

# Ford government recommits to roads, transit spending fall economic statement

Don Wall October 30, 2024

Ontario's Minister of Finance Peter Bethlenfalvy highlighted the government's continuing pledges to build new roads and transit, support investment in new power sources and boost the manufacturing sector in the government's [Economic Outlook and Fiscal Review](#) released in the Ontario Legislature Oct. 30.

But the flagship pledge, eclipsing the minister's list of ongoing Build Ontario initiatives, was the Doug Ford government's confirmation it would deliver a \$200 per taxpayer rebate early next year. The government is also extending the gas tax holiday another year.

"Our government's responsible approach has resulted in an improved fiscal position since the 2024 budget, allowing us to keep taxes low, invest in infrastructure like roads, highways, hospitals and schools, and provide immediate relief to Ontario families as part of our plan to keep costs down," said Bethlenfalvy.

"The province still is facing enormous challenges, from historic population growth and geopolitical uncertainty to the persistently high cost of living, but thanks to the efforts of Ontario workers and businesses, helped by real leadership from the government, with a long-term plan we can afford to enhance our plan to build so that we can meet these problems head on."

The government will allocate an additional \$100 million to the Invest Ontario Fund, bringing the fund total to \$700 million. Just two days earlier, the government announced it was kicking in \$10 million from the fund to support the construction of a new \$155-million auto parts plant in Woodbridge, Ont. by Hanon Systems.

"We've attracted \$44 billion in auto and EV related investments over the past four years," stated the minister. "It will help create over 14,000 jobs."

The economic outlook confirmed the government's plan to initiate a feasibility study to examine building a tunnel under Highway 401 in Toronto. Bethlenfalvy also reiterated the government's commitments to advance the 413, the Bradford Bypass, the Ontario Line, GO expansion, work on the 401 west and east, the QEW Skyway and Highway 7 from Markham to Pickering.

The planned infrastructure expenditure is \$26.3 billion in 2024–25 and \$191 billion over the next 10 years.

The government's annual homebuilding target is 125,000 homes, but this year, it forecasts, just 81,300 will be built.

### **Initial stakeholder reaction**

"Today's fall economic statement confirms Ontario's focus on building for tomorrow," said Nadia Todorova, executive director of the [Residential and Civil Construction Alliance of Ontario](#) in a statement. "Projects like the Bradford Bypass, Highway 413, and the Ontario Line are vital for connecting communities, supporting economic growth, and enabling housing development across Ontario."

The [Ontario Sewer and Watermain Construction Association](#) tweeted, "From continued investments in housing-enabling water infrastructure, to making progress on new roads and highways, and building up the skilled trades, #FES2024 demonstrates the government's progress on building the critical infrastructure needed to support Ontario's future."

The [Ontario Road Builders' Association](#) (ORBA) praised a new government pledge to boost the Municipal Partnership Fund by \$600 million and noted that the government is allocating \$2 billion to the Housing-Enabling Water Systems Fund and the Municipal Housing Infrastructure Fund.

An ORBA statement said it "welcomes the Ontario government's reiterated and growing commitment to building the province's highways, roads and transportation networks."

### **Budget surplus expected by 2026-27**

The government is now projecting a deficit of \$6.6 billion in 2024–25, an improvement of \$3.2 billion from the outlook published in the 2024 Budget. The government said the revision reflects updated economic and revenue information.

Over the medium term, the government projects a deficit of \$1.5 billion in 2025–26, followed by a surplus of \$0.9 billion in 2026–27.

Ontario's net debt-to-GDP ratio for 2024–25 is projected to be 37.8 per cent.

"Ontario now has the lowest borrowing odds of any province in Canada, saving taxpayers \$1.2 billion that we are now able to reinvest back into the people of Ontario," said Bethlenfalvy.

Ontario's real gross domestic product growth is projected to drop from 1.4 per cent in 2023 to 0.9 per cent in 2024. As interest rates continue to decline, real GDP growth is projected to strengthen to 1.7 per cent in 2025 and 2.3 per cent in both 2026 and 2027.

The government also highlighted its new long-term energy plan, announced Oct. 23. The Affordable Energy Act will prioritize nuclear energy as the province's grid expands towards 2050, with a full portfolio of other energy sources also contributing to the expansion.

“Under the leadership of the minister of energy and electrification, (we are) pursuing the largest energy procurement in the history of Ontario, and leaving nothing off the table,” said Bethlenfalvy.

The life sciences sector will receive new support, with Bethlenfalvy announcing an allocation of an additional \$146 million in the government's life sciences strategy.

The government is also launching the Advancing Ontario Made Manufacturing Plan, a 10-year “roadmap” for expanding the sector's workforce and production capacity. The announced goal is to boost the sector's output to over \$120 billion and expand the manufacturing workforce to one million people by 2035.

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