ATTENTION:

All Board of Health Chairs
All Medical Officers of Health
All Senior Public Health Managers

Please see the bulletin below from the Association of Municipalities of Ontario regarding the 2019 provincial budget for your information.

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2019 Budget Highlights

Here are the immediate highlights of the 2019 Provincial Budget. Many of these items are provided at a high level. A detailed Budget Bill will follow in the coming days.

The Fiscal Environment

- The Provincial government has committed to balancing the budget by 2023-24 in a responsible way. To 2023-24, total revenue is projected to grow at an average annual rate of 3%. Program expense over the same period is expected to grow at an average rate of 1%.
The government is now projecting a deficit of $11.7 billion in 2018-19, $10.3 billion in 2019-20, $6.8 billion in 2020-21, and $5.6 billion in 2021-22.

Changes related to the role of municipal governments

- The **Social Assistance** system reform is expected to result in an estimated annual saving of over $1 billion at maturity by simplifying the rate structure, reducing administration, cutting unnecessary rules, and providing greater opportunities to achieve better employment outcomes.

- The Province will not be increasing the value of the municipal share of the **provincial gas tax** program as had been anticipated. Currently it is $364 million to 107 municipal governments. The government will consult with municipalities to review the program parameters and identify opportunities for improvement.

- The Province will introduce legislation to permit municipal governments to designate public areas, such as parks for the **consumption of alcohol**. There are other alcohol reforms contained in the budget such as the creation of a tailgating permit for eligible sporting events and extending hours of service in licensed establishments to a 9 am start, seven days a week.

- Investing $3.8 billion for **mental health**, addictions and housing supports over 10 years, beginning with the creation of a mental health and addictions system.
  - In 2019–20, a $174 million investment will support community mental health and addictions services, mental health and justice services, **supportive housing** and acute mental health inpatient beds.

- On **property assessment**, the province will be conducting a review to explore opportunities to:
  - “Enhance the accuracy and stability of property assessments;”
  - Support a competitive business environment;” and
  - Changes to the composition of the Board of the Municipal Property Assessment Corporation (MPAC) to increase the representation of property taxpayers. (This would dilute current municipal government representatives.)

- On **public health** in 2019-20, the government will:
  - Improve program and back office efficiencies by adjusting provincial-municipal cost sharing of public health funding;
  - By 2020-21, establish 10 regional public health entities and 10 new regional boards of health with one common governance model; and
  - It is expected by 2021-22, that these changes will lead to annual savings of $200 million.

- **Land ambulance** dispatch services will be streamlined by integrating Ontario’s 59 emergency health services operators (e.g. 52 EMS, Ornge) and 22 provincial dispatch communication centres.

- Making home ownership and renting more affordable by helping to increase the supply of housing that people need through the forthcoming **Housing Supply Action Plan**. Details to come.
• Municipalities will be required to provide real-time reporting of sewage outflows and the government will update policies related to municipal wastewater and stormwater.

• Create 15,000 new long-term care beds over the next five years and upgrade 15,000 older long-term care beds to provide more appropriate care to patients with complex health conditions. In addition to the over 6,000 new beds previously allocated, 1,157 new long-term care beds will immediately be allocated to 16 projects across the province.

• The Province will explore revenue sharing, including Northern communities in the mining, forestry, and aggregates sectors.

• Regarding the Ontario Provincial Police, the government will explore opportunities to “encourage workforce optimization, including vacancy management, overtime and scheduling” to save $30 million annually starting in 2019-20 without impacting front-line policing and community safety.

• The government will invest $16.4 million over two years to create a province-wide strategy to help combat gun and gang related crime.

Changes affecting your Community

• The government will invest $315 million over five years as part of its Broadband and Cellular Strategy which will be released later this year.

• The new CARE (Ontario Childcare Access and Relief from Expenses) tax credit would provide about 300,000 families with up to 75 per cent of their eligible child care expenses and allow families to access a broad range of child care options, including care in centres, homes and camps.

• Individual seniors with annual incomes of $19,300 or less, or senior couples with combined annual incomes of less than $32,300, will be able to receive dental services in public health units, community health centres and Aboriginal Health Access Centres across the province.

• The government is reviewing the forestry sector to develop a strategy that includes: challenges the industry currently faces; initiatives to encourage innovation and reduce red tape; and methods to promote made-in-Ontario wood products.

• The government will hold consultations to repeal the Far North Act and remove red tape on economic development projects like the Ring of Fire. Environmental assessment studies have been initiated for all-season access roads to the Ring of Fire.

• The province is proposing to develop an immigration pilot initiative to disperse the benefits of immigration across Ontario. The budget also proposes changes to the Ontario Immigrant Nominee Program aimed at modernizing the program to better address labour market shortages.

• Energy conservation and efficiency programs will be phased out saving up to $442 million.
• A return to the default benefit limit of $2 million for those who are catastrophically injured in an accident, after it was previously reduced to $1 million in 2016.

AMO will continue to review the budget document and related bills and provide further updates and details as needed in the days ahead.

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