
Government Delivers Construction Friendly Fall Economic and Fiscal Update

October 30, 2024

Here are the highlights copied from [the Ontario government's Fall Economic Statement \(FES\) "2024 Economic Outlook and Fiscal Review: Building Ontario for You"](#) which was delivered by Finance Minister Peter Bethlenfalvy in the Legislature on October 30th. I've highlighted in yellow the announcements that may be of most interest to the construction industry:

Building Ontario

- Increasing the **Ontario Municipal Partnership Fund (OMPF)** — the province's main general assistance grant to municipalities — by \$100 million over the next two years, bringing total funding provided through this program to \$600 million by 2026. In 2025, municipalities will benefit from an immediate \$50 million increase to the OMPF.
- Supporting Invest Ontario in securing strategic investments that create jobs and drive Ontario's long-term economic growth and global competitiveness, by allocating an additional \$100 million to the **Invest Ontario Fund**, bringing the fund total to \$700 million. To date, Invest Ontario has helped attract \$4.1 billion in investments, which are expected to create 4,012 jobs.
- Delivering tax support to Ontario manufacturers by continuing to offer the **Ontario Made Manufacturing Investment Tax Credit** to eligible Canadian-controlled private corporations. These manufacturers could receive up to \$2 million per year in tax support to help lower their costs, encourage innovation and enhance competitiveness.
- Launching the **Advancing Ontario Made Manufacturing Plan**, a 10-year roadmap for growing the sector's workforce and production capacity. The plan is a roadmap to help grow the sector's output to over \$120 billion and expand Ontario's manufacturing workforce to one million people by 2035.
- Growing the life sciences sector by delivering on Ontario's **Life Sciences Strategy**, *Taking Life Sciences to the Next Level*. The

government is investing \$146 million to launch Phase 2 of the strategy to help secure the province as a global biomanufacturing and life sciences hub.

- Launching the largest **competitive energy procurement** in the province's history, which will provide affordable electricity for families and businesses. This initiative will secure at least 5,000 MW of electricity resources to meet growing demand for clean and reliable power.
- Getting shovels in the ground to build highways, hospitals and other critical assets, laying the foundation for a better Ontario by advancing **Ontario's Plan to Build**, the most ambitious capital plan in Ontario's history, with planned investments over the next 10 years totalling over \$191 billion, including \$26.3 billion in 2024–25.
- Investing \$27.8 billion over 10 years in **roads and highway projects** to help reduce gridlock and connect communities and investing \$68.2 billion over 10 years to build the largest **public transit** expansion in North America, vital to supporting the province's economy and connecting more people to jobs and homes.
- Addressing transit service gaps in unserved and underserved communities by launching the new \$5 million **Ontario Transit Investment Fund**. This annual fund will bring municipalities, Indigenous communities, non-profit organizations and key partners together to develop integrated, coordinated and sustainable transit services.
- Investing nearly \$50 billion over the next 10 years in **hospitals and health infrastructure**, including \$36 billion in capital grants. This will support over 50 hospital projects and deliver approximately 3,000 new hospital beds to enhance access to quality care and build a connected, people-first health care system.
- Investing \$6.4 billion since 2019 to build modern, safe and comfortable **long-term care homes** for seniors and residents. Ontario is making progress to build 58,000 new and upgraded beds across the province by 2028.
- Investing about \$23 billion over the next 10 years, including \$16 billion in capital grants, to build new schools, create child care spaces and modernize **school infrastructure**.
- Investing nearly \$2 billion in **housing-enabling infrastructure** to help build more homes across Ontario. This funding includes \$1.22 billion for the Housing-Enabling Water Systems Fund and \$725 million for the Municipal Housing Infrastructure

Program, in addition to the province's Building Faster Fund, which has awarded more than \$260 million to municipalities for their performance against their 2023 housing targets.

