April 28, 2022

ONTARIO BUDGET 2022
Itemization of commitments pertinent to electric mobility

Budget 2022 is centered around five key pillars that emphasize both new and old investments:

1. Rebuilding Ontario's Economy
2. Working for Workers
3. Building Highways and Key Infrastructure
4. Keeping Costs Down
5. A Plan to Stay Open

The document notes that Ontario has made significant progress recovering from the COVID-19 pandemic. The province's real gross domestic product (GDP) increased 4.3 per cent in 2021, and employment rose by 344,800 net jobs in 2021 or 4.9 per cent, the strongest annual pace of job growth on record. Under the government's planning projection, Ontario is projected to return to a surplus position by 2027–28, two years earlier than forecast in the 2021 Budget. Over the medium term, the government is projecting steadily declining deficits of $19.9 billion in 2022–23, $12.3 billion in 2023–24, and $7.6 billion in 2024–25.

The net debt-to-GDP ratio is projected to be 40.7 percent in 2021–22, 8.1 percentage points lower than the 48.8 percent forecast presented in the 2021 Budget. Over the medium-term outlook, Ontario's net debt-to-GDP ratio is now forecast to be 41.4 percent in 2022–23 and 2023–24, and declining to 41.3 percent in 2024–25.

EMC Comments:

- EMC commends the Government of Ontario for its commitment to deepening and augmenting the EV production supply chain, from critical minerals through to battery assembly and advanced vehicle manufacturing. With the launch of its provincial critical mineral strategy, an updated strategy for the auto sector, and a new plan for transportation—along with recent anchor investments to modernize and re-orient major automanufacturing facilities toward EV production—Ontario has initiated a historic turnaround to renew its role as a powerhouse in the continental auto market. This is encouraging news for Ontario workers and communities.
- From the point of view of drivers and citizens, EMC believes some priorities, such as investments in public EV charging infrastructure and EV-readiness in buildings, remain underfunded relative to the buildout required to achieve long-term climate and air quality goals.
- Further policy attention to EV deployment in the light-, medium-, and heavy-duty vehicle categories is warranted. On the demand side, investments in manufacturing capacity could be usefully supplemented by a means-tested purchase incentive to reduce the up-front cost of new vehicles for consumers. On the supply side, a Zero Emission Vehicle mandate would help to secure much-needed supply in market that has lagged in EV adoption compared to many of its provincial and internaional peers.
- EMC calls on the Government of Ontario to move forward quickly with the implementation of key EV-promoting elements of the *Connecting the GGH* transportation strategy. The province must develop more rigorous, quantitative, and time-bound targets for EV charging infrastructure installation and zero-emissions vehicle uptake (in addition to vehicle production).
- While recent increases in the price of fuel may provide a sound motivation for the government's decision to temporarily relieve drivers of a portion of gasoline and diesel taxes, doing so runs contrary to the intent of carbon pricing and may slow the transition to electric transportation. Yet, as the International Energy Agency has highlighted, in order to retain our grasp on global climate and sustainable development goals, the 2020s must be "the decade of mass adoption of electric light-duty vehicles." Measured against this aspiration, and considering Ontario's ZEV adoption rate (3.1% of new vehicle registrations in 2021) lags the national average, Ontario can and should be doing more to accelerate the decarbonization of Canadian transport.

ONTARIO BUDGET 2022 Itemization of electric mobility initiatives		
CHAPTER 1: ONTARIO'S PLAN TO BUILD		
Section A: Rebuilding Ontario's Economy		
Highlights	Every day, Ontario is getting stronger. Critical minerals in the North, including from the Ring of Fire, will become part of the future of clean steel, batteries, and hybrid and electric vehicles as the next generation of automobiles are built in Ontario, by Ontario workers, and sold across North America. • In March 2022, the Ontario government released the province's first-ever Critical Minerals Strategy, a five-year road map that will help strengthen Ontario's position as a global leader in supplying critical minerals and Ontario's supply chain for electric and hybrid vehicle manufacturing. • The Ontario government is investing $2 million in 2022–23 and $3 million in 2023–24 to create a Critical Minerals Innovation Fund to support the mining industry, academia, startups and research and development firms to find innovative solutions for extraction and processing of critical minerals. • In April 2022, Ontario released its Low-Carbon Hydrogen Strategy to accelerate the development of the low-carbon hydrogen economy in the province that will create jobs, attract investment and reduce emissions. • Ontario Power Generation is working to deploy Canada's first grid-scale Small Modular Reactor (SMR) as early as 2028, which would add clean, affordable and reliable energy to Ontario's electricity grid, attract investment, and support good-paying jobs in the nuclear sector for decades to come. • Ontario is supporting investments to help make the province a world-leading producer of clean low-emission steel to help build the hybrid and electric vehicles of the future. • As of early April 2022, Ontario has attracted nearly $11 billion in new investments in transformative hybrid and electric vehicle production and battery manufacturing in the province.	p.23
Seizing Ontario's Critical Minerals Opportunities The next chapter in the story of Ontario's prosperity begins in the North. Ontario's vast and varied geology provides tremendous opportunities for critical minerals exploration and development. Critical minerals are key components of innovative technologies for high-growth sectors such as batteries, electronics, electric vehicles (EVs) and cleantech.		
Advancing the Critical Minerals Strategy	In March 2022, the government released its first-ever Critical Minerals Strategy. Since Ontario announced the development of the strategy in the 2021 Budget, stakeholders have provided feedback on how Ontario can build more integrated supply chains, and enhance investment in mineral exploration and development, as well as support partnership opportunities with Indigenous peoples. Ontario's Critical Minerals Strategy is a five-year road map that will help strengthen Ontario's position as a global leader in supplying critical minerals. The strategy focuses on priorities that will support better supply chain connections between industries, resources and workers in Northern Ontario and manufacturing in the South, including Ontario-based EV and battery manufacturing. Ontario's supply of critical minerals, processing capabilities and proximity to North American manufacturing hubs makes the province an ideal location for mineral exploration, mining and investment.	p.24
Critical Minerals	The Ring of Fire is one of the most promising mineral deposits in the world and will play a key role in Ontario's future economic prosperity. It will create jobs, unlock critical minerals and bring multigenerational opportunities to Northern and First Nation communities. All-season,	p.25

