



**Planning and Expenditure Management  
Division**

## **Background: Program Expense**

**September 19, 2017 10:00 am**

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# 2017 Budget Medium-Term Expense Outlook



| (\$ Billions)                            |                   |                    |                 |              |              |                                                   |
|------------------------------------------|-------------------|--------------------|-----------------|--------------|--------------|---------------------------------------------------|
|                                          | Actual<br>2015–16 | Interim<br>2016–17 | Plan<br>2017–18 | Outlook      |              | Average<br>Annual Growth<br>2015–16<br>to 2019–20 |
|                                          |                   |                    |                 | 2018–19      | 2019–20      |                                                   |
| <b>Programs</b>                          |                   |                    |                 |              |              |                                                   |
| Health Sector                            | 51.0              | 52.2               | 53.8            | 56.3         | 58.1         | 3.3%                                              |
| Education Sector <sup>1</sup>            | 25.0              | 25.7               | 26.5            | 27.4         | 28.0         | 2.8%                                              |
| Postsecondary and<br>Training Sector     | 7.7               | 7.8                | 8.4             | 8.3          | 8.4          | 2.5%                                              |
| Children's and Social<br>Services Sector | 15.6              | 16.2               | 16.9            | 17.2         | 17.4         | 2.7%                                              |
| Justice Sector                           | 4.5               | 4.6                | 4.7             | 4.7          | 4.8          | 1.2%                                              |
| Other Programs                           | 17.1              | 17.0               | 19.2            | 18.4         | 19.2         | 2.9%                                              |
| <b>Total Programs</b>                    | <b>120.9</b>      | <b>123.5</b>       | <b>129.5</b>    | <b>132.3</b> | <b>135.8</b> | <b>2.9%</b>                                       |
| Interest on Debt                         | 11.0              | 11.3               | 11.6            | 12.0         | 12.6         | 3.6%                                              |
| <b>Total Expense</b>                     | <b>131.9</b>      | <b>134.8</b>       | <b>141.1</b>    | <b>144.3</b> | <b>148.4</b> | <b>3.0%</b>                                       |

<sup>1</sup> Excludes Teachers' Pension Plan. Teachers' Pension Plan expense is included in Other Programs.

*Note:* Numbers may not add due to rounding.

# 2017 Budget Sector Highlights



- Health sector expense is projected to grow on average by 3.3 per cent per year between 2015–16 and 2019–20 as a result of targeted funding for hospital services, reduced wait times, new children and youth pharmacare, investments to increase access to primary care, home care and community care, and increased supports for people requiring mental health and addictions services.
- Education sector expense is projected to grow on average by 2.8 per cent per year between 2015–16 and 2019–20, mainly due to increased funding to school boards to support enrolment growth and new investments in child care.
- Postsecondary and training sector expense is projected to grow on average by 2.5 per cent per year between 2015–16 and 2019–20, mainly due to investments in the Highly Skilled Workforce initiatives and postsecondary infrastructure investments.
- Children's and social services sector expense is projected to grow on average by 2.7 per cent per year between 2015–16 and 2019–20, primarily reflecting investments in social assistance and developmental services, as well as funding to support transformation of autism and child welfare services.

# 2017 Budget Sector Highlights (continued ...)



- Justice sector expense is projected to grow on average by 1.2 per cent per year between 2015–16 and 2019–20, mainly due to reforms to the corrections system, the continuing upload of court security costs from municipalities, the expansion of access to legal aid for low - income Ontarians, appointing more judges, initiatives to support more timely resolution of cases, and planned capital investments.
- Other programs expense is projected to grow on average by 2.9 per cent per year between 2015–16 and 2019–20, mainly due to electricity cost relief programs under the Fair Hydro Plan, initiatives under the Climate Change Action Plan, and investments in transit and transportation.

# 2017 Budget – Related Messaging



- The Province's program expense outlook is projected to grow at an average annual rate of 2.9 per cent between 2015–16 and 2019–20. This reflects the government's commitment to invest in priority areas such as health care, education, child care expansion and electricity cost relief programs.
- The government – has a strong track record in meeting its fiscal targets, and is building on the success of recent initiatives to support the Province's fiscal objectives.