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Ontario deficit balloons to \$5.6B as fall economic Statement is introduced



Ontario Finance Minister Peter Bethlenfalvy presents the Fall Economic Statement in the legislature at Queens Park, Toronto, November 2, 2023. Screenshot courtesy Government of Ontario/YouTube.

BY MARK BROWN NOVEMBER 2, 2023 - 1:57PM [MIDWESTERN NEWS](#)

- The effort to balance Ontario's budget has been lengthened, according to the Minister of Finance.
- Peter Bethlenfalvy rose in the legislature Thursday afternoon to deliver the Fall Economic Statement and announced that the province is projecting a \$5.6-billion deficit for the fiscal year 2023-2024.
- That projection is four times the estimate presented when the 2023 budget was introduced, which was \$1.3-billion. Bethlenfalvy had reported earlier this year that the province was on track to balance the budget by 2025, but the latest figures have pushed that to 2026.
- Bethlenfalvy cited pending economic challenges and global uncertainty as the driving forces behind the increased deficit.
- "Ontario is not immune to the risk of economic slowdown," said Bethlenfalvy. "High inflation, and the Bank of Canada's rapid interest rate increases, are weighing on Ontario's outlook for the remainder of the year, and into next year. Russia's war on Ukraine and the recent horrific terrorist attack against Israel means continued heightened geopolitical uncertainty."
- Ontario's population increased by almost 500,000 in the past year, resulting in a net increase of 170,000 jobs, according to Bethlenfalvy.

- The economic statement included the introduction of the Ontario Infrastructure Bank, a board-governed agency that will allow public pension plans and trusted investors to take part in major infrastructure projects. The early focus will be to increase affordable housing, expand space in long-term care homes, and support various municipal, community, transportation, and energy sectors.
- The statement also confirmed Premier Doug Ford's announcement earlier this week that the current fuel and gas tax rate cuts will be extended through June 30, 2024.
- The announcement brought quick criticism from the Official Opposition. Ontario NDP Leader Marit Stiles dismissed the statement as the "status quo" that does little to restore Ontarians' trust in a government still dealing with the Greenbelt affair.
- "Times are incredibly tough for everyone right now, and this report does nothing to help," said Stiles. "Instead of investing in people, Ford has wasted a year rigging the system to help his friends and insiders get even richer. He's lost Ontario's trust, and now his government is under RCMP criminal investigation...You deserve a government that puts you first. One that will get back in the business of building affordable housing for you."
- The Canadian Taxpayers Federation (CTF) also criticized the Ford government for the ballooning deficit, adding that the Infrastructure Bank at the federal level has not been effective.
- "The Ford government is being incredibly reckless with our children's future," said CTF Ontario Director Jay Goldberg. "There's no other way to say it. Ford is even spending money faster than his spend-happy predecessors, including former premier Kathleen Wynne."
- In a statement Thursday, the Canadian Federation of Independent Business (CFIB) applauded the news regarding fuel tax cuts. However, the CFIB said more must still be done to keep Ontario attractive to new businesses.
- "Fuel and energy costs continue to rank as a top cost constraint for Ontario small businesses," read the statement. "Heading into pre-budget season, we will continue to urge the Ontario government to focus on reducing the cost of doing business in the province. The government should consider measures including reducing the Small Business Tax Rate (SBTR), increasing the exemption thresholds for the SBTR and Employer Health Tax, and indexing these thresholds to inflation annually."
- The complete statement is available on the provincial government's official website.