

EARLY ONLINE MEDIA SCAN: BUDGET

April 27, 2017

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ONLINE COVERAGE

TORONTO STAR: A PRE-PRE-ELECTION BUDGET TO BOLSTER LIBERAL FORTUNES:

COHN

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Martin Regg Cohn

A pre-election budget normally comes on the eve of a campaign.

This one arrived prematurely - a pre-pre-election budget - the better to shore up worsening Liberal fortunes. While there's still time, well before next year's campaign.

Just as a hanging clears the mind, fear of an electoral lynching has forced the Liberal brain trust to appeal for clemency. For they come now with offerings.

Repent and repeat:

Free pharmaceuticals for young people (a blessing). Transit breaks for old people (a sop).

Cheaper child care for young parents (long overdue). Free tuition for most college students (already announced but still worthy and worth repeating).

Rent control for everyone (a reprise). Hefty discounts off everyone's hydro bills (a perennial).

And the first balanced budget after a decade of deficits (about time). Which clears the way for its more progressive measures, notably phased pharmacare.

All this thanks to surging tax revenues from a robust economic recovery that is leading the country and most of the industrialized world, while driving unemployment down.

Just days after the NDP proposed its own embryonic pharmacare program, we now know why the Liberals were at a loss for words all week: They didn't want to give away their own budget plan.

By redressing the embarrassing gap in Canadian health care - medicare without full pharmacare - Ontario is finally taking a first step toward a truly universal program. The rival Liberal and NDP plans have similar projected costs (under \$500 million a year), and offer only partial coverage, each in their own way.

Taken together, however, they serve as a reminder that the battle for progressive voters has already begun - the giveaways are underway. The budget materials include colourful graphics emblazoned with the word "free" so many times that they resemble those Boxing Day door crashers in Best Buy ads.

But along with the Progressive Conservatives, all three parties are also vying for the title of prudent financial steward by embracing the goal of a balanced budget.

Now the Liberals can lay claim to fulfilling the promise of a balanced budget they made back in 2008, when the great recession forced them to forego a planned surplus, plunging the province into a \$19-billion deficit to bail out an ailing economy. Digging out from a decade of deficits required the government to rein in public sector salaries and pare spending, but surging revenues have changed the tide.

"Balancing the books has never been an end in itself," Finance Minister Charles Sousa insisted Thursday.

But it is more than a means to an end. It also has political meaning.

It is a truism of politics, borne out in the last federal election, that red ink is rarely a vote-determining issue at the ballot box. But Premier Kathleen Wynne recognized that a perpetual deficit would hurt her credibility on the economy; constrain her government from funding worthy social programs; and crowd out Ontario's fiscal capacity in case of future economic downturns.

Desperate times call for desperate measures, and the 2008-10 economic crisis surely merited such a designation and assignation. But there are ample reasons, political and economical, for eliminating the deficit now that Ontario's economy has leapt into the lead.

Balancing the budget isn't as simple as it sounds, however. The independent Financial Accountability Office kept casting doubt on whether the government could meet its target, and the PCs predicted it would never happen.

Now that it has, the Tories insist it still hasn't, because the government is cooking the books. The NDP noted that the government's allocation of \$465 million for pharmacare is mysteriously missing from the budget document, suggesting a last-minute, back-of-the-envelope calculation.

Fair point on pharmacare, but if that's what it takes to get started on free prescription drugs, so be it. The truth is that pharmacare makes sense on so many levels - medical, ideological and economical - that political will matters more than precise estimates at this point.

The bigger gap in the government's pharmacare plan is that while completely free, it essentially excludes adults between 25 and 65. That's not just tough luck for middle-aged adults, it's also bad news for the bulk buying benefits that are the hallmark of truly universal pharmacare scaled up to the entire population.

The drawback in the NDP's plan is that while everyone is covered (albeit with co-payments), only the 125 most commonly prescribed and effective drugs would be covered, leaving people who require costly anti-cancer medicines, for example, on their own.

Both of these belated proposals are a promising start, but still suffer from a lack of ambition. With a provincial budget of \$130 billion, and total health spending of \$54 billion, why are these two putatively progressive parties straining to stay under a modest \$500 million cap for such a consequential program?

Still, it's a start - for pharmacare, and the pre-election campaign. Whether this budget marks the beginning of a Liberal revival, or the start of a losing battle, is a question that voters might answer with another question:

After this pre-pre-election budget, are people better off than they were four years ago when Wynne and Sousa first took over? For the Liberals, Tories and New Democrats, that battle question may be the ballot question.

TORONTO STAR: ONTARIO BUDGET PUTS FOCUS ON CHILDREN'S MENTAL HEALTH

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Kristin RushowyLaurie Monsebraaten

From pharmacare to daycare to child welfare, Ontario kids got a lot of attention in the provincial budget.

The Liberals are pledging a further \$49 million for children's mental health and wellness, mainly through school-based programs.

Those funds, spread over three years, are to "improve students' cognitive, emotional, social and physical development through equity and inclusive education, safe and accepting schools, healthy schools and positive mental health," Ontario budget documents said.

Some 70 per cent of adults who suffer from mental health issues report their troubles began when they were young.

The \$134 million promised for child welfare will be spent over the next four years. The funds come as the government revamps the Child, Youth and Family Services Act, which it has promised will give kids in provincial care more of a say in the decisions that affect them.

The government is also putting \$200 million in new operating funds that will create 24,000 additional daycare spaces this year - 16,000 of them subsidized for low- to moderate-income families.

Experts say they are cautiously optimistic about the announcement, part of the government's plan for 100,000 new spaces over the next five years.

"I think that putting money into the subsidy systems, where wait lists are so long, is the right thing to do in the short term," said Martha Friendly of the Ontario Coalition for Better Child Care.

"This will not only help parents, but centres with vacancies they can't fill."

However, she added "everything we know shows that individual subsidies are not the solution to fixing child care, so I'm really glad they are committing to a broader affordability plan."

In Toronto, about 15,400 children are waiting for daycare subsidies while more than 4,000 spaces sit vacant because parents can't afford fees that top \$20,000 a year for young children.

Friendly said she looks forward to hearing about other aspects of the five-year plan, expected to be released later in May.

"I'm hopeful that that will really be something that we can work with," she said. "(I'm) enthusiastic about getting started."

The province is also moving ahead with hubs - or one-stop shops - for teens and young adults needing mental health help or support for addictions, setting up nine across Ontario.

TORONTO STAR: \$1.6 BILLION IN HEALTH MONEY AIMS TO REDUCE WAIT TIMES, EASE OVERCROWDING

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Theresa Boyle

The province's health budget will grow by \$1.6 billion this year with more funds available to ease hospital overcrowding.

Finance Minister Charles Sousa said he has heard loud and clear from Ontarians that they want more spent on health.

"In the lead-up to this balanced budget, I travelled across Ontario to speak with people to hear what matters most to them. Everywhere I went, Ontarians told me to invest more in our health care, invest more in our hospitals. A balanced budget allows us to make these new investments," he said in his budget speech.

More on the 2017 Ontario budget((www.thestar.com»))

Program funding for hospitals will be boosted by 3 per cent, or \$518 million, to "keep wait times low and maintain access to elective surgeries," budget documents state.

That is not as much as the cash-strapped sector had sought, but is more than the austerity level of funding it has received in recent years.

Hospitals will also receive additional capital funding to the tune of \$20 billion over 10 years. This will be used to build new hospitals in Niagara, Windsor and the Weeneebayko area on the James Bay Coast.

The capital funding will also help cover the cost of redevelopment projects at Trillium Health Partners and Hamilton Health Sciences.

NDP Leader Andrea Horwath, whose party has been going to bat for hospitals in Question Period, said the budget is a disappointment for the sector.

"It will barely keep up with the rate of inflation. It falls more than \$300 million short of what hospitals say they need," she told a news conference, adding that the budget allotment does not undo the damage caused from firing nurses, cancelling surgeries and crowding ERs.

The total health budget is increasing to \$53.8 billion in 2017-18, 3 per cent more than last year.

The government used the budget to announce that it will publicly fund the abortion pill, Mifegymiso. A woman can get a prescription for the drug from her family doctor and then have it filled at a pharmacy by showing her OHIP card. The province has not yet determined the overall cost of making the drug available.

Asked during a news conference if the abortion pill was included to bait the far right, Sousa responded: "We are trying to provide women with choice, with a safe choice."

There was much focus in the budget on reducing wait times. The province plans to invest an additional \$245 million over three years in "enhanced referral pathways" for treatment of back pain and other bone and joint conditions.

An extra \$890 million will be spent over three years for faster access to procedures such as foot, knee, hip and cataract surgeries.

An \$85 million investment over three years is aimed at reducing wait times for home care and long-term care. It will be used to enhance programs such as home nursing, personal support, physiotherapy and respite services.

Other health highlights include:

\$74 million over three years to provide faster access to mental health services, including new supportive housing units and structured psychotherapy;

\$145 million over the next three years for the hiring in primary care practices of nurses, nurse practitioners, dietitians, social workers, pharmacists and other care providers;

\$100 million over three years for a dementia strategy.

The budget includes plans to develop chronic pain management programs at 17 hospitals and community clinics.

There are also plans to enhance services for those affected by fetal alcohol spectrum disorder.

The government says it plans to increase health-care investments by \$11 billion over the next three years.

TORONTO STAR: WELFARE RECIPIENTS SEE BOOST IN ASSET LIMITS IN ONTARIO BUDGET

thestar.com

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Section: News | Toronto Star

Byline: Laurie Monsebraaten

Ontario is making it easier for people on social assistance to get help from family and avoid the need to deplete their assets before getting help, according to Thursday's budget.

The four-year \$480 million investment will raise asset limits, boost exemptions for cash gifts and increase monthly benefits for more than 900,000 Ontarians who rely on Ontario Works (OW) and the Ontario Disability Support Program (ODSP.)

"People who are able to build savings are more resilient and better able to manage temporary financial setbacks," according to budget documents.

More on the 2017 Ontario budget((www.thestar.com»))

Starting in January, asset limits for single people on OW will rise from \$2,500 to \$10,000, while asset limits go up from \$5,000 to \$15,000 for couples.

For those receiving ODSP benefits, cash and other liquid asset limits will jump from \$5,000 to \$40,000 for individuals and increase for couples from \$7,000 to \$50,000.

The exemption for cash gifts will increase from \$6,000 to \$10,000 a year for both ODSP and OW recipients, beginning in next September.

Gifts from family and friends used to pay first and last month's rent, to purchase a principal residence or buy a vehicle, will no longer be clawed back from people on social assistance, according to budget documents.

The government's income security working group has been meeting since last summer to develop a "multi-year roadmap" to further reform Ontario's overly complex and rule-bound social assistance system, the budget notes.

The working group is expected to make its recommendations before the end of the year.

In other initiatives to ensure Ontario uses its strengthened finances to ensure "no one is ever left behind," Finance Minister Charles Sousa highlighted the government's recently announced basic income pilot project.

The three-year \$150 million experiment will give 4,000 adults under age 64 as much as \$17,000 in no-strings-attached payments starting this summer in the Hamilton and Thunder Bay areas and in Lindsay next fall.

The payments are equal to about 75 per cent of the province's poverty line of about \$22,653 for a single person in 2016.

As Sousa said in his budget speech, the pilot will "see if providing people with a basic income could be a simpler and more effective way to ensure security and opportunity in a changing job market, support people living on low incomes and reduce poverty."

Although anti-poverty activists had called for a significant hike in social assistance rates while the government tests the more generous basic income, the budget essentially flat-lines rates with a 2 per cent inflationary increase.

"There is always more to be done," Sousa told reporters when questioned about the meagre increase. "We're doing as much as we can right now."

A single person on OW would receive an additional \$15 a month for a total of \$721 while a single person on ODSP would get an extra \$23 a month for a total of \$1,151, according to government officials.

A single parent with one child on OW would receive \$1,101 a month, including \$115 in the Ontario child benefit.

The rate increase takes effect in September 2017 for ODSP and October for OW.

In other measures to help vulnerable Ontarians, the budget is investing \$667 million over four years to improve services for adults with developmental disabilities and their families.

In 2017-18, the funding will support 375 more residential placements for individuals with urgent needs and youth transitioning from the child welfare system. This is in addition to 1,400 residential placements that have been added since 2015.

The money will provide funding to an additional 1,000 adults with developmental disabilities this year to help them participate in community programs and hire support workers. The increased funding to the program called Passport will raise the total number helped to 27,000 this year.

Over the next two years, the government will work with families and community partners to help 400 young adults with developmental disabilities transition to adult services.

As the Star reported earlier this week, a Timmins father has launched a \$110 million class action lawsuit((www.thestar.com»)) after his developmentally disabled 19-year-old daughter lost government services when she turned 18. She is currently among more than 11,000 adults waiting for Passport services.

TORONTO STAR: ONE-HANDED APPLAUSE FOR YOUTH PHARMACARE PLAN: WALKOM
thestar.com

Thu Apr 27 2017

Section: Opinion | Editorial Coverage | T

Byline: Thomas Walkom

Give one cheer for the Liberals. Kathleen Wynne's Ontario government has finally bit the bullet on publicly funded pharmacare.

Their scheme to provide those under 25 with free prescription drugs isn't comprehensive. Nor, in spite of Finance Minister Charles Sousa's boast, is it exactly path-breaking.

Saskatchewan already offers a similar, albeit less generous, drug plan to children 14 and under.

But it is a start.

The plan, announced in Thursday's budget, would allow any Ontarian age 24 and under who needs prescription drugs for medical purposes to receive them at no cost.

Unlike the province's drug plan for seniors, there would be no co-payment and no deductible. Unlike the drug plan for welfare recipients, there would be no means test.

Rather, like medicare, it would be universally available and cover the entire cost of roughly 4,400 drugs.

Experts can argue whether the Liberal pharmacare plan is better or worse than that pitched by Andrea Horwath's Ontario New Democrats. The NDP proposes a scheme that would cover everyone under 65 but only for 125 commonly prescribed drugs.

But the Liberals have the advantage of being in power right now. If they follow through on their promise, their truncated pharmacare plan will come into effect next January.

I suspect they will follow through because this idea is likely to be popular. And once a popular pharmacare scheme is in place, it will be politically difficult for any government to kill it.

Fiscally, the Liberal drug plan has the advantage of being cheap - largely because younger people tend to be in good health. Officials say it will cost roughly \$465 million a year, a relatively small amount for a government that spends more than \$140 billion annually.

Politically, the drug scheme is a classic pre-election Liberal feint to the left. After years of foundering and with an election due in 2018, Wynne has rediscovered the virtue of activist government.

Health care spending, in particular, is being boosted. The government kept the lid screwed tight. It is loosening it.

The average annual rate of growth in total health spending is rising from 1.8 to 3.3 per cent - with a big chunk of that new spending going to hospitals.

If re-elected, the Liberals may return to their tight-fisted ways. They have done so before. Their surprise decision to authorize the sale of Hydro One demonstrates that the Wynne Liberals are infinitely flexible.

But they will find it politically difficult to reverse themselves on pharmacare. It is the missing piece of medicare. Voters understand that.

Voters also understand that employee health benefit plans are in decline. Employers find them too expensive. Precarious workers rarely, if ever, qualify for them.

For these reasons, any move toward universal publicly funded pharmacare is welcome and probably irreversible. Progressive Conservative leader Patrick Brown told reporters Thursday that he would prefer a scheme that is means-tested. But Ontario already has a drug benefit program for the poor.

What is useful about this scheme is precisely what Brown doesn't like about it: It is a step on the road to universal pharmacare.

Sousa told reporters that he hopes Ontario's move will persuade Ottawa and other provinces to act. Perhaps it will.

But if that doesn't happen, this budget at least commits Ontario to something. It makes no sense to exclude out-of-hospital drug therapy from public health insurance. It never has.

There is much in this budget that is unsatisfactory. Welfare rates adjusted for inflation remain flat. The problems faced by seniors trying to get long-term care are not really addressed. As NDP leader Horwath noted, even the pharmacare proposals have a haphazard air about them.

But at least the government has promised something positive. I don't know whether this will be enough to give the Liberals a victory in the next election. I don't know whether the Liberals deserve a victory in the next election.

However, if they manage to get this thing going in January, they do deserve, at the very least, a round of one-handed applause.

Thomas Walkom appears Monday, Wednesday and Friday.

TORONTO STAR: WINNERS AND LOSERS FROM THE 2017 ONTARIO BUDGET

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Winners and losers from the 2017 Ontario budget:

Winners

Children and youth 24 years old and younger who will receive free prescription drugs under an expanded pharmacare program

Seniors who will get a new public transit tax credit worth around \$130 a year

Tenants whose rent increases will now be limited to inflation

Students who get new on-the-job experience through the \$190-million three-year Career Kick-Start program

Losers

Smokers - tobacco taxes which jump \$10 a carton over the next three years starting with an immediate \$2 a carton hike at midnight Thursday

Foreign real estate speculators who will now pay a 15 per cent tax on southern Ontario houses they buy

Landlords who can no longer increase rents more than the rate of inflation unless they apply for exemptions to bankroll renovations

Future generations who will be saddled with a \$311.9 billion provincial debt

TORONTO STAR: ONTARIO BUDGET CAREER PROGRAM AIMS TO GIVE TEENS, 20-SOMETHINGS A RUNNING START

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Kristin Rushowy

Ontario students will get something to add to their resumé under a new, \$190-million "kick-start" career program.

The funds, spread out over three years, will go to school boards, colleges, universities and employers to give teens and 20-somethings specialized learning and hands-on job experience so they "will hit the ground running when they graduate," said Finance Minister Charles Sousa.

"And the result will be that all-important first bullet-point on their resumé and to help make transitioning into the workforce easier."

The money will create some 40,000 new "work-related opportunities," he added. That figure includes 17,000 new spots in the province's popular "Specialist High Skills Major" programs offered to senior secondary school students. These give them real-world assignments in areas such as arts management, hospitality and tourism or the environment.

A "career-ready fund" that provides work placements to post-secondary students and recent grads will also get a boost, as will research positions and fellowships for graduate students who work with industry professionals.

At the University of Waterloo, for example, co-op students work with IBM on cybersecurity issues.

The Ontario government will also add 100 paid internship positions, beefing up the current program that mainly employs graduate students.

"A rapidly changing economic environment means students need better supports to enter the workforce," Deb Matthews, the province's minister of advanced education and skills development, has said.

"Employers are looking for job-ready graduates Our Career Kick-Start plan will help learners of all ages develop practical skills, while building a stronger bridge to careers for people moving from the classroom to the workplace."

For adults struggling to complete high school, the province is also pledging more money to help them earn their diploma or upgrade their skills. The amount will be announced in the coming weeks.

"We believe that learning is a lifelong journey," Sousa told the Ontario legislature Thursday. "...So for adults looking to find their next learning opportunity, land a better job or move into their next career, we're launching the 'Ontario Lifelong Learning and Skills Plan.' This will help adults get the literacy, numeracy and digital skills they need to thrive in a changing economy."

