$100 million through Employment Ontario for skills training.

It also includes \$60 million to help support workers acquire in-demand skills rapidly to support a faster transition to a new job.

We are also launching an unprecedented Skilled Trades Strategy — breaking the stigma, simplifying the system and encouraging employer participation in training and apprenticeships.

Taken together, these initiatives will help job seekers, particularly those hardest hit by COVID-19, to get the skills they need now.

Job-Killing Electricity Prices

The economic impacts of COVID-19 have played out in similar ways around the globe.

But the mess our government inherited in Ontario's electricity system belongs to Ontario alone.

Time and time again, we have heard from employers considering Ontario as a place to locate or expand their business, who decided to go somewhere else because our province's electricity costs are just too high.

Like Northern Cables in Brockville, who face a higher cost of business due to Ontario's electricity prices compared to their competitors in the United States.

Or like Gerdau Steele, a major employer in Whitby in an industry that requires significant electricity to operate.

Mr. Speaker, we are fixing this with our comprehensive plan to reduce job-killing electricity prices.

The problem is the result of expensive, long-term contracts signed by the previous government, for electricity that Ontario does not need, at prices employers cannot afford.

A small number of people did very well from those high-cost contracts Mr. Speaker. But the rest of us are left paying the bill.

As a result, for example, the price of electricity for commercial businesses increased by 118 per cent from 2008 to 2019.

Employers big and small have told us that, despite all Ontario has to offer, it simply does not make sense for them to come here, or expand their operations, because the cost of electricity is so much higher than competing jurisdictions.

That means lost jobs and lost opportunity for people across our province.

We repealed the *Green Energy Act*, Mr. Speaker. But we know that is not enough — especially now when electricity prices threaten our economic recovery.

That is why, today we are announcing our plan to responsibly wind down these high-cost contracts once and for all.

To protect and create jobs, the excess cost of these high cost contracts signed by the previous government will be funded by the province, starting January 1.

Removing these costs from electricity bills will save industrial and commercial employers an average of 14 and 16 per cent respectively.

For a mine, this means a savings of \$270,000 a month or \$3.2 million a year.

For an automotive parts manufacturer, the savings will be about \$31,800 per month or nearly \$382,000 annually.

For a small gym, this is a savings of about \$800 a month, or nearly \$10,000 a year.

As a result of our comprehensive plan, Ontario will go from being one of the least competitive jurisdictions for the cost of electricity, to among the most competitive...

Better than the U.S. average and most Great Lake states we compete with for manufacturing and commercial jobs.

Paired with Ontario's clean energy advantage, this gives our province a significant leg up that will lead to more jobs, growth and a strong economic recovery.

The cost to the province of these contracts will decline over time, beginning at \$1.3 billion over the next three years, and costing less with time until the last of them expires in 2040.

It's unfortunate the previous government left Ontario in this situation. We cannot undo the past. But we must move forward and support our job creators.

Reducing Taxes on Jobs

Our government is also acting to reduce and eliminate taxes on jobs.

Back in March, we more than doubled the Employer Health Tax exemption to \$1 million.

We have heard from employers across Ontario that this measure helped them keep workers on the job during COVID-19.

Now is not the time for anybody, anywhere, to impose or increase new or higher taxes on jobs.

So, we are proposing to make this exemption increase permanent.

That means an additional 30,000 Ontario employers will no longer pay this tax.

But this is just the start.

Mr. Speaker, Budget Consultations looked different this year, done with social distancing in mind and over Zoom, but people still came forward prepared with great ideas.

I'm grateful to members of the Standing Committee on Finance and Economic Affairs from all parties who contributed to this important work.

One suggestion that came up, time and time again, from municipalities and employers was related to unfair property tax rates.

Ed Holder, the Mayor of London, as well as other municipal leaders, were some of the most compelling voices.

We heard loud and clear that levelling the playing field and addressing unfair property tax rates is one of the most important things we can do to immediately support employers, now and in the future.

Property taxes are one of the most unavoidable costs businesses face.

They must be paid, even when business is slow, as it has been for so many this year.

In Ontario, there is a wide range of Business Education Tax rates across the province — despite promises made by governments over the last 25 years to fix this inequity.

This creates an unfair challenge for businesses operating in communities where rates are higher.

We are acting immediately to reduce these high rates by \$450 million in 2021.

Rates will be reduced to 0.88 per cent.

For many employers, this represents a reduction of 30 per cent.

