

2022 Ontario Budget Highlights

The Ontario government tabled its 2022 Budget entitled *Ontario's Plan to Build*. This budget mainly focuses on infrastructure, employment and training in the skilled trades, and building the province's healthcare workforce. This memo will highlight items that may be of interest to pension and group benefit plan Trustees, sponsors, and administrators.

Pensions

Specified Ontario Multi-Employer Pension Plans have been operating under temporary regulations that will expire beginning in 2024 unless replaced by a permanent framework. In the Budget, the government confirmed that it will consult with affected stakeholders on proposed regulations before implementing a permanent target benefit framework in 2023.

Labour

Minimum Wage

The provincial government announced that the general minimum wage will be rising to \$15.50 per hour as of October 1, 2022.

Health

Hospitals

The Budget includes more than \$40 billion over the next 10 years in hospital infrastructure. These investments will increase capacity in hospitals, build new health care facilities, such as the Mississauga hospital, and renew existing hospitals and community health centres. New investments are being made to support major hospital projects currently under construction or in various stages of planning to increase capacity and address long-standing bed shortages.

Mental Health Needs of Public Safety Personnel

Ontario is investing \$45.2 million over three years into programs focusing on early intervention and providing access to specialized mental health services delivered by trauma-informed clinicians. This investment will also be used to create an online provincewide inventory of regional mental health programs to help public safety personnel get the services and supports they need when and where they need them.

Additionally, the government is investing \$3.2 million over three years to establish a Mental Health Support Unit to provide confidential counselling services, mental health tools and training programs for frontline court staff.

Nurse Retention Incentive

The government is investing \$764 million over two years to provide Ontario's nurses with a retention incentive of up to \$5,000 per person.

Life Sciences Innovation Program

Ontario is investing \$15 million over three years in a Life Sciences Innovation Program to develop and scale up the commercial potential of therapeutics and medical and digital technologies.

Home Care

The government is planning to invest up to \$1 billion over the next three years to improve quality of care and keep the people of Ontario in the homes that they love longer.

Community Paramedicine for Long-Term Care program

Ontario is investing more than \$60 million over two years, starting in 2022–23, to continue expanding the Community Paramedicine for Long-Term Care program to the 22 remaining communities.

Surgical Recovery Strategy

To increase capacity, the government is investing \$300 million in 2022–23 as part of the province's Surgical Recovery Strategy.

Emergency Health Services

The Budget includes \$56.8 million in 2022–23 to increase capacity in emergency health services in communities across Ontario.

Offload Nursing Program

Ontario is investing \$7 million in 2022–23 to support the Dedicated Offload Nursing program. This investment will fund additional health care providers to assist with offloading ambulance patients to the emergency department, allowing paramedics to respond to other emergency calls. This new funding will support the recruitment of up to 60 frontline health care providers to improve ambulance patient offload in emergency departments. This investment will also support the expansion of the program into other communities and regions, including Guelph, Sault Ste. Marie and Muskoka.

Ontario Seniors Care at Home Tax Credit

The Budget introduces a refundable Ontario Seniors Care at Home Tax Credit designed to help low- to moderate-income seniors aged 70 and older with eligible home care medical expenses, including for attendant care, assistive breathing devices, and hearing and walking aids. In 2022, this new Personal Income Tax credit would provide \$550 on average to eligible families. Senior families will be able to claim it when they file their personal Income Tax and Benefit Returns starting with the 2022 tax year.

Training and Education

The Ontario government is investing \$1 billion annually in employment and training programs and providing \$268.5 million over three years in additional funding through Employment Ontario to the government's skills training and employment programs.

Learn and Stay Grant

The Ontario government will launch the new \$61 million Learn and Stay Grant. Starting in Spring 2023, applications will open for up to 2,500 eligible postsecondary students who enrol in priority programs, such as nursing, and work in underserved communities in the region where they studied after graduation.

The Skills Development Fund

Ontario is providing an additional \$15.8 million to the program in 2022–23 to support the development and expansion of brick-and-mortar training facilities, which could include union training halls.

Better Jobs Ontario

The government is relaunching the Second Career program, which traditionally helped laid-off unemployed workers access the training they need to become qualified for in-demand jobs, under the name Better Jobs Ontario with \$5 million in new funding in 2022–23. This additional funding will support the expansion of the program and help improve access for more workers, including people with limited or non-traditional work experience, gig workers, newcomers and the self-employed.

Skilled Trades Strategy

Ontario is investing an additional \$114.4 million over three years in its Skilled Trades Strategy to break the stigma associated with the skilled trades, simplify the system, and encourage employer participation.

Tax Credits for Families

Low-income Individuals and Families Tax (LIFT) Credit

The Budget proposes to enhance the LIFT credit. It would increase the maximum benefit from \$850 to \$875, raise the income thresholds and lower the phase-out rate from 10 per cent to 5 per cent, increasing and expanding the income ranges over which the benefit is reduced.

Ontario Staycation Tax Credit

To help support local tourism, the government introduced the temporary Ontario Staycation Tax Credit. This credit will provide eligible Ontario residents with support of 20 per cent of eligible 2022 accommodation expenses in Ontario, up to \$1,000 for an individual or \$2,000 for a family, for a maximum credit of \$200 or \$400, respectively.

Gas Costs

Tax Relief at the Pumps Act, 2022

The Tax Relief at the Pumps Act, 2022 will temporarily cut the gas tax by 5.7 cents per litre and the fuel tax by 5.3 cents per litre for six months beginning July 1, 2022.