Also in Thursday's budget was good news for graduating post-secondary students who will now only start repaying their provincial loans when they are earning at least \$35,000 a year, up from the current \$25,000.

RESPs will no longer affect student-aid calculations, and the amount parents are expected to contribute will also go down.

In Ontario, more than two-thirds of adults have a college or university degree.

Starting this fall, 210,000 students from low-income homes will be eligible for non-repayable grants that exceed their tuition costs.

School boards wanting to renovate or rebuild elementary and secondary schools will receive \$16 billion over the next decade.

The budget also says the handful of provincial schools - for the deaf or hard of hearing, or for students with severe learning disabilities - will remain open.

But there was no money to save some 300 threatened public and Catholic schools. NDP Leader Andrea Horwath said: "There is no commitment in the budget to stop closing schools."

She also criticized the government for chopping \$4.6 million in special education funding.

Currently, many boards already spend more than they receive for their neediest students.

TORONTO STAR: NO NEW CASH FOR FIXING SOCIAL HOUSING STOCK

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Emily Mathieu

Toronto's crumbling social housing stock will not receive any new money for desperately needed capital repairs as part of this year's provincial budget.

The budget lays out the early details of a plan to leverage government-owned land to encourage the development of more affordable housing units, but no new money towards affordable housing and homelessness prevention programs.

Toronto Community Housing is planning to close 400 more homes next year, because of a lack of repair money needed to shore up the aging buildings, bringing to 1,000 the number of properties expected to close by 2018.

Finance Minister Charles Sousa, when asked what specifically would be done to address the repair backlog at Toronto Community Housing, listed off initiatives and investments made by the province in social and affordable housing, as part of money released in last year's budget, to be spent over three years.

"We are actually doing quite a bit for Toronto, on a number of fronts," and are working with the cities across Ontario to meet the growing demands for affordable housing, said Sousa.

"We want to support Toronto, we have continuously supported Toronto and all the municipalities across the province," he said.

The province, as part of last year's budget, pledged to spend approximately \$2 billion in affordable housing and housing supports, over three years.

Toronto's social housing provider manages almost 60,000 units, across 2,100 buildings, and needs to secure an additional \$350 million next year to prevent more homes from being boarded up.

The 10-year repair plan is expected to cost \$2.6 billion and Mayor John Tory has repeatedly pressed the province and federal government to put in the money needed for the other two thirds of the bill.

Anybody who is made to leave those unsafe units must also be rehoused, by Toronto Community Housing, putting more pressure on a wait-list for subsidized housing that has topped 181,000 people.

As part of Thursday's announcement, the province laid out the early details of a new plan to leverage provincial land to build more affordable housing, by selling off surplus land at below market value "as a mechanism to leverage long-term affordable housing supply" to encourage and facilitate future development.

That plan will "complement" an existing plan to create community hubs, which will also use land assets to "advance community use of public properties," provided a solid business case can be made for its use, in that respect.

The province will be working with cities, the federal government, people from the housing sector and other interested stakeholders to firm up the plans this spring.

"A key element of the initiative's success will be ensuring that the new units have access to efficient and well-aligned support services that meet community needs," the government said in its budget document.

That program will be piloted at multiple sites across the Greater Toronto Area and Hamilton, and the province intends to commit \$70 million to \$100 million in land to develop a mix of up to 2,000 new market and affordable housing units.

NDP Leader Andrea Horwath said the 2017 provincial budget "doesn't even come close" to undoing the damage the liberal government has caused over the last 14 years. Premier Kathleen Wynne, said Horwath, was "choosing to look away" from the needs of people across the province, particularly when it came to health care, rising hydro costs and social housing.

"Under the Wynne liberals housing costs have skyrocketed, while subsidized housing stock has been allowed to crumble, been shuttered and sold off," said Horwath.

In Toronto, as part of previous budget commitments and as part of the Climate Change Action Plan, the city will receive \$130 million for energy retrofits and more than \$340 million, also over three years, in rent supports and other services to prevent homelessness.

The city is also receiving more \$130 million through the Investment in Affordable Housing program, used to provide supports to keep people in their homes, like rent supplements.

The province has also committed \$200 million, to be spent over three years, to help 6,000 families and people across Ontario get access to housing assistance programs, including counselling, assistance with medication and life skills training, and to support the construction of 1,500 new supportive housing units.

Survivors of domestic violence will be provided with \$30 million to be spent over the next three years, to support up to 3,000 people, through a portable housing benefit.

About \$90 million has also been placed into the Community Homelessness Prevention Initiatives (CHPI) fund, which is distributed to municipalities for homelessness prevention initiatives, including rent supplements.

Any funding tied to affordable housing and homelessness prevention is being carefully watched in buildup to the forthcoming National Housing Strategy.

In March, the federal government promised \$11.2 billion for affordable housing initiatives and programs, to be spent over 11 years. Roughly \$3 billion of that total was to be spent in the next five years, with \$20 million for this year.

Housing advocates, in March, called the federal commitment a strong step forward in easing what is widely recognized as a countrywide crisis.

The \$11.2 billion is on top of baseline funding for expiring social housing agreements. That operating agreement funding is expected to be maintained up to 2028.

In early April, Jean-Yves Duclos, Minister of Families, Children and Social Development announced the creation of a \$5-billion national housing fund, designed to keep Canada's most vulnerable housed, including people living with mental health issues, struggling with addictions, seniors, and veterans.

That fund also includes targeted money for Indigenous communities, on and off reserve.

TORONTO STAR: LITTLE HELP FOR WORKERS LAID OUT IN ONTARIO BUDGET

Government — and workers — must wait instead for final recommendations of Changing Workplaces Review, which is examining labour and employment law reform and is expected in the coming weeks.

By SARA MOJTEHEDZADEH Work and Wealth reporter
Thu., April 27, 2017

<https://www.thestar.com/news/canada/2017/04/27/little-help-for-workers-laid-out-in-ontario-budget.html>

Decent work is the “expectation, and not the exception,” Ontario’s new budget document says, but specific monetary commitments to that end remain vague in this year’s plan.

Instead, government — and workers — await the final recommendations of the so-called Changing Workplaces Review, which is examining labour and employment law reform and is expected in the coming weeks.

The review will address fundamental issues related to precarious work, the budget said, including:

- Expanding the definition of employee (workers classified as independent contractors are currently not covered by minimum workplace standards);
- Examining the definition of an employer (a concept that has been blurred through the rise of the sharing economy and organizations like temporary help agencies);
- Minimum standards for personal emergency leave such as paid sick days;
- Whether the law should make it easier to join a union.

The budget also identified robust enforcement as a key element of the review.

“Strong, effective enforcement is essential to ensure that employers who do not respect protections for workers are held accountable,” the budget document said.

Workers’ rights advocates have long called for more resources to be dedicated to that effort, and investigations by the Star have revealed how the Ministry of Labour often fails to recover funds for victims of wage theft and other workplace abuses.

Minister of Finance Charles Sousa said his government had taken a “principled approach to protecting workers.”

More than three-quarters of jobs created in Ontario since the recession have been in above-average wage industries, the budget said. That is defined as sectors that pay \$26.15 an hour or more. But the new jobs do not necessarily pay the above-average wage.

Some 22 per cent of new jobs were created in below-average wage industries such as the food and retail sectors, where critics say workers often face erratic schedules and job insecurity.

The budget pointed to strong growth in full-time positions — 98 per cent of the 691,000 jobs created since the lowest point of the recession, June 2009, were full-time roles.

Looking year over year, 82 per cent of new jobs since 2009 were permanent and 18 per cent were temporary across Ontario.

“Our unemployment rate is below the national average and the lowest it’s been since 2007,” Sousa said. “Our economy is growing and leading.”

According to research by the United Way and McMaster University, 52 per cent of jobs in the GTA now face some form of insecurity — whether it be contract positions, part-time or short-term gigs.

“Ontarians today are hurting. Wages are down, and the cost of living is up,” said NDP leader Andrea Horwath.

“Ontarians waiting for a \$15 minimum wage will have to wait for a change in government.”

**TORONTO STAR: ONTARIO LIBERALS UNVEIL BALANCED BUDGET THAT FEATURES
FREE YOUTH PHARMACARE PLAN**

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Robert Benzie

Finance Minister Charles Sousa has prescribed a remedy for the Liberal government's political ailments - an election-ready balanced budget with free pharmacare for everyone 24 and under.

Sousa on Thursday tabled the first Ontario budget without a deficit since 2008 thanks to a growing economy that has led to a massive jump in tax revenue.

It's a record \$141.1 billion spending plan that increases funding for health care by \$7 billion over the next three years, including a signature \$465 million children and youth pharmacare program that will pay for 4,400 different medications as of January 2018.

The Liberal plan comes just five days after NDP Leader Andrea Horwath promised a \$475-million a year universal pharmacare plan to cover 125 commonly prescribed drugs if she wins the June 7, 2018 election and replaces Premier Kathleen Wynne.

Highlights from the 2017 budget((www.thestar.com»))

"Four years ago, our government promised to balance the budget and today... I am proud to announce that we did it," said Sousa, promising to keep things in the black again in 2018-19 and the year after that if the Liberals are re-elected.

The last time there was no shortfall in the provincial treasury was 2008 - just before the global financial crisis that led to the biggest recession since the Great Depression almost 90 years ago.

But the cost of running deficits for nearly a decade has been an Ontario debt that has ballooned from \$169.6 billion in 2008 to a projected \$311.9 billion this year, making the province the world's largest sub-national borrower.

"The road to balance has not been easy. We had critical choices to make," said Sousa.

"We could do what some suggested: cut expenses, cut vital programs and services that people depended on to eliminate the deficit or take a more principled and thoughtful approach to make strategic investments and stimulate economic growth," he said.

With the shortfall eliminated and a hotly contested election 13 months away, Sousa has loosened the purse strings and acknowledged that many Ontarians are feeling the pinch.

"We recognize that families are struggling with the increased cost of living so we're doing more to help with everyday costs," he said.

As first announced last month, residential electricity rates will be cut by an average 17 per cent starting in June - atop the 8 per cent reduction in the harmonized sales tax that kicked in on Jan. 1.

Overall, hydro relief measures will cost the treasury \$1.4 billion in 2017-18.

The new spending is fuelled by tax revenue that has outpaced last year's forecast by more than \$3.4 billion, including \$1.3 billion in additional corporate taxes, \$717 million in extra personal income taxes, \$714 million more in sales taxes and a windfall of \$637 million in increased land transfer taxes due to skyrocketing house prices.

To slow southern Ontario's rapidly rising real estate market, there's the recently announced 15 per cent "non-resident speculation tax" on foreign buyers. It is expected to be revenue neutral because it should be offset by lower land transfer tax proceeds.

"It's not fair for some speculators with deep pockets to drive up the cost of a family home at the expense of working families trying to save enough to realize their own dreams of a place to raise their kids and call their own," he said.

That levy on offshore speculators is the only tax increase in the budget aside from a \$2-a-carton hike on tobacco effective as of midnight Thursday. (There is no mention in the budget about anticipated revenues from legalized recreational marijuana, which Ottawa will allow as of July 1, 2018, because the province has not yet determined where and how it will be sold or taxed.)

Municipalities, however, will be empowered to impose lodging taxes - on hotels and Airbnb rentals - if they choose.

Sousa boasted that the province is outpacing most of the developed world with gross domestic product growth of 2.7 per cent last year.

"That's almost twice the rate of growth of all of Canada - it's better than Germany's 1.9 per cent; it's better than the United States at 1.6 per cent; it's better than all G7 countries," said the treasurer.

But Progressive Conservative Leader Patrick Brown, who enjoys a double-digit lead over Wynne in public-opinion polls, insisted the budget was not balanced, claiming there is a \$5 billion operational deficit due to one-time infusions of cash such as government land sales and the majority sell-off the Hydro One transmission utility.

"It's a scam. The numbers do not add up. The Liberals have no plan to get debt under control," said Brown, who declined to say what services he would cut if elected next year though he stressed his opposition to municipal hotel taxes.

The NDP's Horwath, whose pharmacare proposal would not take effect until 2020, said "this budget doesn't even come close to undoing the damage Kathleen Wynne and her Liberals have done over the last 14 years."

"Ontarians are desperate for change," she said, blasting Wynne for falling short on universal pharmacare.

"We didn't get the pharmacare plan that the people of this province deserve."

TORONTO STAR: HIGHLIGHTS FROM THE 2017 ONTARIO BUDGET

thestar.com

Thu Apr 27 2017

Section: News | Toronto Star

Byline: Robert Benzie

A \$141 billion spending plan that is balanced for the first time since 2008

A \$7 billion hike in health care funding over the next three years

A new \$465 million youth pharmacare program for everyone 24 and under

\$190 million over three years for the "Career Kick-Start" job experience program

24,000 more affordable child care spots for kids up to age four

The recently announced 15 per cent "non-resident speculation" foreign buyers' tax to cool down southern Ontario's scorching real estate market

Expansion of rent controls to all units

Raising the annual salary threshold for when graduates must begin repaying student loans from \$25,000 to \$35,000

A new seniors' public transit tax credit worth \$130 a year to be launched July 1

Tobacco taxes will rise \$2 a carton as of midnight Thursday and will go up by a total of \$10 a carton over the next three years

All municipalities will be allowed to impose a hotel and Airbnb tax

\$100 million over three years to help people with dementia

A new \$300-a-pill abortion drug, Mifegymiso, will be funded

TORONTO STAR: ONTARIO LIBERALS UNVEIL BALANCED BUDGET THAT FEATURES FREE YOUTH PHARMACARE PLAN

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By ROBERT BENZIE, Queen's Park Bureau Chief
Thu., April 27, 2017

<https://www.thestar.com/news/canada/2017/04/27/ontario-liberals-unveil-balanced-budget-that-features-free-youth-pharmacare-plan.html>

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More on the 2017 Ontario budget

GLOBE AND MAIL: ONTARIO MOVES TO TOUGHEN OVERSIGHT OF SYNDICATED MORTGAGE INVESTMENTS; ONTARIO LIBERALS SHIFT REGULATION OF THE INVESTMENTS PRODUCTS TO THE ONTARIO SECURITIES COMMISSION

theglobeandmail.com

Thu Apr 27 2017, 4:56pm ET

Section: Business

Byline: Janet McFarland

The Ontario government will shift regulation of syndicated mortgage investment products to the Ontario Securities Commission in a move to toughen oversight of a rapidly growing industry that has faced investor complaints about its practices.

The province announced in its budget Thursday that it will transfer responsibility for the syndicated mortgage sector away from the Financial Services Commission of Ontario (FSCO), which is a provincial agency responsible for overseeing an array of financial services sectors from property insurers to pension plans.

The shift was recommended last year in a report from an expert panel that studied reforms to the FSCO. The panel said syndicated mortgages need to be regulated like other securities sold to the public, and said a watchdog like the OSC has more experience policing securities products.

Read more: The investors who bet on a real estate boom - and lost
(www.theglobeandmail.com)»

The syndicated mortgage sector has exploded in Ontario in recent years as Toronto's real estate market has boomed, with sales of syndicated mortgages in the province climbing over 60 per cent in two years to \$6-billion in 2016.

Syndicated mortgages are investment products marketed by companies that finance real estate development projects using money provided by a pool of investors. The mortgages are typically provided to borrowers who cannot raise funds from conventional lenders, which means they pay a higher rate of interest for investors, but they have proved to be risky when borrowers are not financially stable.

Several mortgage firms have faced lawsuits in recent years from burned investors upset that development projects have not proceeded after companies faced financial difficulties.

As part of the reforms announced Thursday, the province said it will also impose caps on the amount individuals can invest in syndicated mortgage products. Details of the limits have not been determined yet, including whether they would apply per project or would be an annual total.

The province will also develop rules requiring people selling syndicated mortgage products to document their suitability for their clients and disclose more information about their risks.

Ontario said the shift of oversight to the OSC is consistent with the way syndicated mortgage products are regulated in other provinces, where oversight falls under the purview of securities regulators. There is no timeline yet for when the transfer will take effect.

"The government will work with regulators to plan an orderly transfer of the oversight of these products," the budget document says.

Also Thursday, the province announced a number of new investment initiatives to spur business growth, including a plan to invest \$130-million over five years in two projects aimed at developing the next generation in wireless technology, known as fifth generation or 5G.

The Liberal government is championing 5G - which will increase wireless transmission speeds by up to 1,000 times for mobile devices compared with current technology - because it is seen as the backbone infrastructure for new technologies such as self-driving vehicles.

The two projects to receive funding are both industry-led consortiums working on advancing the commercialization of 5G networks across Ontario.

The province will also invest \$80-million over five years to create a new Autonomous Vehicle Innovation Network to help ready the province's transportation systems and infrastructure for the spread of self-driving vehicles.

Ontario said it will provide \$20-million over five years to partner with Waterloo's Quantum Valley research centre to fund the Quantum Valley Ideas Lab. The project will help fund cutting-edge research in quantum science, which could improve the efficiencies of computers and other technologies in the future.

The government also announced a \$4-million pilot project to help financial institutions work with companies to develop better cybersecurity measures.

The budget also provided further details on previously announced projects, revealing the government will launch a previously promised new voucher program this spring to help provide financing for smaller companies to access professional business tools and services. The budget also said the province launched a fund in January that will provide \$20-million over three years to support collaboration between companies and colleges.

The government also provided a timing update for companies with employee pension plans, saying it intends to publish "guiding principles" of a new funding framework for pension plans this spring and draft regulations by the fall.

The reforms will change the solvency funding rules that govern how companies must fund shortfalls in their pension plans. The rules ensure companies keep pension plans fully funded over the long term, but the province has been holding consultations and seeking public submissions to develop reforms that will help plan sponsors cope with volatile investment returns and long-term low interest rates.

GLOBE AND MAIL: ONTARIO BALANCES BUDGET, POURS BILLIONS INTO HEALTH AND PRESCRIPTION DRUGS; WYNNE GOVERNMENT ALLOCATES NEARLY \$7-BILLION IN NEW FUNDING FOR HEALTH CARE, INCLUDING FREE PRESCRIPTION DRUGS FOR THOSE UNDER 24

theglobeandmail.com

Thu Apr 27 201, 4:16pm ET

Section: Other

Byline: Justin Giovannetti

Ontario has balanced its budget for the first time in a decade, opening the taps to pour billions into health care and consumer-friendly spending, while wagering that a fast-growing economy will keep the province's books in the black through next year's election.

Premier Kathleen Wynne has eased back on the austerity imposed in Ontario in recent years as her Liberals have sought to erase the province's deficit, allocating nearly \$7-billion in new funding for health care over three years, including increasing hospitals' operating budgets and providing free prescription drugs for everyone under the age of 24. This comes on top of an already announced promise to spend \$1.44-billion to provide relief to homeowners from rapidly rising electricity rates. The newfound largesse however comes with no immediate plan to get the province's ballooning debt under control.

