



## **EXPANDING PROSPERITY THROUGH ONTARIO'S INFRASTRUCTURE** **Building on Infrastructure Investments to Strengthen the Province**

To position Ontario as the most productive economy and progressive society in North America, the McGuinty government has invested and will continue to strategically invest in its infrastructure.

In May 2005, the government launched ReNew Ontario, a strategic five-year infrastructure plan to invest more than \$30 billion in the repair, revitalization and expansion of Ontario's public infrastructure by 2010. The plan involves a coordinated and longer-term approach to public infrastructure investment in schools and hospitals, as well as water and wastewater systems and transportation infrastructure, including public transit, highways, roads, bridges and border crossings.

This Budget builds on the government's infrastructure investments by providing \$5.9 billion in 2007-08. Highlights include investments in health care, education and facilities for vulnerable populations; rural and northern communications; water and wastewater systems; and transit and transportation infrastructure.

### **Investing in Community and Social Infrastructure**

#### *Health Care*

Through the ReNew Ontario plan, the government is investing more than \$5 billion in health care infrastructure by 2010. These targeted capital investments include:

- Funding more than 100 major projects to build new hospitals, modernize older hospitals, and reduce wait times; this includes building new hospitals in Brampton, North Bay, and Smiths Falls, and a project to replace Mental Health Centre Penetanguishene's Oak Ridges facility;
- Investing more than \$200 million in new and upgraded medical and diagnostic equipment;
- Investing \$50 million to increase the number of spaces in Ontario's medical schools; and
- Funding the construction of new cancer treatment programs in Barrie, Newmarket, St. Catharines and Sault Ste. Marie, as well as renovating and expanding existing centres in Ottawa and Kingston.

#### *Education*

Through ReNew Ontario, the government is investing more than \$10 billion to renew and expand schools and postsecondary institutions by 2010. Key elements of this strategy include:

- Establishing the Good Places to Learn initiative, which will provide approximately \$4 billion to school boards to help them address the backlog of repairs and build new schools; currently, almost 6,800 projects have been completed or are underway in schools across the province;
- Investing approximately \$1.4 billion for planned school construction and to accommodate projected new enrolment growth;
- Providing \$1.5 billion to school boards for ongoing renewal of school facilities;
- Providing \$1.8 billion to support completed school construction;

- Investing \$540 million to renew university and college facilities and buy new equipment;
- Providing an additional \$390 million to postsecondary institutions to help with more classroom space, high enrolments and more training; and
- Committing \$550 million to create 14,000 new spaces in graduate programs across Ontario.

### *Vulnerable Populations*

To meet the needs of Ontario's most vulnerable citizens, the government is investing in facilities and agencies that support vulnerable populations. The 2007 Budget is announcing \$48 million in 2006-07 to support social and community infrastructure improvements, increasing the capacity of the social sector to provide quality services. Investments would include:

- \$10 million for hospices;
- \$5 million for community citizenship centres;
- \$15 million for community recreation centres; and
- \$18 million in support for vulnerable populations, including developmental services.

In addition, the government is providing \$127 million to municipalities for new affordable housing or to rehabilitate existing housing and \$80 million in funding for up to 1,100 off-reserve housing units for aboriginal families that the government would allocate in partnership with aboriginal communities. The government is also investing over \$70 million for more than 3,000 social infrastructure projects and \$42 million in community infrastructure projects through the 2006 Fall Economic Statement Economic Stimulus package.

### **Investing in Communications Infrastructure**

The government is investing in modern and effective public communications infrastructure, and providing new ways of delivering key government services across the province, including:

- Expanding broadband and cellular services, through the Northern Ontario Heritage Fund Corporation, to remote areas of northern Ontario to connect most of northern Ontario within three years;
- Investing \$10 million in 2007-08 to help expand broadband coverage in rural southern Ontario by leveraging community and private-sector investment;
- Investing in electronic service delivery to citizens and business as part of the e-Government initiative; and
- Providing an additional \$64 million in 2007-08 to promote its comprehensive e-Health strategy, which uses modern information technology to better connect the entire health care system.

### **Investing in Ontario's Water and Wastewater Systems**

To ensure Ontarians can continue to rely on clean, safe drinking water, the government is investing almost \$1 billion by 2010 for infrastructure initiatives that support clean water and the environment.

