



2016 Provincial Budget

02/25/2016

Today the Honourable Charles Sousa delivered the 2016 Provincial Budget. Highlights for the municipal sector include the following:

The government is projecting a deficit of \$5.7 billion in 2015-16 and \$4.3 billion in 2016-17. This is an improved fiscal picture from recent projections made in the Fall Economic Statement. The government remains committed to a balanced budget in 2017-18.

- The provincial government will continue to honour the upload agreement to 2018. Beyond 2018, the government will focus on investing in infrastructure.
- The budget reaffirms infrastructure announcements made by Premier Wynne earlier this week:
 - The Ontario Community Infrastructure Fund (OCIF) will increase to \$300 million per year by 2018-19. Please see the AMO Member Update from earlier this week for more details.
 - The Connecting Links program will be increased by \$5 million in 2016-17 to total \$20 million. It will increase to \$30 million per year by 2018-19.
- Plans for the Power Dam Special Payment Program claw back have been permanently shelved. This is good news for the over 100 municipalities that host power dam facilities. AMO had also been seeking the inflationary indexing of these payments. Future funding will remain stable for 2017 and beyond.
- The government has responded to a request made by the City of Ottawa, supported by AMO and MFOA, to make technical adjustment to the provincially prescribed property tax rate calculation. This change is expected to have positive municipal fiscal impact resulting from in-year assessment changes.
- Allocations to the Ontario Municipal Partnership Fund (OMPF) remain unchanged in 2017 at \$505 million. AMO had been seeking inflationary and population change related increases of \$11 million.
- The government reaffirmed its commitment to cap and trade. It will generate \$1.9 billion annually starting in 2017-18 to fulfill climate change objectives. No further details are provided in the budget related to municipal eligibility for infrastructure investments that support active transportation, public transit, or lands that support reduced emissions. However, the budget provides for cap and trade proceeds of \$478 million in 2016-17 directed to investments in home and business energy efficiency, innovation funding, public transit and transportation infrastructure, and clean technology.
- \$178 million over three years is allocated to support Ontario's Long-Term Affordable Housing Strategy. This includes:
 - the construction of up to 1,500 new housing units
 - \$2.4 million to pilot a new portable housing benefit for those fleeing domestic violence
 - new provincial funding for the Community Homelessness Prevention Initiative (CHPI) by \$45 million over three years (\$15 million per year).
- Ontario Works social assistance rates will increase by 1.5%. This change will not affect municipalities until January 2017.
- The Province will design and implement a Basic Income pilot project. The Province will work with communities and other stakeholders to design and implement such a pilot.

Contact

Matthew Wilson

Senior Advisor

mwilson@amo.on.ca

T 416.971.9856 ext. 323

TF 1.877.426.6527

F 416.971.6191

staff. This will help clinics to continue to provide services in rural, northern, and fast-growing communities.

AMO will continue its budget analysis in the days ahead and provide additional member updates as needed.

Advocacy Resources

Asset Management
Interest Arbitration
Policing
Upload Agreement
Waste Diversion

Events & Training

Conferences
Councillor Training
Online Training
Symposiums
Workshops

About Us

Accessibility
AMO Mobile App
Annual Reports
Awards
Board of Directors
By-Law
Careers
Contact Us
History
Honourary (Life) Member
Membership
Memorandum of Understanding
Municipal 101
Products & Services
Volunteering
Watch File

Related Sites

FONOM
Gas Tax at Work
LAS
MEPCO
NOMA
OMKN
OSUM
ROMA

Programs

Gas Tax
MIDAS

Working to make Ontario municipalities stronger

© 2013 Association of Municipalities of Ontario | [website policy](#)