

# Ontario 360 cited in Ontario budget:

Government commits to new, long-term growth strategy for the province.

The Ontario government recently introduced its 2021-22 budget. Ontario 360's research and analysis figured prominently in the budget, including policy recommendations reflected in some key budget proposals.

**Page #12** – The budget relies on “scenario analysis” and the use of “fiscal ranges” to manage the ongoing economic uncertainty in terms of planning and projections.

Ontario's Economic and Fiscal Outlook in Brief

### Alternative Economic Scenarios and Recovery Plans

In order to illustrate the high degree of economic uncertainty, the Ontario Ministry of Finance has developed Faster Growth and Slower Growth scenarios that the economy could take over the next several years. In the 2020 Budget, Ontario was one of the first governments in the country to provide economic scenarios in response to the economic disruption resulting from COVID-19. These alternative scenarios should not be considered the best case or the worst case. Rather, they represent possible outcomes in this period of heightened uncertainty.

*"...we welcome the government's choice to lay out more than one economic scenario, since it reflects the reality of an extremely uncertain backdrop."*

Derek Burleton, VP & Deputy Chief Economist  
Rishi Sondhi, Economist  
"2020 Ontario Budget: Whittling Down the Sizeable Deficit,"  
TD Economics, November 6, 2020

#### Ontario Real GDP Growth Scenarios (Per Cent)

	2021p	2022p	2023p	2024p
Faster Growth Scenario	5.9	4.7	2.7	2.2
Planning Projection	4.0	4.3	2.5	2.0
Slower Growth Scenario	3.1	3.4	2.3	1.8

p = Ontario Ministry of Finance planning projection and alternative scenarios.  
Source: Ontario Ministry of Finance.

This was a key recommendation of Ontario 360's paper, [Navigating Uncertainty in Ontario's Budget](#), which was published in October 2020.

**Page #73** – The budget specifically cites an Ontario 360 paper in proposing new forms of education and training, including a new micro-credential strategy that will enable people to take courses and obtain credentials without having to do a conventional, four-year degree.

### Setting Workers Up for Success

The COVID-19 pandemic has had a significant impact on Ontario's labour market and some of its impacts may be long-lasting. Many workers lost their jobs and are still unemployed. This is why Ontario is providing a range of training and employment supports, many of which are streamlined and digitized, to ensure workers have the skills required to support economic recovery.

*"Ontario's post-secondary institutions can harness a range of flexible education models in an effort to meet growing demand from working-age lifelong learners who increasingly need to access training and upskilling opportunities for a changing labour market. Labour market disruptions caused by the ongoing pandemic will only serve to accelerate this trend."*

André Côté and Alexi White  
"Higher Education for Lifelong Learners:  
A Roadmap for Ontario Post-Secondary Leaders and Policymakers"  
Ontario 360

Protecting Our Economy

The micro-credential strategy was called for by Ontario 360 in our paper, [A Lifelong Learning Strategy for Ontario](#), which was published in December 2020.

Page #77 – The budget advocates greater vocational training in high schools – specifically by establishing a new bursary and by expanding the Ontario Youth Apprenticeship Program.

- Investing \$3 million over three years in a new pilot bursary program for hands-on learning in the skilled trades. Starting in 2021–22, this bursary will support approximately 1,000 students with financial and other barriers to obtain their Ontario Secondary School Diploma. This program includes participation in a cooperative education course focused on the skilled trades.
- Expanding the Ontario Youth Apprenticeship Program (OYAP) to include a Grade 10 summer learning opportunity, starting in 2021. OYAP allows students in Grades 11 and 12 to gain exposure to a variety of good jobs in the skilled trades through cooperative education placements, while earning credits towards their high school diploma.

These steps reflect two key recommendations from Ontario 360; including in the paper, [Advancing Structural Reforms to the Skilled Trades and Apprenticeships in Ontario](#), which was published in February 2020; in an essay in Policy Options entitled, “[The skilled trades are in need of strengthened apprenticeship programs](#),” which was published in February 2020, and in the paper, [A Long-Term Economic Recovery Agenda for Ontario](#), which was published in May 2020.

