



MEMBER BULLETIN

March 24, 2021

Ontario's Action Plan: Protecting People's Health and Our Economy

On March 24, the Government of Ontario tabled its 2021 budget, *Ontario's Action Plan: Protecting People's Health and Our Economy*.

Ontario's deficit is now projected at \$32.1 billion.

First and foremost, infrastructure. Budget 2021 commits to a program **worth \$145.4B over the next 10 years**, including **\$16.9B in 2021/22**. In terms of a stimulus measure, the capital infrastructure spending in Budget 2021 will be about \$2.7B larger over the next 2 years, compared to projections in Budget 2020.

Some of the specifics in this robust infrastructure program include:

- \$2.8B for broadband infrastructure expansion – with a target to ensure every region in the province has access to reliable broadband by 2025;
- **\$61.6B over 10 years for transit**, which includes the 5 priority transit projects (the 4 GTA subway projects and the updated Hamilton LRT project), GO Rail Expansion program and Kitchener GO Rail Expansion; and
- More than **\$21B over 10 years toward planning and/or construction of highway expansion and rehabilitation projects**, including:
 - The Bradford Bypass that will connect two highways — Highway 400 and Highway 404 — in the Town of Bradford West Gwillimbury and the Town of East Gwillimbury. The Province is advancing engineering and environmental assessment work, which will allow early works to begin as early as fall 2021.
 - The widening of Highway 400; Ontario will proceed with widening over 26 kilometres of the corridor between Langstaff Road and Highway 9 in York Region to 10 lanes, including the construction of approximately 22 kilometres of HOV lanes
- Continuing work and progress on the four new subway projects in the region

The Province has also noted that it remains committed to assisting municipalities in their efforts to address the continued challenges of the pandemic. To that end, they are pledging to work collaborative with the Federal Government to ensure that municipalities have the resources to keep capital investments on track. It is likely that we will see more on this issue in the Federal Budget, which is dropping Monday, April 16th.



GTSWCA
Greater Toronto Sewer & Watermain
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Budget 2021 also reintroduced the \$500 million in additional funding for municipalities struggling to cope with financial impacts of COVID-19. The funding is nonprescriptive and provides flexibility for how municipalities can utilize it to ensure that operational deficits are covered to help avoid the robbing of capital budgets to pay operational costs. Specifically, the previously announced \$500 million includes targeted funding for:

- Toronto - \$164 million
- Ottawa – \$33 million
- Mississauga - \$21 Million
- York - \$21 Million
- Peel - \$25 million

Skilled Trades and Training

- Budget 2021 also creates the Ontario Jobs Training Tax Credit, a temporary, refundable Personal Income Tax credit for 50% of eligible expenses (such as specific training programs or postsecondary courses that provide credits toward a degree, diploma or certificate). This tax credit is estimated to provide \$260M in support to 230,000 people in 2021.
- Finally, in this area, the government is also enhancing its Skilled Trades Strategy that was announced in Budget 2020. An additional \$288M is being devoted to this strategy in 2021/22, including the creation of a digital portal for skilled trades and apprenticeships.

If you have any questions about these spending announcements or Budget 2021, please contact Patrick McManus (905-629-7766 ext. 229 or patrick.mcmanus@oswca.org).