



Ontario

2007  
ONTARIO  
BUDGET

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

News Release

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**MCGUINTY GOVERNMENT'S 2007 BUDGET EXPANDS OPPORTUNITY  
IN A NEW ERA OF ECONOMIC STRENGTH  
\$2.1 Billion to Help Children and Families, and a Return to Balanced Budgets**

**Queen's Park** —The McGuinty government's fourth Budget expands opportunity for all Ontarians by investing in children, continuing to strengthen education, health care and infrastructure and balancing the Budget.

"This Budget expands opportunity for children and their families who are working hard to succeed," said Ontario Finance Minister Greg Sorbara. "Expanding opportunity creates new economic strength and forms the foundation of a successful, caring and compassionate society."

The 2007 Budget announces a number of initiatives to help children and families, including a new Ontario Child Benefit (OCB), which would provide an additional \$2.1 billion over the first five years, and benefit almost 1.3 million children a year when fully implemented. It would mean that parents would be able to move off welfare without worrying about losing support for their kids.

It would also provide benefits to all children under the age of 18 in low-income families. The OCB is part of this Budget's proposed investments and other measures to help children and families, including:

- A two-per-cent increase in Ontario Works and Ontario Disability Support Program payments;
- Increasing the hourly minimum wage to \$10.25 in 2010;
- Enhancing child care through an additional \$25 million in 2007-08, growing to \$50 million in ongoing support starting in 2008-09;
- New affordable housing programs;
- Giving pensioners enhanced access to their locked-in accounts and permitting pension income splitting; and
- Increased benefits for about 155,000 injured workers.

Since October 2003, 327,000 net new jobs have been created in Ontario. Over the next three years, another 270,000 new jobs are expected.

The 2007 Budget, which contains no tax increases, projects a balanced budget for 2006-07, the second in a row, eliminating the \$5.5 billion deficit inherited in 2003-04.

"In 2006-07, revenue growth and interest on debt expense savings outperformed government projections," Sorbara said. "We are entering an era of balanced budgets; in fact, we are on track to post five consecutive surpluses if the reserve is not required in 2007-08."

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Other key elements of the 2007 Budget include proposals to enhance the fairness of Ontario's property tax system and to cut high Business Education Tax rates.

"Homeowners and municipalities have told us they want a property assessment system that is predictable and fair," Sorbara said. "Business property owners need a system that treats them fairly and does not hamper competitiveness."

The 2007 Budget also announces almost \$125 million in immediate environmental initiatives, including home energy audit rebates and funding for the Trees Ontario Foundation, enough to plant more than one million trees across the province. The government will unveil a major plan to establish a greener economy this spring.

The 2007 Budget also continues to make significant investments in health care, education and infrastructure, including:

- \$37.9 billion in health care spending in 2007-08, including an additional \$43 million, bringing the total to \$89 million, to provide every new Ontario nursing graduate with an opportunity for full-time employment, an increase of \$14 million for more nurses in long-term care homes, and \$135 million to further reduce wait times, including wait times for pediatric surgery;
- \$18.3 billion in grants to school boards in 2007-08, up almost \$800 million from last year and up more than 17 per cent from 2003-04 funding, continuing to reduce primary class sizes, hire more elementary teachers and help build on the commitment to higher test scores and high school graduation rates;
- \$4 billion in base operating grants to colleges and universities in 2007-08, and an additional \$390 million for postsecondary institutions to help with more classroom space, higher enrolments and training; and
- \$5.9 billion in infrastructure investments in 2007-08 for transit, highways, hospitals, schools, colleges, universities and rural infrastructure.

"The McGuinty government's plan is working for Ontarians. Our schools are better places to learn, our colleges and universities are expanding, our health care system is both healthier and more responsive, we are building new infrastructure across the province and our economy is growing," Sorbara said. "Today we begin an era of balanced budgets and sustainable surpluses, while expanding opportunity for our most vulnerable citizens, directing new resources to enhance public services, strengthening our economic capacity and launching initiatives for a greener Ontario."

Contact:

Michael Arbour  
Minister's Office  
416-325-4138

Scott Blodgett  
Ministry of Finance  
416-325-0324