

Fiscal Update Deck



OFFICE OF ECONOMIC POLICY



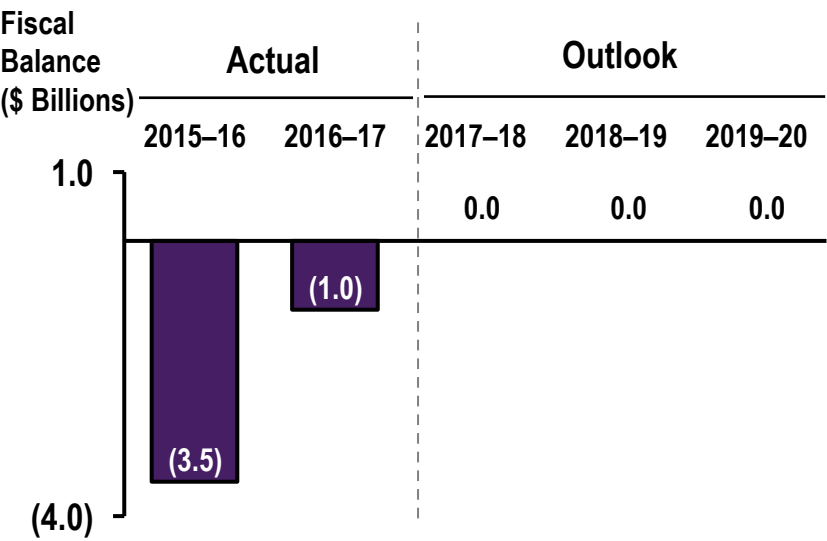
MINISTRY OF FINANCE



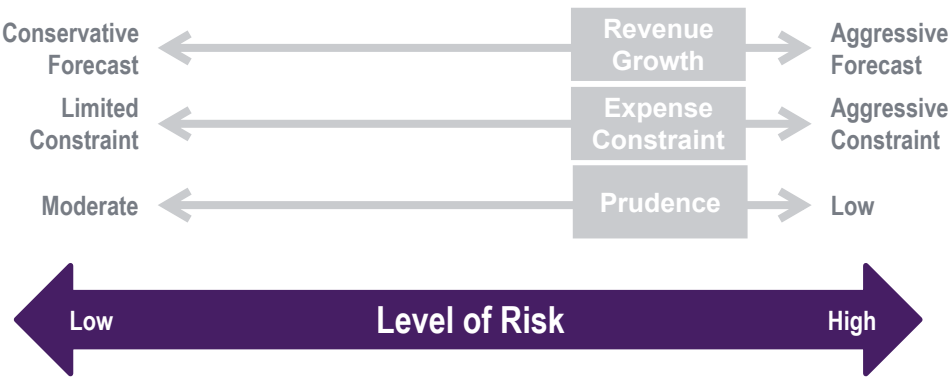
Presentation to Cabinet on January 30

Recapping the 2017 Budget and FES Fiscal Architecture