Released only 14 months before Ontarians head to the polls, the \$141-billion budget is a campaign document for Ms. Wynne and Finance Minister Charles Sousa. The sprinkling of new spending will come as Ms. Wynne's approval rating has tumbled close to the single digits in recent months and polls have shown widespread dissatisfaction with her government.

"This balanced budget writes a new chapter for the people of Ontario," Mr. Sousa told reporters as he unveiled his budget on Thursday afternoon. Calling the budget "socially progressive," the Finance Minister celebrated balancing the books while providing billions in new funding for children, seniors and middle-class voters, all while avoiding any major tax increases.

The budget contains nearly \$518-million in new operating funding for the province's hospitals over the next year, an increase of more than 3 per cent that comes after years of frozen budgets. The health budget has been increased for the next three years by \$7-billion. The Finance Minister described the additional funding for health care as a "booster shot." The new youth drug coverage plan will cost \$465-million per year.

Mr. Sousa is projecting that the province's books will remain balanced until the end of the decade, aided by a fast-growing economy that has driven up tax revenues. Ontario's soaring housing market will help pay for the new spending, with the land transfer tax now expected to collect \$3.1-billion annually, nearly double what it was four years ago.

A 16-point housing plan was unveiled last Thursday to make housing more affordable by levying a new tax on foreign buyers and introducing rent controls.

While there have been questions from Ontario's independent Financial Accountability Office about whether the Liberals could balance the budget without significant tax increases or spending cuts, Mr. Sousa dismissed any suggestion that his budget forecast is too rosy.

"Every year, we've been told that we won't be able to achieve our targets," he said. "And every year, every single year, we exceed our targets and we surpass expectations."

Progressive Conservative Leader Patrick Brown accused the Liberals of presenting a "so-called" balanced budget. He said the province's debt has more than doubled since the Liberals came to power in 2003, but there is no plan in the budget to get it under control.

"The Wynne Liberals are cooking the books a year before the next election," Mr. Brown said.

The government is putting off reducing the province's net debt as a percentage of gross domestic product until well into the future. Expected to top \$311-billion over the coming year, Ontario has the highest subnational debt in the world. The province's ballooning debt will cause the net debt-to-GDP ratio to swell to 37.5 per cent in the next fiscal year. The government has set a target of fiscal year 2030 to reduce the debt ratio to where it was 22 years earlier at the pre-recession level of 27 per cent.

Ontario is currently spending more than \$1-billion monthly to service the debt.

The province will take in \$141.7-billion in revenue over the next fiscal year, up \$8.4-billion from the previous year. Expenses, including interest on debt, will climb to \$141.1-billion, up from \$134.8-billion.

The budget won't patch up the provincial government's rocky relationship with the province's largest city or Toronto Mayor John Tory. The spending document provides little new money for affordable housing, transit infrastructure or funds to fix the crumbling Gardiner Expressway. Mr. Tory will get to cross one item off his wish list, the province will grant the city the power to put a tax on hotels that could be extended to short-term rentals like those provided by AirBnB.

While the province is adding more money to its long-term infrastructure program, now valued at \$156-billion over the next decade, many of the new roads, bridges, schools and hospitals meant to be built under the plan won't be ready for years.

NDP Leader Andrea Horwath dismissed the budget as a back-of-the-napkin plan that is "meagre and disappointing." While the budget encroaches on her party's turf by expanding drug coverage, she critiqued it for failing to increase the province's minimum wage.

"This budget doesn't even come close to undoing the damage Kathleen Wynne and her Liberals have done over the last 14 years," Ms. Horwath said.

Her New Democrats have pledged to create a universal pharamacare program and boost the minimum wage to \$15 if elected next year.

One of the budget's most pocketbook-friendly chapters is \$1.4-billion earmarked to provide relief to homeowners facing rapidly rising electricity rates. The government previously announced that homeowners can expect to see a 25-per-cent reduction on average in their electricity bills starting this summer. Rate increases over the next four years would also be held to the rate of inflation.

-With files from reporter Karen Howlett.

GLOBE AND MAIL: ONTARIO BUDGET HIGHLIGHTS: 10 THINGS YOU NEED TO KNOW

MATT LUNDY AND TOM CARDOSO

THE GLOBE AND MAIL

LAST UPDATED: THURSDAY, APR. 27, 2017 4:14PM EDT

<http://www.theglobeandmail.com/news/national/2017-ontario-budget-highlights/article34820349/>

The Ontario Liberals announced the province's first balanced budget in a decade on Thursday, an expected move that could be construed as the unofficial start to the 2018 election campaign.

Much of the budget covered several areas that have already been addressed – most notably, the province's 16-point plan for housing reform. But it also unveiled several billion dollars of additional spending in health care, referred to as a “booster shot” by Ontario Finance Minister Charles Sousa.

The Ontario Liberals are likely hoping the balanced budget will garner traction with voters at a time when their leader, Premier Kathleen Wynne, is beset with low approval ratings.

With that in mind, here are 10 highlights from the Ontario budget:

Budget balance and debt

Since the 2008 recession, the Liberals have run back-to-back budget deficits, adding almost \$90-billion in operational debt during that period, and bringing the province's total debt to \$332.4-billion. As part of their 2010 budget plan, they vowed to balance the budget by the 2017-18 fiscal year. Following an estimated \$1.5-billion deficit for the 2016 fiscal year – their smallest since they began running deficits in 2008 – Ontario is now projecting three years of balanced budgets.

While future budgets may be balanced, the province is not taking any significant immediate measures to address its overall debt. The 2017 budget does project a decrease in the net-debt-to-GDP ratio, but it's a very slow one: at current projections, the debt ratio won't return to pre-2008 levels until 2029.

Youth drug coverage

Ontario will launch a universal drug coverage program for children and youth, which the province is touting as “the first ... of its kind in Canada.” Starting next year, the program will be available to those aged 24 and under, and it will fully cover the cost of all medicines funded through the Ontario Drug Benefit program. Coverage will be available regardless of family earnings. Ontario is among the top-spending provinces for drugs on a per-capita basis, according to projections for 2016 from the Canadian Institute for Health Information.

Health spending

Ontario is ramping up investment in health care, spending an additional \$7-billion over the next three years. The overall health budget is increasing by 3.3 per cent.

Some of that new spending is targeted for hospitals. The province will spend an additional \$9-billion over the next decade to support construction of new hospital projects. Further, operating funding for public hospitals will increase by 3 per cent.

Many of the province's hospitals have grappled with occupancy rates in excess of 100 per cent, putting a significant strain on resources. Moreover, Ontario's hospital spending on a per-capita basis lags that of all other provinces and territories, according to projections for 2016 from the Canadian Institute for Health Information. (Its forecast did not include Quebec.)

New health-care spending is also aimed at reducing wait times. The province will spend an additional \$890-million over three years to fund more procedures for such things as foot, knee, hip and cataract surgeries.

Other areas earmarked for new spending include expansion of mental health and addiction services, home nursing, caregivers, support for those living with dementia and a new Ontario Caregiver Tax Credit.

Electricity

The province will spend \$1.44-billion in fiscal 2018 on programs to provide relief to consumers from rapidly rising electricity rates. The government announced earlier this year that homeowners can expect to see their electricity bills reduced by an average of 25 per cent starting this summer. Rate increases over the next four years would also be held to the rate of inflation and include an 8-per-cent rebate equal to the provincial portion of the harmonized sales tax, effective Jan. 1, 2017. About 500,000 small businesses and farms are also eligible for the rebate. The government has said that it recognizes that electricity rates have risen too much and too quickly.

Day care

The Ontario Liberals will spend more than \$200-million next fiscal year to increase accessibility and affordability of licensed child care. On Wednesday, the government announced it would create additional licensed spaces in 2017-18, allowing 24,000 more children up to four years of age to access care, part of a previously announced plan to create licensed space for 100,000 more children. Child-care fees can be a significant expenditure for families. For instance, Toronto has the highest median monthly infant care fees in the nation, according to a 2016 survey from the Canadian Centre for Policy Alternatives.

Housing

Given the 16-point Ontario Fair Housing Plan announced last week by Finance Minister Charles Sousa, the budget is lean on further housing announcements. However, it did raise its revenue projections for the land transfer tax, a reflection of soaring house prices in Ontario. That revenue has soared to a projected \$3.1-billion for the 2017 fiscal year, an average annual growth rate of 19 per cent since 2014.

Separately, the province will shift regulation of syndicated mortgage investment products to the Ontario Securities Commission in a move to toughen oversight of a fast-growing industry that has faced investor complaints about its practices. The Financial Services Commission of Ontario (FSCO) currently regulates syndicated mortgages, but an expert panel report last year said a watchdog like the OSC has more experience policing securities products.

Hotel and Airbnb tax

Municipalities will be allowed to bring in special taxes on hotel rooms, a practice common in other cities across North America and a revenue tool that Toronto Mayor John Tory and his council had demanded and banked on for his city's own 2017 budget. The taxes could also apply to Airbnb-style short-term rentals. But Mr. Sousa offered nothing new for public transit projects, beyond what has already been promised, or for one of Mr. Tory's key priorities: A firm commitment for hundreds of millions in provincial cash to help repair the city's crumbling social housing units, hundreds of which are being condemned and boarded up.

Youth employment

The province will launch a program that looks to better prepare young people for the labour market. Ontario will invest nearly \$190-million over three years across several initiatives, aimed at creating 40,000 "new work-related opportunities" for children and youth, ranging from elementary school students to recent postsecondary graduates. Ontario's youth unemployment rate has run higher than the national rate for several years, and currently sits two percentage points above it.

Tobacco tax

During last year's budget, the province tied increases in tobacco taxes to inflation. Echoing federal tax increases on tobacco announced during last month's budget, Ontario has now abandoned this plan, opting to raise taxes above the rate of inflation, with the first increase of \$2 a carton effective April 28. Tobacco taxes will then rise by an additional \$10 a carton over the next three years.

Auto insurance

The province is changing the rules surrounding how drivers can show proof of auto insurance, allowing almost 10 million Ontarian drivers to use their mobile phones to provide proof instead of coverage instead of the current paper "pink slips." As an incentive to drivers, the province is requiring insurers to offer a discount to policyholders that opt for electronic proof of insurance.

With files from Jeff Gray, Karen Howlett and Janet McFarland

GLOBE AND MAIL: ONTARIO BUDGET PROMISES FREE PRESCRIPTION DRUGS FOR KIDS, MORE CASH FOR HOSPITALS; ONTARIO BUDGET INCLUDES 3.1-PER-CENT HIKE TO OPERATING FUNDING FOR HOSPITALS

theglobeandmail.com

Thu Apr 27 2017, 4:33pm ET

Section: Other

Byline: Kelly Grant

The Wynne government is lifting some of the financial pressure off Ontario's beleaguered health-care system with a budget that promises the largest health-spending boost in five years and free prescription drugs for kids, teens and young twenty-somethings.

The increase to the province's health budget includes a 3.1-per-cent hike to operating funding for hospitals, which falls short of the 4.9-per-cent increase the sector was seeking to alleviate overcrowding and emergency-room waiting times, but counts as a thaw after the province froze hospital budgets in four of the past five years.

The government is vowing to inject an additional \$7-billion in new spending into health care over the next three years, plus billions more over the next decade for erecting new hospitals and rebuilding old ones, including five newly-announced projects in the Niagara area, Windsor, Hamilton, Mississauga and Northern Ontario.

Finance Minister Charles Sousa touted the increase as a "tremendous infusion of supports for more hospitals, more front-line care, more home care, more support for caregivers," but the opposition dismissed it as failing to meet patients' needs after years of forced austerity in the sector.

"While our hospitals are overcrowded and patients wait for days on stretchers in hallways, the announced hospital funding will barely keep up with the rate of inflation," said Andrea Horwath, Leader of the Ontario NDP.

The Liberals are planning to increase overall health spending by 3.3 per cent this year, about a percentage point more than the average annual increases in the lean years between 2011 and 2016.

However, this year's increase is still well below the amount health-care costs are expected to grow. The Financial Accountability Office of Ontario, which published a sobering report on the province's health-funding challenges in January, says inflation, population growth and population aging will drive health-sector expenses to grow by 5.3 per cent a year until 2020.

The centerpiece of the nearly \$53.8-billion health budget is a \$465-million program that will provide free prescription medicine to everyone 24 and under, regardless of their household income or whether they have access to private health insurance through their parents. It's the first program of its kind in Canada.

There will be no co-pays or deductibles under the program, which takes effect next January. It is expected to cost the province \$465-million per year.

The Liberals' promise comes less than a week after Ms. Horwath unveiled her plan to expand public funding to cover a list of 125 "essential" medicines for everyone, and after Health Minister Eric Hoskins spent years lobbying for a national pharmacare strategy to no avail.

Mr. Sousa said he hopes Ontario's move will spur the federal government and other provinces to work toward establishing a national pharmacare program. In the meantime, Mr. Sousa said, the Liberals decided that covering all young people was a good place to start.

Right now, the province's public drug plans cover 2.3 million seniors, and about 900,000 people on social assistance. The new program, which the Liberals have dubbed OHIP-plus, would expand public coverage to another four million people.

Patrick Brown, the leader of the Progressive Conservatives, questioned whether paying for drugs for children whose parents are wealthy or already have private insurance is the best use of scarce health-care resources.

"Under this plan, [those] precious funds would go to pay for millionaire kids," he said. "That doesn't seem right."

Public drug spending is expected to grow by 8.4 per cent this year, more than any other part of the health budget. That increase is not driven primarily by the expansion of pharmacare to young people because the program does not kick in until the last three months of the fiscal year.

The Liberals are also promising universal coverage for Mifegymiso, better known as the abortion pill.

Ontario's long-term care homes are slated to receive a 2-per-cent increase in operating funding, plus more for fresh meals, but there is no plan to add new nursing home beds.

Hospital leaders say that long queues for nursing homes beds in parts of the province are contributing to the overcapacity crisis in some of Ontario's hospitals, which saw a larger-than-usual surge in patients this winter. Patients designated as alternate level of care (ALC) - meaning they no longer need a bed in an acute-care hospital but have nowhere else to go - are blocking about 15 per cent of the hospital beds in the province.

The ALC problem can have a trickle-down effect, forcing doctors to treat patients in hallways or warehouse them in the emergency departments until beds open.

The Ontario Hospital Association, which represents about 150 hospitals, said before the budget was unveiled that funding increases of zero in four of the last five years had pushed hospitals to a breaking point. The province already has the fewest hospital beds per capita and shortest lengths of stay in the country. Only Quebec spends less per capita on health care.

NATIONAL POST: ANDREW COYNE: ONTARIO PROMISES A BALANCED BUDGET, BUT IT STILL DOESN'T MATTER A WHIT

National Post

Thu Apr 27 2017

Section: Full Comment

Byline: Andrew Coyne

Where was I? Ah yes. Last year at this time, I was telling you that the government of Ontario was on the verge of balancing its budget, and that it did not matter. Now here we are a year later, and the government of Ontario is indeed promising a balanced budget. And it still does not matter.

The only reason it can even claim to have balanced the budget is by pushing more and more of what would previously have been deficit spending off-budget. Until 2003, when the Liberals came to power, Ontario's net public debt was essentially its accumulated annual deficits. Since then, the two have diverged sharply: accumulated deficits, at \$193.5 billion, are now just 62 per cent of net debt, at \$311.9 billion.

So while Kathleen Wynne's government is boasting of a "balanced budget" this year, the reality is that public borrowing will increase by another \$10 billion - on top of the \$180 billion the Liberals have already added to the debt to date.

THE CANADIAN PRESS/Nathan Denette Ontario Finance Minister Charles Sousa, right, delivers the 2017 Ontario budget next to Premier Kathleen Wynne at Queen's Park in Toronto on Thursday, April 27, 2017.

The government line on this is that this does not count, because all of this new borrowing will be for investments in capital assets, rather than operating spending. A budget handout helpfully refers to the former as "Good Debt," while the latter is "Bad Debt," a somewhat unfortunate phrase for the government with the largest debt of any sub-national jurisdiction in the world.

That's one way of looking at it. Another way of looking at it is to note that the \$10 billion in new borrowing is also equal to how much program spending for the coming fiscal year, at roughly \$130 billion, has increased over what it was projected to be just two budgets ago. Had they kept to that not very exacting standard of fiscal discipline - spending would still have been higher, after inflation and population growth, than at any time in the province's history prior to 2010, nearly one-fourth higher than in the last days of Bob Rae - there would have been no increase in either Good or Bad Debt.

Of course, the distinction between Good and Bad Debt depends on a critical assumption: that borrowing to spend on capital assets results in higher economic growth and therefore higher government revenues, sufficient to offset the associated increase in interest costs.

There is no particular reason to believe this, just because it pleases the government to assert it; certainly the budget provides no evidence of it.

But never mind: the budget is balanced! The shortfall between what the government chooses to call "revenues" and what it counts as "spending" has been reduced to zero! Er, well, about that: The opposition Conservatives helpfully pointed out that the government is counting several billion dollars in revenues against the deficit that are either the result of one-time asset sales (of government buildings and the like), or were supposed to have been quarantined inside separate

dedicated accounts. Federal transfers, likewise, are to spike this year, at \$25.7 billion; they are forecast to decline in coming years. (The budget includes the obligatory annual complaint about the inadequacy of federal transfers. In fact, at 18.1 per cent of provincial revenues, they are half-again as large as when the Liberals took power.)

Syndicated mortgages get a new watchdog and 5 other measures in the Ontario budget to protect investors((business.financialpost.com»))

Okay, but it's close to being balanced! That should count for something after nine straight years of deficit we're finally back in the black. Ish! Well, yes: the government asks to be congratulated for sort-of balancing the books nearly a decade after the last recession, that is to say at the very height of the business cycle. It made the same boast at the height of the last business cycle, that is to say just before the recession. This is not the appropriate benchmark. By this stage, it should have been running surpluses, to offset the deficits incurred during the recession, with a view to bringing its debt under something resembling control.

Instead, the budget projects the debt-to-GDP ratio, now 37.5 per cent, will remain roughly at the same altitude - again, assuming no recession or unforeseen calamity of any kind - until well into the next decade. By fiscal 2025, seven years from now, it may have fallen as far as 32.9 per cent of GDP, which would still be higher than its all-time peak before the Liberals got their hands on the fiscal levers.

But then, the Liberals aren't thinking seven years ahead. They aren't even thinking two years ahead. Everything, and I do mean everything the Wynne government is up to these days is concerned exclusively with the next 14 months, which is the time remaining before the government must meet the voters and, if current polls are anything to go by, certain doom. Hence the current frenzy to shovel stuff out the door, freeze every price, give away everything that isn't nailed down. Here, have a 25 per cent cut in hydro prices! Rent controls for all! And, the budget's showcase goodie, free prescription drugs for everyone (well, everyone under 25)!

