Expenditure Estimates

A Review of Ontario’s Proposed Spending Requirements for the 2018-19 Supply Bill
Report Outline

• Overview and background

• Key Issues for 2018-19
  o How the 2018-19 Expenditure Estimates compares to the 2018 Fall Economic Statement
  o Impact on the Standing Committee on Estimates

• Program Review
  o Spending trends of largest programs
  o Fastest growing programs in 2018-19
Overview and Background
Estimates & Supply

• The Expenditure Estimates (or Estimates) set out the fiscal year’s spending requirements for ministries and legislative offices and constitute the government’s formal request to the legislature for approval to spend the amounts as detailed in the Estimates.

• After reviewing the Estimates, Members of Provincial Parliament (MPPs) approve the government’s spending request through passage of the annual Supply Bill.
Annual Supply Bill Cycle

1. Temporary spending authority passed before the start of the fiscal year

2. Government then sets out spending plans and policy initiatives in a budget

3. Expenditure Estimates detail the year’s spending plan announced in the budget and formally requests Supply Bill spending authority

4. Standing Committee on Estimates (SCE) reviews the Estimates and reports back to the legislature

5. Legislature passes Supply Act which formally approves most government spending
Supply Bill Spending Request

- In the 2018-19 Expenditure Estimates, the Province is requesting $145.8 billion in spending authority.

<table>
<thead>
<tr>
<th></th>
<th>Expenses</th>
<th>Investments</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply Bill spending request</td>
<td>140.7</td>
<td>5.1</td>
<td>145.8</td>
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</table>
Key Issues for 2018-19
2018-19 Spending Breakdown: 2018 Budget vs 2018 FES

2018-19 Estimates reflect spending plan from 2018 Budget, not 2018 Fall Economic Statement

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<thead>
<tr>
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<tbody>
<tr>
<td>Supply Bill</td>
<td>140.7</td>
<td>140.8</td>
<td>0.1</td>
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<tr>
<td>Standalone legislation</td>
<td>16.8</td>
<td>17.7</td>
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<tr>
<td>Other spending</td>
<td>2.1</td>
<td>2.9</td>
<td>0.8</td>
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<tr>
<td>Legislative offices</td>
<td>0.4</td>
<td>0.4</td>
<td>0</td>
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<tr>
<td>Savings targets</td>
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<td>1.4</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>158.5</strong></td>
<td><strong>161.8</strong></td>
<td><strong>3.3</strong></td>
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Supply Bill spending up $0.1 billion in FES – savings will need to be identified
Supply Bill Spending Changes

- Total estimated spending reductions of $2.4 billion
- Total estimated net spending increase of $136 million

Spending increases for 10 programs, reductions for about 30 programs – over 30% of programs impacted
Standing Committee on Estimates (SCE)

- SCE reviews the Estimates of between six to twelve ministries and votes on program spending
- SCE reports back to the House in mid-November
- But, Estimates were tabled in late-November
- So, the Standing Committee on Estimates did not review government spending in 2018-19
Program Review
Ministry Program Size

128 ministry programs in 2018-19 Estimates; most cost about $50 million
5 programs account for almost 70% of Supply Bill
Key Program Growth Rates

- Local Health Integration Networks and Related Health Service Providers: 3.3% (10 YR Average), 2.8% (5 YR Average), 5.0% (2018-19)
- Ontario Health Insurance Program: 3.4% (10 YR Average), 3.2% (5 Y R Average), 1.3% (2018-19)
- Elementary and Secondary Education Program: 2.7% (10 Y R Average), 4.5% (5 Y R Average), 2.7% (2018-19)
- Adults’ Services Program: 5.2% (10 Y R Average), 5.8% (5 Y R Average), 7.8% (2018-19)
- Postsecondary Education Program: 3.9% (10 Y R Average), 4.2% (5 Y R Average), 3.8% (2018-19)
Fastest Growing Programs

Program growth rates in 2018-19, (%)

- Tourism and Culture Capital Program: 53%
- Justice Technology Services Program: 57%
- Policy and Planning: 65%
- Infrastructure policy and planning: 135%
- Tax, Benefits and Local Finance Program: 182%
Appendix – Spending Authorization Example
Example – Ministry of Health

Total Health spending of $61.3 billion authorized by:

- Supply Bill, $57.6, 94.1%
- Other spending, $3.6, 5.9%
- Standalone legislation, 0.0%
### Program Name and Vote Number – Supply Bill Spending

<table>
<thead>
<tr>
<th>Program Name and Vote Number</th>
<th>Cost</th>
<th>%</th>
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<td>Local Health Integration Networks and Related Health Service Providers - vote 1411</td>
<td>28,509</td>
<td>49%</td>
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<td>Ontario Health Insurance Program - vote 1405</td>
<td>20,401</td>
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<td>Provincial Programs and Stewardship - vote 1412</td>
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<td>Health Capital Program - vote 1407</td>
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<td>Population and Public Health Program - vote 1406</td>
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<td>Health Policy and Research Program - vote 1402</td>
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<td>eHealth and Information Management Program - vote 1403</td>
<td>519</td>
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<td>Information Systems - vote 1413</td>
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<td>Ministry Administration Program - vote 1401</td>
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<td>Health Benefit Program - vote 1415</td>
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<td><strong>Total Ministry</strong></td>
<td><strong>57,637</strong></td>
<td><strong>100%</strong></td>
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Thank you

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