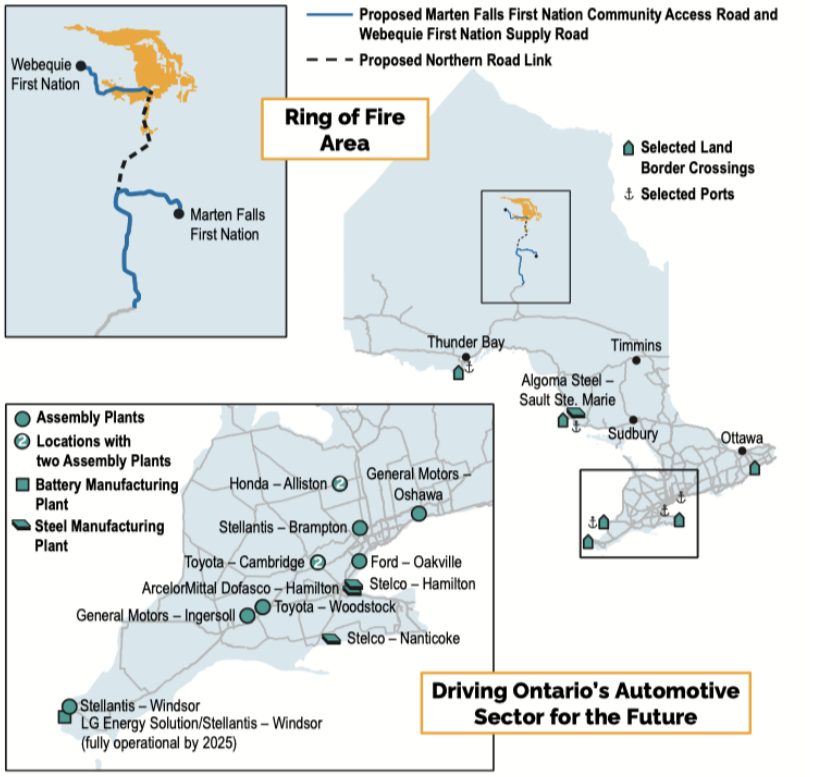
Building the Corridor to Prosperity: Ring of Fire

dependable road access is a prerequisite to unlocking opportunity in the region. These roads will help bring critical minerals to the manufacturing hubs in the South, which will bring prosperity to Ontario's North, including First Nation communities, improving access to education, health care, goods and services, and housing.

Ontario has committed close to $1 billion to support critical legacy infrastructure such as all-season roads to the Ring of Fire. To support the construction of all-season roads, the government approved the provincial Terms of Reference for the Environmental Assessment for the proposed Marten Falls First Nation Community Access Road and Webequie First Nation Supply Road projects in October 2021. In addition, in April 2022, Marten Falls First Nation and Webequie First Nation announced that they will be submitting a Terms of Reference for the proposed Northern Road Link Environmental Assessment. The proposed road is the final piece of critical road infrastructure needed to ensure reliable, all-season road access to potential mining sites in the Ring of Fire and connect both First Nation communities to Ontario's highway network. The provincial government will continue to work with the federal government to coordinate the impact assessment requirements for these projects.

Geopolitical forces are fueling a surging demand for reliable and responsibly sourced critical minerals, making this a strategic imperative for Canada. The Ring of Fire will bring significant economic, social and community benefits to the entire nation, and this historic project needs a full federal partner. This is why Ontario will continue to call on the Government of Canada to step up and match Ontario's funding commitments to getting the road to the Ring of Fire built.

Chart 1.1
Proposed Corridor to Prosperity



Sources: Ontario Ministry of Economic Development, Job Creation and Trade; Ontario Ministry of Northern Development, Mines, Natural Resources and Forestry; and Ontario Ministry of Transportation.

	Vehicle Production in Ontario **General Motors:** Oshawa Assembly Plant: Chevrolet Silverado (Light Duty and Heavy Duty); CAMI Assembly Plant, Ingersoll: Chevrolet Equinox (until April/May 2022), BrightDrop Zevo 600 (also known as EV600; starting December 2022). **Ford:** Oakville Assembly Complex: Ford Edge, Lincoln Nautilus. **Stellantis:** Windsor Assembly Plant: Chrysler Pacifica, Chrysler Voyager; Brampton Assembly Plant: Chrysler 300, Dodge Challenger, Dodge Charger. **Toyota:** Cambridge – North Plant: RAV4, Lexus NX and NX Hybrid (NX production will start in the upcoming months in 2022); Cambridge – South Plant: Lexus RX 350 and RX 450 Hybrid; Woodstock: Toyota RAV4 and RAV4 Hybrid. **Honda:** Alliston Assembly Plant 1: Honda Civic; Alliston Assembly Plant 2: Honda CR-V.	
Critical Minerals ***Enhancing the Ontario Junior Exploration Program***	Junior mining companies will play an important role in unlocking Ontario's critical minerals opportunity. This is why, in the 2021 Budget, the government announced the Ontario Junior Exploration Program (OJEP) to cover eligible costs of up to $200,000 for mineral exploration and development. To continue supporting this historic opportunity, the government is investing $12 million to extend the OJEP for an additional two years, attracting further investment and creating opportunities and jobs in this growing sector. Ontario is also creating a Critical Minerals Stream for the OJEP by investing an additional $4 million per year for the next three years. The new stream will help ensure that funding from the OJEP supports critical minerals projects, in addition to those focused on precious metals. It will also provide critical mineral explorers with more opportunities to discover minerals that support electric vehicles and advanced manufacturing. *The Ontario Junior Exploration Program:* The Ontario Junior Exploration Program was established in 2021 and has generated significant interest in its first intake, with 38 applications in 2021–22 requesting $6.4 million in support and leveraging up to $13.6 million in private-sector funding.	p.27
Investing in Critical Minerals Innovation	The government is investing $2 million in 2022–23 and $3 million in 2023–24 to create a Critical Minerals Innovation Fund. This initiative will help the mining industry, academia, startups, and research and development firms collaborate to develop new, innovative ways to extract and process critical minerals. The fund will support organizations pursuing innovative projects that create jobs, develop new technologies and attract private-sector investments, further strengthening the manufacturing supply chain and make Ontario a leader in battery technology, electric and hybrid vehicles, as well as advanced manufacturing.	p.28
Powering Ontario's Economy The government is taking action to build on the province's clean energy advantage to power Ontario's growing economy. Global companies are looking to invest in jurisdictions with affordable, reliable and clean energy. This is why the government has released Ontario's Low-Carbon Hydrogen Strategy, proposed the creation of a clean energy credit registry, supported Small Modular Reactors (SMRs), and is accelerating electricity transmission projects in Southwestern Ontario. The government has a plan to power Ontario for the future.		
Ontario's Energy Transition and Electrification	***Supporting Growth in Ontario's Hydrogen Sector*** The government is leveraging the province's strengths, such as clean electricity, to develop a low-carbon hydrogen economy in Ontario that will create jobs, attract investment and reduce greenhouse gas emissions. In April 2022, the Ontario government released its Low-	p.28

