



2020-21 Provincial Budget

To: All Trustees, Directors of Education, Senior HR and Finance Officials and Communications Officers

Today, Finance Minister Rod Phillips delivered the **2020-21 Ontario Budget: *Ontario's Action Plan: Protect, Support, Recover.***

Total government spending for 2020-21 is projected to be \$187 billion – up from \$164.8 billion in 2019-20. Education sector funding is projected to be \$31 billion, up from \$30.2 billion last year. This funding will largely flow through the Grants for Student Needs, expected to be announced in the spring. By 2022-23, education sector expenses are projected to increase to \$31.3 billion. The Budget projects a deficit of up to \$38.5 billion in 2020-2021, in line with the projected deficit from the finance minister's quarterly update in August.

Due to the uncertainty caused by the COVID-19 Pandemic, the budget does not map out a path to balance, but rather it describes scenarios of "Faster Growth" and "Slower Growth" respectively. If the economy recovers more slowly, next year's deficit could be as high as \$35.6 billion. If the economy recovers more quickly, next year's deficit is expected to be \$27 billion.

Here below is a list of some highlights from the budget following our preliminary analysis.

Budget Highlights:

Education

- The government will be lowering the education portion of property tax for industrial ratepayers but said this would not affect school board funding. This will amount to about \$450 million less in taxes collected by the government.

Health Care – COVID-19 Response

- In total, Ontario's COVID-19 health response is now a projected \$15.2 billion, with \$7.5 billion of that being new money. The government is making available \$4 billion in 2021-22 and a further \$2 billion in 2022-23. The 2020-21 spending includes \$2.8 billion to support the Province's *Fall Preparedness Plan for Health, Long-Term Care and Education*.
- This also includes additional funding for hospital beds, the surgical backlog and the purchasing of additional influenza vaccines.
- An additional \$572 million for Ontario hospitals for additional costs of COVID-19, including testing, assessment centres, laboratory and medical equipment, and PPE.
- More core children and youth mental health services, including walk-in clinics, counseling and therapy, day treatment and live-in treatment supports, focused on helping children in

school, keeping children out of child welfare and supporting those in need of intensive services.

Financial Support for Parents

- Providing \$380 million to parents through another round of payments, following the \$378 million of funding in March of \$200 per child up to 12 years old and \$250 per child and youth with special needs up to 21 years old, through the Support for Learners initiative.

Broadband

- More than \$680 million over the next four years for new broadband internet infrastructure which increases Ontario's investment to nearly \$1 billion.

Equity

- An additional \$60 million over three years, starting in 2020-21, for the Black Youth Action Plan, doubling its base funding to extend the current program.

Other

- The province is tightening up the rules under Bill 124, *Protecting a Sustainable Public Sector for Future Generations Act*, which capped public sector wage increases at one per cent annually. The budget proposes adding “enforcement tools” to support compliance with the law and clarifies the application for employees who change bargaining status.

Additional Information

OPSBA’s Submission Regarding 2020-21 Education Funding

These areas of funding remain critical to the delivery of quality public education in Ontario. As we are all well aware, Ontario’s public education system is currently in a state of upheaval due to the ongoing COVID-19 pandemic and the restrictions and protocols that have been in place since March 2020. Funding for this has been received from both the provincial and federal levels but many school boards are continuing to experience unexpected costs due to COVID-19 and the safe return to school for both students and staff. These costs included: additional staffing for both teachers and education workers; IT devices for staff and students; HVAC and air ventilation; PPE and cleaning – supplies and caretaker costs; student transportation, and others. We expect that there will be a Grants for Student Needs (GSN) consultation or engagement in the coming weeks, which we will surely participate in.

A full copy of the Budget can be found at www.ontario.ca/budget

Note: OPSBA responded to earlier Ministry of Education funding announcements through media statements and news releases:

- [OPSBA statement in response to the launch of the COVID-19 Resilience Infrastructure Stream](#)
- [OPSBA statement regarding the use of reserve funds](#)
- [Support for conventional school return is mixed among parents but strong support for key funding areas remains](#)
- [OPSBA statement regarding Ontario’s plans to reopen schools and the release of the Grants for Student Needs \(GSN\)](#)
- [OPSBA statement regarding new technology and mental health funding](#)