Cost? "We don't put a price on our kids," the finance minister, Charles Sousa, ventured. Indeed, the budget, hilariously, contains no estimate of the cost of the new drug program, although an unusually sketchy government handout pegged it at \$465 million. Why wasn't the figure in the budget? Well, there wasn't room, the minister suggested. The suspicion, rather, is that there wasn't time, the program having been cobbled together at the last minute as a response to the NDP's more sweeping pharmacare proposal. The only safe bet is that this will prove a vast underestimate. So add that to the mountain of debt for future governments, and future taxpayers, to contend with.

"We don't put a price on our kids." No, but we've no problem sticking them with the bill.

NATIONAL POST: ONTARIO BUDGET MAKES PROVINCE THE FIRST IN CANADA TO OFFER PHARMACARE TO ALL RESIDENTS UP TO THE AGE OF 24

News - National Post

Thu Apr 27 2017

Section: Canadian Politics

Byline: Ashley Csanady

More than four million Ontarians up to the age of 24 will receive free prescription drugs starting next year.

The province will become the first in Canada to offer pharmacare to all young Ontarians, a move announced Thursday in its 2017 budget. The Liberals say the plan will cost about \$465 million a year to cover all young people, regardless of family income, as of Jan. 1, 2018.

It's the flagship promise in the Liberals' first balanced budget in almost a decade, a budget that includes big re-investments in health care after years of funding increases that barely kept pace with inflation.

In an era with increasingly precarious employment and fewer or slimmer workplace benefit plans, the move offers pocketbook relief to parents across the province a year before the next provincial election.

"This balanced budget is dedicated to providing young people with free prescription medications, providing free tuition and helping businesses grow," Finance Minister Charles Sousa said in a statement.

When asked during reporters' questions why the program was not universal, Finance Minister Charles Sousa said the aim was to start with the most vulnerable and hope it would encourage Ottawa and the other provinces to start a conversation about national pharmacare.

NDP leader Andrea Horwath said Ontarians "will have to wait for a change in government" for everyone to be able to afford prescription drugs.

Some 4,400 drugs will fall under the plan, which will use the same formulary as the Ontario Drug Benefit - which already covers anyone on social assistance and seniors. Now, anyone up to the age of 24 covered under the Ontario Health Insurance Plan (OHIP) will also be covered for prescription drugs simply by showing their health card.

For rare drugs or off-label uses (when physicians prescribe a drug for an ailment not listed for use by Health Canada), doctors and patients can apply to the same "exceptional access program" under the existing provincial drug coverage plan.

The new "OHIP+" - as the government has dubbed it - will essentially double the number of people covered for prescription drugs from 3.9 million to almost 8 million.

It's all part of a \$11.5-billion three-year injection into health care, which the province calls a "booster shot."

Of that, \$1.3 billion will be used to reduce wait times in hospitals and for key procedures, like knee and hip replacement surgeries and cancer treatments.

Breast pumps will now be provided free to mothers of premature babies and the provincial breast milk bank will be expanded. Newborns in Ontario will now be screened for hearing loss at birth to allow for earlier treatments.

A \$100-million Dementia Strategy and increased caregiver tax credits aim to boost seniors' care, along with an additional \$250-million investment in home and community care.

Hospitals, which have for years called for funding increases and capital investments, are getting a three per cent increase to operations funding and \$9 billion in capital investments for upgrades and new builds.

Five new hospitals will be built across the province, many in key battlegrounds for the Liberals as they set the pace for the 2018 election: Niagara, Windsor, Hamilton, Mississauga and in the Weeneebayko First Nation.

FINANCIAL POST: TERENCE CORCORAN: ONTARIO'S LIBERALS FEED ANOTHER BUDGET TO THE BIG GREEN CENTRAL-PLANNING MONSTER

Financial Post

Thu Apr 27 2017

Section: FP Comment

Byline: Terence Corcoran

The question all Ontarians must begin asking is how much economic pain - high transportation costs, soaring electricity rates, rampaging housing-market shortages and costs, stalled transit development, soaring debt - are they willing to endure to satisfy the Central Planning Monster.

The beast is everywhere, lurking in the background of every twitch in government policy and every legislative lurch. It's thick claw-marks are all over Finance Minister Charles Sousa's new Ontario budget, tabled Thursday, taking control of more and more economic activity and extending policy-making's reach far beyond the iron grip it already holds on health care.

In the name of climate change and carbon control, Ontario's Liberal government sent electricity prices soaring, the predictable product of the 2009 Green Energy Act that allows the government to seize control over an expanding range of energy operations.

Carbon taxes on gasoline and fossil fuels are set to climb inexorably in years to come, claimed as essential to fulfill a green agenda and fund assorted uneconomic anti-automobile transit initiatives.

The new budget takes control of more and more economic activity as it extends the government's iron grip

The causes of the energy-price crisis are generally understood by the majority of Ontarians: Botched government planning by politicians and bureaucrats who adopted green central planning at the core of an increasingly authoritarian land-control regime.

Personal choice be damned. Market forces be damned. We, the all-powerful, all-seeing and all-knowing ministers and bureaucrats will dictate how much energy Ontarians will consume, what kind of energy and at what cost. The result is soaring prices and increasing dysfunction.

Same with health care, where the government's new budget deepens the state's grip with a new partial pharmacare scheme and tries to grapple with wait lists and systemic structural problems.

Less appreciated is the degree to which the same planned chaos is likely responsible for Ontario's escalating housing crisis. The role of green central planning in creating runaway house prices in the Toronto area was highlighted earlier this week in a new report from Ryerson University's Centre for Urban Research and Land Development.

In a nutshell, Toronto's housing crisis is a function of a shortage of land upon which ground-based housing - single, detached, row house or townhouse - can be built. And the cause of the shortage: A monster of a green plan called the 2006 Growth Plan for the Greater Golden Horseshoe, a 32,000-square-kilometre sprawl of territory surrounding Toronto. Enacted by the Liberals under premier Dalton McGuinty, the growth plan's objective was to force millions of Ontarians to live in low-rise and high-rise buildings rather than single-family units at ground level.

The new Ryerson report, by Frank Clayton and Ryerson development professor David Amborski, argues that the growth plan deliberately limited the supply of serviced land. Instead, the plan - whose current version is a dense 80-page manual of land-use regulations - fostered condo and apartment construction at the expense of single-family housing.

The Ryerson report(www.ryerson.ca) is a gem of condensed analysis that nails the 2006 plan as a primary cause of Toronto's house-price mania. While demand for ground-based housing increased as predicted over the last two decades, helped by ultra-low interest rates, the supply of serviced land has not kept pace. "Rising prices are a reflection of a shortage of supply, not an unexpected surge in demand," it explains.

The claim that homeowners are willing to give up on single-family homes in exchange for condos and apartments located near transit is a myth, says the report - a myth fostered in part by the notorious green-planning theorists at the Pembina Institute, the same activist group that helped drag Ontario energy into the green claws of the Central Planning Monster.

Clayton and Ambroski say the claim perpetuated by Pembina is "flawed" and flies in the face of other research and market trends. Anywhere from 60 to 80 per cent of Toronto-area homebuyers indicate a preference for ground-based single-family homes.

That may be what people want, but it's not what Ontario's bossy Liberal planners want them to have. The 2006 growth plan is obsessed with forcing people into what are described as "compact, vibrant and complete communities."

Complete communities required "density targets" set by the province's planners. "The designated greenfield area of each upper- or single-tier municipality will be planned to achieve a minimum density target that is not less than 50 residents and jobs combined per hectare."

Rather than look at undoing the growth plan, the Liberals intend to make it more aggressive. The province's housing and natural resources ministers, Ted McMeekin and Bill Mauro, support expanding its reach. They say Ontarians want communities "where they can work and play, go to school and shop all in the same area."

This little bureaucrat-designed hell, which could be a model for any Soviet town, is to be encouraged by imposing even tougher intensity regimes and fewer single-family homes. The new objective is to "mainstream climate change" throughout the plan by "applying more aggressive intensification and density targets to achieve compact, low-carbon communities."

Local municipalities will be directed to target 80 residents and jobs per hectare. One expert estimates that means new greenfield projects would be limited to a mix consisting of 70 per cent apartments, 20 per cent townhomes, and only 10 per cent single-family dwellings.

Consulting firm Malone Given Parsons says increasing the density target would require opening previous land decisions and would create "absurd densities" of 130 people per hectare and create even more delays in land availability.

As usual with these budgets, the latest Ontario version plows forward with fresh interventions, new initiatives and yet more numerous planning processes. It is more feed for the monster.

**NATIONAL POST: FREE ABORTION PILL, CASH FOR BOOBS AND BABIES: TOP 23
TAKEAWAYS FROM THE ONTARIO BUDGET**

News - National Post

Thu Apr 27 2017

Section: Canada

Byline: Ashley Csanady

After almost a decade in the red, the Ontario books are back in black.

And the governing Liberals aren't booking those savings but investing in expanded social programs, pilot projects, health care and education a year before the next provincial election.

Finance minister Charles Sousa said now that the books are balanced, the province is "investing in things that matter to us, like health care" as he spends millions on expanded drug coverage and new schools.

PC leader Patrick Brown accused the Liberals of playing a "shell game" to balance the books and suggested the deficit was still close to \$5 billion.

THE CANADIAN PRESS/Nathan Denette Ontario Finance Minister Charles Sousa, left, delivers the Ontario 2016 budget next to Premier Kathleen Wynne, right, at Queen's Park in Toronto on Thursday, February 25, 2016. Ontario's Liberal government will release its first balanced budget in a decade on Thursday, with a host of new spending measures focused on pocketbook issues that it hopes will resonate with voters heading into an election year.

"Today's budget is more proof Ontario families will continue to pay more to get less," he said.

NDP leader Andrea Horwath said Ontarians will simply "have to wait for a change in government" to see truly universal pharmacare, as the Liberals moved only to cover young people.

This budget, which could be Premier Kathleen Wynne government's last to implement before an expected election next June, is setting the parties up for an extraordinarily long campaign. But the policies in the 2017 budget will affect lives across the province for years to come, regardless of who wins next year.

Here are 23 things you need to know about what's in the 2017 Ontario budget:

Free drugs for kids under 24

Ontario will become the first province to offer pharmacare to all young people, regardless of income, who 24 and under. Some 4,400 prescription drugs will be covered and the government estimates it will cost about \$465 million a year. The co-pay for some seniors will also be reduced.

Free abortion pills

The province will cover Mifegymiso, the two-drug formula for medical abortion. Surgical abortion is already covered in the province, and the abortion pill will provide an alternative to women seeking to end an abortion up to seven weeks (though it is available up to 10 weeks in other countries). The pill, which only rolled out for Canadian use earlier this year, can cost as much as

\$400 a dose in some parts of Ontario, which advocates warned would dissuade some women from seeking the less invasive option. The drug will be prescribed by doctors and dispensed by pharmacists.

Simon Dawson/BloombergA pharmacist looks for medication on a pharmacy's shelves in London, U.K., on Monday, Dec. 14, 2015. European pharmaceuticals stocks in 2015 have outperformed the Stoxx 600 Index by 1.2 percentage points in U.S. dollar terms.

The books are balanced but the debt has topped \$300-billion

The provincial books are balanced for the first time since the 2008/09 fiscal year, which means the province is no longer accruing deficits, or borrowing to pay for program spending. That doesn't mean borrowing has stopped altogether, however, as the provincial debt continues to rise as the province pays for "capital spending" like new transit and hospitals. As of March 31, the provincial debt hit \$301.9 billion, and it's expected to grow another \$26.4 billion this fiscal year alone. To service that debt, the province spends \$11.6 billion a year, or 8.2 per cent of all its revenue. That's more than it spends on the ministry of children and youth services or all of its post-secondary education system and just slightly less than it spends on all welfare programs for adults under the ministry of community and social services.

Helping libraries go digital

The province will spend \$1 million to help libraries increase their digital services and upgrade wi-fi and other technology. It's one of several ideas taken from the Ontario government's "Budget Talks" website, which asked average citizens to submit ideas for the 2017 budget.

Transit tax credit for seniors

The province will create a tax credit for seniors who use public transit, which comes on the heels of the federal government cancelling a similar credit for all citizens. It will provide a refundable benefit of up to 15 per cent of transit costs to a maximum of \$130 a year as of July 1.

Ernest Doroszuk/Toronto Sun/Postmedia Network

Improved dementia care

The province will spend \$20 million to increase respite care for dementia patients and increase the number of seniors' centres in the province. The Liberals are also moving to streamline tax credits for caregivers of ill loved ones into one non-refundable program starting in the 2017 tax year.

Smoke 'em while you can afford 'em

The price of smokes is going up again. As of 12:10 a.m. April 28, the price of a carton (200 cigarettes) will increase by \$2. That means a pack of 25 cigarettes will go up 25 cents. Each cigarette now has 16.475 cents worth of taxes on it, and the province will increase that by two cents per smoke each year. That will increase the cost of a carton by \$10 over the next three years.

Cash for boobs and babies

The province is expanding a program to give new mothers breast pumps and increasing the Breast Milk Bank for parents of premature newborns. Newborn screening programs will also be expanded to include a hearing test. And, more midwives will be funded across the province; in particular remote indigenous communities will get new midwives, allowing more women to stay in their communities to give birth.

Ben Birchall / AP file photo A scientist works during an in-vitro fertilization process in this Aug. 11, 2008 file photo.

A break for IVF drugs

In 2015, the province started funding one round of in-vitro fertilization (IVF) and other fertility treatments but OHIP didn't cover the costly drugs required to undergo the procedure. Since then, 7,200 people have received OHIP-funded fertility treatments, and from now on they'll also be able to claim a medical expense tax credit for the costs of the associated fertility drugs.

No weed revenues

The budget doesn't make mention of the pending legalization of marijuana in Canada, despite forecasts taxing the drug could prove a boon for both provincial and federal coffers. The finance minister has previously said they won't be including any fiscal assumptions until they know what the provincial framework will look like.

Working towards gender equity in the board room

The province has already required corporations to ensure they have 30 per cent female representation on their boards of directors, or explain why not. Then, the province announced it would require great female representation on all Crown corporations and it's moving to study how to further increase the number of women in private corporate leadership. A plan "will be released in the coming months."

AP Photo/Eric Risberg, FileThis May 13, 2014, file photo shows a row of Google self-driving Lexus cars at a Google event outside the Computer History Museum in Mountain View, Calif. California regulators release safety reports filed by 11 companies that have been testing self-driving car prototypes on public roads on Wednesday, Feb. 1, 2017.

Self-driving cars, quantum computers and 5G

The province is expanding support in high-tech industries as part and parcel of its existing jobs programming. The province is investing \$130 million to help the development and spread of 5G wireless technology, \$50 million to help develop artificial intelligence, \$20 million for Quantum Valley in Waterloo and \$80 million to help the development of autonomous vehicles. The province will also pour \$75 million into advanced research computing and big data and \$4 million on a pilot program to increase cybersecurity.

Cutting food waste

The province will spend \$600,000 on a pilot program to take food that would be otherwise thrown out from supermarkets and make it available through food banks and other organizations. This is another of the ideas selected from suggestions from the public through Budget Talks.

More promises on the sharing economy

The province has been promising a comprehensive strategy for the sharing economy - which includes companies like Uber and AirBnB - for two years. The budget says that document will finally land later this spring. It also enables cities to create a hotel tax - something they've asked for as they grapple with the increase in home-sharing services.

Boosting mental health services

From elementary schools to jails to seniors centres, the province is improving mental health services in many of its service areas. In particular, its spending \$73 million to increase OHIP-funded access to psychotherapy for ailments like depression and anxiety. They will also create one-stop mental health hubs for young people, where they can walk in and access a suite of services.

Digital vaccine data

Parents will soon be able to access their children's immunization records - or "Yellow Cards" - online. It will cost \$1 million and is the third idea taken from the public through budget talks.

Related

Syndicated mortgage market gets a new watchdog and 5 other measures in the Ontario budget to protect investors(business.financialpost.com»)

Despite \$11.5 billion in new spending on health care, Ontario turns in deficit-free budget(news.nationalpost.com»)

Here are six ways the Ontario Budget will help (or hurt) your wallet(business.financialpost.com»)

Moving towards Truth and Reconciliation

The budget includes a number of initiatives to improve relationships with indigenous people and living conditions in remote communities. From an increase in midwives on-reserve to more funding for schools and post-secondary education in Aboriginal languages, there are pockets of funding to address some of the recommendations from the massive report. The budget also promises to amend the Public Service Oath of Office to acknowledge treaty rights.

Countering racism, Islamophobia and anti-Semitism

The budget builds on the province's previously announced anti-racism strategy. It promises specific programs to combat racism against indigenous people, a \$47-million program to support black youth and public awareness campaigns to target racism, "including Islamophobia and anti-Semitism."

The budget also confirmed a number of big promises the Liberals have made in recent weeks.

Basic income pilot project

Pilot projects to test a version of basic income in Hamilton, Thunder Bay and Lindsey, Ontario will begin next year. Four-thousand participants in those communities will be eligible to receive \$16,989 a year as a single adult or \$24,027 for couples, with an additional \$6,000 a year for people with disabilities. Fifty per cent of any earned income would be clawed back from that amount, so someone who earned \$10,000 would received another \$11,989 in government support. The pilot replaces other welfare programs but participants would still receive, for example, the Canada Child Benefit.

Rental caps and housing markets

The budget confirms the Liberals' promise to extend the province's rent control provisions to buildings constructed after 1991, when previous restrictions didn't apply to newer buildings constructed after that date. It also includes the promised tax on foreign-buyers of real estate in the Greater Toronto Area to try and cool soaring real estate prices in the area.

Childcare spaces

In its September throne speech, the province announced the creation of 100,000 child care spaces over five years. The budget added some details to that plan, pledging \$200 million this fiscal year to add 24,000 child care spaces in Ontario. The promise also included subsidies for up to 60 per cent of the costs of child-care for low-income earners.

The status quo on transit but more cash for infrastructure

A ten-year provincial plan to invest in infrastructure keeps growing in each budget. In 2016, the province pledged \$137 billion in capital investments; this year it's \$190 billion over 13 years. The increase is largely toward health care and education investments as the budget includes little in the way of new transit pledges. It reconfirms provincial funding for a number of light-rail projects and its support for planning for a Downtown Relief Line in Toronto. It also recommits to a study of the feasibility of a high-speed train network

Costly 25 per cent cut to hydro rates

The province has announced a cut to electricity rates in the province by taking the eight per cent provincial portion of the HST off of bills. That was announced last September; then earlier this year the province announced it would add another 17 per cent cut by essentially extending the debt on generation projects by another 25 years to lower rates by a total of 25 per cent now.