It means a small employer, like a hotel in London, could save \$44,000 annually.

That's significant savings Mr. Speaker — especially when you consider it is money that competitors in some other parts of Ontario are not paying.

Over 200,000 business properties, or 94 per cent of the provincial total, are going to benefit, starting January 1st.

We have also heard from many municipalities, including Toronto Mayor John Tory, that they want the flexibility to provide targeted relief to the businesses in their communities that need it the most during these tough times.

So, we are proposing to empower municipalities with a new tool to provide a property tax reduction for their small businesses.

Ontario will consider matching these municipal property tax reductions to further reduce taxes on jobs.

Taken together, consider the impact these measures will have for a business in your local community.

Let's take a typical Toronto bakery.

If the municipality decides on a 30 per cent discount, the owner would receive \$5,000 in municipal tax relief and \$4,000 from the province. \$9,000 in total.

Combined with \$1,500 in our business property tax reduction, this bakery owner would receive a total of \$10,500 in property tax savings in 2021.

As any small business owner will tell you, that could be the difference between being able to grow the business or close up shop.

Once again, Mr. Speaker, this is help now and for the future.

Broadband

One of the greatest frustrations during COVID-19 has been a lack of reliable, high-speed internet and cell service for too many households in Ontario, due to a lack of adequate broadband infrastructure.

This isn't some abstract first world problem.

These days, a lack of reliable internet can make it almost impossible to earn a living, get an education, see your doctor or stay in touch with loved ones.

COVID-19 has only amplified this issue.

Mr. Speaker, our vision is to see a broadband connection in every Ontario home, business and farm. This is the vital infrastructure of the 21st century.

That's why we are making additional investments of over \$680 million over the next four years for the next phase of our plan, including doubling our commitment to the Improving Connectivity in Ontario program.

This brings our total commitment to rural broadband expansion to nearly \$1 billion.

Working with partners in the private sector and other levels of government, these investments could be leveraged into billions of additional dollars for broadband infrastructure.

We urge our federal partners to keep their promise to increase and accelerate funding for vital broadband projects here in Ontario.

Mr. Speaker, as COVID-19 continues to cause uncertainty in the global economy, we will continue to provide support now, and in the future.

The Ontario Spirit

Back in March, when I introduced the first phase of Ontario's Action Plan, I said then that our response to COVID-19 would be a moment that defined our generation.

I said that our response as a province and as a country would shape the next generation's character...

When historians look back at this moment, they will see that this generation was as strong as any.

They will see the greatness of our people's character.

It's clear we are not out of the woods yet.

But as I said earlier — we have been through difficult times before. And we have come through stronger.

It's not just students of history in the future who will realize this.

The people of Ontario already know it.

Never in my life have I heard so many people say they are happy to be Canadian.

We have not let the virus divide us. We care for each other, we respect each other, even though we sometimes disagree with each other. That is our great strength.

Ontario remains one of the world's great workshops — the only jurisdiction in North America with five major auto manufacturers, as well as companies that can build planes, trains and even spacecraft.

We remain home to the best and brightest minds in the world — the architects of insulin, open heart surgery and now research into COVID-19 treatments and vaccines.

We remain the economic heart of this country, but also its real beating heart, because nowhere else will you find more selfless, compassionate, hard-working people than right here in this beautiful province.

Mr. Speaker, it is the greatest honour of my life to represent my community of Ajax in this Legislature.

A community where, like much of the Greater Toronto Area (GTA), half the population was born outside of Canada.

They came here not just to benefit from living in the best country in the world, but to contribute and make it better.

Like Selva who left Jaffna, Sri Lanka in the 1980s during that country's Civil War.

Or Boghos and Baizard who escaped the Syrian civil war and arrived in Canada in 2012.

And like Anan, a doctor who served in Liberia during the Ebola outbreak in 2014 and settled in Ontario after caring for patients during that epidemic.

When we reflect on the challenges the people of our province have been through — it is no wonder the Ontario Spirit is so strong.

So, on the eve of this Remembrance Day, let us never forget that the people of Ontario have faced great challenges before.

...and they have overcome them.

And your government will continue to be there for you and your family as we do so again.

As the Premier reminds us all, like clockwork at 1:00 p.m. we have your back. And we always will.

Today is neither the first step, nor the last step. But it is an important next step.

Together, we will face whatever lies ahead. We will protect and support each other. We will beat COVID-19. Together we will recover and prosper.

Thank you.