	Carbon Hydrogen Strategy to ensure the province's clean technology and hydrogen sectors continue to grow and contribute to a prosperous green future for the province. As part of the hydrogen strategy, the government is supporting a proposal from Atura Power, an Ontario Power Generation (OPG) subsidiary, for the province's largest low-carbon hydrogen production facility, in Niagara Falls, through a 10-year regulatory exemption to the Gross Revenue Charge for electricity generated at OPG's Sir Adam Beck 2 Generating Station used specifically for hydrogen production.	
	Creating a Clean Energy Registry The Ontario government is leveraging its world-class clean electricity grid by developing a voluntary clean energy credit (CEC) registry to boost Ontario's international competitiveness and attract jobs. The government has directed the Independent Electricity System Operator (IESO) to consult and report back by July 4, 2022, on the design of a provincial CEC registry that would provide businesses more choice in how they achieve their corporate sustainability goals. Voluntary CECs would represent clean electricity that has been generated from a non-emitting source, such as solar, wind, bioenergy, as well as hydroelectric and nuclear power. A CEC registry would return funds raised through the purchase of CECs to Ontario ratepayers and support future clean energy generation in the province.	p.29
	Supporting Economic Growth in Southwestern Ontario through Better Electricity Transmission Infrastructure With new investments in electric vehicles and battery manufacturing bringing jobs and opportunity to Southwestern Ontario, the government is accelerating the development of five transmission line projects. In April 2022, Ontario prioritized Hydro One's work to build transmission lines to address growing electricity demand in the region, driven by growth in the electric vehicle, battery manufacturing and greenhouse sectors. These new transmission lines will supply more clean electricity to the region, create jobs and partnerships for Indigenous communities, and further support economic growth in this part of the province. The transmission projects between London, Windsor and Sarnia represent an investment of more than $1 billion and are proposed to be developed in phases through 2030.	p.29

Selling Ontario Made Products to the World

Ontario's manufacturing sector is a key contributor to the economic success of the province. The sector employed over 776,000 people in 2021 and generated $78.4 billion in real GDP in 2020.

However, Ontario's manufacturing sector experienced a 30.5 per cent decline in employment from the sector's peak in 2004 until 2018. Over this period, the competitiveness of the sector was negatively impacted by the high cost of doing business, gaps in skills training programs and a lack of business investment.

From electric and hybrid vehicles to barbecues, the government is supporting the development of home-grown supply chains, creating the next generation of products and returning Ontario to its rightful place as the workshop of Canada. Through these efforts, products made in Ontario, by Ontario workers, will be shipped across North America and the world.

Producing Clean Steel in Ontario	Low-carbon steel production has become critical for jurisdictions to compete for manufacturing investments as businesses look to reduce greenhouse gas emissions in their	p.30

	supply chain. These investments support the creation of new jobs and economic growth as steel producers, automakers and other industries transform their operations. In February 2022, Ontario announced it would contribute up to $500 million in support for ArcelorMittal Dofasco's $1.8 billion investment in Hamilton to replace its coal-fed coke ovens and blast furnaces with new, low-emission technology. The project will move the facility to a hydrogen-ready direct reduced iron fed electric arc furnace, targeted for completion by 2028, to support the livelihoods of 4,600 people working at the facility. ArcelorMittal Dofasco's investment will also significantly lower the carbon footprint of the facility and reduce carbon dioxide (CO2) emissions by about three million tonnes annually. In addition, in November 2021, Algoma Steel announced a $700 million investment in an all-new, low-emission electric arc furnace. This investment will help lay the foundation for long-term competitiveness, economic prosperity, and new, well-paying jobs in Sault Ste. Marie and across all of Northern Ontario. Ontario's revitalized Northern Energy Advantage Program and its new investor-class stream provide the energy rate certainty that Algoma Steel needs to move ahead with this project and secure the jobs of the future. These investments will support Ontario's low-carbon steel transformation and help make the province a world-leading producer of low-emission steel. This includes building the vehicles of the future as well as the technology, transit, hospitals, schools and community infrastructure that are vital for the province's future prosperity and growth. Moving towards clean steel will also significantly reduce the province's greenhouse gas emissions, helping Ontario achieve its target of reducing emissions by 30 per cent by 2030.	
Building Ontario Made Electric Vehicles	Critical minerals in the North will drive electric vehicle (EV) manufacturing in the South, where Ontario's automotive sector is poised for resurgence as the industry continues its large-scale transformation. The government's plan will help Ontario become a North American leader in building the vehicles of the future. ***Shifting into Phase 2 of Driving Prosperity*** In November 2021, Ontario announced Phase 2 of *Driving Prosperity: The Future of Ontario's Automotive Sector*, the government's plan to build the next generation of vehicles in Ontario by securing auto production mandates to build electric and hybrid vehicles. The government will also help transform the supply chain by supporting the exploration, mining and production of critical minerals to create a domestic battery ecosystem and encourage research and development. **Driving Prosperity: 2030 Anchor Objective** Phase 2 is anchored by the goal to maintain and grow Ontario's auto sector by building at least 400,000 electric and hybrid vehicles by 2030.	p.30
	Attracting Game-Changing Auto Sector Investments Manufacturing employment in the province peaked in 2004 and declined significantly by 2018. The Ontario government is taking action to bring back manufacturing that will create jobs and support families and communities across Ontario. The auto industry has responded to Ontario's plan to help transform and grow the auto sector, lower taxes, reduce electricity costs and cut red tape. Over the past 18 months, the	p.30

