



## MEMBER BULLETIN

November 5, 2020

# Ontario Budget 2020

On November 5<sup>th</sup>, the Government of Ontario released its 2020 Budget. Typically, the provincial budget is released before March 31<sup>st</sup> each year, however, given the outbreak of COVID-19 and the partial economic shut-down at the beginning of March, the Budget this year was delayed. Given the publication delay, the 2020 Budget acts as a short-term document, outlining provincial spending commitments until March 2021.

Highlights of this short-term Budget are below:

- The budget forecasts a record \$38.5 billion deficit for 2020-21, with an overall economic contraction of 6.5%.
- \$4 billion will be made available to Ontario municipalities as part of the *Safe Restart Agreement*. This funding is designed to assist municipalities in addressing their operational budget shortfalls, with the expectation that the money that was being removed from municipal capital programs to address municipal deficits be reinvested as initially planned in 2020 and 2021.
- As an initial investment to assist municipalities construct wastewater and stormwater infrastructure, the province will invest \$37 million through to the March 2021 Budget, when additional funding is expected.
- As part of the *Investing in Canada Infrastructure Program*, 76 major municipal “green infrastructure” projects are in the final stages of approval at the federal level. The majority of projects put forward address stormwater and wastewater infrastructure, particularly around addressing combined-sewer overflows. These projects are expected for tender in 2021 in the major urban centres of the province (cities with populations over 100,000).
- Additional funding is also being made available to expand skilled trades training programs and “micro-credentialling” to help transition workers laid-off due to COVID-19 into the skilled trades.

While only accounting for the next four months, the 2020 provincial Budget provides a number of key insights into the province’s infrastructure spending priorities. Additionally, through the allocation of the *Safe Restart Agreement* the province its willingness to go into significant deficit in order to help ‘prop up’ municipal capital works. More is to come on this front.

If you have any questions about Budget 2020 or the provinces plans for infrastructure spending, please contact Patrick McManus (905-629-7766 ext. 222 or [patrick.mcmanus@oswca.org](mailto:patrick.mcmanus@oswca.org)).