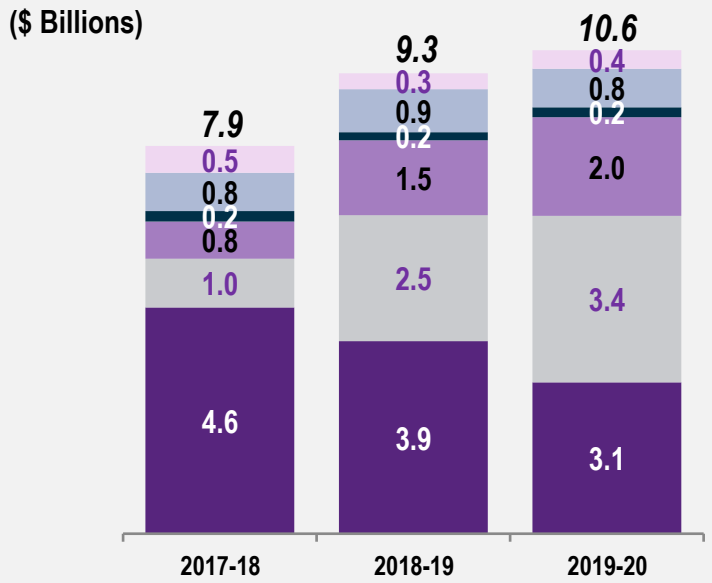
2017 Budget and FES Fiscal Projections



The Underlying Fiscal Architecture



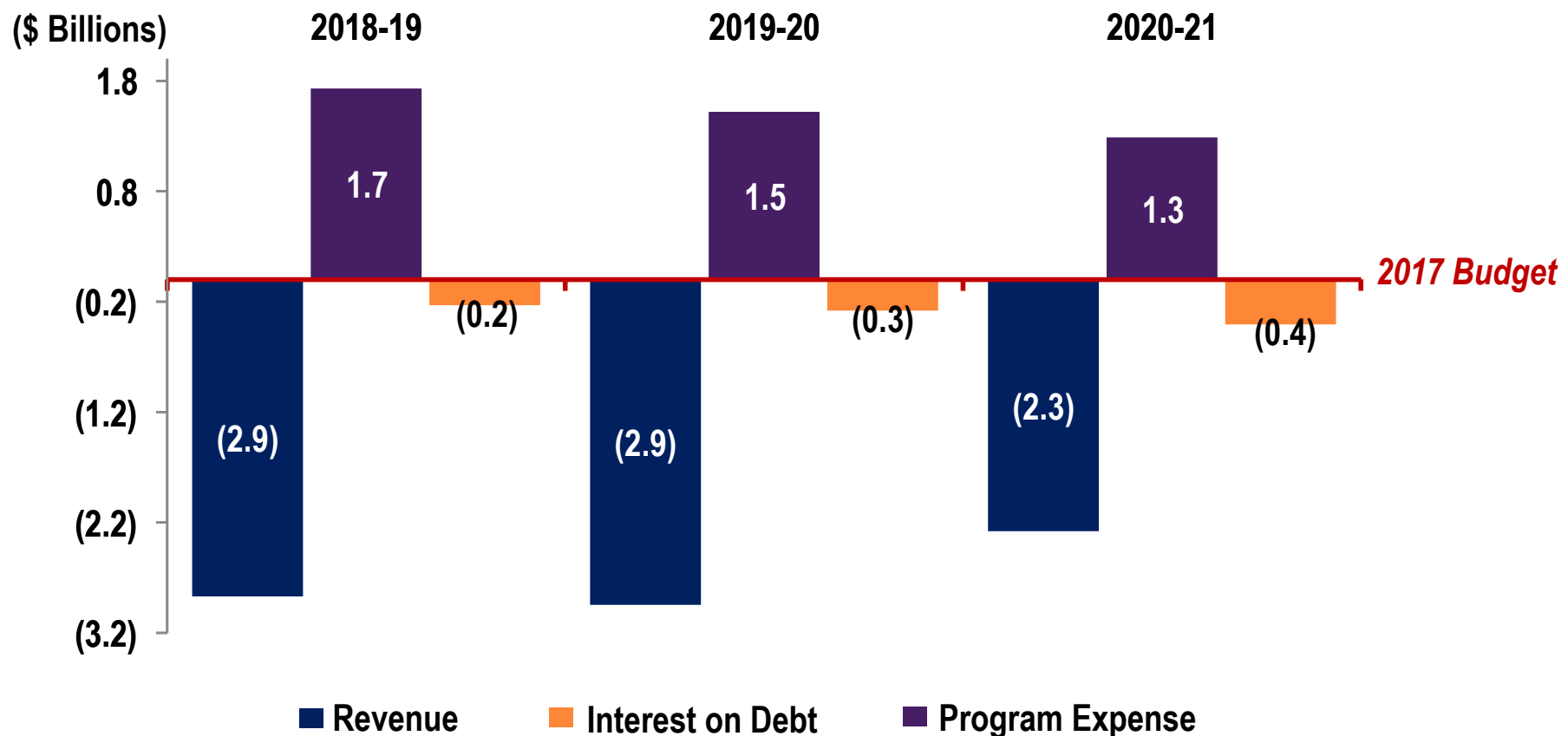
Significant New Investments in 2017 Budget



