2017 Document:
Scalable Initiatives for Consideration

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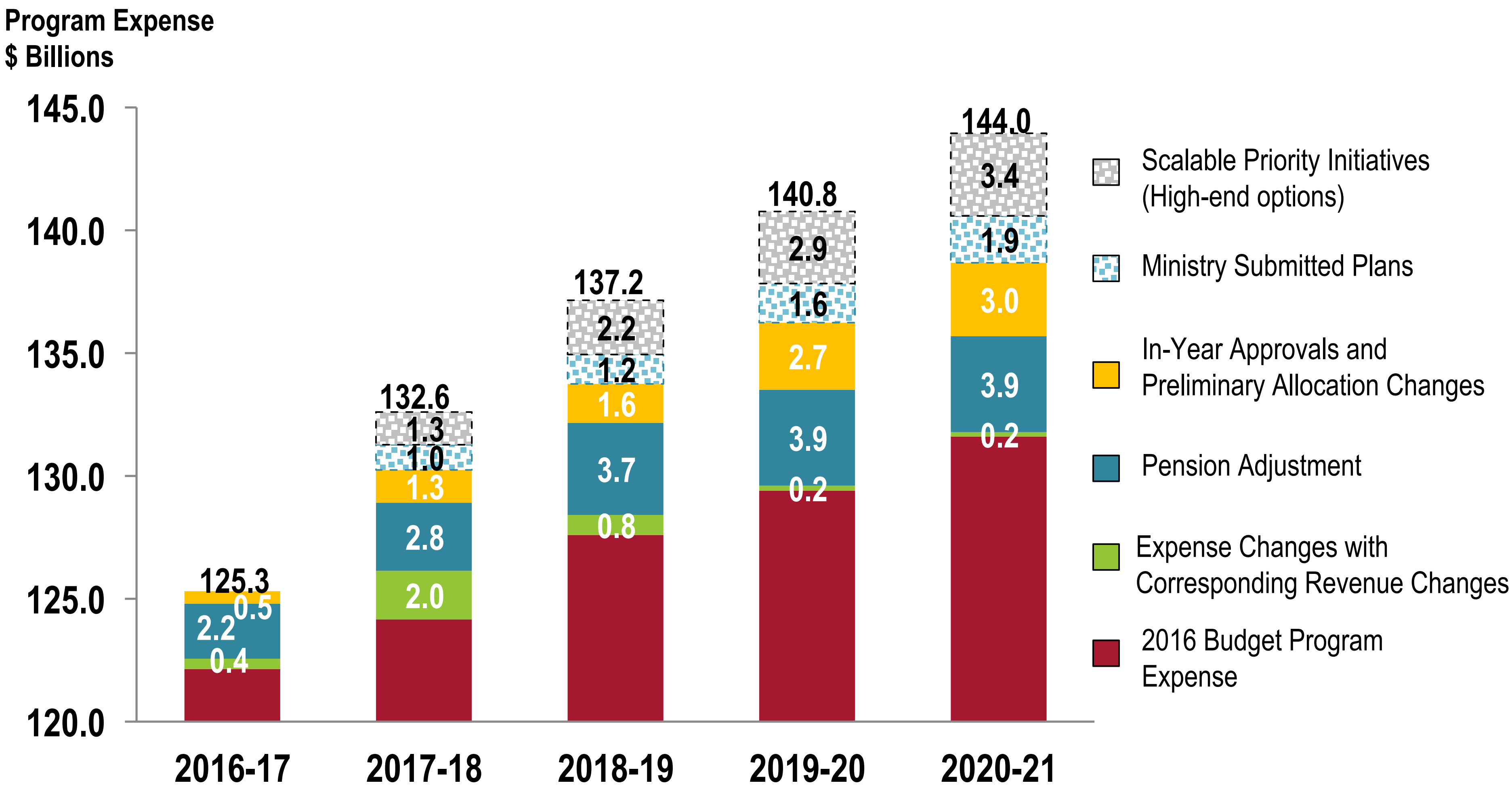
Contents

- Through ministry PRRT presentations, TB/MBC has heard about potential Scalable Initiatives that could be incorporated into the 2017 Budget.
- Part 1 provides a brief recap of what the government has done up until now, including 2017-18 PRRT approvals-in-principle.
- Part 2 provides a summary of the Scalable Initiatives proposed by ministries.

