

**BUILDING
OPPORTUNITY,
SECURING OUR
FUTURE**

2014 ONTARIO BUDGET

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LAYS OUT A PLAN FOR A STRONG ONTARIO, WITH

MORE JOBS
MORE OPPORTUNITY
AND A MORE
SECURE FUTURE

The plan will create jobs and grow the economy by investing in people, building modern infrastructure, and supporting a dynamic and innovative business climate.

The deficit for 2013–14 is now estimated to be \$11.3 billion — a \$0.4 billion improvement compared with the 2013 Budget forecast. This marks the fifth year in a row that the Province is reporting a projected deficit lower than forecast. The government remains committed to balancing the budget by 2017–18.

The 2014 Ontario Budget is by the people of Ontario for the people of Ontario.



CREATING JOBS



The 10-year Economic Plan provides the tools for Ontario to become a global powerhouse by providing Ontarians with the opportunities to move into new careers and higher-paying jobs, including:

- Establishing a new 10-year, \$2.5 billion Jobs and Prosperity Fund to partner with business to attract investments, strengthen Ontario's strategic sectors and support the province's future economic growth.
- Giving small businesses the tools they need to conserve energy, manage costs and save money.
- Helping large businesses with their electricity costs.
- Expanding the reach of Ontario's exports to fast-growing emerging markets, to help many small and medium-sized businesses grow and create jobs.

INVESTING IN TRANSPORTATION AND INFRASTRUCTURE



Ontario's projected population growth will result in significant demand for all types of infrastructure. That is why the Province is planning to invest more than \$130 billion in public infrastructure over the next 10 years, including:

- Dedicating funding to make nearly \$29 billion available over the next 10 years for transportation infrastructure across the province.
- Investing a total of \$2.5 billion in 2014–15 for highway rehabilitation and expansion projects across the province.
- Supporting municipal roads and bridges through a new permanent \$100 million fund.

SECURING ONTARIANS' RETIREMENT



To help Ontarians, especially middle-income earners, be more secure in their retirement, the 2014 Ontario Budget proposes the first-of-its-kind provincial pension plan that builds on the Canada Pension Plan (CPP).

A CPP enhancement would have long-term economic benefits by growing the economy and creating jobs, while providing for a more secure retirement for all working Canadians. Given the federal government's decision to shut down discussions on an enhancement to CPP, Ontario will be developing a “made-in-Ontario” solution — the Ontario Retirement Pension Plan (ORPP).

The ORPP would:

- Build on the key features of the CPP, including a predictable monthly benefit in retirement that is indexed to inflation and paid for life.
- Increase retirement savings while keeping contribution rates low.
- Be introduced in 2017, beginning with large employers, with contributions phased in over two years.
- Increase the level of earnings covered beyond what is currently covered by the CPP.

LOWERING ENERGY COSTS



The government is helping Ontarians with their energy costs, including:

- Lowering costs in the system over the last 18 months, reducing what people would have otherwise paid by about \$520 over the next five years.
- Proposing to remove the Debt Retirement Charge cost from residential users' electricity bills after December 31, 2015, saving a typical residential ratepayer about \$70 per year.

FOSTERING A FAIR SOCIETY



The government's initiatives to help provide opportunity for all Ontarians include:

- Increasing and proposing to index the Ontario Child Benefit.
- Continuing to reform the social assistance system through a rate increase and by streamlining employment benefits.
- Expanding the Student Nutrition Program to serve more children in low-income neighbourhoods and on First Nation reserves.
- Raising the minimum wage to \$11, and proposing to tie it to inflation to provide fairness to low-income workers and predictability to businesses.
- Enhancing supports for adults with developmental disabilities and front-line workers in the community services sector.
- Providing support for wage increases for personal support workers in the publicly funded home and community care sector, and front-line child care workers.

ASKING FOR FAIRNESS FROM THE FEDERAL GOVERNMENT



Every year, the share of federal revenue raised in Ontario is higher than the share of federal spending in Ontario. This results in an \$11 billion gap between what Ontarians pay versus what they receive from the federal government.

The Ontario government calls on the federal government to:

- Treat Ontarians the same way it treats residents of other provinces.
- Protect Ontario from the \$641 million decline in major transfers in 2014–15, as it has done with other provinces in the past.
- Significantly increase funding for infrastructure, including matching Ontario's \$1 billion commitment to infrastructure development for the Ring of Fire.

MANAGING RESPONSIBLY



Ontario has the lowest per-capita program spending among provinces, while still providing high-quality public services. It is rooting out waste, focusing on priorities and making sure that every dollar spent, counts.

Going forward, the government will:

- Introduce an annual program review savings target of \$250 million for 2014–15 and \$500 million in each of 2015–16 and 2016–17.
- Continue the call to freeze salaries of Members of Provincial Parliament until the budget is balanced.
- Directly control the compensation of senior executives in the broader public sector, subject to passage of legislation.
- Hold the average annual growth in program spending to 1.1 per cent over three years.

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