Working for You

- Providing a **\$200 taxpayer rebate** early next year, which would give immediate relief for Ontario families in the face of high interest rates and the federal carbon tax. This proposed \$200 taxpayer rebate would be sent to all eligible adults in Ontario who have filed their 2023 Income Tax and Benefit Return by December 31, 2024. Eligible families would receive an additional \$200 for each child under 18.
- Proposing to further extend the temporary **gas and fuel tax rate cuts** so that the rate of tax on gasoline and fuel (diesel) would remain at 9 cents per litre until June 30, 2025. This would save Ontario households \$380, on average, over the three years since July 2022. This relief is especially important as the federal carbon tax is set to increase again on April 1, 2025.
- Starting in 2026, the government is investing an estimated \$88 million over three years to expand **Learn and Stay grants** for 1,360 eligible undergraduate students that commit to practise family medicine with a full roster of patients once they graduate. This includes \$17.7 million for the 2026–27 academic year. It is estimated the total investment will enable the connection of an additional 1.36 million people to primary care based on average attachment rates for family doctors. The funding will cover all tuition and other direct educational costs like books, supplies and equipment in exchange for a term of service as a physician in any community across Ontario.
- Expanding access for families who are seeking fertility treatment. Beginning in 2025–26, the government will invest an additional \$150 million over two years to expand the **Ontario Fertility Program**. This funding will nearly triple the number of individuals who are able to receive a government-funded in vitro fertilization cycle (IVF), increasing the capacity of fertility clinics and reducing waitlists in hospitals and community settings. In 2025, the government will introduce additional support to families who are seeking fertility treatment, through a new tax credit, which would provide support of up to 25 per cent of eligible fertility treatment expenses for Ontario residents, up to a maximum of \$5,000 per year, and could

include IVF cycles, fertility drugs, travel for treatment and diagnostic testing. The government is setting aside \$115 million for this initiative over three years.

- Delivering the largest expansion of consumer choice and convenience to the province’s **beverage alcohol marketplace** since the end of prohibition, earlier than planned. Up to 8,500 eligible convenience, grocery and big-box grocery stores in Ontario could be licensed to sell beer, cider, wine and ready-to-drink alcoholic beverages.
- Connecting job seekers with employers in in-demand sectors like manufacturing, construction and health care by increasing investment in the **Skills Development Fund Training Stream** by up to an additional \$260 million in the current fifth round of the fund. This latest round of funding brings Ontario’s total investment through the Skills Development Fund to up to \$1.4 billion.
- Supporting **patients with Amyotrophic Lateral Sclerosis (ALS)** by committing more than \$13 million over three years, starting in 2024–25, to support patient care at Ontario’s five regional multidisciplinary ALS clinics. Funding will also support the ALS Society of Canada’s Community Leads program and Equipment Program, and enable the expansion of regional multidisciplinary ALS services into Northern Ontario for improved access to care.
- Helping workers save for their retirement by finalizing regulations to enable a **permanent target benefit pension plan framework** to come into effect on January 1, 2025. Target benefit pension plans, often created by a union or association within a specific industry, provide a monthly stream of income in retirement at a predictable cost for employers.
- Empowering Ontario’s drivers by enabling more consumer choice when purchasing **auto insurance** through regulatory changes that make statutory accident benefits, other than medical, rehabilitation, and attendant care, optional for consumers to purchase.

Not included among the marquee highlights of the FES but buried deep in a section of the document titled “Annex: Details of Tax Measures and Other Legislative Initiatives” was this provision which is of great importance to COCA and the construction industry,

- Amendments to the *Construction Act* to implement priority recommendations from a recent independent review to ensure that the Act is working effectively and to address issues raised by the construction industry. The amendments would

enhance access to statutory adjudication, mandate the annual release of holdback, and make technical and housekeeping amendments.

And this from the government's News Release promoting the FES:

Quick Facts

- The government is now projecting a deficit of \$6.6 billion in 2024–25 — an improvement of \$3.2 billion from the outlook published in the *2024 Budget*. This reflects updated economic and revenue information and higher contingencies to mitigate near-term risks.
- Over the medium term, the government projects a deficit of \$1.5 billion in 2025–26, followed by a surplus of \$0.9 billion in 2026–27.
- Ontario's net debt-to-GDP ratio for 2024–25 is projected to be 37.8 per cent. Over the medium term, the net debt-to-GDP ratio is forecast to be 37.9 per cent in 2025–26 and 37.5 per cent in 2026–27.
- Ontario's historic infrastructure investment includes over \$191 billion over the next decade to build and improve transit, highways, housing-enabling infrastructure, hospitals, schools, long-term care facilities and other critical public infrastructure.
- On November 14, 2024, the government will launch consultations to help inform the *2025 Budget* and hear from Ontarians on the most pressing challenges of today, such as making life more affordable, building more homes, schools, and creating good jobs for Ontario workers.

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