



## **2018 Ontario Fall Economic Statement Report:**

On November 15, Finance Minister Victor Fedeli delivered the 2018 Ontario Economic Outlook and Fiscal Review. Some of the highlights from the speech and the document include:

### **Taking Action to Put Ontario's Fiscal House in Order:**

- Every Ministry must deliver services efficiently.
- Eliminating landlines and reducing paper from government offices
- **Local governments benefit from a range of provincial transfer payments. As recommended in Managing Transformation — A Modernization Action Plan for Ontario, the government is committed to driving greater efficiencies and value for money. This commitment will also be required from all partners, including municipalities.**
- **Making existing government programs more effective; for example, providing families more choice in child care programming.**
- **Not moving forward with Liberal childcare plan of free preschool for those 2.5 and above.**
- **Freezing discretionary public-sector spending, including travel and meal expenses, as well as implementing a hiring freeze with the exception of essential front-line services.**
- Cancelled three university campus expansions and the proposed French Language University.
- No decision on the \$1.5B Hurontario LRT project.
- Eliminate the public per-vote subsidies for political parties in time for the 2022 election.
- Elimination of Environmental Commissioner of Ontario, French Language Services Commissioner and the Ontario Child Advocate offices. They will be folded into the Ombudsman and Auditor General offices.
- Reforming universal prescription drug coverage for those under 18 for those “that need it”.
- We must live “within our means”, “pay down debt” and “make every dollar count”. Mentions EY line by line audit that showed a \$15B deficit. Minister concerned with one-time financing (ie. Selling Hydro One) and critical of government accounting.
- Debt (interest payments) a threat to education, health and the social safety net. Ontario vulnerable in the event of an economic downturn.
- Restore fiscal balance in a timeframe that is reasonable. There will be a debt payment strategy.
- \$3.2B in savings have already been generated. Delivering \$2.7B in tax relief. Deficit reduced by \$500M.

- **Current deficit projected at \$14.5B.**
- \$347 billion in public debt (\$24,000 for every Ontarian)

### **Helping People Find Good, Affordable Places to Live:**

- Housing Supply and Action Plan to address the barriers of home ownership and rental housing. Rental control exemption for new rental units to increase supply across the province. Rent control remains in place for existing tenants.
- **Cancel Development Charges Rebate Program, creating savings of approximately \$100 million over four years.**

### **Tax Relief for Low-Income and Minimum Wage Workers:**

- **New Low-income Individuals and Families Tax (LIFT) tax bracket. Those working on minimum wage (Less than \$30,000 in annual income) will not pay provincial taxes.**
- Bill 148 repealed (Minimum wage bill)

### **Making Ontario Better for the People:**

- The cap and trade system is officially repealed reducing hydro, gas prices and natural gas.
- Ontario is opposed to the federal carbon tax framework plan.
- Green Energy Act is repealed. It subsidized wind and solar projects. Many contracts have been cancelled.
- Proposal to reverse the previous government's announced changes to Ontario's small business deduction.
- Further reduce red tape for businesses by 25% by the year 2022.
- Expand natural gas and broadband networks to rural and Northern Ontario. "Finally develop the Ring of Fire". Move forward with resource sharing agreements with Northern and Ingenious communities.
- Review the Far North Act
- Support the Energy East pipeline by relinquishing Ontario's veto.
- Shutting down the College of Trades
- **Investing \$1.9 billion in mental health and addictions services over the next decade, matching the federal government's commitment.**
- **Creating new or expanded Rapid Access Addiction Medicine clinics, so that people with addictions can get the specialized treatment they need.**
- 6000 new long-term care beds in communities across Ontario. Another 9000 in the pipeline.
- 1100 hospital beds in Ontario.
- Freezing driver's licence fees.
- Ending the Drive Clean program for passenger vehicles as of April 1, 2019, saving taxpayers approximately \$40 million annually.

- Helping to make auto insurance rates fairer by working to eliminate discrimination against drivers based on where a driver lives.
- Cutting Workplace Safety and Insurance Board (WSIB) premiums, saving employers \$1.45 billion in 2019.

### **Saving Money, While Improving Choice and Convenience for Beer and Wine Consumers:**

- Extended hours for the Beer Store and LCBO (9am to 11pm).
- Plan to extend beer and wine sales to corner stores, grocery stores, big box stores and other outlets.
- Lowering the minimum price to \$1 for any beer with an alcohol volume below 5.6 per cent. So far, more than 50,000 cases of buck-a-beer products have been sold in Ontario.
- Introducing legislation to reverse a three-cents-per-litre beer tax hike put in place by the previous government and to lock the basic tax rates for beer at their current levels.

The social assistance reform plan was not highlighted, but we know there was a roll back from 3% to 1.5% for Ontario Works and ODSP increases. The basic income pilot was also cancelled. Child care is mentioned under the cost reduction section. That is a reference to the refundable tax credit for child care. The development rebate program has also been cancelled in housing. Social housing is not specifically mentioned in the Housing Supply Action Plan as posted on the Ministry of Finance website.

### **Additional Resources:**

2018 Ontario Economic Outlook and Fiscal Review:  
<https://www.fin.gov.on.ca/fallstatement/2018/>