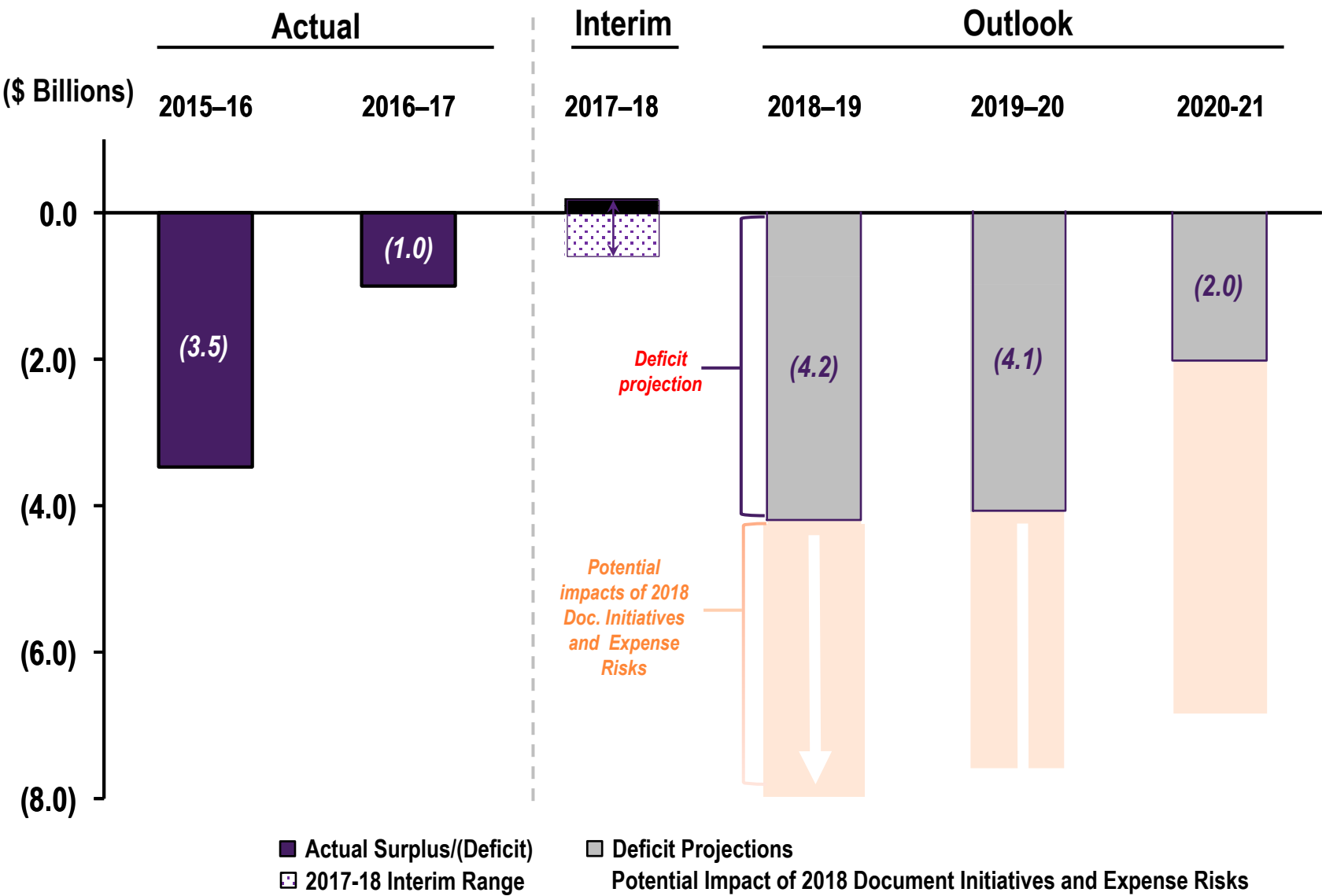
- Postsecondary and Training:** Reforms to OSAP; Highly Skilled Workforce Initiative.
- Children's and Social Services:** Social Assistance; Developmental Services; Basic Income Pilot; Autism Reform; Child Welfare Reform.
- Justice Sector:** Action Plan for Reconciliation; Corrections Reform; Compensation.
- Education:** Child Care Expansion; higher than projected enrolment.
- Health:** \$7 billion booster shot includes hospital base funding, OHIP, and drug program.
- Other Programs:** Fair Hydro Plan; Greenhouse Gas Reduction Account.

