
Ontario Unveils Election Budget

On Tuesday, March 22, 2007, Finance Minister Greg Sorbara delivered his government's final budget before the October 10 general election. Here are the highlights:

Infrastructure

- The government will continue the ReNew Ontario infrastructure program with investment of \$5.9 billion in the current fiscal year
- There will be a doubling of investment in the Rural Infrastructure Investment Initiative from \$70 to \$140 million for local roads and bridges; clean water and wastewater; solid waste management; sports and cultural facilities; and community energy projects
- There will be an additional one-time investment of \$25 million for municipal roads

Apprenticeship and Training

- The Apprenticeship Training Tax credit is continued through 2012 but with no specific changes for construction

Budget Deficit

- The deficit has been eliminated and the government projects a modest surplus if the contingency fund is not utilized

Taxes

- The Business Education Tax will be harmonized at roughly 1.6% across the province
- The Capital Tax will be eliminated by 2010
- The Corporate Income Tax base harmonization will proceed with a \$90 million corporate tax cut

WSIB

- The government will "permit" WSIB to "enhance" benefits to injured workers by 2.5% in 2007, 2.5% in 2008 and 2.5% in 2009
- Government will allow WSIB to review and determine injured workers' loss of earnings after the benefits are locked in at 72 months
- Government proposes to eliminate "deeming" and require lost earnings to be based on "what a worker would likely earn from suitable as well as available employment"
- Government proposes to add four new members to the Board of Directors of WSIB
- Government is increasing funding to the Office of the Worker Adviser by \$1.4 million in 2007-2008 with the increase "fully recoverable from the WSIB"

Details will follow when the legislation is introduced.

To view the 2007 budget: <http://www.ontariobudget.ca/english/index.html>