Part 1: RECAP

A brief recap of recent and current government investments, including 2017-18 PRRT approvals-in-principle.

PROGRAM EXPENSE CHANGES SINCE THE 2016 BUDGET



Growth in program expense is a key metric of fiscal sustainability. The average annual growth between 2015-16 and 2019-20 (the last year to appear in the 2017 Budget) is:

- 1.4% at the time of the 2016 Budget
- 2.7% including in-year approvals and Preliminary Allocations
- 3.0% including all ministry submitted plans
- 3.5% including scalable priority initatives

MAKING ONTARIO A MORE AFFORDABLE PLACE TO LIVE

The government has worked hard to make every day life more affordable for Ontarians. Recent and current initiatives include:

- **Electricity prices** – 8% rebates for residential, small business and farm electricity bills.
- **OSAP** reform – making average tuition free for students with financial need and improving affordability for middle-class families.
- **Drive Clean** – eliminating the $30 fee for vehicle emissions tests.
- **UP Express** – Reduced one-way fare from $19 to $9.
- **Natural Gas** Grant Program – expanding access to communities that do not currently have service.

$ Millions	2017-18	2018-19	2019-20	2020-21	Total
Approved Initiatives	1,152	1,199	1,176	1,150	4,677

The province is harnessing this growth in the economy to create more opportunity and security while preparing its workforce for the economy of tomorrow. Recent and current initiatives include:

- **Going Global** – expanding the province's presence in global markets.
- **Project Momentum / Jobs and Prosperity Fund** – support for Ontario's industry.
- **Ontario Youth Action Plan** – Addressing youth violence and resilience through youth-led grassroots groups.
- **Youth Job Strategy / Second Career** – providing employment and skills development opportunities.
- **Postsecondary Major Capacity Expansion / Strategic Investment Fund** – access to high-quality programs closer to home.

$ Millions	2017-18	2018-19	2019-20	2020-21	Total
Approved Initiatives	1,638	2,023	2,000	1,974	7,635

BUILDING STRONGER COMMUNITIES

Ontario continues to deliver health care that put patients first, promote access to education, invest in transportation infrastructure, and provide supports for families with low-incomes and special needs. Recent and current initiatives include:

- **Health** investments – for hospitals, stem-cell treatments, mental health, shingles vaccinations, hospices, and the First Nations health action plan.
- Additional **School Renewal** funding – ensuring safe and modern places to learn.
- **Transportation** investments – including increased GO rail and bus services, regional express rail, SmartTrack, municipal transit and highway expansion along with increasing the municipal share of Provincial gas tax.
- **Truth and Reconciliation** – actions co - developed and implemented with Indigenous partners.
- **Social Services** investments – in Autism, Child Welfare Reform, Affordable Housing, along with exempting child support payments from benefit calculations.
- **Criminal Justice System Reform** investments – for immediate actions to improve conditions of confinement, reduce time to trial and enhance the bail and remand system.

$ Millions	2017-18	2018-19	2019-20	2020-21	Total
Approved Initiatives	2,110	3,450	4,245	5,321	15,126

Part 2: SCALABLE INITIATIVES

A summary of the Scalable Initiatives proposed by ministries.

Context

- As part of ministry PRRT presentations, TB/MBC members have heard about proposals for potential Scalable Initiatives to include in the 2017 Budget.
- Not all of these initiatives can be accommodated in the fiscal plan.
- The following slides provide a summary of the main proposals.
- Provide an opportunity to identify priorities and provide advice to the President of Treasury Board and the Minister of Finance.

MAKING ONTARIO A MORE AFFORDABLE PLACE TO LIVE

Initiative	

Childcare spaces	• Capital and ongoing operating funding for 100,000 new child care spaces for infants, toddlers, and pre-schoolers:
	  • in schools and the broader public sector
	  • in communities
	  • operating fee subsidy

Seniors Investments	• Expansion of Senior Community Grant • Fund a portion of cost per suite to install automated sprinklers in small/rural retirement homes • New Elderly Persons Centres • Additional funding to current Elderly Persons Centres

Childcare spaces:

$M	2017-18	2018-19	2019-20	2020-21
Estimated fiscal impact	160	452	634	715

Seniors Investments:

$M	2017-18	2018-19	2019-20	2020-21
Low – High	9.5 – 19.9	13.0 – 28.4	6.0 – 10.4	2.7 – 6.1

