

2021 Ontario Economic Outlook and Fiscal Review

Build Ontario

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MINISTER OF FINANCE



STATEMENT
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Introduction

Thank you, Mr. Speaker.

Today, I am proud to share our government's plan for growing a stronger economy that works for everybody.

It is a plan that begins with our record of strong pandemic management — but also looks beyond — to the kind of Ontario we all want to build.

This is our plan for jobs. Our plan for opportunities. Our plan to **Build Ontario**.

It's a plan that dreams big. But then lays out a clear path to take us there.

This is our plan for building a better and brighter future for the people of Ontario.

Mr. Speaker, one of the important lessons we learned from the pandemic is that our health care system is linked.

Public health. Intensive care unit capacity. Mental health. Surgical wait times.

And we had to build our capacity in all of these things together.

Likewise, our economy is linked.

Through strong and prudent economic management, we can attract increased investment, and restore our leadership in steel, manufacturing and other industries.

These investments and these industries will allow us to unlock the awe-inspiring resource potential of Ontario's North.

These resources hold the power to fuel an advanced automotive manufacturing renaissance in the province...

With abundant critical minerals that allow us to build a resilient and strong supply chain for electric vehicles and battery manufacturing right here at home.

But, in order to attract more investment for these industries, we need skilled workers...

And that requires us to expand training...

And encourage more young people to pursue rewarding, well-paying jobs in the skilled trades.

But attracting and keeping these skilled workers in Ontario requires us to invest in communities...

With better health care and stronger local infrastructure...

Supply chains to keep food, PPE and other essential goods moving...

And roads, transit and highways that make it easier, faster and less painful to get from home to work — wherever that may be.

It's all linked. Our economy is a machine. And if one part of it is not working to its full potential... it holds all of us back.

But, if Ontario is firing on all cylinders...well...there is no place you would rather be.

Mr. Speaker, this is our plan to bounce back from this pandemic...ready to grow and ready to build bigger, faster and better than before.

Here's how.

Protecting Our Progress

It starts with **Protecting Our Progress**. And, Mr. Speaker, while we have come so far, the threats to this progress are real.

That's why our plan starts with our seniors.

Mr. Speaker, our plan will build more spaces for our seniors, including 30,000 new long-term care beds and another 28,000 to be refurbished.

But, our plan is not just about building more beds. It's about building better beds. Our promise to Ontario seniors is that they can live in comfort, dignity and safety.

That is why we are going to raise the bar for what constitutes acceptable care in our long-term care homes.

We've already come so far — when we committed \$4.9 billion to guarantee an average of four hours of direct care per day for those in long-term care.

And, we have a plan to put in place higher standards and more accountability.

The days of shortcuts and cutting corners on seniors' care are over. We are doubling the number of long-term care home inspection staff across the province.

We are hiring 225 new nurse practitioners in the long-term care sector...

Recruiting more than 5,000 registered nurses and registered practical nurses throughout the health care system and hiring 8,000 more personal support workers.

We are making new investments in improving home care that keeps patients out of the hospital.

And our plan helps more seniors live in safety and with dignity in their own home by extending the Seniors' Home Safety Tax Credit.

While we are supporting our seniors, we are also getting shovels in the ground for building and expanding hospitals.

At the West Lincoln Memorial Hospital redevelopment project in Grimsby...

The new Windsor-Essex Acute Care hospital...

Partnering with Trillium Health Partners to build a new inpatient care tower at the Queensway site in Etobicoke...

Redeveloping the Oak Valley Health – Uxbridge Hospital...

And building the new inpatient care hospital at the William Osler Health System.

Building Ontario

Mr. Speaker, it's time to get to work **Building Ontario** and make the investments that we know the people of Ontario want to see.

For too long, our roads, highways and transit systems have not kept pace with our growing population.

Gridlock is already costing the Greater Toronto Area \$11 billion per year in lost productivity.

Too many precious hours are wasted stuck in traffic, instead of spent with friends and family.

And without real leadership today — it will only get worse.

More gridlock. More traffic. More emissions. More time wasted. More opportunities missed.

The Ontario worker who can't afford to live close to their job.

Local businesses that cannot get their products to market or even hire because available workers are too far away.

Parents who never see their kids because they are wedged in bumper-to-bumper traffic for hours and hours every single day.

That is why we are building the highways that will get Ontario drivers out of gridlock, Mr. Speaker.

That is why we are finally building Highway 413, which is opposed by those who are fortunate enough in life to never need it.

Our message to those who *do* need it.

Those workers.

Those commuters.

Those families and small businesses.

Those who aspire to a better quality of life...is this:

You have waited and struggled long enough.

The 413 would reduce commute times for over 300,000 drivers in York, Peel and Halton Region by 30 minutes each day.

Even the construction of the 413 would create 3,500 jobs and contribute \$350 million to our economy.

The evidence is clear, and the plan is clear. It is time to get the 413 built.