FINANCIAL POST: SYNDICATED MORTGAGE MARKET GETS A NEW WATCHDOG AND 5 OTHER MEASURES IN THE ONTARIO BUDGET TO PROTECT INVESTORS

Financial Post

Thu Apr 27 2017

Section: Mortgages & Real Estate

Byline: Garry Marr

Ontario is moving ahead with plans to transfer responsibility for syndicated mortgage investments to the securities regulator.

That mortgage market, worth \$6 billion in 2016 and regulated by Financial Services Commission of Ontario which has been the subject of provincial reports critical of FSCO and calling for its overhaul, will now fall to the Ontario Securities Commission.

"This is consistent with both the expert advisory panel's report and the manner in which these products are regulated in other provinces. Going forward, the government will work with regulators to plan an orderly transfer of the oversight of these products," the government said in its budget documents released Thursday.

Even before the transfer of power takes place, the province said it would move forward with more protection for investors in the sector, now the subject of a number of lawsuits.

New regulations would establish investment limits on syndicated mortgages and require mortgage brokerages to document their assessments of the suitability of such products for their clients.

"FSCO would also expand requirements relating to information provided by mortgage brokerages to ensure that investors are aware of the potential risks associated with these types of investments," the budget promises.

The government is also making amendments to securities law allowing whistle blowers to sue civilly if a reprisal is taken against them contrary to securities or commodity futures law. The amendment includes a provision that OSC commissioners, management and staff not be compelled to testify or provide evidence in civil proceedings.

Related

The lax oversight of syndicated mortgages is hurting Ontario investors with little relief in sight(business.financialpost.com»)

Billions in health care, child care in deficit-free Ontario budget(news.nationalpost.com»)

As part of efforts to protect consumers, the government will ask that the Tarion Warranty Corp. introduce new deposit protection measures to better reflect current home prices and deposit requirements.

The government also says it will work with regulators to close a gap that allows some financial planners to work without regulatory oversight or specific proficiency requirements.

The budget says the Liberal government will respond to an expert committee's recommendation to develop a central registry of persons providing financial planning and advisory services.

The government also plans legislative changes that would improve enforcement of investment industry self-regulatory organizations' decisions, by allowing these decisions to be filed with the court.

"This measure will improve SROs' ability to collect fines levied against individuals, helping to deter potential offenders and increasing funds available to the SROs for strengthening investor protection," according to the budget.

FINANCIAL POST: HERE ARE SIX WAYS THE ONTARIO BUDGET WILL HELP (OR HURT) YOUR WALLET

Financial Post

Thu Apr 27 2017

Section: Economy

Byline: Ashley Csanady

Ontario released its 2017 budget on Thursday and it included few new taxes or fees - a shift from recent years as the Liberals cobbled together revenues to help balance their books.

The books are finally balanced, but that doesn't mean your taxes are going down. There are, however a handful of pocketbook issues that build on the Liberals' recent moves to end the fee for Drive Clean tests, offer free tuition to low-and-middle-income-students, and promises to build tens of thousands of new childcare spaces in coming years.

Here are six ways, good and bad, the 2017 budget will hit your wallet:

No change to provincial or corporate income taxes

For anyone hoping balanced books would mean padded paycheques, the 2017 budget is a disappointment. Nor are there cuts to the provincial portion of the HST or corporate tax rates. Instead, the Liberals are choosing to spend increased revenues on expanded programs.

A hotel tax?

The budget will allow cities to impose a hotel tax, which could affect travellers in areas that decide to go that route. It's possible it's also one way the province and cities will work together to tax AirBnB and other home-sharing services.

Free drugs for kids under 24

Ontario will become the first province to offer pharmacare to all young people, regardless of income, who 24 and under. Some 4,400 prescription drugs will be covered and the government estimates it will cost about \$465 million a year. The co-pay for some seniors will also be reduced.

Free abortion pills

The province will cover Mifegymiso, the two-drug formula for medical abortion. Surgical abortion is already covered in the province, and the abortion pill will provide an alternative to women seeing to end an abortion up to seven weeks (though it is available up to 10 weeks in other countries). The pill, which only rolled out for Canadian use earlier this year, can cost as much as \$400 a dose in some parts of Ontario, which advocates warned would dissuade some women from seeking the less invasive option. The drug will be prescribed by doctors and dispensed by pharmacists.

Transit tax credit for seniors

The province will create a transit tax credit for seniors who use public transit, which comes on the heels of the federal government cancelling a very similar credit for all citizens. It will provide

a refundable benefit of up to 15 per cent of transit costs to a maximum of \$130 a year as of July 1.

Smoke 'em while you can afford 'em

The price of smokes is going up again. As of 12:10 a.m. April 28, the price of a carton (200 cigarettes) will increase by \$2. That means a pack of 25 cigarettes will go up 25 cents. Each cigarette now has 16.475 cents worth of taxes on it, and the province will increase that by two cents per smoke each year. That will increase the cost of a carton by \$10 over the next three years.

A break for IVF drugs

In 2015, the province started funding one round of in-vitro fertilization (IVF) and other fertility treatments but that OHIP coverage didn't cover the costly drugs required to undergo the procedure. Since then, 7,200 people have received OHIP-funded fertility treatments, and from now on they'll also be able to claim a medical expense tax credit for the costs of the associated fertility drugs.

Financial Post

FINANCIAL POST: DETAILS STILL HAZY IN ONTARIO BUDGET ON PLAN FOR ONE-SIZE-FITS-ALL RENTERS' AGREEMENT

Financial Post

Thu Apr 27 2017

Section: Mortgages & Real Estate

Byline: Garry Marr

So will you be able to smoke in your apartment once the province of Ontario is through with its changes to rent control rules?

It's still a little hazy in Ontario even after the provincial budget Thursday when it comes to the impact of 16 changes being brought in under Ontario's Fair Housing Plan.

The province has proposed "to create a standard lease to help both tenants and landlords knows their rights and responsibilities while reducing the number of disputes."

Government officials said discussions are still ongoing about what the standard lease might look like. It could include a series of boxes that could be ticked off, including whether smoking is allowed in the building.

There is also nothing to preclude tenants and landlords from coming to an agreement that says something like a tenant agrees to mow the lawn as part of the lease, the official said.

Finance minister Charles Sousa reiterated in his budget the province's plan to crack down on foreign buyers which includes a 15 per cent non-resident speculation tax on properties purchased in the Greater Golden Horseshoe.

"As part of this plan we'll crack down on property scalpers who are preventing people from being able to buy in new developments," said Sousa, in prepared remarks.

The province has already introduced changes to reporting when land transfer taxes are paid, including the citizenship of the new owner and whether the property will be occupied or leased.

The budget addressed what is known as "paper flipping" which is the practice of entering into a contractual agreement to buy a residential property and then assign it to another person upon closing.

Reaffirmed was the commitment of the province to work with federal officials and the Canada Revenue Agency to make sure those flippers are paying tax - ultimately that means capital gains taxes on their profits.

More details about pre-sale agreements are expected in the coming months but officials clarified the land transfer tax would not apply each time a property is flipped. There would only be one land transfer tax but it would have to be paid on the final purchase price, inclusive of any increases caused by the paper flipping.

Budget documents show how much just the provincial land transfer tax - the city of Toronto has its own tax - has delivered to provincial coffers. In 2014-2015, almost \$1.78 billion of the \$82 billion taxable revenue came from the LTT. In 2017-2018 just over \$3.1 billion of the more \$100 billion will come from the tax.

It is still unclear on how a vacant home tax will work, but Ontario will proceed with plans to allow the city of Toronto to impose one and give other municipalities the same opportunity. Officials indicated the legislation would not include a cap limiting how high the tax could go.

Financial Post

NATIONAL POST: DESPITE \$11.5 BILLION IN NEW SPENDING ON HEALTH CARE, ONTARIO TURNS IN DEFICIT-FREE BUDGET

News - National Post

Thu Apr 27 2017

Section: Canadian Politics

Byline: Allison Jones, The Canadian Press

TORONTO - Ontario's Liberal government is promising to inject billions of new dollars into health care in its first balanced budget in a decade, a fiscal plan designed to appeal to nearly everyone in the province ahead of an election next summer.

Crafted by a party in power since 2003 that has been faring poorly in recent polls, the \$141-billion budget has measures targeted at both young and old, people who access the health care system and anyone who owns or rents a home and pays an electricity bill.

The centrepiece of the plan is a \$465-million-a-year pharmacare program for children and youth, which would cover prescription medications to treat most acute and common chronic conditions for people under age 25, with no deductible or co-payment. It would start Jan. 1.

The plan will be most beneficial for youth who currently are not covered under private plans or the Ontario Drug Benefit program for social assistance recipients, but government officials weren't able to say how many people that captures.

In total, the government is promising \$11.5 billion in new spending on health care over three years, including money to address hospital overcrowding, funding for mental health and addiction services, cash for hospital construction projects and home care funding.

The budget also includes funds for new child care spaces, money to build schools, measures aimed at seniors and previously announced cuts to electricity bills and plans to cool the housing market.

Much of the projected spending, however, is spread out over multiple years, well past the June 2018 election. But Finance Minister Charles Sousa said his "socially progressive" budget is not a ploy for votes.

"These decisions that we're making today are not based on election cycles, they're based on long-term benefit for the people of Ontario," he said.

Progressive Conservative Leader Patrick Brown said the budget is not, in fact, structurally balanced, because of one-time asset sale money - such as the sale of shares of Hydro One - and accounting "tricks," such as counting public pension surpluses as assets, against the advice of the province's Auditor general.

"This budget is a patchwork attempt by a desperate government to fix the mess they've created before the next election," he said. "If they lose this next election this is spending they'll never have to be accountable for."

The price tag for the Liberals' centrepiece pharmacare plan is not in the budget itself and was provided only verbally by staffers.

"Listen, that document is what, 296 pages long," Sousa said when asked about the absence. "You can't put everything in the document."

Ontario NDP Leader Andrea Horwath, who just this week announced a New Democrat government would bring in universal pharmacare for people of all ages, said the Liberal plan seems last minute.

"I think it's quite curious as well," she said. "All I can think of is that they made it up on the back of a napkin before they got to today."

The Liberals had promised no new taxes on families, though they are increasing tobacco taxes by \$10 per carton over the next three years and giving municipalities the power to introduce a hotel tax.

THE CANADIAN PRESS/Nathan Denette Progressive Conservative MPP Sam Oosterhoff reads the 2017 Ontario budget at Queen's Park in Toronto on Thursday, April 27, 2017.

In addition to balancing the books this year, the government is now projecting balanced budgets through to 2019-20. Despite reaching balance, however, the province's debt continues to grow.

It is projected to be \$312 billion this year, growing to \$336 billion in 2019-20. Interest on debt is the fourth largest spending area, at \$11.6 billion.

Historically low interest rates helped the province get to balance, but interest on debt is still projected to be the fastest growing expenditure area, at an average 3.6 per cent from 2015 to 2020.

Nonetheless, the government paints a rosy economic outlook, projecting two per cent average GDP growth through to 2020, driven by exports and business investment.

On the infrastructure front, spending is growing from a promise last year of \$160 billion over 12 years to \$190 billion over 13 years. The additional \$30 billion will go toward new hospital projects, school renewal and child care expansion.

Ontario will also move ahead with planning a high-speed rail corridor between Toronto, Kitchener-Waterloo, London and Windsor, the government said in the budget. The project could cut travel times from Toronto to Windsor from the current four hours to two.

Under the education banner, about \$16 billion is earmarked over 10 years to build and improve schools at a time when the government is coming under fire for rural school closures. Another \$200 million will go to creating 24,000 child care spaces and subsidizing 60 per cent of them.

Seniors are also specifically targeted in the budget. A public transit tax credit for people 65 and older will see 15 per cent of eligible transit costs refunded with an average annual benefit of \$130. That is estimated to cost the government about \$10 million a year. The measure comes after the federal government announced it was eliminating a 15-per-cent tax credit for commuters who buy a transit pass.

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**NATIONAL POST: CHRIS SELLEY: DOES ANYONE CARE THE ONTARIO LIBERALS
BALANCED THEIR BOOKS? THEY DID IT, BUT FOR HOW LONG**

National Post

Thu Apr 27 2017

Section: Canadian Politics

Byline: Chris Selley

Do people still care about balanced budgets? The Ontario Liberals sure seem to think so. "We did it!" Finance Minister Charles Sousa crowed, complete with exclamation point, in his prepared budget speech distributed to reporters in Thursday's lockup.

For years, even as they defended their lavish spending, the Liberals talked of returning to balance as one might soothe a colicky baby. Lately, Premier Kathleen Wynne and her ministers have framed the \$0 deficit as an "opportunity" for all manner of bigger and better things. Wading through the 294-page budget document unveiled Thursday, you would think eliminating 2016's near-rounding-error \$1.5 billion deficit would make all the difference in the world.

To wit: the headline announcement on Thursday was "free" prescription drugs for all Ontarians under 25, at a purported cost of \$465 million a year. No small thing.

"Balancing ... allows us to make ... important new investments - investments that will have real meaningful impacts on people's lives," Sousa told reporters. "With a balanced budget," the document itself observes, "more revenue can be spent on priorities like health care and education, and less on interest."

That stands perfectly to reason, in principle. Only when you flip to the back of the book do you find interest on the province's \$300-billion-plus debt is projected to rise 12 per cent by 2019, to \$12.6 billion that year. Net debt as a percentage of GDP will fall this year from 37.8 per cent to 37.5 per cent, which is splendid. But it was 27.9 per cent in 2008, and it's not projected to get back there until 2029.

To Liberals, this is a feature, not a bug. As much as they boast of an "opportunity" to spend even more liberally, they boast of never having stopped.

"We had critical choices to make (when the recession hit)," Sousa said in the budget speech. "We could do what some suggested: cut expenses, cut vital programs and services that people depended on, to eliminate the deficit. (Or we) could take a more principled and thoughtful approach."

They spent like soused seamen. From 2009 to 2017, program spending rose every year but one, by a total of 36 per cent. It is projected to rise another five per cent over the next two years. The Liberals are only promising two years of balanced budgets. The Financial Accountability Office projects it won't last past 2018. And even this balanced budget is based on one-time revenues from the sale of government assets and on much-disputed accounting for pensions.

Still, Ontario taxed-and-spent its way to something within sight of a balanced budget - and whatever you think of the approach, there's a good story in there for the Liberals to tell.

"In a world of slower economic growth, Ontario's performance in the past three years - an average of growth rate of 2.6 per cent annually - is probably as good as it gets for a large, mature and diversified economy," Robert Hogue, senior economist at RBC, wrote in his March

outlook. Unemployment is at an eight-year ebb. The retail, manufacturing and residential constructor sectors are rebounding-to-booming.

The Liberals say that's all thanks to them. And now, thanks to a budget surplus of, uh, \$0, they can afford to do redouble their efforts: a "low-carbon economy," business subsidies for everyone, from automakers to spinach packers, an ever-growing pot of infrastructure spending (now \$190 billion over 13 years), a tax credit for elderly transit users, support for caregivers, and rent control.

Does any of this even matter, though? Do voters care?

All those relatively strong economic numbers haven't convinced Ontarians that the province is on the right track. In July 2015, 49 per cent of respondents to a Mainstreet/Postmedia poll said they felt it "very important" for the "federal government to (deliver) a balanced budget." A further 28 per cent said it was "moderately important," 13 per cent "somewhat important" and just four per cent "not at all important." Then Justin Trudeau came along promising deficits and ate everyone else's lunch. Federal deficits are projected to last until kingdom come, give or take, and no one thinks the Liberals in serious danger in 2019.

Meanwhile Wynne is offering more or less the same kind of touchy-feely pitch as Trudeau, and no one will give her the time of day - or at least not now, with many months to go before the campaign platforms drop and the Liberals roll out the standard attacks. Most Ontarians don't like cuts, it seems, and that's pretty much all Wynne can pin her hopes on these days. But one suspects the gap between expenses and revenues, positive or negative, won't much bearing on the outcome, one way or the other.

NATIONAL POST: BILLIONS IN HEALTH CARE, CHILD CARE IN DEFICIT-FREE ONTARIO BUDGET

Canada - National Post

Thu Apr 27 2017

Section: Canadian Politics

Byline: Allison Jones, The Canadian Press

TORONTO - Ontario's Liberal government is promising billions of new dollars for health care in its first balanced budget in a decade, a fiscal plan designed to appeal to nearly everyone in the province ahead of an election next summer.

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The budget also includes funds for child care spaces, money to build schools, measures aimed at seniors and previously announced cuts to electricity bills and plans to cool the housing market.

The Liberals had promised no new taxes on families, though they are increasing tobacco taxes by \$10 per carton over the next three years and giving municipalities the power to introduce a hotel tax.

More coming.

HAMILTON SPECTATOR: ONT. BUDGET HIGHLIGHTS

thespec.com

Thu Apr 27 2017

Section: News

Ontario's finance minister delivered the province's fiscal plan Thursday, the government's first balanced budget in a decade. Here are the highlights:

PHARMACARE FOR YOUTH

More than 4,400 prescription drugs will be free for anyone under 25 starting next year under the province's new pharmacare program.

The program, dubbed OHIP+, is meant to provide universal drug coverage to children and youth regardless of family income.

It will cover all drugs currently available under the Ontario Drug Benefit program, with no co-payment or deductible.

The province says the new system will cost \$465 million per fiscal year once it's up and running.

HEALTH CARE 'BOOSTER SHOT'

Ontario has budgeted \$11.5 billion in new health-care spending over the next three years, an amount that's \$7 billion higher than the province had previously planned.

The so-called "booster shot" includes \$1.3 billion to help cut wait times to see specialists, get key surgeries and access mental health services.

It also includes funds earmarked for hospital construction, such as new facilities in the Niagara and Windsor areas.

That spending will total \$9 billion over a decade.

GROWING DEBT

Despite reaching balance in its latest budget, Ontario's debt continues to grow - with projections putting it at \$312 billion for 2017-2018.

The province's net debt is expected to rise to \$336 billion in 2019-20.

Interest on debt is the fourth largest spending area, at \$11.6 billion.

CHILD CARE SPACES

Ontario is vowing to create 24,000 new licensed child care spots, 60 per cent of which would be government-subsidized.

That would come at a cost of \$200 million.

The province says it has already created 56,000 licensed child care spaces in recent years.

SCHOOL AND BEYOND

Ontario is vowing to build new schools in high-growth areas and help older facilities get a facelift.

The province is setting aside about \$16 billion in the next decade for new construction as well as renovations and retrofits to make existing schools more energy-efficient.

Students are also getting a hand with work experience, with \$190 million earmarked over three years to create 40,000 placements for them and for recent graduates.

HELP FOR SENIORS

Getting around using public transit will be slightly cheaper for Ontario seniors, who will be able to get part of their transit expenses refunded under a new tax credit.

The program, which is slated to kick in on July 1, will cover 15 per cent of eligible transit costs, up to \$130 per person annually.

It is expected to cost the province \$10 million a year.

