

The Queen's Park Guide

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Ontario Budget 2008



Today Ontario Finance Minister Dwight Duncan presented the 2008 Ontario Budget.

Highlights of today's budget include:

\$1.5 billion, three-year Skills to Jobs Action Plan will get more Ontarians into well-paying jobs and into long-term training for new job opportunities.

- \$355 million over three years for a Second Career Strategy that will help 20,000 unemployed workers make the transition to new careers and well-paying jobs in growing areas of the economy. For example, the Second Career Strategy would provide \$25,000 towards tuition and living allowance for a manufacturing worker who wants to move to a skilled-trades job and attends a four-semester, two-year Mechanical Technician program at a college
- \$75 million over the next three years to expand apprenticeship training
- Enhancing postsecondary student aid and investing in capital expansion and renewal.

\$1 billion in 2007-08 in new municipal infrastructure, which includes:

- \$497 million for public transit in the Greater Toronto Area and Hamilton
- \$400 million for roads and bridges in communities outside Toronto
- \$100 million to rehabilitate social housing units, including energy-efficient improvements.

\$750 million over four years in proposed new business tax relief that includes:

- Eliminating Capital Tax retroactive to January 1, 2007 for manufacturing and resource firms, which would entitle them to \$190 million in rebates
- A 10-year Ontario income tax exemption for new corporations that commercialize intellectual property developed by qualifying Canadian universities, colleges or research institutes
- An extension of an accelerated Capital Cost Allowance rate for manufacturing and processing machinery and equipment investments made before 2012
- Accelerating Business Education Tax (BET) rate cuts for northern businesses, resulting in total savings of more than \$70 million over the next three years.

The Budget proposes the new Property Tax Grant for Senior Homeowners, which would provide \$1 billion over five years to help low- and moderate-income seniors.

Ontario government's poverty strategy:

- \$135 million over three years to provide better dental care to low-income families
- \$32 million over three years to double funding for the Student Nutrition Program
- Two per cent increase in social assistance benefits in 2008-09.

\$40.4 billion in health sector spending in 2008-09, a six per cent increase, which includes:

- More than \$500 million over three years, in addition to other investments, to move towards hiring 9,000 nurses by 2011-12
- \$180 million over three years for hospitals to reduce emergency department wait times and improve patient satisfaction
- \$53 million over the next three years to add more Family Health Teams
- \$38 million over the next three years to add more nurse practitioner-led clinics
- Increasing enrolment spaces for midwives and nurse practitioners.

Increasing spending in education to \$18.8 billion, through Grants for Student Needs, in the 2008-09 school year to improve literacy and numeracy, increase graduation rates and decrease class sizes.

The McGuinty government is helping postsecondary students with education costs. The proposed measures include:

- \$385 million over three years for an annual Textbook and Technology Grant that will help every full-time university and college student
- \$27 million over three years for a Distance Grant to assist students from rural and remote areas with travel costs to attend college or university.

The Ontario government is fighting climate change with investments in renewable energy and conservation, public transit and a proposed extension of the Retail Sales Tax exemption on ENERGY STAR® household appliances and light bulbs for another 13 months.

There are no tax increases in this Budget. The McGuinty government is on track to achieve its third consecutive surplus and post six consecutive balanced budgets between 2005-06 and 2010-11.



“This Budget is about making sure people have jobs and Ontario's economy grows,” said Finance Minister Dwight Duncan.

**Ontario Finance
Minister Dwight
Duncan**