**Page #92** – The government announced its plan for a new investment attraction agency including the adoption of Ontario 360 policy recommendations on staffing, public reporting, and funding.

#### Attracting Business Investment through Invest Ontario

Positioning the province as a top-tier destination for investment and job creation is critical to supporting long-term economic growth. In the global economy, however, there is an increasingly fierce competition among jurisdictions to attract business investments. To help make Ontario more competitive and transform its approach to business attraction, the government has created Invest Ontario.

Invest Ontario will promote the province as a key investment destination, making Ontario more competitive, sending a strong signal to investors that Ontario is open for business. It will be a “one-stop” shop for businesses and investors. And it will move at the speed of business and drive greater economic growth, support strategic domestic firms and attract businesses from around the world to create good jobs in Ontario.

The operational and policy details for the new investment agency reflect the key findings and recommendations from our paper, [Attracting 21st Century Investment: A Blueprint For The Creation Of Invest Ontario And Invest Alberta](#), which was published in February 2021.

**Page #93** – The budget specifically cites an Ontario 360 paper that focused on the need for higher rates of economic growth and productivity.

## Building Ontario's Competitive Advantage

Prior to the pandemic Ontario had taken a number of significant actions to lower business costs and support economic growth, such as providing Corporate Income Tax relief, cancelling the cap-and-trade carbon tax and supporting a reduction in Workplace Safety and Insurance Board (WSIB) premiums.

*"Boosting the province's economic growth is a crucial precondition for employment, innovation, investment, and higher living standards."*

Sean Speer, Drew Fagan, Luka Glozic  
University of Toronto  
Munk School of Global Affairs and Public Policy  
"Grow Ontario Stronger: A Framework for the Ontario Government's Post-Pandemic Recovery Plan"

This quotation is drawn from the paper, [Grow Ontario Stronger: A Framework for the Ontario Government's Post-Pandemic Recovery Plan](#), which was published in October 2020.

**Page #99** – The budget commits to the development of a long-term growth strategy for the province.

### Focusing on Long-Term Economic Growth

Ontario has a strong economic foundation, but there are long-standing barriers to growth that must be addressed. In order to drive the fiscal recovery from COVID-19, a more strategic approach to fostering broad-based and inclusive economic growth will be needed. The government will take further steps to create a more competitive environment for job creators through a plan for long-term economic growth, informed by business leaders and entrepreneurs, workers and labour representatives, community organizations, experts and most importantly, the people of Ontario.

Ontario will outline a long-term growth plan that:

- Articulates a clear vision for attaining higher rates of economic and productivity growth that will ultimately lead to a more prosperous provincial economy for all the people of Ontario;
- Undertakes an in-depth analysis of the province's competitive strengths and challenges;
- Provides goals to work towards over a five to 10-year timeframe; and
- Identifies initiatives that will achieve those goals.

Ontario 360 made the case for such a long-term growth strategy in the paper, [Grow Ontario Stronger: A Framework for the Ontario Government's Post-Pandemic Recovery Plan](#), which was published in October 2020, as well as in an accompanying Policy Options essay entitled "[Recovery plans must be built on a foundation of economic growth](#)," which was also published in October 2020.

As we set out in the introduction to that paper:

- *Several peer jurisdictions in Canada and the United States have developed long-term growth strategies rooted in the goal of inclusive growth. Saskatchewan and Illinois, in particular, have strong models that rely on evidence and data to set out clear, measurable goals that are accompanied by policy actions to support higher rates of economic growth and productivity.*
- *The Ontario government should follow suit with its own long-term growth strategy as part of its post-pandemic recovery planning. The provincial government should dedicate itself to a plan focused on long-term economic growth that is inclusive and driven by higher rates of productivity.*

March 25, 2021, Ontario 360