INVESTING IN TODAY'S JOBS

Initiative	

Highly-Skilled Workforce	• Expansion of Specialist High Skills Major (SHSM) program to a % of Grade 11 and 12 students
	• Establishment of:
	  • HSW Demonstration and Strategic Productivity Fund
	  • College Sustainability Fund
	  • Technology Fund for improved digital literacy of Ontario's adults
	  • System Navigation network and intake process (IT solution)
	• Investments in:
	  • Initiatives in experiential learning and essential skills programming
	  • Apprenticeship modernization
	  • International Postsecondary Education Strategy
	  • Access Strategy for Indigenous peoples and persons with disabilities
	  • Improved access to OSAP for adult learners

Youth Jobs Strategy	• Investments in:
	  • New mental health supports for post-secondary students including funding for institutions to hire mental health service worker(s) and Aboriginal mental health worker(s)
	  • Existing youth programing –
	    • Youth Job Connection
	    • Youth Job Link
	    • Youth Entrepreneurship Fund
	    • Youth Skills Connections
	    • Youth Investment Accelerator Fund

OSAP	• Enhancements to fully exempt RESP contributions • Increased support for Indigenous learners • Additional year to complete income verification

Highly-Skilled Workforce:

$M	2017-18	2018-19	2019-20	2020-21
Low – High	112.6 – 251.9	123.8 – 300.4	134.2 – 343.4	135.8 – 353.1

Youth Jobs Strategy:

$M	2017-18	2018-19	2019-20	2020-21
Low – High	30.4 – 69.7	29.9 – 69.7	29.9 – 69.7	29.9 – 69.7

OSAP:

$M	2017-18	2018-19	2019-20	2020-21
Low – High	31.0 – 64.0	33.0 – 76.0	35.0 – 80.0	37.0 – 85.0

INVESTING IN TOMORROW'S ECONOMY

Initiative	

Business Growth Initiatives (BGI)	• Expansion of:
	  • Graduating Loans program
	  • Scale Up Wrap-Around Services
	  • Advanced Manufacturing Innovation Network Top-Up
	• Investments in transformative technologies:
	  • 5G
	  • Connected Vehicles
	  • Quantum Valley Ideas Lab
	  • Cybersecurity Pilot
	  • Other Quantum Computing
	  • Fintech
	  • Smart Cities

Going Global/ Export Trades Strategy	• Extension of Going Global & international trade missions Budget initiative to support long-term planning
	• Locally Engaged Staff (LES) from Global Affairs Canada
	• Investments in:
	  • Trade services to grow small / medium businesses
	  • Ontario Chamber of Commerce for the Global Growth Fund

Project Momentum	• Investments in: Honda, Toyota, Ford

Business Growth Initiatives (BGI)

$M	2017-18	2018-19	2019-20	2020-21
Low – High	61.9 – 87.5	61.2 – 96.5	46.1 – 91.3	21.7 – 72.9

Going Global/ Export Trades Strategy

$M	2017-18	2018-19	2019-20	2020-21
Low – High	9.4 – 13.6	11 – 13	16 – 23	21.1 – 28.2

Project Momentum

$M	2017-18	2018-19	2019-20	2020-21
Up to	80.3	80.3	66.6	55.2

BUILDING STRONGER COMMUNITIES: HEALTH

MOHLTC approved in principle PRRT includes year-over-year growth at 3% including investments in hospitals (2.8% growth annually), physician services budget (2.5% growth annually), stem cell treatments, mental health and other priorities

$ Millions	2017-18	2018-19	2019-20	2020-21	Total
Health at 3% growth	549	1,188	1,775	2,407	5,919

In addition to growth included in the 3% plan, the ministry has requested incremental funding for items listed below without scalable options:

Initiative

Compensation for Allied Health Professionals

- Increased compensation for primary care workers: nurses, dieticians, pharmacists, receptionists

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	35.2	64.3	99.5	139.3

Supporting Seniors and Dementia Strategy

- Home and community dementia supports, ALC beds, long-term care home supports

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	35.0	139.0	209.2	336.2

Community Mental Health and Addiction

- If health accord reached up to $40M more in 2017-18 for mental health services (no fiscal impact)

