



MEMBER BULLETIN

April 28, 2017

Ontario Budget 2017 – What you Need to Know

On Thursday April 27th, the Government of Ontario published its 2017 Budget. The budget is a balanced budget for the first time since the 2008-09 recession, which is a substantial achievement given that the imbalance stood at \$19.3 billion in 2010. Based on current projects, the government plans to run no deficit for at least the next 3 years. A higher-than-predicted level of growth contributed to this balance – 2.7%, which is 0.5% higher than the projection in the 2016 Budget – as did a number of spending and growth measures.

One of the key (and continuing) provincial spending priorities is the infrastructure portfolio, which has seen significant committed funding over the next 10-years. In 2017, the target spend will be \$15 billion, with 80% of the funding being dedicated to transit, transportation, hospitals and school. In addition to these priorities, the government continues to invest in water and wastewater infrastructure through the Ontario Community Infrastructure Fund (OCIF), which will peak at \$300 million by 2018, as well as through the Clean Water and Wastewater Fund (CWWF), which is making \$1.1 billion available to invest in water, wastewater, and stormwater infrastructure.

The next provincial Long-Term Infrastructure Plan (LTIP) was also alluded to in this budget, noting that "...the Province will focus on investing in the infrastructure that is vital to the health, prosperity, and quality of life of Ontarians..." moving forward. OSWCA is continuing to meet with Ministry officials about the development of this plan and providing research and fact-based input into the process.

Additional highlights:

- Under the CWWF, the Province has submitted over 1,300 projects for federal approval. Forty-one initial projects were approved under the CWWF for federal and provincial funding, while the vast majority are still awaiting federal approval before moving forward. Approvals are expected over the next 8-weeks on a significant number of projects.



- With the federal government committed to investing \$186 billion over 12-years, and the province committed to investing \$190 billion over 13-years, there is significant project investments still to be made. The provincial and federal government are now working to coordinate their infrastructure plans in order to maximize the benefit of their investments.
- Ontario is partnering with the federal government as it develops the Canada Infrastructure Bank (CIB) in a way that builds on best practices and ensures affordable financing to support municipal public infrastructure in Canada. OSWCA is working alongside its industry partners to advocate that the provinces be allowed to set their own infrastructure priorities, ensure alignment with existing plans and maximize positive impacts on the economy.
- The government is seeking input on its Highly Skilled Workforce Strategy to improve training opportunities. As part of the strategy, the government will be developing a new website to help individuals and employers make informed decisions about training and apprenticeship. OSWCA, through the Ontario Skilled Trades Alliance, is actively engaged in how this Strategy is being implemented.

From an overall perspective, this was a “more of the same” Budget. With 14-months until the next provincial election and 8-months until the planned publication of the next provincial LTIP, this Budget does not add much new detail on the infrastructure file.

If you have any questions or comments about this Budget, please contact Patrick McManus (905-629-7766 ext. 222 or patrick.mcmanus@oswca.org).