Revenue, Expense and IOD since the 2017 Budget

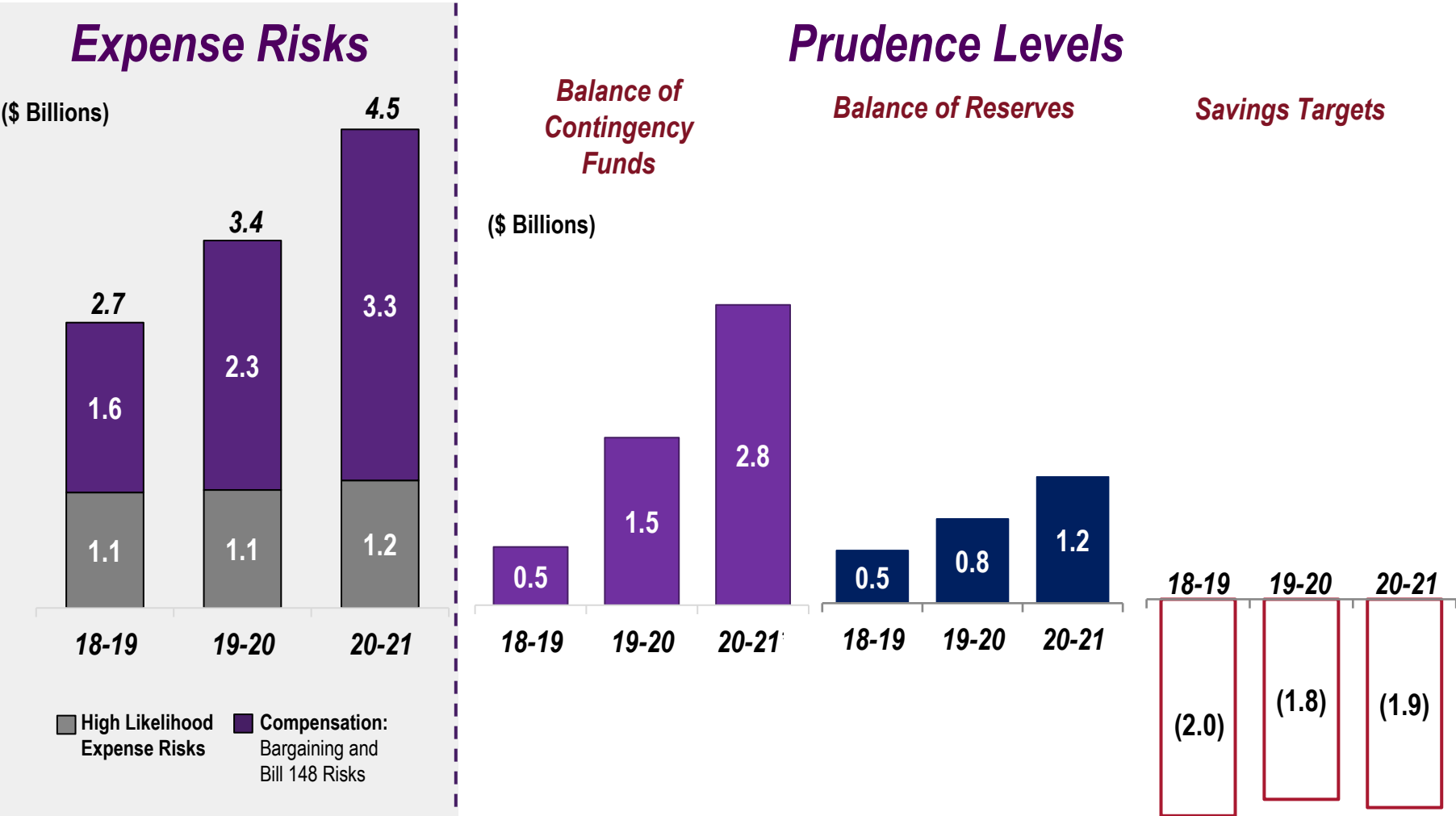
Revenue, Program Expense and IOD Changes Relative to the 2017 Budget



Impact of Revenue and Expense Information to Date



Prudence and Risks



Forthcoming Information will Impact the Fiscal Outlook

Revenue

- Revisions to the economic growth outlook, including the outlook for the housing market;
- Finalization of 2016 tax assessments;
- Revised Government Business Enterprise net income projections; and
- Potential impact of Federal Budget changes
- Meeting with private sector economists

Expense

- 2018 Document initiative decisions
- Interest on debt forecast updates
- Impact of expense pressures that ministries have been asked to manage from within
- Implications of Federal Budget (cost matching requirements)

