

# Province releases fall economic update with lowered projected deficit

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[The province released a fall economic update on Wednesday.](#)

It shows the projected deficit for next year is lower than expected.

The government had forecasted a \$4.6-billion deficit for 2025-26, but on Wednesday the update showed that is now set at \$1.5-billion.

Finance Minister Peter Bethlenfalvy says the province will have a surplus by 2026-27.

“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 in a statement. “We’re going to continue investing responsibly to support Ontario’s growth and rebuild Ontario’s economy to make our province the best place to live, work and raise a family, all while reducing the debt burden for future generations.”

Experts believe Premier Doug Ford wants be able to present a balanced budget ahead of a possible spring election.

The update shows the province is lowering projections for how many new homes will get built over the next few years.

Ford has pledged to get 1.5-million homes built over 10 years by 2031, but Ontario has not yet met any of its annual targets toward that goal.

This year’s target is 125,000 homes, but the statement on Wednesday shows it expects just 81,300.

The affordability items from the update include a continuation of a cut to the gas tax which was already announced.

[It also includes a \\$3-billion plan to send \\$200 cheques to everyone in the province, which was announced on Tuesday.](#)

The province attributes the improved outlook since the spring budget to population growth, job creation, lower inflation, reduced interest rates, and a boost from federal changes to capital gains taxes.

NDP Leader Marit Stiles was quick to criticize the latest economic update.

“After more than six years of his costly schemes and scandals, people are feeling stuck. Instead of reclaiming our place as the economic engine of Canada, Ontario has become a have-not province, receiving more in equalization payments year over year,” Stiles said in a statement.

Liberal Leader Bonnie Crombie also issued a statement slamming the update.

“Doug Ford is more focused on billion-dollar giveaways to wealthy insiders than he is on fixing healthcare,” said Crombie.

Greens Leader Mike Schreiner says the government has abandoned us.

“All the things that we should be able to expect from provincial governments – to keep our neighbours housed, to make sure homes get built, that doctors are available, mental health is accessible – the Premier has walked away from,” said Schreiner in a statement.

The Ontario Federation of Labour (OFL) wasn’t pleased with the update either, saying it offers no real gains for Ontarians who are feeling the pain of the ongoing health care, housing, and affordability crises.

“Today’s update included Ford’s scheme to dole out one-time \$200 cheques to even the wealthiest of Ontarians,” said OFL President Laura Walton. “This one-time payment is clearly a ploy to court voters in advance of an early election, not to address the real issues people are facing as they try to make ends meet each month.”

Not all were displeased with the economic statement.

The Residential and Civil Construction Alliance of Ontario (RCCAO) said it advances critical infrastructure priorities for growth.

“Today’s Fall Economic Statement confirms Ontario’s focus on building for tomorrow,” said Nadia Todorova, Executive Director of RCCAO. “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.”