Money is also being set aside - \$8 million over three years - for so-called elderly persons centres, which provide services such as meals on wheels and exercise classes.

The province's dementia strategy is also getting \$100 million over three years to support residents with dementia and those who care for them.

SUPPORT FOR INDIGENOUS RESIDENTS

Ontario's budget includes a number of measures meant to help the province's indigenous communities access education and justice, among other things.

The government is spending \$200 million over three years to boost postsecondary education and training opportunities for indigenous people.

Meanwhile, \$44.2 million will be spent in the next two years to expand or establish programs to make the justice system more culturally relevant, including the Gladue Program, which encourages courts to consider non-custodial sentences for indigenous offenders.

Another \$2 million will be spent in that same time frame to develop anti-racism programs that will be designed and delivered by indigenous people.

TAXES ON TOBACCO, HOTEL STAYS

The Liberals are increasing tobacco taxes and giving municipalities the power to levy a hotel tax.

Tobacco tax rates will rise by \$10 per carton of cigarettes over the next three years, starting with a \$2 bump that takes effect at midnight.

As for the hotel tax, the budget provides few details, but it will require amendments to the Municipal Act and the City of Toronto Act, which gives the city the authority to levy its own taxes, but that has so far excluded hotels.

LAND TRANSFER TAX REVENUE INCREASE

Southern Ontario's booming housing market poured hundreds of millions more than expected into Ontario's coffers last fiscal year.

It helped generate \$637 million more than projected in land transfer tax revenue.

The land transfer tax is expected to bring in \$3.1 billion this fiscal year.

ONLINE PROTECTION PILOT PROJECT

Ontario wants to help its financial institutions improve their cybersecurity with a new \$4-million pilot project.

The project will pair financial institutions with companies working in the cybersecurity sector.

The province says that will also help create high-tech jobs.

OPPOSITION PARTIES REACT

Ontario's opposition parties derided the Liberal government's budget.

Progressive Conservative Leader Patrick Brown says the fiscal plan is nothing but a ploy to win over voters ahead of next year's provincial election.

Ontario's NDP Leader Andrea Horwath, meanwhile, says the budget does nothing to address the needs of cash-strapped families already struggling with hydro bills and housing costs.

HAMILTON SPECTATOR: ONTARIO'S FIRST BALANCED BUDGET IN DECADE PROMISES BILLIONS IN HEALTH CARE

By Allison Jones

<http://www.thespec.com/news-story/7265795-ontario-s-first-balanced-budget-in-decade-promises-billions-in-health-care/>

Ontario's Liberal government is promising to inject billions of new dollars into health care in its first balanced budget in a decade, a fiscal plan designed to appeal to nearly everyone in the province ahead of an election next summer.

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Five key points

POLITICAL CONTEXT: The \$141-billion budget - which includes measures aimed at youth, seniors, parents, homeowners and anyone who uses the health-care system - comes as the provincial Liberals prepare for next year's election campaign. The party, which has been at the helm for 14 years, has seen its popularity falter in recent polls.

PHARMACARE FOR YOUTH: A new program will offer free prescription drug coverage to anyone under 25, regardless of family income. The OHIP+ program, which is a key plank of the province's fiscal plan, will include the more than 4,400 prescription medications currently covered by the Ontario Drug Benefit program and requires no co-payment or deductible. It takes effect in January of next year and is expected to cost \$465 million per fiscal year.

SENIORS: A new tax credit will make getting around on public transit a little more affordable for those 65 and over. It will allow seniors to claim 15 per cent of eligible transit expenses, up to \$130 a year, which is expected to cost the province \$10 million annually. Money is also earmarked to build 40 new so-called elderly persons centres, which run programs such as meals on wheels.

TOBACCO AND HOTEL TAXES: The Liberal government is increasing tobacco taxes and giving municipalities the authority to introduce a hotel tax. The tax on a carton of cigarettes will go up \$10 over the next three years, with the first \$2 increase to kick in Friday. The hotel tax will be designed by the municipalities after amendments are made to the Municipal Act and the City of Toronto Act.

NET DEBT: The province may have eliminated the deficit in the 2017-18 budget, but net debt continues to grow. It's projected to reach \$312 billion this fiscal year and rise by \$24 billion by 2019-20, even though the Liberals expect to balance the next two budgets as well.

Highlights from the Ontario budget

OTTAWA CITIZEN: THE RENTAL MARKET IS TOO IMPORTANT TO LET THE MARKET CONTROL IT

ottawacitizen.com

Thu Apr 27 2017

Section: Columnists

Byline: Tyler Dawson, Ottawa Citizen

Let there be no doubt about one thing: Rent control matters to millions of Ontarians, and the Liberal government is right to pursue housing reforms now part of the budget unveiled by Finance Minister Charles Sousa.

While the proposed 15-per-cent tax on foreign buyers has dominated the headlines, the most significant change for many in the province is the dismantling of the discriminatory 25-year-old law that exempted units built after 1991 from rent control. That law was fundamentally unfair because it created a two-tier rental market that gave one group of landlords the right to charge at will, while imposing caps on the other.

Expanding rent control to cover all private units, regardless of when they were built, no doubt levels the playing field. And that's good for renters.

The 1992 legislation in question was enacted in the belief that removing rent caps on new buildings would invigorate the home industry, and with rising profits, developers would be eager to build more rental units to meet rising demand.

But there's theory and there's reality. The truth is, the anticipated surge in rental construction never materialized. Developers built more and more condos that were not subject to rent control, but very little that was affordable.

"The reality is that there hasn't been any more rental built, there have not been rental buildings built in any comprehensive way," Premier Kathleen Wynne said recently.

She is right. Still, the housing industry and some economists continue to insist that things work best when left to the market, and that any attempt at rent control will kill rental construction. "Even the very mention of rental control as an option is having a chilling effect on developers. From recent discussions with developers we know that it is already impacting decisions," CIBC economist Benjamin Tal wrote in a recent report.

But here's the thing: Developers had great incentive for 25 years to build and make the market work for renters but that didn't happen in any meaningful way. Now that they are being held accountable, builders are predicting doom and gloom to get their way.

This has become standard industry practice, and whether the issue is raising the minimum wage, protecting the environment and a host of others, the business sector resorts to wild predictions of economic disaster. For the most part, these "sky-will-fall" predictions are an excuse to maintain the status quo, but the thing is, we can't wait another 25 years for renters to get relief.

Remember that about 30 per cent of Ontario households rent - and many of them are hurting right now. As a society, we just can't say, "it's free enterprise so let the markets decide" and hope for the best. Somebody has to act to stabilize a market run amok, and the Liberal government is right to press ahead with reforms now laid out in the budget.

It is doubtful that the quality of life now enjoyed by the broad mass of people would have been as good as it is today, if Western societies had pinned their fates entirely to the dictates of the free market. Yes, governments should intervene as little as possible in the private sector. But there comes a time when government needs to step in and be the catalyst for change. On the housing crisis, the time is now.

The limited measures announced by the Liberals to deal with the problem are appropriate. The 16-point package is obviously not a silver bullet. It is only a start. There's more governments can do - such as reducing development charges, cutting the time for development approvals and making more public land available - to stimulate rental construction.

The problem today is largely Toronto's and some in other cities might think it's not their issue. But it could easily be Ottawa tomorrow, so we all have a stake in finding a solution. Fortunately, all three major parties at Queen's Park seem to agree on what needs to be done.

Let's implement these measures and build on them.

OTTAWA CITIZEN: THE 2017 ONTARIO BUDGET AT A GLANCE

ottawacitizen.com

Thu Apr 27 2017

Section: Local News

Byline: Drake Fenton, Ottawa Citizen

The Ontario government balanced its books for the first time in a decade on Thursday.

Here's a glance at a few of the highlights from the Liberal's \$141-billion budget:

Free prescription drugs for children and youth

This is the one really big news item out of the budget. The province will pay for roughly 4,400 types of prescription drugs for all Ontarians aged 24 or younger. All you'll need to get it is a health card. The Liberals estimate this will cost about \$465 million annually.

Opioid strategy

This is a pressing concern in Ottawa, which has seen a spike in fentanyl-related overdoses recently. The budget only discusses previously announced measures, however, such as making naloxone kits available free of charge (28,000 kits have been distributed across Ontario as of March 2017). The budget also points out the province is planning to fund one safe-injection site in Ottawa, along with three in Toronto.

A hotel tax for Ottawa?

Cities in Ontario have not had the power to levy their own hotel tax - until now. The budget (largely because Toronto kept asking for it) announces a legislative change that will give big municipalities the ability to tax "transient accommodation," which means cities should also be able to capture Airbnb rentals with it if they want to.

A new transit credit for seniors

Just as the federal government eliminates the tax credit for transit passes, the Ontario government is bringing in a new one for Ontarians aged 65 or older. It will be available to claim for 2017 tax returns, though more details are still to come. It will cost the province about \$10 million annually.

LRT funding

There are no splashy new announcements here, but Ottawa's LRT project is highlighted as one of the province's key areas of transit spending. It put \$600 million into the first stage (set to open next year), and has committed \$1 billion for Stage 2, which will expand the system further into the suburbs and out to the airport. The provincial and municipal governments are still waiting to hear about federal funding for Stage 2.

Health care spending boost

After years of very tight health care spending increases, the purse-strings are loosening up a bit. In the short-term, the budget focuses specifically on pumping money into a few "high-priority procedures" where wait times are particularly bad: cataract surgeries, hip or knee replacement

surgeries, and MRIs. The Province will also launch a lung cancer screening pilot project at three sites, including The Ottawa Hospital.

Cigarettes are getting more expensive (again)

Ontario has been jacking up the tax on tobacco almost every year recently, and this budget announces that a carton of cigarettes cost \$10 more within three years - starting with a \$2 price increase effective at midnight.

OTTAWA CITIZEN: PLATT: GLORY, HALLELUJAH: ONTARIO HAS A BALANCED BUDGET AGAIN

ottawacitizen.com

Thu Apr 27 2017

Section: Columnists

Byline: Brian Platt

TORONTO - There's no missing the message here. The cover of the budget is black (as in, back in the black), and every single mention of "budget" in the press materials is preceded by the word "balanced."

It's been a long journey to get here after the astronomical \$19.3-billion deficit in 2009-10, and the Liberals are going to make damn sure you know about it.

In fact, Ontario's government has been handed a windfall. Revenue projections are way up: the government has nearly \$4 billion extra to play with in 2017-18 than last year's budget estimated, and there's an extra \$3 billion the following year. The main reason is taxes: corporate, personal and sales taxes are all coming in much higher than projected.

Oh, and the ridiculously hot housing market is expected to bring in land transfer taxes topping \$3.1 billion next year. It brought in \$1.8 billion just two years ago.

You can debate how much of this growth is sustainable (particularly with a certain U.S. president making protectionist threats), and how much credit the government deserves for it. But we'd be slamming the Liberals if the economy was tanking, so let's not gloss over the fact things are going well.

The big question is what they're doing now that they're suddenly flush with cash.

The splashy headline from this budget is a new pharmacare program that will make 4,400 prescription drugs free for those under age 25. It seems like a good idea, and has the convenient political side effect of blunting the NDP's own proposal for universal pharmacare. The Liberals claim it will cost around \$465 million per year, which is significant but hardly eats up the new revenue.

And ... that's it for big new programs. Oh, there's a \$10-million tax credit for seniors taking transit.

Maybe the new money is going into paying down debt? No. The debt just passed \$300 billion and is set to rise to \$335.9 billion by 2020. The government would like you to know this will be "good debt" (they literally call it that in the budget) because it's not from a deficit, but from borrowing for capital projects.

Well, good debt or bad debt, the interest we pay on all of it is going to keep rising from \$11.6 billion next year to \$12.6 billion in 2019-20. The net debt-to-GDP ratio is 37.8 per cent right now; in five years it will have barely moved to 36.3 per cent. (The Liberals say it will drop to 27 per cent by 2030, but a promise that far off is meaningless.)

If you're going to spend the new money, the department that really needs it is health care, which has been squeezed in the past few years with annual spending rising slower than the rate of

inflation. Hospitals are struggling with over-crowding and wait times, and the province's tight budgeting has helped cause an increasingly ugly dispute with doctors over compensation.

The budget does promise a boost to health-care funding, with an extra \$7 billion over three years from what was previously planned. Yet pay close attention to that "three years" part: most of the new money doesn't flow until 2018-19.

What is the government doing with the revenue windfall, then? More than a third of all new program spending next year is going into one area: the "other programs" line item, which is getting a cool \$2.2-billion increase (a jump of 13 per cent). That happens to be where the government's electricity relief programs fall.

Look, everybody wanted that relief - including both opposition parties. Sure, Liberal policies were a big cause of the sky-rocketing rates in the first place, but it's not like they were out of step politically by blowing huge amounts of money to lower them.

But if you work in an over-crowded hospital, or a courthouse or a jail or any other provincial institution straining under years of capped spending after the recession, the crisis over electricity rates is why this new glorious era of balanced budgets doesn't feel all that different so far.

Brian Platt is the deputy digital editor for the Ottawa Citizen. Previously, he was based at Queen's Park as a policy reporter.

**OTTAWA CITIZEN: ONTARIO'S FIRST BALANCED BUDGET IN DECADE PROMISES
BILLIONS IN HEALTH CARE**

ottawacitizen.com

Thu Apr 27 2017

Section: Politics

Byline: pdtechintegration

TORONTO - Ontario's Liberal government is promising to inject billions of new dollars into health care in its first balanced budget in a decade, a fiscal plan designed to appeal to nearly everyone in the province ahead of an election next summer.

Crafted by a party in power since 2003 that has been faring poorly in recent polls, the \$141-billion budget has measures targeted at both young and old, people who access the health-care system and anyone who owns or rents a home and pays an electricity bill.

The centrepiece of the plan is a \$465-million-a-year pharmacare program for children and youth, which would cover prescription medications to treat most acute and common chronic conditions for people under age 25, with no deductible or co-payment. It would start Jan. 1.

The plan will be most beneficial for youth who currently are not covered under private plans or the Ontario Drug Benefit program for social assistance recipients, but government officials weren't able to say how many people that captures.

In total, the government is promising \$11.5 billion in new spending on health care over three years, including money to address hospital overcrowding, funding for mental health and addiction services, cash for hospital construction projects and home care funding.

The budget also includes funds for new child care spaces, money to build schools, measures aimed at seniors and previously announced cuts to electricity bills and plans to cool the housing market.

Much of the projected spending, however, is spread out over multiple years, well past the June 2018 election. But Finance Minister Charles Sousa said his "socially progressive" budget is not a ploy for votes.

"These decisions that we're making today are not based on election cycles, they're based on long-term benefit for the people of Ontario," he said.

Progressive Conservative Leader Patrick Brown said the budget is not, in fact, structurally balanced, because of one-time asset sale money - such as the sale of shares of Hydro One - and accounting "tricks," such as counting public pension surpluses as assets, against the advice of the province's Auditor general.

"This budget is a patchwork attempt by a desperate government to fix the mess they've created before the next election," he said. "If they lose this next election this is spending they'll never have to be accountable for."

The price tag for the Liberals' centrepiece pharmacare plan is not in the budget itself and was provided only verbally by staffers.

"Listen, that document is what, 296 pages long," Sousa said when asked about the absence. "You can't put everything in the document."

Ontario NDP Leader Andrea Horwath, who just this week announced a New Democrat government would bring in universal pharmacare for people of all ages, said the Liberal plan seems last minute.

"I think it's quite curious as well," she said. "All I can think of is that they made it up on the back of a napkin before they got to today."

The Liberals had promised no new taxes on families, though they are increasing tobacco taxes by \$10 per carton over the next three years and giving municipalities the power to introduce a hotel tax.

In addition to balancing the books this year, the government is now projecting balanced budgets through to 2019-20. Despite reaching balance, however, the province's debt continues to grow.

It is projected to be \$312 billion this year, growing to \$336 billion in 2019-20. Interest on debt is the fourth largest spending area, at \$11.6 billion.

Historically low interest rates helped the province get to balance, but interest on debt is still projected to be the fastest growing expenditure area, at an average 3.6 per cent from 2015 to 2020.

Nonetheless, the government paints a rosy economic outlook, projecting two per cent average GDP growth through to 2020, driven by exports and business investment.

On the infrastructure front, spending is growing from a promise last year of \$160 billion over 12 years to \$190 billion over 13 years. The additional \$30 billion will go toward new hospital projects, school renewal and child care expansion.

Ontario will also move ahead with planning a high-speed rail corridor between Toronto, Kitchener-Waterloo, London and Windsor, the government said in the budget. The project could cut travel times from Toronto to Windsor from the current four hours to two.

Under the education banner, about \$16 billion is earmarked over 10 years to build and improve schools at a time when the government is coming under fire for rural school closures. Another \$200 million will go to creating 24,000 child care spaces and subsidizing 60 per cent of them.

Seniors are also specifically targeted in the budget. A public transit tax credit for people 65 and older will see 15 per cent of eligible transit costs refunded with an average annual benefit of \$130. That is estimated to cost the government about \$10 million a year. The measure comes after the federal government announced it was eliminating a 15-per-cent tax credit for commuters who buy a transit pass.

There is also \$11 million over three years for a seniors community grant program and another \$8 million over three years for new community centres with seniors' programming. The province has also earmarked \$100 million over three years for a dementia strategy that will include helping patients and their caregivers find support and improve training for health-care workers.

CBC NEWS: ONTARIO BUDGET 2017: HEALTH-CARE SPENDING UP AS BUDGET HITS BALANCE

Governing Liberals follow through on pledge to get back to black by 2017-18

By Andrea Janus, CBC News

Last Updated: Apr 27, 2017 4:25 PM ET

<http://www.cbc.ca/news/canada/toronto/budget-2017-main-1.4086218>

The Ontario government is celebrating getting the books back to balance with significant investments in health care, including a youth pharmacare program, as detailed in the spring budget unveiled Thursday in Toronto.

The governing Liberals have fulfilled their pledge to return to black ink by 2017-18. The budget forecasts a deficit of \$1.5 billion for 2016-17 before forecasting three straight years of balanced books beginning in 2017-18, all due to a booming economy that's bringing higher than expected revenue into government coffers.

That includes more than \$3 billion from the provincial land-transfer tax in the coming year alone, up 48 per cent in just two years, as the province's real-estate markets keep getting hotter.

Corporate and personal income tax revenue is also up from projections in the last budget.

"Balancing the books has never been an end in and of itself," Finance Minister Charles Sousa told reporters at the budget lock-up for media on Thursday afternoon.

"Balancing, however, allows us to make these new investments, investments that will make impacts on people's lives."

While the document doesn't contain a grab bag of goodies for voters a year out from the next election, the pharmacare program is a significant expenditure – a "first of its kind in Canada," according to Sousa. It will help ease the burden of health-care costs on families, and is part of a slate of new spending on health care.