	automotive sector in Ontario has seen more than $12 billion in investments for new vehicle production mandates and battery manufacturing. These investments include: • Over $5 billion for a joint investment between LG Energy Solution and Stellantis to build the province's first large-scale EV battery manufacturing plant in Windsor, supported by Ontario, along with municipal and federal governments. • $1.8 billion in commitments from Ford to produce battery EVs and five new EV models at its Oakville assembly complex, with the Ontario government providing $295 million in support and the federal government making a matching contribution. • More than $2 billion by General Motors to transform the company's Oshawa and Ingersoll manufacturing facilities to deliver the company's next generation of vehicles, including new all-electric commercial vehicles, with the Ontario government providing up to $259 million in grant support and the Government of Canada making a matching contribution. • $1.5 billion in commitments from Stellantis to upgrade its assembly plant in Windsor to build new electrified vehicles. • Almost $1.4 billion from Honda to upgrade and retool its plants in Alliston and begin manufacturing hybrid models, with the Ontario government providing $131.6 million in grant support and the Government of Canada making a matching contribution. • *"This represents an important milestone for Honda as we move forward in our ambitious vision to make battery electric vehicles represent 100 per cent of our North America vehicle sales by 2040. Honda of Canada Mfg. (HCM) is home to a team of remarkably talented associates who build some of Honda's most popular and fuel-efficient products. This investment not only ensures our product and manufacturing competitiveness within Ontario, Canada and abroad, but also significantly bolsters our ongoing efforts to reduce greenhouse gas emissions to help Canada attain its overall climate targets."* Jean Marc Leclerc President and CEO Honda Canada Inc. As of early April 2022, almost $11 billion of these investments are in transformative hybrid and electric vehicle production and battery manufacturing in Ontario.	
Building Batteries in Ontario	Developing Ontario's battery cell production capacity is critical to the creation of a new, highvalue supply chain of lithium-ion batteries to support EV production in automotive assembly plants in the province. This is why the government continues to make key investments in the battery supply chain to drive innovation and create jobs. In March 2022, the Ontario government announced its support, along with municipal and federal governments, for a joint investment between LG Energy Solution and Stellantis of over $5 billion to build the province's first large-scale EV battery manufacturing plant in Windsor. This investment represents the largest automotive manufacturing investment in the history of the province and puts Ontario on the path to becoming one of the most vertically integrated automotive jurisdictions in the emerging North American EV market. The battery facility will be fully operational by 2025 and will employ an estimated 2,500 people to supply Stellantis plants in the North American market. In February 2022, Ontario invested $1.5 million through the Regional Development Program to support an $18.5 million investment by auto parts manufacturer Ventra Group to create the Flex-Ion Battery Innovation Centre in Windsor. Also, in February, the government invested $250,000 to support the development of two new battery production lines at the Electra Battery Materials Corporation's future Battery Materials Park near Cobalt. These two new production lines would be the first of their kind in Ontario, meeting the demand for batteries that support the EV supply chain in North America.	p.33

Building Transportation Electrification Infrastructure	The Ontario government is providing $91 million to help make electric vehicle (EV) chargers more accessible to the public across the province. The funding will add more EV chargers across Ontario, including highway rest stops and in community hubs like hockey arenas, carpool lots, and provincial and municipal parks. The government will also introduce the Rural Connectivity Fund to support the installation of EV chargers in rural communities. The investment in new public charging stations, along with the government's programs to reduce electricity prices, will support the uptake of electric vehicles and further strengthen Ontario's auto industry, as cars of the future are built here in Ontario. The government has also asked the Ontario Energy Board to provide options for implementing a new ultra low overnight time of use price plan. This new ultra low rate could help support electric vehicle adoption.	p.34
Defending the Auto Sector from Protectionism	For over 50 years, the shared supply chain between Ontario and America's Great Lakes states has created jobs and supported families on both sides of the border. Currently, the United States is considering protectionist measures that would threaten the strong supply chain and impact automotive trade under the Canada-United States-Mexico Agreement (CUSMA). In December 2021, the Ontario government announced the creation of the Premier's Council on U.S. Trade and Industry Competitiveness. The Council is providing advice and recommendations to protect Ontario's rights under trade agreements and the workers who depend on them. The Council is also engaging industry partners across the United States, particularly in Great Lakes states where existing supply chains are integrated with Ontario industries.	p.34
Supporting Advanced Manufacturing	The government has a plan for the province's future prosperity to be made in Ontario by ensuring the economy is built on a strong and vibrant manufacturing base that focuses on globally competitive, domestic production. For example, Ontario's business community, including advanced manufacturers, has played a critical role in the COVID-19 pandemic by producing medical supplies and personal protective equipment (PPE) for Ontario's health care professionals and other frontline workers. Over the last four years, steps taken by Ontario have helped plot a new trajectory for long-term growth in manufacturing. These steps include increasing competitiveness, encouraging investment and supporting skills development. However, emerging trends like automation, digitization, the shift to carbon-neutral products and international supply chain disruptions have forced Ontario's manufacturers to retool and reimagine their production lines and capacity. This is a "call to action" for Ontario. This is why the government will work collaboratively with the manufacturing industry to develop an Advanced Manufacturing Strategy. This strategy will ensure the province's manufacturers remain globally competitive and that domestic production remains strong and vibrant now and into the future. Ontario will create an Advanced Manufacturing Council to help inform the strategy. The Council will engage industry, regional, government and academic experts on a range of key themes impacting manufacturers to help provide input into the development of the Advanced Manufacturing Strategy.	p.35

