# Program Expense Outlook

Sunday, March 5, 2017 2:00pm

| $ Millions | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Avg. Annual 15-16 to 19-20 | Avg. Annual 16-17 to 19-20 |
|---|---|---|---|---|---|---|
| **2016 Budget Program Expense** | **124,163** | **127,590** | **129,415** | **131,641** | 1.4% | 1.9% |
| Annual Growth | 1.7% | 2.8% | 1.4% | 1.7% | | |
| *In-Year Revenue Offset* | | | | | | |
| MAESD: Strategic Investment Fund | 263.8 | 66.2 | - | - | | |
| MEDEI: Clean Water and Wastewater Fund | 341.7 | 142.4 | - | - | | |
| Total: In-Year Revenue Offset | 605.4 | 208.6 | - | - | | |
| Pension change (HOOPP, CAATPP) | 81.0 | 681.0 | 769.0 | 769.0 | | |
| *Contingency fund and Year-end Savings* | | | | | | |
| Contingency Fund: 2016 FES changes | (581.4) | (600.0) | - | - | | |
| Year-end Savings: 2016 FES changes | (200.0) | (200.0) | - | - | | |
| Total: Contingency fund and Year-end Savings | (781.4) | (800.0) | - | - | | |
| *In-year / Prelim Allocations* | | | | | | |
| MOHLTC: Base funding increase | 140.0 | 280.0 | 420.0 | 560.0 | | |
| MOHLTC: Revision to Drug Strategy | 170.0 | 188.0 | 238.0 | 288.0 | | |
| MOHLTC: First Nations Health Action Plan | 64.0 | 88.0 | 87.0 | 87.0 | | |
| EDU: School Renewal (for 2 years) | 44.0 | 42.0 | 42.0 | 42.0 | | |
| EDU: School Board Principals and Vice-Principals | 8.0 | 14.0 | 15.0 | 15.0 | | |
| MAESD: OSAP 2016 Budget commitment | 50.0 | 50.0 | 50.0 | 50.0 | | |
| MCYS: Child Welfare Reform | 3.0 | 35.0 | 46.0 | 50.0 | | |
| MCYS: First Nations Health Action Plan | 12.0 | 18.0 | 18.0 | 18.0 | | |
| MCYS: Autism Reform | 65.0 | 5.0 | 5.0 | - | | |
| MCSS: Funding for forecasted Social Assistance pressures | 286.0 | 450.0 | 541.0 | 641.0 | | |
| MCSS: Child Support Payments Exemption | 15.0 | 15.0 | 15.0 | 15.0 | | |
| OMAFRA: Relief from Business Supports savings target | 79.0 | 79.0 | 79.0 | 79.0 | | |
| ENERGY: Electricity Price Mitigation (net of cap-and-trade offset) | 946.0 | 944.0 | 944.0 | 944.0 | | |
| ENERGY: First Nations H1 Ownership | 15.0 | 15.0 | 15.0 | - | | |
| MTCS: Relief from Business Supports savings target | 44.0 | 44.0 | 44.0 | 24.0 | | |
| MTCS: Fort William Flood Mitigation Project Delay | 9.0 | - | - | - | | |
| MTO: UP express operating subsidy | 37.0 | 38.0 | 36.0 | 37.0 | | |
| MTO: Transit funding (Yonge north subway, relief line, other municipal | 62.0 | 40.0 | 74.0 | 50.0 | | |
| TBS: Bulk Media Buy Base Increase | 10.0 | 10.0 | 10.0 | 10.0 | | |
| Various ministries: New resource requirements | 29.0 | 27.0 | 27.0 | 27.0 | | |
| Various ministries: Tax credit and other forecast updates | 23.0 | 5.0 | 20.0 | 44.0 | | |
| All other changes | 1.7 | 2.9 | 7.1 | 8.4 | | |
| Total: In-year / Prelim Allocations | 2,112.7 | 2,389.9 | 2,733.1 | 2,989.4 | | |
| **In-year changes and allocation adjustments** | **2,017.7** | **2,479.5** | **3,502.1** | **3,758.4** | | |
| **PRELIMINARY ALLOCATION OUTLOOK** | **126,181** | **130,069** | **132,917** | **135,399** | 2.4% | 2.6% |
| Annual Growth | 2.5% | 3.1% | 2.2% | 1.9% | | |