The program, dubbed OHIP+: Children and Youth Pharmacare, will make prescription drugs free for all youths aged 24 and under, regardless of family income or private insurance coverage.

The program will cover the complete costs of about 4,400 medications currently covered under the Ontario Drug Benefit program, which provides prescription drug coverage to more than 2.3 million seniors and about 900,000 people receiving social assistance.

The new program, which the government estimates will cost \$465 million per year, will come into effect on Jan. 1, 2018. Some four million children will be covered, including those already covered under the ODB.

Health-care spending gets a boost

The budget also indicated that the abortion pill, Mifegymiso, will now be publicly funded, with Sousa noting that the government is "trying to provide women with choice, and with a safe choice."

Overall, the province is pledging an additional \$7 billion over the next three years for measures designed to boost access to health care, reduce wait times and "enhance patient experience."

There's \$1.3 billion to reduce wait times for specialists, as well as for procedures such as knee and hip replacements and cataract surgery, and for expanding access to home-based and community care, such as in-home nursing and personal support workers.

Hospital funding is going up by 3 per cent to the tune of \$518 million to "support vital services, keep wait times low, and maintain access to elective surgeries," the budget reads.

Some \$9 billion over 10 years has also been earmarked for new hospital projects across the province, including new facilities in Niagara and Windsor.

The governing Liberals are also launching their new Dementia Strategy, at a cost of more than \$100 million, to improve and better co-ordinate services for patients and their caregivers.

But there are no measures designed to directly address the problem of patients lying for days on stretchers in hospital hallways as they wait for beds.

When asked about this, Sousa pointed to the overall boost in health-care funding that would help alleviate the pressures on the system.

Ontario Progressive Conservative Leader Patrick Brown called the budget "an insult to the hard-working people of Ontario," questioning how the Liberals got to balance while also letting the debt to balloon to more than \$300 billion.

Annual interest payments on that debt are now at more than \$11 billion.

"This budget is a patchwork attempt by a desperate government to fix the mess they made before the next election," Brown told reporters.

Asked about his contention that the Liberals are actually not at balance but running a \$5 billion operational deficit, and what he would cut in order to achieve balance, he said he would first commission a "value audit" to identify waste or mismanagement in government.

Asked specifically about whether the PCs would introduce a pharmacare program of their own, Brown would only say he would bring in a drug access plan "that is fair," and "reaches those that need it."

NDP Leader Andrea Horwath, who proposed a universal pharmacare program in recent weeks that would cover all Ontarians but start with just 125 medications, called the Liberal plan a "meagre measure."

"It smells a bit like a back-of-the-napkin plan," she said of the youth pharmacare plan.

She expressed disappointment that the budget did not contain other NDP proposals, including boosting the minimum wage to \$15.

"This Liberal budget offers no real improvements to transit," she added, "or efforts to make it more affordable for students and families."

Education measures

Education is the other big winner in this year's budget, with the government aiming to reduce class sizes for young students.

The budget calls for a cap on full-day kindergarten class sizes at 30 for 2017-18, with a goal of bringing that number down to 29 in 2018-19.

Adding to its previous pledge of \$16 billion over 10 years to build new schools in high-growth areas, the government has committed an additional \$1.2 billion in funding for repairs and "renewal" over the next two years. This money is largely for building repairs, as well as refurbishing yards and sports fields.

New changes to OSAP include expanding eligibility to mature students, and boosting the minimum income at which graduates have to begin repaying their loan from \$25,000 to \$35,000.

And a new Career Kick-Start program, with a price tag of \$190 million over three years, offers high school and post-secondary students co-op programs and other training opportunities designed to prepare them for the workforce.

No big pocketbook hits

The budget includes numerous measures that were announced in the weeks leading up to its unveiling, including 100,000 additional child-care spaces; measures to rein in the hot housing activity that's spread from Toronto to markets throughout the province; and a plan to reduce hydro rates by up to 25 per cent.

There is also little new on transit, although the government has increased the previously announced \$160 billion over 12 year infrastructure fund by \$30 billion and tacked on another year. There were few details about where that additional money is going, except that it will be absorbed into the funding for new hospitals, as well as capital projects for schools.

There's also little new that will immediately affect Ontarians' pocketbooks, except those who smoke. The Liberals are increasing the tax on a carton of cigarettes by \$10 over three years, starting with a \$2 jump that takes effect on Friday.

The government will also amend legislation to allow municipalities to bring in a hotel tax, which the City of Toronto has been asking to do. Asked whether that will allow them to bring in a tax on Airbnb units, the finance minister said that would be up to each municipality.

There's also little for affordable housing, other than a pilot project in which the province will donate land in Toronto that's worth between \$75 million and \$100 million to be devoted to the construction of 2,000 units.

CBC NEWS: ONTARIO BUDGET 2017: MATURE STUDENTS WILL HAVE FULL OSAP SUPPORT LIKE THEIR YOUNGER COUNTERPARTS

CBC.CA News

Thu Apr 27 2017, 4:19pm ET

Section: Toronto

Byline: CBC News

Recent graduates can now wait until they earn \$35,000 a year before having to repay the provincial portion of their student loans, which marks a tweak to last year's surprise budget highlight that overhauled the Ontario Student Assistance Program.

The previous minimum salary requirement was \$25,000.

The change takes effect in September, making it applicable to students graduating in the spring or fall of this year. Much of the government's OSAP reforms ? announced in the 2016 budget ? also come into effect this upcoming school year.

If students have a Registered Education Savings Plan (RESP), it will no longer affect the financial assistance they receive, another addition to the measures announced last year.

The province will also give mature students ? anyone out of high school for four years or more ? the same access to OSAP supports as younger students.

OSAP reforms come in effect in fall

As previously announced, eligible students with family incomes of \$90,000 or less will receive OSAP grants to cover or exceed the average tuition cost. A portion of those grants do not have to be repaid.

The average tuition for university students in Ontario for the 2017-2018 school year is \$6,540, while college students will pay an average of \$2,940.

Development opportunities for students

Over the next three years, Ontario will commit \$190-million to create development opportunities for students at all education levels. One of those opportunities for recent graduates is the Career Kick-Start Strategy. Key highlights of that strategy include:

- Post-secondary students will have full, free access to LinkedIn Lynda.com, an online hub that offers thousands of courses, through the province's eCampusOntario website.
- \$68-million for employers to create workplace learning opportunities through the Career Ready Fund.
- Expanding the Ontario Internship Program for new graduates with an addition of 100 placements.

Elementary education investments

With the rollout of full-day kindergarten complete, the province has committed to capping classroom sizes to 30 students for the 2017-2018 school year.

That cap size will be reduced to 29 for the 2018-2019 school year. The current full-day kindergarten class average is 26 students, and is staffed with a teacher and an early childhood educator.

Without committing to a specific cap size, the government says it will continue to make investments to aim for an average class size of 25 in grades 4 to 8.

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CBC NEWS: ONTARIO BUDGET 2017: TORONTO GETS NEW TAXES, BUT NOT THE BIG BUCKS IT WAS LOOKING FOR

CBC.CA News

Thu Apr 27 2017, 4:23pm ET

Section: Toronto

Byline: CBC News

Toronto will be able to tax both hotels and vacant properties thanks to Ontario's new budget ? but it's not getting the funding it was hoping for to fix crumbling social housing.

Mayor John Tory has been pressuring the province for months to deliver money for three key areas: affordable housing, public transit and child care. Finance Minister Charles Sousa's latest budget, titled A Stronger, Healthier Ontario, features some investment in those areas that will flow to the city, but not as much as Tory was asking for.

"We're actually doing quite a bit for Toronto," Finance Minister Charles Sousa told reporters.

"When it comes to affordable housing, we are working with the cities ? we're taking steps," he said, noting the province is spending around \$2 billion over a three-year span when investments in affordable housing, social housing and anti-homelessness measures are combined.

Tory, however, has said the city urgently needs over \$800 million to help fix Toronto Community Housing (TCH) buildings. That money isn't in the budget.

Instead, Ontario is offering up to \$100 million worth of land to build some 2,000 affordable housing units on. Some money is also available through the Social Infrastructure Fund, of which Toronto gets a cut of the ongoing three-year \$640-million plan.

It's unclear how much money, if any, will flow to TCH, which has a multi-billion dollar repair backlog and is set to close hundreds of units this year.

Toronto to set its own hotel tax rate

Toronto asked Queen's Park for permission to levy a hotel and short-term accommodation tax months ago, but its inclusion in the provincial budget likely comes as a welcome surprise.

The province will soon amend the City of Toronto Act so it can tax any "transient accommodation," including both hotels and home-sharing services like Airbnb.

However, the province will include a regulation that the city must spend a portion of the revenues to promote tourism in the area. That's because many hotel owners ? who previously objected to the idea of a tax on their business, arguing it will hurt vacationing Ontario families ? will likely stop paying the voluntary Destination Marketing Fee.

PC Leader Patrick Brown was quick to blast the move, saying "it wouldn't be a Liberal budget if we didn't have some sort of tax."

Brown, who also opposed the city's road toll proposal, said if the province spent its infrastructure money competently, the city would get a lot more money.

City staff have floated the idea of a four per cent tax on hotels, and a 10 per cent tax on short-term rentals.

Smaller municipalities will also get the option of charging a hotel tax. The province also said its working with municipalities to build a "framework" to deal with home-sharing.

More child care spaces opening

On child care, the province has pledged to open 100,000 new child care spaces with nearly a quarter of those spots set to open this year. It's unclear how many of those spaces will open in Toronto.

The government is also vowing to work with municipalities to expand its plans, which is good news for a city that just approved an ambitious 10-year child care plan.

Province sticking with transit plans

The new budget touts the \$56 billion worth of transit projects the province is already committed to ? including multiple Toronto projects ? but there's no new money. The province is, however, in talks with the federal government about how to fund the next phase of projects.

"We're just going through the process," Sousa said when asked about the lack of a signature transit investment in this year's financial plan.

NDP Leader Andrea Horwath said there are "no real transit improvements" in this budget, and vowed her party would fund 50 per cent of operating costs should she be elected.

Tory is set to speak about the budget at city hall on Thursday afternoon.

Land transfer money pouring in

The option to tax vacant properties, meanwhile, is the result of a push to cool Toronto's hot housing market ? which likely accounts for a large percentage of the \$2.7 billion in land transfer tax revenue that helped balance Ontario's books.

The budget says Toronto will get "broad authority" when it comes to the vacant property tax, and that it will be responsible for both designing and administering it.

The goal, the budget notes, is to "encourage owners to sell unoccupied units or make them available to be rented."

All cities will get the ability to tax vacant land that's been approved for new housing to spur housing development.

Ontario bets housing boom will continue

The budget warns there's been an "acute" deterioration in housing affordability in the GTA. The combination of a sky-high real estate prices and high levels of debt, it notes, leave Ontario households vulnerable should there be an "adverse economic shock."

That said, the province doesn't see it. It's anticipating some \$3.1 billion in land transfer revenue in the coming year, a number Sousa says is actually conservative.

"We build prudence into our plan," Sousa said.

That's good news for the city, which has also been relying on land transfer proceeds to balance its books.

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CBC NEWS: ONTARIO BUDGET 2017: DON'T EXPECT TO FIND MONEY FOR MORE ER BEDS, BUT SURGERY WAIT TIMES SHOULD GET SHORTER

CBC.CA News

Thu Apr 27 2017, 4:53pm ET

Section: Toronto

Byline: CBC News

The Liberal health budget promises \$890 million to reduce waitlists for diagnostics and certain surgeries ? but there's no specific funding to boost the number of beds in clogged emergency rooms.

Both the provincial auditor general's report and anecdotes ? including a woman in Brampton who spent five days in pain in an emergency room hallway ? have flagged those wait times as a problem.

Auditor General Bonnie Lysyk found that the average patient needing acute care in the emergency room waited 37 hours before being admitted. That was on top of the fact that patients waited an average of 23 hours to move to intensive care after arriving at the hospital, a figure roughly three times Ontario's target.

What creates the bottleneck

The lack of long-term care beds and the wait time to see family doctors have contributed to the problem.

The budget did include some funding for those specific issues, but, for long-term care, the \$58-million increase ? less than 0.1 per cent of total health spending ? essentially just covers the rate of inflation.

Lysyk noted in her audit last year that about 243,000 people per year visit the emergency room for something that could have been treated by a family doctor or nurse practitioner. And the Liberals do include an additional \$145 million to hire more nurse practitioners, social workers, and nurses in community settings.

But Finance Minister Charles Sousa defended the health spending.

When asked about the lack of specific funding for emergency room beds, Sousa replied that the province has increased spending on long-term care, \$1.3 billion for reducing wait times to see specialists, and an additional \$518 million in hospital operating costs. That increase to hospital spending amounts to roughly three per cent over last year's budget.

NDP Leader Andrea Horwath, meanwhile, slammed the lack of dedicated funding for emergent care, given the fact that it's been raised numerous times as an issue.

"While our hospitals are overcrowded and patients wait on hospital stretchers for days, the additional funding for hospitals barely covers inflation," she said Thursday.

Reducing surgery wait times

The budget contained good news, however, for those who have been waiting for cataract surgeries, hip, foot and knee replacements.

The Liberals committed \$890 million toward reducing the wait times for those procedures ? and for cardiac surgery and major diagnostic tests like MRIs.

The province will also invest \$245 million on expanding both the centralized system for specialist referrals, and the digital referral service to five new regions.

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CBC NEWS: WINDSOR HOSPITAL ANNOUNCED AS PART OF ONTARIO BUDGET 2017

CBC.CA News

Thu Apr 27 2017, 4:59pm ET

Section: Windsor

Byline: CBC News

There's cash for a new hospital for Windsor in the 2017 provincial budget, tabled Thursday afternoon in Queen's Park.

Niagara will also be receiving a new hospital, along with upgrades and redevelopment for existing facilities in Hamilton, Mississauga and James Bay as part of \$9 billion over 10 years earmarked for new hospital projects.

Overall, the province is pledging an additional \$7 billion over the next three years for measures designed to boost access to health care, reduce wait times and "enhance patient experience."

There is also \$1.3 billion to reduce wait times for specialists, as well as for procedures such as knee and hip replacements and cataract surgery, and for expanding access to home-based and community care, such as in-home nursing and personal support workers.

Hospital funding is going up by 3 per cent to the tune of \$518 million to "support vital services, keep wait times low, and maintain access to elective surgeries," the budget reads.

Also in the budget for Windsor, the province confirmed its commitment to a high-speed rail line in the Toronto to Windsor corridor. A high-speed rail line would cut travel time between the two cities from four to two hours.

The province said it will "now advance the comprehensive environmental assessment and support additional design and planning work for the corridor" and is "considering the development of a governing body that would provide oversight for the ambitious work required to design and implement high-speed rail."

More to come.

with files from Andrea Janus and CBC Toronto

CBC NEWS: ONTARIO BUDGET 2017: FREE PRESCRIPTION DRUGS FOR ANYONE UNDER 25, A FIRST OF ITS KIND, ONTARIO LIBERALS SAY

CBC.CA News

Thu Apr 27 2017, 5:00pm ET

Section: Toronto

Byline: CBC News

All Ontario children and adults younger than 25 will have their full prescription drug costs covered by a new provincial pharmacare program, regardless of family income or whether they already have private insurance.

The province announced the expanded drug coverage in Thursday's annual budget, a move it projects will cost \$465 million per year.

Currently, the Ontario Drug Plan (ODP) covers prescription drug costs for approximately 900,000 families on social assistance and another three million seniors.

If approved, the new program would roll out Jan. 1, 2018 ? and would cover 4,400 drugs for the province's four million children and young adults. The medications are the same already included in the ODP, which includes treatment for acute and chronic illness, as well certain pediatric cancers.

Provincial health department staff could not provide information about all the cancer treatments available under the plan. But, given that many private insurers have limited coverage for at-home oncology care, the move could theoretically save parents thousands of dollars per month ? as taxpayers cover the cost.

In-hospital cancer treatment and medication is already covered by OHIP.

How it affects insurance premiums

What this means for the insurance industry ? and whether it will reduce family premiums ? is unclear.

Health department staff said that while they've had discussions with those in the industry, they couldn't say whether there had been a commitment to change premiums but hope the savings will be passed on to families.

Under the plan, neither children nor young adults would have to go through their or their parent's private insurer for coverage first. And because the provincial program would be free, patients wouldn't be on the hook for co-payment or dispensary fees, unlike with private coverage.

When asked why the OHIP+: Children and Youth Pharmacare plan would apply to those who already have coverage, Finance Minister Charles Sousa said the province wanted people to have equal access to medication.

"Even with those who have plans, they still have co-pays and deductibles and that's a significant expense on them," he said. "You want an income test and we're not doing that."

He also noted that the changing nature of work has seen people working contract jobs, something that has created a drop in the number of people who earn employee health benefits.

Although the Liberals have offered many hints ? and advance announcements ? about what would be in this budget, the expanded pharmacare program was kept secret.

But the Liberal plan follows a vision recently put forward by the NDP. That plan, however, would have been for fully universal coverage, regardless of age.

But while the New Democrat proposal would have made all Ontarians eligible, it limited drug coverage to 125 medications considered essential ? 4,275 fewer than the Liberal plan.

What the other parties say

The NDP estimate that plan would cost \$475 million a year ? or just less than one per cent of the proposed \$53.8 billion in total health care spending proposed in the Liberals 2017-2018 budget.

Sousa avoided directly answering a question about whether the expanded pharmacare program would eventually cover adults too.

Instead, he said that Health Minister Eric Hoskins has been calling on his federal counterpart to create national pharmacare coverage.

The Ontario Tories slammed the Liberal plan, saying that it made little sense for the public purse to cover medication for affluent families or those who have private drug coverage.

"It makes no sense that precious funds would go to pay for millionaire kids," Progressive Conservative Leader Patrick Brown said.

The PCs have not released a pharmacare plan themselves, but Brown said they would.

It would not be universal, he said, and would only target those "who actually need it."

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CBC NEWS: ONTARIO BUDGET 2017: THE FACTS, FIGURES AND CHANGES YOU NEED TO KNOW

CBC.CA News

Thu Apr 27 2017, 4:51pm ET

Section: Toronto

Byline: CBC News

The Ontario government unveiled its latest budget Thursday, and in addition to balancing the books, it unveiled some new spending, particularly in health care.

Here are the most important figures from the 290-page document.

- 2 new hospitals in Windsor and Niagara, renovations to Hamilton and Mississauga facilities.

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CBC NEWS: ONTARIO BUDGET 2017: HEALTH-CARE SPENDING UP AS BUDGET HITS BALANCE

CBC.CA News

Thu Apr 27 2017, 4:54pm ET

Section: Toronto

Byline: CBC News

The Ontario government is celebrating getting the books back to balance with significant investments in health care, including a youth pharmacare program, as detailed in the spring budget unveiled Thursday in Toronto.