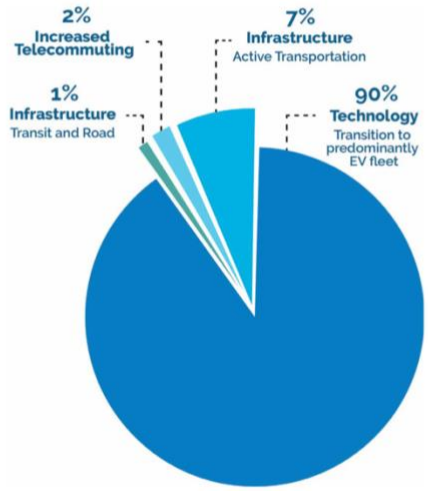
Standing Up for Small Businesses and Supporting Entrepreneurship Ontario's small businesses are an important part of Ontario's economy, employing more than two million people in communities across the province. The COVID-19 pandemic has impacted small businesses significantly, and they continue to face unique challenges in accessing capital, talent and markets. Small business owners are resilient and hard-working, with big dreams and bold ambitions. The Ontario government is committed to helping the province's entrepreneurs recover and thrive.		
Accelerating Ontario's Economy through Critical Technologies	New technologies are revolutionizing how businesses deliver products and services. The development and adoption of these technologies will help boost Ontario's advanced manufacturing and technology ecosystem by creating new opportunities for commercialization, preparing businesses for the future and increasing productivity. The Ontario government is investing nearly $107 million over the next three years in new critical technology initiatives to support access to and the commercialization of these technologies. These initiatives will help Ontario grow and compete with jurisdictions in a global race to develop and own critical technologies.	p.41
Building Prosperity Everywhere, for Everyone For too long, employment growth and opportunities have been concentrated in Ontario's largest metropolitan areas. Too many regions have not shared in the prosperity of the province. Every small city, town and village in Ontario has something to offer, and the Ontario government has a plan to help deliver prosperity everywhere, for everyone.		
Maximizing Investments in Government Office Locations	The provincial government has one of the largest and most complex real estate portfolios in Canada, including everything from offices to courthouses to schools. Recognizing the unique needs of each community, the government can help public-sector organizations work together to use property for what communities need the most. This may include using public-sector real estate and other spending to stimulate local economies or moving out of expensive leased office space. This is why the government is moving forward with an Office Optimization Strategy as an enterprise-wide approach to space planning and delivery, to unlock and increase the value of real estate assets across the province. Office Optimization has already begun in Toronto and Sudbury and will soon begin in London.	p.42
Investing in Regional Economic Development	Ontario's economic prosperity is also rooted in the strength of its regional economies. In 2019, the Regional Development Program was launched with the Eastern Ontario Development Fund and the Southwestern Ontario Development Fund supporting business growth in their respective regions. The program also provides eligible businesses and organizations with access to a broad range of complementary services and supports from across government. These include advisory services, assistance with environmental compliance approvals, as well as support in accessing skills and talent and information on tax credits or land use planning. To continue to support regional development across the province, in January 2022, the government of Ontario launched the $40 million Advanced Manufacturing and Innovation Competitiveness Stream, under the Regional Development Program. This provincewide stream provides complementary services and funding to companies to invest in the equipment, advanced technologies and skilled workforce needed to improve competitiveness, productivity and growth.	p.44
Showcasing Ontario as Open for Business The government has sent a clear message that Ontario is open for business. To support the creation of jobs, growth and prosperity, the government will continue to encourage and attract business investments, lower costs, reduce red tape and enhance access to capital.		
Providing Cost Savings and	Since June 2018, the government has undertaken significant actions to lower costs for employers to help them grow, protect existing jobs and create opportunities for workers. In	p.53

Support to Businesses	2022, the government would enable an estimated $8.9 billion in cost savings and support for Ontario businesses, with $4.1 billion to go to small businesses. Examples include: […] • Lowering electricity costs by 15 to 17 per cent in 2022 for medium-size and larger commercial and industrial customers under the Comprehensive Electricity Plan, with the government paying for a portion of high-priced, non-hydro renewable energy contracts; • Lowering electricity bills for eligible residential, farm and small business customers through measures such as time-limited off-peak electricity pricing 24 hours a day, from January 18, 2022, to February 7, 2022; • Cutting 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; […]	
Growing Ontario's Venture Capital Sector	Venture capital is vital for early-stage entrepreneurial companies to grow and reach their full potential. To promote high-potential companies with venture capital funding, the government is proposing to rebrand the Ontario Capital Growth Corporation as Venture Ontario. This venture capital agency would continue to support a portfolio of valuable companies. Provincial venture capital investments of approximately $380 million to date have leveraged over $4.5 billion in growth capital. To continue growing Ontario's venture capital sector and support high-value technology companies, Venture Ontario's venture capital funding will increase from $100 million to $300 million. This will enable the agency to make an additional $200 million in investments under the Venture Ontario Fund II, focusing on building Ontario's competitive advantages in key sectors, including life sciences, clean technology, information technology and artificial intelligence. Venture Ontario's commitments will be in a number of early-stage, late-stage and growth fund investments. The additional funding is expected to leverage an additional $1.8 billion to Ontario-based and Ontariofocused venture capital fund managers. Ontario will also consult with the angel investment community to explore opportunities to grow this important source of capital and bring its benefits to communities across the province.	p.55
Modernizing Ontario's Vehicle Registration Process	Ontario is investing $23.9 million in the Digital Dealership Registration (DDR) program to allow eligible car dealerships to register new vehicles online and issue stock, including permits and licence plates. This move will bring the government's driver and vehicle services into the 21 st century and improve the consumer experience by removing layers of the registration process. Once fully implemented, DDR will help move online up to 4.8 million dealership registration transactions annually including the registration of pre-owned vehicles, vehicle transfers and vehicle permit replacements, all of which must currently be conducted in person. At full implementation, the new DDR process will, for the first time ever, provide over 7,000 Ontario car dealerships access to an online program that eliminates duplicative paperwork and time-consuming trips to ServiceOntario centres. Modernizing the vehicle registration process is another way the government is making services simpler, faster and better for Ontario. It will also mark the successful completion of the government's commitment to improve or bring online the 10 highest-volume ServiceOntario transactions. This fulfils the government's commitment outlined in the 2019 Budget.	p.56