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| $ Millions | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Avg. Annual 15-16 to 19-20 | Avg. Annual 16-17 to 19-20 |
|---|---|---|---|---|---|---|
| *Approved-in-Principle - has set-aside* | | | | | | |
| MOHLTC: various programs | 518.0 | 714.0 | 832.0 | 966.0 | | |
| EDU: Primarily compensation and Provincial Benefits Trust | 341.9 | 735.1 | 1,045.1 | 1,323.6 | | |
| MCSS: Primarily Benefits Transformation relief | 67.0 | 61.5 | 46.3 | 31.0 | | |
| MAG/MCSCS: Primarily compensation | 95.6 | 103.4 | 101.4 | 101.4 | | |
| MOI: Natural Gas Grant Program | - | 32.3 | 20.2 | - | | |
| MOI/MTO: Moving Ontario Forward | - | 323.2 | 212.5 | 249.8 | | |
| All other items | 36.6 | 34.7 | (10.5) | (22.3) | | |
| Contingency fund | (1,059) | (2,004) | (2,247) | (2,649) | | |
| Total Approved-in-Principle - has set-aside | - | - | - | - | | |
| Cap-and-Trade (chg in forecast, timing) | (389.7) | 309.6 | 325.1 | 363.6 | | |
| *Expense with Revenue Offset* | | | | | | |
| MTO: Public Transit Infrastructure Fund (PTIF) | 890.8 | 370.3 | - | - | | |
| OPPA compensation (payments from municipalities) | 20.5 | 25.2 | 24.6 | 24.6 | | |
| All other (Victims Jutice Fund, other SPAs) | 42.9 | 10.5 | 2.4 | 2.2 | | |
| Total: Expense with Revenue Offset | 954.2 | 406.0 | 27.0 | 26.8 | | |
| *Approved-in-Principle above allocation* | | | | | | |
| MOHLTC: various programs | (46.9) | 257.2 | 585.6 | 943.0 | | |
| EDU: Grants for Student Needs | 133.5 | 211.0 | 265.1 | 327.1 | | |
| EDU: All other (mainly labour agreements beyond set-asides) | (7.8) | 116.4 | 223.3 | (177.6) | | |
| MCSS: Various items (mainly SA savings in 19-20 and 20-21) | (7.3) | (10.8) | (81.1) | (125.5) | | |
| MAG/MCSCS: PSRN savings in 2017-18 and 2018-19 only | (59.4) | (62.7) | - | - | | |
| MAG/MCSCS: mainly corrections reform | 88.7 | 68.4 | 62.5 | 58.3 | | |
| ENE: Electricity Price Mitigation Programs | 665.0 | 753.0 | 829.0 | 892.0 | | |
| ENE: Affordability Fund | 50.0 | 50.0 | - | - | | |
| MOI: 2019-20 and 2020-21 due to GREP and IO consolidations | 16.6 | (17.0) | 85.0 | 98.7 | | |
| MNDM: Mainly N. Ont. Heritage Fund and Hwy Amortization | 28.4 | 32.8 | 30.9 | 26.3 | | |
| MTO: Mainly PRESTO, and capital reprofiling in 2017-18 | 169.0 | 63.5 | 59.8 | 68.9 | | |
| All other items | 16.8 | 52.9 | (13.9) | (69.8) | | |
| Total: Approved-in-Principle above allocation | 1,046.6 | 1,514.8 | 2,046.2 | 2,041.4 | | |
| *Pension Forecast Updates* | | | | | | |
| TPP: Forecast Update | 289.0 | 332.0 | 115.0 | 115.0 | | |
| TBS-PP: Pension forecast update | 147.5 | 142.4 | 157.4 | 158.4 | | |
| MAESD: CAATPP forecast update | (13.0) | (18.0) | (26.0) | (26.0) | | |
| MOHLTC: HOOPP Forecast Update | 1.0 | - | (66.0) | (66.0) | | |
| Total: Pension Forecast Updates | 424.5 | 456.4 | 180.4 | 181.4 | | |
| *Other Approved-in-Principle* | | | | | | |
| MEDG/MRIS: Project Momentum (Honda) | 8.4 | 10.0 | 10.0 | 3.1 | | |
| MEDG/MRIS: Project Momentum (Ford) | 20.5 | 5.0 | 25.0 | 10.0 | | |
| Board of Internal Economy Forecast Update | 6.0 | 6.0 | 6.0 | 6.0 | | |
| Total: Other Approved-in-Principle | 34.8 | 21.0 | 41.0 | 19.0 | | |

