



Ontario Throne Speech 2010



March 8, 2010

Dalton McGuinty prorogued the Ontario Legislature last Thursday setting the stage for a Throne Speech today. Read by Lt.-Gov. David Onley, the speech launched a five year plan to move beyond the recession called “Open Ontario”. Education was the big winner in today’s Throne Speech with confirmation of all day kindergarten and also the creation of 20,000 new college and university spaces. In addition, health care funding reform has been announced to attempt to control spending. Currently in Ontario health care represents \$0.46 of every dollar spent on government programs. In the absence of remedial action, in the next 12 years, that figure could increase to \$0.70 due to Ontario’s aging population. The government also plans to introduce a new *Water Opportunities Act* that will attempt to make Ontario a leader in exporting clean-water technology. The global market is estimated to be worth \$400 billion currently. Ontario is also going to support the “Ring of Fire” region to capitalize on North Western Ontario’s deposit of chromite – said to be one of the largest deposits in the world and a key ingredient in stainless steel. Finally, the government signalled that cuts will not happen quickly as Ontario attempts to deal with its deficit and rebounding economy.

Highlights from the Throne Speech:

- Ontario confirms that it will move forward with the HST in July
- Ontario will go forward with the Green Energy Act and Samsung deal to create up to 50,000 jobs.
- Ontario will continue with \$32 billion in stimulus to create and sustain 300,000 jobs.
- Ontario will move forward this September with full day kindergarten.
- The government has again promised to shut down Ontario’s coal fired power plants.
- Reducing corporate taxes and eliminating the capital tax will happen this year.
- Assist agriculture by encouraging buy local and opening up new markets for Ontario food outside of the province.



- Water Opportunities Act to assist Ontario in tapping into the \$400 billion global market for clean water technologies.
- Support the region known as the “Ring of Fire” containing one of the world’s largest chromite deposits.
- Strategy to support Ontario’s financial services sector.
- Ontario supports the national securities regulator and believes it should be located in Toronto.
- Reaffirms Ontario’s goal of reducing poverty by 25%.
- Ontario has one of the highest post-secondary education rates in the world at 62%. The goal is to get that to 70%.
- 20,000 new spaces will be created for college and university students this year. Ontario will “open our colleges and universities to the world” by increasing international enrolment by 50%.
- “Your government remains focused on reducing emergency wait times, and achieving results in diabetes and e-health in communities across Ontario”
- Government will attempt to keep Ontarians healthy by “keeping drugs affordable” and reinvesting the savings in health care.
- Patients will have “greater choice” about where they can access the best quality treatment and will ensure that “for more and more services – money will follow the patient”. An expert panel will provide recommendations for finding efficiencies in health. A review of the Public Hospitals Act will take place and legislation will be introduced to create a “hospital system that taps into the expertise of community partners and all health care professionals”.
- “Your government will not put economic growth at risk by cutting too much, too soon”.
- Ontario government is proceeding with its plan to “reduce its own size by five percent”.
- Ontario welcomes the federal government’s commitment not to reduce transfer payments, but calls on the federal government to live up to its obligations in “areas where it has come up short, such as childcare and immigration”. It also calls on the federal government to “show leadership” on climate change.
- Not specifically mentioned in the throne speech but reported by the Toronto Star: The Liberals are also signaling that a \$200,000 review of the value of its assets – including Ontario Power Generation, Hydro One, the Ontario Lottery and Gaming Corp., and the Liquor Control Board of Ontario – by Goldman Sachs and CIBC World Markets will “ensure that Ontario’s resources are always devoted to our highest priorities. Openness to privatization includes the possibility of melding Crown corporations into one publicly held “Ontario Inc.” mega-agency that could be worth between \$50 billion and \$60 billion. A minority share of the corporation could then be sold to private investors, reaping as much as \$25 billion for the treasury and jolting the economy.”

In his response to the Throne Speech, PC leader Tim Hudak said, “Most of speech repeated announcements.” Via Twitter, the NDP leader Andrea Horwath said, “McGuinty's throne speech - no plan to make life more affordable, no proven health reforms that stop cuts, people deserve better!”. While it is likely that both opposition parties will oppose the Throne Speech, Dalton McGuinty’s Liberals enjoy a majority government meaning it is expected to survive any confidence votes. The Ontario budget is expected before the end of March.

D.R.WOLK
3/5/2010