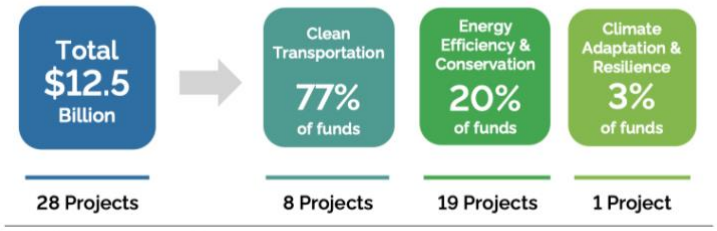
Breaking Down Interprovincial Trade Barriers	Trade with other provinces plays an important role in supporting jobs and growth across Ontario and providing opportunities for companies throughout the province. Ontario is the national leader in interprovincial trade, shipping $142.3 billion of goods and services to other provinces and territories in 2020. However, interprovincial trade barriers cost Ontario businesses time and money and stand in the way of enhancing their economic competitiveness and opportunities for growth. According to Deloitte's report The Case for Liberalizing Interprovincial Trade in Canada, prepared for the Working Group on Interprovincial Trade Barriers, the removal of non-geographic trade barriers is estimated to increase Ontario's GDP by $23.1 billion (2.9 per cent).2 Ontario supports reducing interprovincial trade barriers through the federal–provincial–territorial Regulatory Reconciliation and Cooperation Table (RCT), where the province is leading work on testing and deployment of automated and connected vehicles and on electronic logging devices for the trucking industry. Ontario is participating actively across the range of RCT areas to reconcile or harmonize regulations in personal protective equipment, safety codes and labour mobility, among others. The government of Ontario is willing to work with all of its provincial, territorial and federal counterparts to address domestic barriers to trade that increase business costs and impose unnecessary burdens on Ontario businesses. This will be a core priority in the government's plan to create growth and prosperity.	p.57
Section B: Putting Workers First		
Launching the Better Jobs Ontario Program	The Second Career program has traditionally helped laid-off unemployed workers access the training they need to become qualified for in-demand, well-paying jobs. It has also helped connect local employers with the high-skilled workers they need. The government has enhanced the program by improving client experiences, supporting short duration training, increasing funding for wrap-around supports, and prioritizing support for laid-off and unemployed workers in sectors most impacted by COVID-19. In 2021, the government also announced that it would be providing access to the program for people with limited or non-traditional work experience, including gig workers, newcomers and the self-employed who need training to get a job. Building on these improvements, the government is relaunching this program as the Better Jobs Ontario program to support a larger, more diverse range of Ontario workers. The Ontario government is also investing $5 million in new funding in 2022–23 in addition to the nearly $200 million invested over the last three years. This additional funding will support the expansion of the program and help improve access for more workers.	p.60
Enhancing the Skills Development Fund	The Skills Development Fund, announced in the 2020 Budget, supports innovative, market-driven solutions to address challenges to hiring, training or retaining workers, including apprentices, during the COVID-19 pandemic. Building on the success of the program, Ontario is providing an additional $15.8 million in 2022–23 to support the development and expansion of brick-and-mortar training facilities, which could include union training halls, to help more workers get the skills they need to find good, well-paying jobs and ensure employers can find the talent they need to build and grow their businesses.	p.60
Modernizing Skilled Trades and Apprenticeships	$1 billion annually in employment and training programs. 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.	p.61
Advancing the Ontario Workers' Plan	The Ontario government is committed to creating a comprehensive, long-term Ontario Workers' Plan to address labour shortages and to train the workers of the future. This plan will include initiatives already underway like the expansion of the Skills Development Fund	p.62

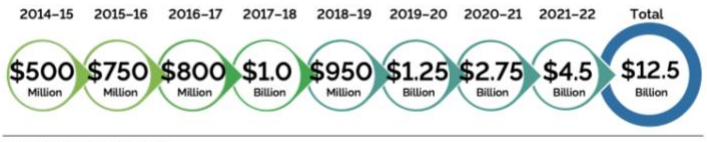
	and the employment transformation project. It will also include new initiatives like real-time labour market data and partnerships with local organizations to develop better programs that match workers with jobs and jobs with workers. Consultations will begin this summer to ensure all sectors of the economy are reflected in the plan.	
Expanding College Degree Granting	New three-year applied degree and four-year degree programs at Ontario colleges. The Ontario government is providing workers with every opportunity to develop the skills they need to participate in the province's economic future in fields including battery and electric vehicle manufacturing, as well as help build roads, highways, hospitals and long-term care homes, among other critical infrastructure projects. This is why Ontario is committed to increasing choices and reducing barriers to high-quality, local education for students by expanding the degrees publicly assisted colleges in Ontario can offer. New, three-year applied degrees and additional four-year degree programs will help build a pipeline of job-ready graduates in applied fields, enhance access to degree-level education in smaller communities and rural areas, and allow students to gain the education, experience and skills to enter the workforce faster. Some examples of three-year applied degree programs that are being considered or are under development include: - Bachelor of Skilled Trades Business Management; - Bachelor of Electrochemical Engineering; and - Bachelor of Welding Technology and Metallurgy.	p.63
Helping with the Cost of Training through the Ontario Jobs Training Tax Credit	To help offset the cost of training for workers, the government introduced the temporary Ontario Jobs Training Tax Credit for 2021 and 2022. The credit provides up to $2,000 in relief for 50 per cent of a person's eligible training expenses for the year, such as tuition at an eligible Canadian institution and fees paid to certain bodies in respect of an occupational examination. The Ontario Jobs Training Tax Credit will provide an estimated $535 million in support over 2021 and 2022. It is expected to provide support to about 240,000 people in 2022.	p.64
Increasing Rapid Retraining to Support Economic Recovery	Every worker in Ontario deserves the opportunity to retrain for a better job. This is why the government is providing an additional $268.5 million over three years in funding through Employment Ontario to strengthen Ontario's skills training and employment programs, including pandemic recovery initiatives. This funding will address an increase in demand for programming by workers and employers and help more job seekers get guidance, rapid retraining and other assistance to upgrade their skills and find good jobs. **Developing a Skilled Workforce** A skilled workforce is critical for supporting economic growth, filling labour shortages and securing Ontario's future prosperity. This is why the government is investing $1 billion annually in employment and training programs. This investment will help provide workers with training to pursue careers building roads, highways, transit and the next generation of hybrid and electric vehicles.	p.65
Raising the Minimum Wage	Recognizing that wages for many have not kept up with the rising cost of living, the Ontario government is raising the general minimum wage to $15.50 per hour on October 1, 2022. As part of the plan to put workers first, the government eliminated the separate, lower wage for bartenders and alcohol servers and is guaranteeing digital platform workers the general minimum wage, something no other province in Canada has done.	p.66

