

Protecting Our Economy

The people and employers of Ontario have sacrificed so much to protect each other from COVID-19 — even when it has impacted their livelihoods. Ontario recognizes their sacrifices and is taking additional steps to provide direct support to families, workers and employers and to protect jobs.

The *2021 Budget — Ontario's Action Plan: Protecting People's Health and Our Economy* — brings Ontario's total investments to protect the economy to \$23.3 billion. This spending will help:

- Provide unprecedented support for families and workers, so they can reach their full potential.
- Protect jobs and provide Ontario's small businesses with significant relief.
- Build on a solid foundation for economic growth and help Ontario emerge from the pandemic positioned for job creation and long-term prosperity.
- Modernize government, making it work better for people and businesses.

Supporting workers and families

Workers and families have faced exceptional challenges as COVID-19 has significantly impacted the job market and disrupted the way people work. Students of all ages have had to adapt to new ways of learning, while parents have faced the challenge of balancing work and child care under extraordinary circumstances.

Ontario's measures to help workers recover from the impacts of COVID-19 and develop the in-demand skills needed for the future include:

- Reconnecting people with jobs by proposing a new Ontario Jobs Training Tax Credit for 2021. It would provide up to \$2,000 per recipient toward 50 per cent of eligible expenses, for a total of an estimated \$260 million in support to about 230,000 people in 2021.
- Investing an additional \$614.3 million during 2020–21 and 2021–22 for employment and training supports, including \$117.3 million to assist those who are facing the highest rates of unemployment during the pandemic such as women, racialized individuals, Indigenous peoples, youth and people with disabilities.

To support families Ontario is:

- Providing a third round of payments to parents through the Ontario COVID-19 Child Benefit, totalling \$1.8 billion since last March. The payment will be doubled to \$400 per child and \$500 for each child with special needs. Parents who have not applied for the previous payments will be able to submit an application for this third payment round.
- Proposing a 20 per cent enhancement of the Childcare Access and Relief from Expenses (CARE) tax credit for 2021 to support parents with the cost of child care. This would increase support from \$1,250 to \$1,500, on average, providing about \$75 million in additional support for the child care expenses of over 300,000 families.

- Investing about \$14 billion in capital grants over 10 years to build more schools, upgrade existing facilities across Ontario and support education-related projects.

Supporting jobs

The resilience and ingenuity of Ontario's people and employers have shone throughout this difficult time. Ontario's plan includes new supports to help people and employers — protecting, supporting and helping create jobs now and in the future. Measures include:

- Providing a second round of Ontario Small Business Support Grant payments of \$10,000 to \$20,000 to eligible recipients. Small businesses who are confirmed eligible recipients of the Ontario Small Business Support Grant will be automatically entitled to a second payment in an amount equal to the first payment they received. They will not need to apply again to receive this additional funding. Through these two rounds of support, the Ontario Small Business Support Grant will deliver an estimated \$3.4 billion to approximately 120,000 small businesses in Ontario, helping them through this difficult time and protecting jobs.
- Investing more than \$400 million over the next three years in new initiatives to support Ontario's tourism, hospitality and culture sectors, which have been among the most heavily impacted by the COVID-19 pandemic. This builds on previously announced investments of \$225 million, bringing the total to more than \$625 million since the pandemic began.
- Investing \$2.8 billion to connect homes, businesses and communities to broadband — which COVID-19 has demonstrated is a necessity, not a luxury — bringing the Province's total investment to nearly \$4 billion over six years beginning 2019–20. This is the largest single investment in broadband, in any province, by any government in Canadian history and will be pivotal to Ontario's economic recovery.
- To encourage business investment in certain regions of the province that have lagged in employment growth in the past, Ontario is proposing to temporarily enhance the Regional Opportunities Investment Tax Credit by investing an additional \$61 million, resulting in total tax credit support of about \$155 million by 2022–23.

Ontario needs a strong capital markets sector to support long-term growth. In response to the Capital Markets Modernization Taskforce report recommendations released in January 2021, the government is introducing legislative amendments to support:

- Expanding the mandate of the Ontario Securities Commission (OSC) to include fostering capital formation and competition in the markets to facilitate economic growth.
- Ensuring a clear separation between the regulatory and policy functions of the OSC and its adjudicative function through the establishment of a Capital Markets Tribunal.
- Moving forward with the separation of the Chair and Chief Executive Officer position into two distinct roles to support stronger corporate governance and effective management of the OSC. In the interim and to provide stability, the government is renewing Grant Vingo's appointment as the Acting Chair and Chief Executive Officer of the OSC for up to one year.

Supporting communities

To ensure that communities across the province remain strong and have the support they need to get through this challenging period Ontario is:

- Supporting faith-based and cultural organizations that are struggling due to the additional costs caused by COVID-19. Ontario will be making up to \$50 million available for grants to eligible organizations.
- Providing almost \$1 billion in additional financial relief in 2021 to Ontario's 444 municipalities, key partners in the fight against COVID-19. This will help preserve vital public services and support economic recovery, building on the \$4 billion in federal-provincial support provided to communities across the province under the historic Safe Restart Agreement.
- Committing to doubling investments in the Indigenous Community Capital Grants Program, which will help address long-term infrastructure needs and fast-track shovel-ready projects on- and off-reserves. As part of this investment, Ontario will provide \$6 million annually to fund upgrades to critical infrastructure, address COVID-19 specific capital needs and support long-term economic recovery.
- Providing an additional \$1 million to support hard-hit Francophone non-profit organizations through the COVID-19 Relief Fund for Francophone Non-Profit Organizations. This support builds on Ontario's initial investment of \$2 million in the fund.

To support communities and build the foundation for long-term prosperity, the government is making record investments in broadband, transit, highways and other vital infrastructure, such as:

- Keeping people and goods moving by investing more than \$21 billion in funding over the next 10 years to expand and repair highways and bridges across the province.
- Investing \$61.6 billion over the next 10 years in public transit, including the five priority transit projects (i.e., the four subway projects in the Greater Toronto Area and the updated Hamilton Light Rail Transit project), the GO Rail Expansion program, and the Kitchener GO Rail Expansion project.

Supporting a more modern government

As the world changes, the Ontario government is changing with it by taking significant steps to become a global leader in digital technology. This will enable it to deliver services people rely on each and every day much more efficiently and effectively. The Province is putting people at the centre of everything it does by:

- Introducing a new form of secure, electronic government-issued ID that could be used to access government services, from children's immunization records to sharing health information with caregivers and health providers, while protecting personal information.
- Creating Supply Ontario, a new centralized procurement agency, which will take a whole-of-government approach to procurement, leverage the government's bulk buying power, secure our supply chain and save taxpayers' money.
- Investing \$10.6 million over two years to accelerate Ontario's Ministry of Natural Resources and Forestry's transition from paper-based applications for licences and permits to digital and online formats.