Since 2003, over \$1.2 billion in financing has been committed through Infrastructure Ontario's OSIFA loan program for municipal water and wastewater infrastructure projects. Almost \$380 million has been committed by the federal and provincial governments under the Canada-Ontario Municipal Rural Infrastructure Fund to help 60 small and rural municipalities upgrade their water and wastewater systems.

In addition, the government is doubling funding for the Rural Infrastructure Investment Initiative to \$140 million to help rural and small municipalities provide safe and reliable local infrastructure, including water and wastewater systems.

### **Promoting Investments in Electricity Infrastructure**

Investments in Ontario's electricity infrastructure support and enhance the province's competitiveness and quality of life. The government has directed the Ontario Power Authority to produce an Integrated Power System Plan to ensure long-term supply adequacy. The plan, which has a 20-year horizon, will integrate investments in new renewable energy sources, conservation and demand management, and new or refurbished nuclear generating capacity, as well as investments in Ontario's transmission infrastructure. This includes setting targets to double the province's renewable energy sources by 2025 to 15,700 megawatts.

The McGuinty government's policies have initiated or supported one of the most ambitious near-term building programs in North America for new electricity generation. About \$11.5 billion in investments are being made in projects in progress for new and refurbished generation. Since October 2003, about 3,500 megawatts (MW) of new supply have come on-line and an additional about 8,300 MW of new supply projects are in progress or planned.

### **Investing in Transportation Infrastructure**

#### *Roads and Highways*

In the 2007-08 fiscal year, Ontario will invest \$1.7 billion in the provincial highway system.

Ontario recently announced progress on highway priorities such as:

- \$55 million to widen Highway 7 in Durham Region;
- \$250 million to extend Highway 404 by 13 kilometres; and
- Providing an environmental assessment for an eastward extension of Highway 407 to Highway 35/115; the approximate distance of this extension, including two north-south connections to Highway 401, would be approximately 67 kilometres.

Other new projects include:

- Adding new high occupancy vehicle lanes on sections of Highways 400 and 427;
- Widening Highway 10 in Caledon, Highway 401 in Kingston and Highway 417 in Ottawa;
- Implementing new safety and operational improvements to Highway 17 between Thunder Bay and Kenora; and
- Proceeding with a new alignment of Highway 26 between Collingwood and Wasaga Beach to improve traffic flow and safety.

Under ReNew Ontario, the government has developed the Southern Ontario Highways Program and the Northern Ontario Highways Program, which set out a total of \$5.2 billion in investments to expand and improve the provincial highway network in Ontario. This funding will provide for construction of an additional 194 kilometres of highway; construction of 118 bridges; and repair of 3,600 kilometres of highway and 400 bridges. In 2007-08, the government is investing \$899 million in Ontario's southern highway network and \$468 million in Ontario's northern highway network.

### *Transit and Regional Transportation*

Through the government's \$1.2 billion Move Ontario initiative, the government is providing:

- \$670 million through the Move Ontario Trust to Toronto and York Region for new subway construction;
- \$95 million to the City of Brampton for transit expansion;
- \$65 million to the City of Mississauga for transit expansion; and
- \$7 million to York Region towards detailed planning for Phase II of VIVA Transit express bus service.

The federal government recently announced almost \$1 billion in support of Move Ontario, as well as Phase II of VIVA and Durham Region's plan for rapid transit on higher-demand corridors. Ontario is also contributing \$85 million to Phase II of VIVA and \$2.5 million to Durham Region's plan.

In 2006-07, the government will invest \$352 million for transit infrastructure and capital, distributed to municipalities on the basis of ridership.

The government has also made other investments in the Toronto Transit Commission to include a one-third contribution under the \$1 billion Canada Strategic Infrastructure Fund, to modernize and expand bus, streetcar and subway services in Toronto. In this Budget, the government is providing \$200 million towards these investments.

The government is committed to working with its municipal, regional and federal partners to complete the technical studies and environmental assessment for the Kitchener-Waterloo Light Rail Transit system and to support the cost of one-third of the project.

Through ReNew Ontario, the government is providing municipalities with two cents per litre of the provincial gasoline tax as a source of long-term sustainable funding to support public transit infrastructure. With this transfer, between October 1, 2006, and September 30, 2007, the government will provide an estimated \$313 million to 86 transit systems in 104 communities across the province. By 2010, the government will have provided over \$1.6 billion in gasoline tax funding to Ontario municipalities for their local transit priorities.

Contact:  
Scott Blodgett  
Ministry of Finance  
416-325-0324