The governing Liberals have fulfilled their pledge to return to black ink by 2017-18. The budget forecasts a deficit of \$1.5 billion for 2016-17 before forecasting three straight years of balanced books beginning in 2017-18, all due to a booming economy that's bringing higher than expected revenue into government coffers.

That includes more than \$3 billion from the provincial land-transfer tax in the coming year alone, up 48 per cent in just two years, as the province's real-estate markets keep getting hotter.

Corporate and personal income tax revenue is also up from projections in the last budget.

"Balancing the books has never been an end in and of itself," Finance Minister Charles Sousa told reporters at the budget lock-up for media on Thursday afternoon.

"Balancing, however, allows us to make these new investments, investments that will make impacts on people's lives."

While the document doesn't contain a grab bag of goodies for voters a year out from the next election, the pharmacare program is a significant expenditure ? a "first of its kind in Canada," according to Sousa. It will help ease the burden of health-care costs on families, and is part of a slate of new spending on health care.

The program, dubbed OHIP+: Children and Youth Pharmacare, will make prescription drugs free for all youths aged 24 and under, regardless of family income or private insurance coverage.

The program will cover the complete costs of about 4,400 medications currently covered under the Ontario Drug Benefit program, which provides prescription drug coverage to more than 2.3 million seniors and about 900,000 people receiving social assistance.

The new program, which the government estimates will cost \$465 million per year, will come into effect on Jan. 1, 2018. Some four million children will be covered, including those already covered under the ODB.

Health-care spending gets a boost

The budget also indicated that the abortion pill, Mifegymiso, will now be publicly funded, with Sousa noting that the government is "trying to provide women with choice, and with a safe choice."

Overall, the province is pledging an additional \$7 billion over the next three years for measures designed to boost access to health care, reduce wait times and "enhance patient experience."

There's \$1.3 billion to reduce wait times for specialists, as well as for procedures such as knee and hip replacements and cataract surgery, and for expanding access to home-based and community care, such as in-home nursing and personal support workers.

Hospital funding is going up by 3 per cent to the tune of \$518 million to "support vital services, keep wait times low, and maintain access to elective surgeries," the budget reads.

Some \$9 billion over 10 years has also been earmarked for new hospital projects across the province, including new facilities in Niagara and Windsor.

The governing Liberals are also launching their new Dementia Strategy, at a cost of more than \$100 million, to improve and better co-ordinate services for patients and their caregivers.

But there are no measures designed to directly address the problem of patients lying for days on stretchers in hospital hallways as they wait for beds.

When asked about this, Sousa pointed to the overall boost in health-care funding that would help alleviate the pressures on the system.

Ontario Progressive Conservative Leader Patrick Brown called the budget "an insult to the hard-working people of Ontario," questioning how the Liberals got to balance while also letting the debt to balloon to more than \$300 billion.

Annual interest payments on that debt are now at more than \$11 billion.

"This budget is a patchwork attempt by a desperate government to fix the mess they made before the next election," Brown told reporters.

Asked about his contention that the Liberals are actually not at balance but running a \$5 billion operational deficit, and what he would cut in order to achieve balance, he said he would first commission a "value audit" to identify waste or mismanagement in government.

Asked specifically about whether the PCs would introduce a pharmacare program of their own, Brown would only say he would bring in a drug access plan "that is fair," and "reaches those that need it."

NDP Leader Andrea Horwath, who proposed a universal pharmacare program in recent weeks that would cover all Ontarians but start with just 125 medications, called the Liberal plan a "meagre measure."

"It smells a bit like a back-of-the-napkin plan," she said of the youth pharmacare plan.

She expressed disappointment that the budget did not contain other NDP proposals, including boosting the minimum wage to \$15.

"This Liberal budget offers no real improvements to transit," she added, "or efforts to make it more affordable for students and families."

Education measures

Education is the other big winner in this year's budget, with the government aiming to reduce class sizes for young students.

The budget calls for a cap on full-day kindergarten class sizes at 30 for 2017-18, with a goal of bringing that number down to 29 in 2018-19.

Adding to its previous pledge of \$16 billion over 10 years to build new schools in high-growth areas, the government has committed an additional \$1.2 billion in funding for repairs and "renewal" over the next two years. This money is largely for building repairs, as well as refurbishing yards and sports fields.

New changes to OSAP include expanding eligibility to mature students, and boosting the minimum income at which graduates have to begin repaying their loan from \$25,000 to \$35,000.

And a new Career Kick-Start program, with a price tag of \$190 million over three years, offers high school and post-secondary students co-op programs and other training opportunities designed to prepare them for the workforce.

No big pocketbook hits

The budget includes numerous measures that were announced in the weeks leading up to its unveiling, including 100,000 additional child-care spaces; measures to rein in the hot housing activity that's spread from Toronto to markets throughout the province; and a plan to reduce hydro rates by up to 25 per cent.

There is also little new on transit, although the government has increased the previously announced \$160 billion over 12 year infrastructure fund by \$30 billion and tacked on another year. There were few details about where that additional money is going, except that it will be absorbed into the funding for new hospitals, as well as capital projects for schools.

There's also little new that will immediately affect Ontarians' pocketbooks, except those who smoke. The Liberals are increasing the tax on a carton of cigarettes by \$10 over three years, starting with a \$2 jump that takes effect on Friday.

The government will also amend legislation to allow municipalities to bring in a hotel tax, which the City of Toronto has been asking to do. Asked whether that will allow them to bring in a tax on Airbnb units, the finance minister said that would be up to each municipality.

There's also little for affordable housing, other than a pilot project in which the province will donate land in Toronto that's worth between \$75 million and \$100 million to be devoted to the construction of 2,000 units.

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MACLEAN'S: ON BALANCE, A GOOD ELECTION BUDGET

Ontario eliminates deficit but their so-called balanced budget is far more precarious than the government is letting on

By: Joe Castaldo

April 27, 2017

<http://www.macleans.ca/economy/ontario-budget-2017-election-budget/>

The Ontario government tabled its first balanced budget in nine years, announcing a slew of spending measures to appeal to voters as an election looms in 2018. With approval ratings for Premier Kathleen Wynne tanking, the 2017 budget provides plenty of initiatives the government can tout in the coming months, not the least of which is the notion of fiscal responsibility.

But the Liberals' balanced budget is far more precarious than the government is letting on. Rosy economic projections could easily be derailed any number of risks, from protectionist sentiments in the U.S. to interest rates to a slowdown in the province's booming housing market.

The budget itself contained few surprises. Many initiatives have been previously announced, such as the province's Fair Hydro Plan, an effort to reduce electricity bills for consumers and businesses. Likewise, the Fair Housing Plan, a suite of measures designed help renters and first-time homebuyers in an overheated real estate market, was unveiled last week.

The major spending measures the Liberals have held back until now concern health care. The budget contains an additional \$7-billion "booster shot" to the sector, which the province says will improve access to care and expand mental health and addiction services.

The amount includes \$1.3-billion to reduce wait times, while hospital operating funding will increase by 3% to \$518 million. Also new is a plan to provide free prescription drug coverage to everyone under the age of 24, regardless of family income. The budget allots \$6.4 billion for education and training, and a \$30 billion increase to the province's multi-year infrastructure plan.

For Finance Minister Charles Sousa, though, the biggest accomplishment is eliminating the deficit. "We did it," Sousa declared in his prepared remarks. "The 2017 Ontario Budget is a balanced budget." Sousa intoned that the path to balance was not an easy one, demanding the government make critical choices along the way. Progressive Conservative leader Patrick Brown, meanwhile, accused the Liberals of using accounting tricks, such as one-time asset sales, to hide a \$5-billion operational deficit. "It's a scam," Brown said. "The numbers do not add up."

The focus on the deficits and surpluses is, in some ways, a distraction. More important is what's happening below the top line, and the risks to the assumptions behind the Liberals' projections.

The government is benefitting for now by a growing provincial economy. Last year, Ontario's GDP increased by 2.7%, outpacing the rest of Canada. A red-hot real estate market has played no small part in the province's economic fortunes, however. Residential investment, which includes a wide swath of real estate activity, accounted for nearly one-quarter of Ontario's 2.7% growth in GDP last year.

When it comes to the housing market, the province's finances benefit most directly through the land transfer tax, which is payable by property buyers. As a result of soaring home prices, the budget estimates revenue from the levy will be \$637 million higher than forecast last year, for a total of \$2.7 billion.

But the double-digit price increases in the Greater Toronto Area are not expected to last, especially when the government's intent with its recently announced housing measures is to tame the market. The government estimates that every percentage point change in either home prices or resales amounts to a \$26-million change in revenue from the transfer tax. Even accounting for a slower real estate market, the government assumes the tax will bring in a record \$3.1 billion over the coming fiscal year.

"Some of the projections seem optimistic," says Michael Dolega, a senior economist with TD Bank Group. The government assumes, for example, that business investment will rise 3.1% annually between 2017 and 2020 owing in part to solid U.S. demand and a low Canadian dollar. But business investment has been anemic for the past few years, a big concern for the Bank of Canada. Machinery and equipment investment in Ontario, the largest component of business investment, has averaged -1% growth since 2012.

Other risks to the government's forecast loom large, too. With interest rates at near rock bottom levels, borrowing costs are low, and the government is locking in for longer terms. But rates will inevitably rise, increasing borrowing costs in the future. The province estimates that a one percentage point increase in borrowing rates would cost it \$300 million.

Growing protectionist sentiments in the U.S., Canada's biggest trading partner, along with potential changes to the North American Free Trade Agreement, threaten to hamper exports too. Changes to U.S. tax policy add a further element of uncertainty. If U.S. President Donald Trump follows through on a promise to slash the corporate tax rate to 15%, that could cause companies to reconsider investing in Ontario, despite the province's moves to lower tax rates since 2009.

Provincial debt is still rising, and is projected to tick up to \$311 billion this fiscal year. Budget documents characterize that increase as "good debt", as it's tied to capital investments in infrastructure. Whether it lives up to the label "good debt" depends a lot on the government's ability to invest wisely. The reality is the province's finances remain concerning. Net debt-to-GDP stands at 37.8%, down slightly from a record high of 39.1% in 2014-15. The government set a goal to reduce it further to 35% by 2023-24. The Liberals don't anticipate returning to pre-recession levels until 2029-30—two decades after the financial crisis.

Projections that far into the future should be taken with a grain of salt. It's likely that at least another recession could hit between now and then. "It's going to leave the province vulnerable should there be an economic shock," Dolega says. When the last recession hit, Ontario's debt-to-GDP was in the mid-20s, on a percentage basis, which gave the province room to absorb the economic shock. The elevated levels of debt today and into the future leave Ontario far more vulnerable to the next downturn.

A short-term focus on balancing the budget will no doubt be helpful for the Liberals on the campaign trail next year. But addressing the underlying debt situation would also be helpful in the long run.

WINDSOR STAR: WINDSOR TO GET HOSPITAL, HIGH-SPEED RAIL FUNDING IN ONTARIO BUDGET

Windsor Star

Thu Apr 27 2017

Section: Local News

Byline: Chris Thompson, Windsor Star

Windsor's new hospital project has the green light to move forward and money will be put into exploring a high-speed rail line between Toronto and Windsor, the Ontario government announced in its budget released Thursday afternoon.

The Liberal government is promising billions of new dollars for health care in its first balanced budget in a decade, a fiscal plan designed to appeal to nearly everyone in the province ahead of an election next summer.

Crafted by a party in power since 2003 that has been faring poorly in the polls, the \$141-billion budget has measures targeted at both young and old, people who access the health care system and anyone who owns or rents a home and pays an electricity bill.

The budget promises an extra \$9 billion for hospital construction projects over 10 years, and announced newly approved hospital construction projects in Niagara, Windsor, Hamilton, Mississauga and the Weeneebayko hospital replacement project in northern Ontario, as well as a new \$2.5 million for the planning of an expansion to the Centre for Addiction and Mental Health (CAMH) in Toronto.

The budget includes an increase of \$518 million in hospital funding, a three-per-cent boost. It comes after hospitals warned of overcrowding and patients being placed in hallways, boardrooms and even cafeterias when there weren't enough beds. The Ontario Hospital Association had asked for a larger funding increase of 4.9 per cent.

Ontario will also move ahead with planning a high-speed rail corridor between Toronto, Kitchener-Waterloo, London and Windsor, the government said in the budget. The project could cut travel times from Toronto to Windsor from the current four hours to two.

The centrepiece of the budget's health care initiatives is a \$465-million-a-year pharmacare program for youth, which would cover prescription medications to treat most acute and common chronic conditions for people under the age of 25, with no deductible or co-payment.

In total, the government is promising \$11.5 billion in new spending on health care over three years, including money to address hospital overcrowding, funding for mental health and addiction services, cash for hospital construction projects, as well as home care.

The budget also includes funds for child care spaces, money to build schools, measures aimed at seniors and previously announced cuts to electricity bills and plans to cool the housing market.

The Liberals had promised no new taxes on families, though they are increasing tobacco taxes by \$10 per carton over the next three years and giving municipalities the power to introduce a hotel tax.

Windsor's new hospital would become the single acute care hospital in the city, built on a County Road 42 farm field that currently is the subject of a rezoning application. It would replace Windsor Regional's two campuses on Ouellette and Lens avenues. The plan also calls for an urgent care centre to be built at the former Grace hospital site, 60 new acute care mental-health beds at Hotel-Dieu Grace Healthcare's Tayfour campus and Hotel-Dieu Grace taking over the Ouellette site for outpatient mental-health services and chronic disease management.

The new rural location for the 1.5-million-square-foot acute care hospital has been opposed by Citizens for an Accountable Megahospital Planning Process, which has long argued that the new hospital should be located in Windsor's core. It has vowed to oppose the hospital's rezoning application.

More to come.

With files from The Canadian Press

WINDSOR STAR: NEWSALERT: BILLIONS IN HEALTH CARE IN BALANCED ONTARIO BUDGET

Windsor Star

Thu Apr 27 2017

Section: Business

Byline: The Canadian Press

TORONTO - Windsor's new hospital will receive new funding, as will wait times at Windsor Regional Hospital and the province has also allocated funding to explore a high-speed rail line between Toronto and Windsor in the provincial budget released Thursday afternoon.

The Liberal government is promising billions of new dollars for health care in its first balanced budget in a decade, a fiscal plan designed to appeal to nearly everyone in the province ahead of an election next summer.

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METRO NEWS: HIGHLIGHTS OF THE ONTARIO BUDGET UNVEILED THURSDAY

By: Paola Loriggio The Canadian Press
Published on Thu Apr 27 2017

<http://www.metronews.ca/news/toronto/2017/04/27/highlights-of-the-ontario-budget-unveiled-thursday.html>

TORONTO — Ontario's finance minister delivered the province's fiscal plan Thursday, the government's first balanced budget in a decade. Here are the highlights:

PHARMACARE FOR YOUTH

More than 4,400 prescription drugs will be free for anyone under 25 starting next year under the province's new pharmacare program.

The program, dubbed OHIP+, is meant to provide universal drug coverage to children and youth regardless of family income.

It will cover all drugs currently available under the Ontario Drug Benefit program, with no co-payment or deductible.

The province says the new system will cost \$465 million per fiscal year once it's up and running.

HEALTH CARE 'BOOSTER SHOT'

Ontario has budgeted \$11.5 billion in new health-care spending over the next three years, an amount that's \$7 billion higher than the province had previously planned.

The so-called "booster shot" includes \$1.3 billion to help cut wait times to see specialists, get key surgeries and access mental health services.

It also includes funds earmarked for hospital construction, such as new facilities in the Niagara and Windsor areas.

That spending will total \$9 billion over a decade.

GROWING DEBT

Despite reaching balance in its latest budget, Ontario's debt continues to grow — with projections putting it at \$312 billion for 2017-2018.

The province's net debt is expected to rise to \$336 billion in 2019-20.

Interest on debt is the fourth largest spending area, at \$11.6 billion.

CHILD CARE SPACES

Ontario is vowing to create 24,000 new licensed child care spots, 60 per cent of which would be government-subsidized.

That would come at a cost of \$200 million.

The province says it has already created 56,000 licensed child care spaces in recent years.

SCHOOL AND BEYOND

Ontario is vowing to build new schools in high-growth areas and help older facilities get a facelift.

The province is setting aside about \$16 billion in the next decade for new construction as well as renovations and retrofits to make existing schools more energy-efficient.

Students are also getting a hand with work experience, with \$190 million earmarked over three years to create 40,000 placements for them and for recent graduates.

HELP FOR SENIORS

Getting around using public transit will be slightly cheaper for Ontario seniors, who will be able to get part of their transit expenses refunded under a new tax credit.

The program, which is slated to kick in on July 1, will cover 15 per cent of eligible transit costs, up to \$130 per person annually.

It is expected to cost the province \$10 million a year.

Money is also being set aside — \$8 million over three years — for so-called elderly persons centres, which provide services such as meals on wheels and exercise classes.

The province's dementia strategy is also getting \$100 million over three years to support residents with dementia and those who care for them.

SUPPORT FOR INDIGENOUS RESIDENTS

Ontario's budget includes a number of measures meant to help the province's indigenous communities access education and justice, among other things.

The government is spending \$200 million over three years to boost postsecondary education and training opportunities for indigenous people.

Meanwhile, \$44.2 million will be spent in the next two years to expand or establish programs to make the justice system more culturally relevant, including the Gladue Program, which encourages courts to consider non-custodial sentences for indigenous offenders.

Another \$2 million will be spent in that same time frame to develop anti-racism programs that will be designed and delivered by indigenous people.

TAXES ON TOBACCO, HOTEL STAYS

The Liberals are increasing tobacco taxes and giving municipalities the power to levy a hotel tax.

Tobacco tax rates will rise by \$10 per carton of cigarettes over the next three years, starting with a \$2 bump that takes effect at midnight.

As for the hotel tax, the budget provides few details, but it will require amendments to the Municipal Act and the City of Toronto Act, which gives the city the authority to levy its own taxes, but that has so far excluded hotels.

LAND TRANSFER TAX REVENUE INCREASE

Southern Ontario's booming housing market poured hundreds of millions more than expected into Ontario's coffers last fiscal year.

It helped generate \$637 million more than projected in land transfer tax revenue. The land transfer tax is expected to bring in \$3.1 billion this fiscal year.

ONLINE PROTECTION PILOT PROJECT

Ontario wants to help its financial institutions improve their cybersecurity with a new \$4-million pilot project.

The project will pair financial institutions with companies working in the cybersecurity sector. The province says that will also help create high-tech jobs.

OPPOSITION PARTIES REACT

Ontario's opposition parties derided the Liberal government's budget.

Progressive Conservative Leader Patrick Brown says the fiscal plan is nothing but a ploy to win over voters ahead of next year's provincial election.

Ontario's NDP Leader Andrea Horwath, meanwhile, says the budget does nothing to address the needs of cash-strapped families already struggling with hydro bills and housing costs.