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| $ Millions | 2017-18 | 2018-19 | 2019-20 | 2020-21 | Avg. Annual 15-16 to 19-20 | Avg. Annual 16-17 to 19-20 |
|---|---|---|---|---|---|---|
| *Deferred - Proceed - Expense with Revenue Offset* | | | | | | |
| ENE: Accel H1 Share Sale in 17-18 | 30.0 | - | - | - | | |
| ENE: First Nations Conferred Benefit Amount - H1 | 135.0 | - | - | - | | |
| MTO: Public Transit Infrastructure Fund (PTIF) | 221.8 | - | - | - | | |
| OMAFRA: Ont Small Cidery Small Distillery Support Prog | 1.9 | 1.7 | 1.7 | - | | |
| Total: Deferred - Proceed - Expense with Revenue Offset | 388.6 | 1.7 | 1.7 | - | | |
| **Approved-in-principle** | **2,459.1** | **2,709.6** | **2,621.4** | **2,632.3** | | |
| **OULTOOK WITH APPROVED-IN-PRINCIPLE** | **128,640** | **132,779** | **135,539** | **138,031** | 2.9% | 3.2% |
| Annual Growth | 4.4% | 3.2% | 2.1% | 1.8% | | |
| Must-Do deferred items | | | | | | |
| CFUND: restore 2017-18 combined contingency funds to $600M | 444.2 | - | - | - | | |
| ENE: Transfer Payment to First Nations | 30.0 | (15.0) | (15.0) | - | | |
| MOECC: Drive Clean | 38.5 | 9.6 | - | - | | |
| MNRF: Invasive Species Act (non-FTE funding request) | 1.8 | 2.3 | 2.3 | 2.3 | | |
| MOF: Funding to support Gov. Business Enterprises office | 8.1 | 8.1 | 8.1 | 8.1 | | |
| MTO: Provincial Gas Tax Program | - | - | 80.3 | 160.5 | | |
| MTO: Planned Re-tenders (Sudbury, Niagara/Hamilton) | - | 8.0 | 8.2 | 8.3 | | |
| MTO: Expanded Emergency Response Coverage | 4.5 | 4.6 | 4.7 | 4.8 | | |
| MTO: Maintenance of New Highway Infrastructure Expansion | 0.8 | 1.0 | 2.9 | 3.2 | | |
| Total: Must-Do deferred items | 527.8 | 18.6 | 91.4 | 187.1 | | |
| **Must-Do deferred items** | **527.79** | **18.57** | **91.36** | **187.12** | | |
| **OULTOOK WITH APPROVED-IN-PRINCIPLE** | **129,167** | **132,797** | **135,630** | **138,219** | 2.9% | 3.2% |
| Annual Growth | 4.8% | 2.8% | 2.1% | 1.9% | | |
| **"Managed down" Scalable Investments** | **815.0** | **1,363.2** | **1,683.8** | **1,799.8** | | |
| **OUTLOOK WITH MUST-DO DEFERRED ITEMS AND SCALABLE INITIATI** | **129,982** | **134,161** | **137,314** | **140,018** | 3.2% | 3.7% |
| Annual Growth | 5.5% | 3.2% | 2.4% | 2.0% | | |

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|---|---|---|---|---|---|---|
| NOTE: The following are not included in any of the outlooks presented above | | | | | | |
| Other Technical Items (consolidations under review) | (253.0) | (184.0) | (106.6) | (117.6) | | |
| Total Resource Requests, FTEs and Related Decisions | 31.2 | 31.3 | 24.2 | 23.5 | | |
| Boulder Related | (0.8) | 1.2 | 0.5 | 1.0 | | |
| *Potential Document Initiatives* | | | | | | |
| MOHLTC: 12 Hospital projects | - | - | - | - | | |
| EDU: School Renewal - New Request | (15.0) | (2.8) | 20.0 | 42.3 | | |
| EDU: Temporary Accommodations - New Request | - | 4.3 | 8.3 | 12.3 | | |
| MAG: AFP Courthouse Development - Halton Stage 2 | 3.2 | 3.8 | - | - | | |
| MCSCS:New Multi-purpose Facilities - Thunder Bay & Ottawa | 2.4 | 7.6 | 9.0 | - | | |
| MCSCS: Other First Nations Policing Infrastructure | 5.0 | 5.0 | 5.0 | 5.0 | | |
| MCSCS: Corrections Rehab & Renewal (addressing FCI) | 6.5 | 6.5 | - | - | | |
| MOECC: Various Initiatives (Great Lakes Science, Resources Rd) | 6.7 | 9.8 | 4.2 | 3.7 | | |
| MOI: Rightsizing the Realty Portfolio | 7.9 | 6.8 | - | - | | |
| MOI: Community Hubs Appropriation Fund | 15.0 | - | - | - | | |
| MOI: Safe and Sustainable - 2020 & 2030 GHG Targets | 12.6 | 14.1 | 8.9 | 9.9 | | |
| MNRF: Indigenous Relations - Resource Revenue Sharing | 1.8 | 1.8 | 0.1 | 0.1 | | |
| MNDM: Min Dev Invest & Opp - OFFTS Tax Credit TP | 4.1 | - | - | - | | |
| MNDM: Aboriginal Relations - Resource Revenue Sharing | 2.1 | 2.8 | 1.6 | 1.6 | | |
| All other items | 0.4 | 0.5 | 1.4 | 5.3 | | |
| Total: Potential Document Initiatives | 52.6 | 60.3 | 58.6 | 80.3 | | |
| *Capital Deferred Items* | | | | | | |
| Capital Plan and Related Operating Decisions Major Projects | 0.7 | 1.1 | 4.4 | (3.9) | | |
| Capital Plan and Related Operating Decisions Renewal | 26.6 | 62.7 | 63.4 | 64.5 | | |
| Capital Plan and Related Operating Decisions Other | 14.7 | 28.7 | (4.8) | 23.6 | | |
| Total: Capital Deferred Items | 42.0 | 92.5 | 63.0 | 84.3 | | |
| MOL: Health and Safety Assoc. Transformation (FN) | 1.2 | 0.3 | 0 | 0 | | |
| Total Not Included | (127) | 1 | 40 | 72 | | |