



07 ONTARIO BUDGET

**Investing in People
Expanding Opportunity**
Ontario's New Economic Strength



Highlights



The 2007 Budget focuses on support for families and children. A key proposal is the new Ontario Child Benefit, which would provide an additional \$2.1 billion over five years, and help almost 1.3 million children a year once the program is fully phased in.

The program would begin with a down payment in July 2007 of up to \$250 per child under age 18, rising to a maximum of \$1,100 annually per child once the program is fully implemented in July 2011.

It would treat all children in low-income families equally, whether their parents work or receive social assistance. And it would help parents receiving social assistance make the transition to work, because they would continue to receive support for their children after beginning employment.

Other proposed supports for families and children include:

- Increasing Ontario Works and Ontario Disability Support Program rates by two per cent;
- Increasing the minimum wage from \$8 an hour to \$10.25 an hour in 2010;
- Providing \$127 million to municipalities for affordable housing, \$185 million for 27,000 new housing allowances and \$80 million for off-reserve aboriginal housing;
- Enhancing benefits for about 155,000 injured workers;
- Increasing Legal Aid Ontario funding by \$51 million over three years, to enhance access to legal services for low-income women and children and other vulnerable Ontarians;
- Giving seniors more flexibility to access their locked-in retirement income through a new life income fund;
- A \$25 million enhancement to current child care programs in 2007–08, growing to \$50 million annually starting in 2008–09;
- Expanding the Healthy Babies Healthy Children program;
- Establishing a College of Early Childhood Educators; and
- Investing in children's mental health centres and Children's Treatment Centres.

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More 2007 Ontario Budget Information

General inquiries regarding the 2007 Ontario Budget should be directed to:
Ministry of Finance Information Centre

English and French inquiries:
Toll-free: 1-800-337-7222
TTY toll-free: 1-800-263-7776

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Expanding opportunities for Ontarians is the primary goal of the McGuinty government. Creating new economic strength and expanding opportunity are the foundations of a successful, caring and compassionate society. In addition to the commitment to support families and children, the 2007 Budget focuses on:

An era of balanced budgets

- The \$5.5 billion fiscal deficit the government inherited has been eliminated. This is the second consecutive balanced Budget.
- The government is on track for five consecutive balanced Budgets from 2005–06 to 2009–10.
- Ontario second lowest among provinces in per-capita spending on administration.

Fair and predictable property taxes

- The property assessment system would be stabilized through a four-year reassessment cycle and mandatory phase-in program, and the fairness of the assessment appeal system would be improved.
- A \$540 million cut in high Business Education Tax rates, benefiting more than 500,000 Ontario businesses in 321 communities.

Establishing a greener economy

- This Budget invests almost \$125 million in immediate initiatives to support energy efficiency, environmental research, green communities and the province's precious natural resources, including:
 - \$24 million to provide Ontario homeowners with rebates of up to \$150 for home energy audits; and
 - \$2 million to support the planting of trees, which helps remove carbon dioxide from the air.
- A major plan for a greener economy will be unveiled this spring.

This Budget strengthens Ontario and its people by investing in:

Health care

- Providing \$37.9 billion in health spending in 2007–08, a 29 per cent increase from 2003–04; and
- Hiring more than 8,000 nurses by the end of 2007–08, and a 23 per cent increase in first-year medical school enrolment between 2004–05 and 2009–10.

Education

- \$781 million more to schools for 2007–08, up 17 per cent from 2003–04;
- Hiring 1,200 new elementary teachers in the 2007–08 school year, and providing \$28 million for elementary specialist teachers; and
- \$390 million more for the postsecondary education and training sector, and a proposed extension of the Apprenticeship Training Tax Credit to 2012.

Infrastructure

- \$5.9 billion to build and renew infrastructure in 2007–08; and
- Investments in electricity infrastructure, facilities for vulnerable populations, communications, water and wastewater systems.

These new investments build on progress to date, including:

- Shorter wait times and improved access to health professionals and emergency care;
- More than 500,000 Ontarians who did not have a family physician now do;
- Improved access to other health professionals and emergency care;
- Smaller primary class sizes, higher test scores and high school graduation rates;
- Increased access and improved quality and accountability in postsecondary education through the historic \$6.2 billion Reaching Higher investments;
- The \$30 billion ReNew Ontario plan and the \$1.2 billion Move Ontario transportation plan; and
- \$1.7 billion over five years for research and innovation.