We are also building the Bradford Bypass...

And cutting drive times in Simcoe and York Region for commuters and truck drivers by over 60 per cent.

We are allocating over \$2.5 billion to expand and repair more than 580 provincial highways and bridges.

Continuing our progress on the largest subway expansion in Ontario history...

Delivering on our commitment on two-way, all-day GO Transit.

Mr. Speaker, our government also realizes that this foundation must be laid in every corner of our province...

Which is why our government is doubling the Ontario Community Infrastructure Fund over five years to help 424 small, rural and Northern municipalities.

Not only will these projects create 1,500 jobs over the next five years...

They will help keep our communities safe and support the recovery of Main Streets across the province.

Mr. Speaker, the 24,000 people who call Ontario's Far North home, 90 per cent of whom identify as First Nations...

Have been denied investment and opportunity.

It is also time to make real investments in the North.

Starting with the Ring of Fire.

Mr. Speaker, the Ring of Fire is one of the most important mineral deposits in all of Canada.

It is a vital source of economic development for communities across the North — especially for First Nation communities.

"Critical minerals" are essential to the batteries, electric vehicles, clean energy and electronics manufacturing our economy badly needs.

These same critical minerals are currently vulnerable to global supply chain challenges.

An investment in the Ring of Fire, therefore, is an investment in Northern prosperity for the people of Ontario and for all Canadians.

Mr. Speaker, it's time to get the road to the Ring of Fire built.

Our government is doing our part. In fact, we are prepared to invest a billion dollars to get the job done.

First Nations are doing their part, and we are working closely with the Marten Falls and Webequie First Nations.

We hope the federal government comes to the table to support this vital project.

And creating opportunities for communities in the Far North to have the brighter future they deserve.

Mr. Speaker, it takes more than money to build better roads and highways.

Or to get new hospital and long-term care spaces off the ground.

It also takes workers.

Working for Workers

Mr. Speaker, it is clear that workers and families in this province are struggling.

Take-home pay has not kept pace with rising costs of essentials that families rely on, like groceries.

During the pandemic, workers had our backs. Premier Ford, and our government, will always have theirs.

We want Ontario workers in a race to the top, not a race to the bottom.

That's why, Mr. Speaker, our government is **Working for Workers**.

It starts with the minimum wage.

Our government has a plan to raise Ontario's general minimum wage to \$15 an hour — effective January 1.

Ontario workers deserve it.

And we're not stopping there. We are also eliminating the legal exceptions that allowed servers in bars and restaurants to be paid less than the general minimum wage.

Our government has led by example — by delivering real action that puts workers first.

And we're just getting started.

We are investing an additional \$5 million into the Second Career program and expanding its scope to include newcomers, gig workers and people with disabilities...

Planning to extend the Ontario Jobs Training Tax Credit, which provides up to \$2,000 for training expenses for workers looking to upgrade their skills.

If you are prepared to put in the work, time and effort to learn a new skill to support your family...

Our government is prepared to put in the money and give you every opportunity to see it through.

The skilled trades provide good jobs that can support families, but too few young people see the skilled trades as a career opportunity.

That's why our government is building up the skilled trades.

We will invest an additional \$90 million in a Skilled Trades Strategy that will break the stigma...

Simplify the system and remove obstacles that prevent young people from entering the trades...

And make it even easier to learn a trade in the province of Ontario.

And, we plan to support the province's tourism and hospitality workers with the new Ontario Staycation Tax Credit...

A 20 per cent tax credit that would put more money back in the pockets of Ontario travellers and families...

When they choose to travel and spend right here at home.

Our commitment also extends to manufacturing workers.

Our government is bringing well-paying jobs back...

And creating thousands of stable, well-paying jobs for Ontario workers in the industries of the future.

Since our government came to power, we have seen over \$5 billion committed in new investment in Ontario's auto sector from major manufacturers...

Including a \$1 billion investment from General Motors to manufacture a new line of electric vehicles at its Ingersoll facility...

And over \$1 billion to reopen its Oshawa Assembly plant and add production at its facility in St. Catharines.

Our government recognizes that the pandemic is not over...

But our government is also looking forward — to the future.

And that future will require a prudent, responsible plan that creates the conditions for an economic and fiscal recovery.

While some would call for tax hikes...

We have chosen a different path.

It's a plan for recovery that is built on growth, not painful tax hikes or spending cuts.

For 2021–22, we are projecting a deficit of \$21.5 billion, which is \$11.6 billion lower than the outlook published in the *2021 Budget*.

Conclusion

Mr. Speaker, our government's plan is prudent and responsible...

It's a plan to protect the progress we have made.

Build for the future.

And work for workers who make it all happen.

Mr. Speaker, our province has come so far.

The door in front of us is wide open.

And we have so much more to do.

We are investing.

We are growing.

We are building the better and brighter future that the people of Ontario deserve.

Thank you.