Section C: Building Highways and Key Infrastructure		
Highlights	• A $159 billion Capital Plan over the next 10 years, including $20.0 billion in 2022–23. • $61 billion in capital over 10 years for public transit, including building subways in the GTA and expanding the GO Transit network:	
Fighting Gridlock Many people in Ontario depend on highways and roads to get them to and from work, home to their families, and to keep goods moving across the province. Travel demand on provincial highways in the Greater Golden Horseshoe (GGH) grew three times faster than the rate of new road construction. Gridlock on highways and roads costs the economy more than $11 billion a year in productivity. Ontario is building new highways, roads, bridges and transit to reduce gridlock for drivers, strengthen supply chains and keep Ontario moving.		
Building Transportation in the Greater Golden Horseshoe	Ontario's bold vision for the Greater Golden Horseshoe will create jobs, boost the province's competitiveness and meet the demands of people and businesses in the rapidly growing region. In March 2022, Ontario released *Connecting the GGH: A Transportation Plan for the Greater Golden Horseshoe*. The plan will support population growth, expected to reach almost 15 million over the next 30 years, reduce gridlock, connect communities and improve people's access to jobs, housing, health care and education. The plan includes more than 100 actions, including building Highway 413 and the Bradford Bypass. Ontario is also moving ahead with the largest subway build in Canadian history and the expansion of regional passenger rail services. The plan also includes over 100 immediate and near-term actions that the province and its partners are taking, and will take, to make substantial progress towards the 2051 Vision for Mobility. These actions are organized under seven goals.	p.74
	Within *Connecting the GGH*, electric mobility initiatives fall under Goal #6, "Actions to be Future Ready": 77. Reduce the impacts of transportation emissions on the environment by: a. Supporting the adoption of low- and zero-carbon modes, including active transportation and the adoption of electric and hydrogen-powered cars, trucks and transit vehicles. b. Developing a strategy for low- and zero-carbon charging and fueling stations. c. Working with stakeholders to identify barriers and opportunities to support the uptake of electric vehicles in Ontario across different sectors (personal, commercial, transit). 80. Work with partners to ensure a clean-generated electricity system is ready to accommodate electric and innovative transportation. 81. Work with partner Ministries to develop a strategy to reduce emissions and support Made-in-Ontario vehicle manufacturing through the procurement and operation of low-carbon Ontario Government and Agency fleet vehicles, including exploring the use of alternative fuels, fuel additives and electric vehicles. 82. Establish guidance, standards and/or minimum targets to support the implementation of green infrastructure and low impact development approaches, such as green roofs, green pavements, bioswales (channels designed to concentrate and move stormwater runoff while removing debris and pollution) and low-carbon energy technologies in the delivery of transportation infrastructure. 85. The Driving Prosperity plan positions Ontario to become a North American hub for developing and building the next generation of electric, connected, automated vehicles through emerging technologies and advanced manufacturing processes. 92. The launch of the Ontario Vehicle Innovation Network (OVIN) provides a $56.4M investment in Ontario's automotive sector, building on the successful Autonomous	*Connecting the GGH*, p.43-45

	Vehicle Innovation Network (AVIN) program. OVIN extends its focus beyond connected and automated mobility to other key next-generation mobility areas including electric vehicles (EVs) and related battery technologies and talent development. **Reducing GHG Emissions from the Transportation Sector** The transportation sector continues to be Ontario's largest source of GHG emissions, accounting for 36% of all emissions in 2019. In the development of this plan, MTO analyzed the relative emissions impacts of potential future scenarios and combinations of infrastructure, policy, and technology solutions. Many factors can contribute to reductions in GHG emissions, including increases in telecommuting, transit ridership, safe cycling infrastructure and more walkable communities. However, the single most important source of transportation emissions reductions potential in Ontario is from the widespread adoption of low and no emission vehicles such as electric vehicles as illustrated in Figure 6.[2] Accelerating the adoption of technologies that help reduce GHG emissions in the transportation sector is a key aspect of moving forward with economic recovery and climate change mitigation. Through many of the near-term actions included in the GGH Transportation Plan (detailed in section 5.6), Ontario is taking steps to increase the availability of low- and zero-carbon mobility options for people and businesses throughout the region.  *Figure 6: Relative long-term emissions reduction potential of solutions assessed through MTO modelling* [2] All savings are relative to a 2051 "business as usual" scenario which considers a future with no new infrastructure investment and no change from today's fleet of predominantly internal-combustion engine (ICE) vehicles. Analysis only considers direct (tailpipe) emissions from transportation and not indirect sources of emissions (including electricity generation, vehicle manufacturing, new road construction).	
Launching New Ferries for Simcoe, Wolfe and Amherst Islands	Purchase of 2 electric ferries: In September 2021, the Wolfe Islander IV and the Amherst Islander II arrived in Canada. These new electric ferries are expected to be in service in late June 2022.	p.80
Ontario On Track		
Building Transit Vehicles in Ontario	The government previously announced $180 million towards the purchase of 60 new streetcars for the Toronto Transit Commission (TTC) that will also be built in Thunder Bay and ensure that the TTC can address immediate and future streetcar fleet needs.	p.86