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	40.0	96.0	170.0	230.0

Vaccinations

- Expanded use of vaccines including funding more effective flu vaccines

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	26.0	26.0	26.0	26.0

Northern Travel Grant Enhance

- Increased payments for lodging to support access and equity

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	9.9	9.9	9.9	9.9

Alcohol Strategy

- Screening, interventions and additional human resource capacity (in addition to MCYS components)

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	10.0	25.0	25.0	25.0

BUILDING STRONGER COMMUNITIES: EDUCATION

Initiative	

Tentative Education Sector Labour Agreements	• Compensation increases in both years of the agreements and investments in professional development.
	• Targeted sector investments for teachers and education workers to support special education and other staffing priorities.
	• Investments to reduce class sizes:
	  • Full Day Kindergarten class size caps of 30 in 2017-18 and 29 in 2018-19 with up to 10% of classes that can be as high as 32 under certain circumstances
	  • Grade 4 to 8 reductions in school boards with average class sizes that currently exceed 24.5
	• One-time investment in apprenticeship and other professional development opportunities.

$M	2017-18	2018-19	2019-20	2020-21
Estimated costs	456	783	1,121	1,209

BUILDING STRONGER COMMUNITIES: TRANSPORTATION

Initiative	

GO Transit	• Support for the operating needs of:
	  • New infrastructure coming into service
	  • Customer service requirements to manage increased operations
	  • New rail trips as part of the Regional Express Rail “Quick Wins”
	  • Other general operating expenses
	• Three-year fare freeze
	• New TTC fare integration initiative

$M	2017-18	2018-19	2019-20	2020-21
Low – High	24.2 – 51.7	40.4 – 102	66.2 – 146.2	67.8 – 153.5

BUILDING STRONGER COMMUNITIES: SOCIAL SERVICES

Initiative	

Developmental Services, including investment in complex special needs	• Eliminate backlog of adults in children's system
	• Address backlog of inappropriately housed individuals
	• Improve information management/IT capacity
	• Investments in
	  • transition homes
	  • forensic patient beds
	  • transformative initiatives, including Passport

Income Security Reform	• 2% - 4% across the board rate increase and asset limits increases • Harmonization of health benefits in Social Assistance
Basic Income Pilot	• Increase to $25M base allocation to increase number of pilot recipients and sites
Fetal Alcohol Spectrum Disorder (FASD)	• Additional workers • Parent support networks • Support services developed by Indigenous partners • Public education campaign • One-stop access to info/training • Advisory Group and research initiatives
Refugee Settlement	• Extension of funding for refugee re-settlement services
Multicultural Community Capacity Grant	• Establish grant to support civic and community engagement and capacity building projects

Developmental Services

$M	2017-18	2018-19	2019-20	2020-21
Low - High	112.8 – 191.3	202.3 – 382.6	311.4 - 587.7	428.2 - 770

Income Security Reform

$M	2017-18	2018-19	2019-20	2020-21
Low - High	71.4 – 135.6	134.3 – 288.3	139.9 - 398.6	141.8 - 403.3

Basic Income Pilot

$M	2017-18	2018-19	2019-20	2020-21
Low - High	25 – 50	25 – 50	25 – 50	25 – 50

Fetal Alcohol Spectrum Disorder (FASD)

$M	2017-18	2018-19	2019-20	2020-21
Low - High	5.8 – 8.5	5.3 – 8.6	6.2 – 8.9	5.7 – 8.9

Refugee Settlement

$M	2017-18	2018-19	2019-20	2020-21
Estimated fiscal impact	NA	NA	4.5	4.5

Multicultural Community Capacity Grant

$M	2017-18	2018-19	2019-20	2020-21
Estimated fiscal impact	0 - 0.1	0 – 2.4	0 – 3	0 – 3

BUILDING STRONGER COMMUNITIES: JUSTICE

Initiative	
Criminal Justice System Reforms	Multi-ministry initiatives to modernize the correctional services system (announced December 2016). These include: • MAG - reducing time to trial by appointing 13 more judges and enhancing the bail and remand system. • MCSCS - hiring 239 additional corrections staff to improve conditions of confinement and support. • MOHLTC - strengthening mental health supports throughout the justice process: pre-charge, in-custody and post-release.

$M	2017-18	2018-19	2019-20	2020-21
Low – High	30 – 47.4	70 – 142.9	75 – 154.8	75 – 154.7