Section D: Keeping Costs Down		
Keeping Transportation Costs Down Making it more affordable to travel and transport goods is essential for the province's economy and quality of life. This is why the government's plan includes measures that would deliver relief, from taxes on gas to the cost of auto insurance.		
Providing Tax Relief at the Pumps	Supply chain challenges, the Russian invasion of Ukraine and other cost pressures are increasing the cost of living, from gas to groceries. In this period of economic uncertainty, families and businesses need relief. This is why the Ontario government is stepping up with the Tax Relief at the Pumps Act, 2022 that 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. See Annex: Details of Tax Measures and Other Legislative Initiatives for further information about these changes. This measure builds on the elimination of the cap-and-trade program, providing a total of 10 cents per litre in relief from provincial charges and taxes at the pumps for Ontario drivers and Ontario families. The government will ensure municipalities that receive funding through the provincial Gas Tax program would not be impacted by this temporary cut to the gas tax rate.	p.99
Eliminating Licence Plate Renewal Fees and Stickers	For many families, driving is an absolute necessity. As the cost of living continues to go up, the government is cutting costs for nearly eight million vehicle owners by eliminating licence plate renewal fees and the requirement to have a licence plate sticker for passenger vehicles, light-duty trucks, motorcycles and mopeds. In March 2022, Ontario passed legislation to enable the government to refund eligible individual owners of vehicles for any licence plate renewal fees paid since March 2020. Eligible vehicle owners began receiving cheques in the mail at the end of March and throughout the month of April. Eliminating renewal fees will save vehicle owners $120 a year in Southern Ontario and $60 a year in Northern Ontario for each passenger and light commercial vehicle.	p.99-100
Helping with the Cost of Groceries and other Essentials		
Keeping Electricity Bills Down	In 2022, the Ontario government provided $1.525 billion in electricity price relief through the Comprehensive Electricity Plan. The Ontario government's Comprehensive Electricity Plan continues to provide electricity price relief for people and businesses. The plan moves a portion of the cost of non-hydroelectric, renewable energy contracts from ratepayers to the government, lowering the electricity costs on their bills. In addition, the Ontario Electricity Rebate (OER) provides a 17 per cent rebate on the total electricity bill of eligible households, small businesses and farms. The government provides additional targeted electricity bill relief, including for eligible low-income households, rural or remote customers and on-reserve First Nations consumers. For example, the Ontario Electricity Support Program (OESP) provides monthly on-bill credits to eligible low-income customers, and the Low-Income Energy Assistance Program (LEAP) provides a one-time grant towards electricity or natural gas bills to eligible consumers who are behind on payments. The Rural or Remote Rate Protection (RRRP) and Distribution Rate Protection (DRP) programs provide a rate subsidy to eligible rural or remote residential customers and specified residential customers who are served by eight Local Distribution Companies with higher distribution costs, respectively. The On-Reserve First Nations Delivery Credit provides a credit equivalent to the delivery charge on customers' electricity bills. The Energy Affordability Program (EAP) provides support to incomeeligible electricity consumers by helping them to lower their monthly electricity costs and to increase their home comfort.	p.54 p.110

Section E: A Plan to Stay Open		
New Ontario Seniors Care at Home Tax Credit	To help seniors aged 70 and older with eligible medical expenses, including expenses that support aging at home, the government is proposing a new, refundable Ontario Seniors Care at Home Tax Credit. In 2022, the new credit would provide an estimated $110 million in support to about 200,000 low- to moderate-income senior families. The government is proposing a new refundable Personal Income Tax credit to help seniors with eligible medical expenses, including expenses that support aging at home. Eligible recipients of the new Ontario Seniors Care at Home Tax Credit would receive up to 25 per cent of their claimable medical expenses up to $6,000, for a maximum credit of $1,500. Starting with the 2022 tax year, the proposed credit would support a wide range of medical expenses to help low- to moderate-income senior families age at home. - Wheelchairs and electric scooters are eligible.	p.114, 134, 228
CHAPTER 4: BORROWING AND DEBT MANAGEMENT		
Green Bond Program	Green Bonds remain a core component of Ontario's borrowing program and are an important tool to help finance public transit initiatives, extreme weather-resistant infrastructure, as well as energy efficiency and conservation projects. Ontario remains the largest issuer of Canadian dollar Green Bonds, totalling $12.5 billion issued since 2014–15, with $12.0 billion outstanding. Chart 4.4 Green Bond Allocation by Framework Category  *Note:* Numbers may not add due to rounding. *Source:* Ontario Financing Authority. On February 2, 2022, Ontario issued its second Green Bond in 2021–22, and eleventh Green Bond overall. This issue was for $1.75 billion and followed a $2.75 billion issue in July 2021. The total $4.5 billion issued in 2021–22 was the most in any single year since the inception of Ontario's Green Bond program. Eight projects were selected to receive funding from the most recent Green Bond. This included six Clean Transportation projects, one Energy Efficiency and Conservation project and one project under the Climate Adaptation and Resilience framework category: • Eglinton Crosstown Light Rail Transit (LRT); • GO Transit Expansion; • Finch West LRT; • Hurontario LRT; • Ontario Line Subway; • Scarborough Subway Extension; • West Park Healthcare Centre; and • Port Lands Flood Protection. Ontario is considering updating its Green Bond Framework. The update may include better alignment of framework categories with the Green Bond Principles through standardized	p. 208-209

	wording, as well as the possible expansion from green to sustainable to allow for a greater breadth of potential bond offerings in the future. Ontario plans to continue its leadership in the Canadian dollar Green Bond market and, subject to market conditions, will issue multiple Green Bonds each fiscal year, including in 2022–23. Chart 4.5 **Ontario's Green Bond Issues**  *Source*: Ontario Financing Authority.	
Other notes		
	- Relative to Budget 2021 and *2021-22 Q3 Finances*, Gasoline and Fuel Taxes revenue outlooks decreased by $24 million combined due to lower-than projected fuel consumption volumes. - A reminder of the significance of fuel taxes in the context of provincial finances. 'Electric fuel' has the benefit of an implicit exemption to public taxation on conventional sources of transport energy.	p.166