

Expenditure Monitor 2021-22: Q1

Briefing Deck



Purpose and Structure

- This report provides information on unaudited spending by the Province during the first quarter of the 2021-22 fiscal year, including:
 - identifying changes to the Province's 2021-22 spending plan;
 - reviewing actual spending against both planned spending and actual spending over the same time period in 2020-21; and
 - tracking top-ups to, and transfers from, the Province's unallocated funds.



First Quarter Changes to the Spending Plan

- In the first quarter, the Province added \$466 million in planned program spending including:
 - \$202 million for the Ontario COVID-19 Worker Income Protection Benefit; and
 - \$235 million for the Property Tax and Energy Cost Rebate Grants Program.
- The increase in planned program spending was offset by a \$474 million drawdown from the Contingency Fund.
- Overall, the Province's 2021-22 spending plan decreased by \$7 million to \$178.3 billion.



First Quarter Changes to the Spending Plan

Sector	2021-22 Spending Plan	Q1 Changes	Revised 2021-22 Spending Plan
Health	71,184	5	71,188
Education	32,847	6	32,853
Postsecondary Education	6,987	-	6,987
Children's and Social Services	18,108	-	18,108
Justice	5,192	10	5,203
Other Programs	29,472	445	29,917
Unallocated Funds:			
Contingency Fund	2,080	-474	1,607
Interest on Debt	12,419	-	12,419
Total	178,290	-7	178,282

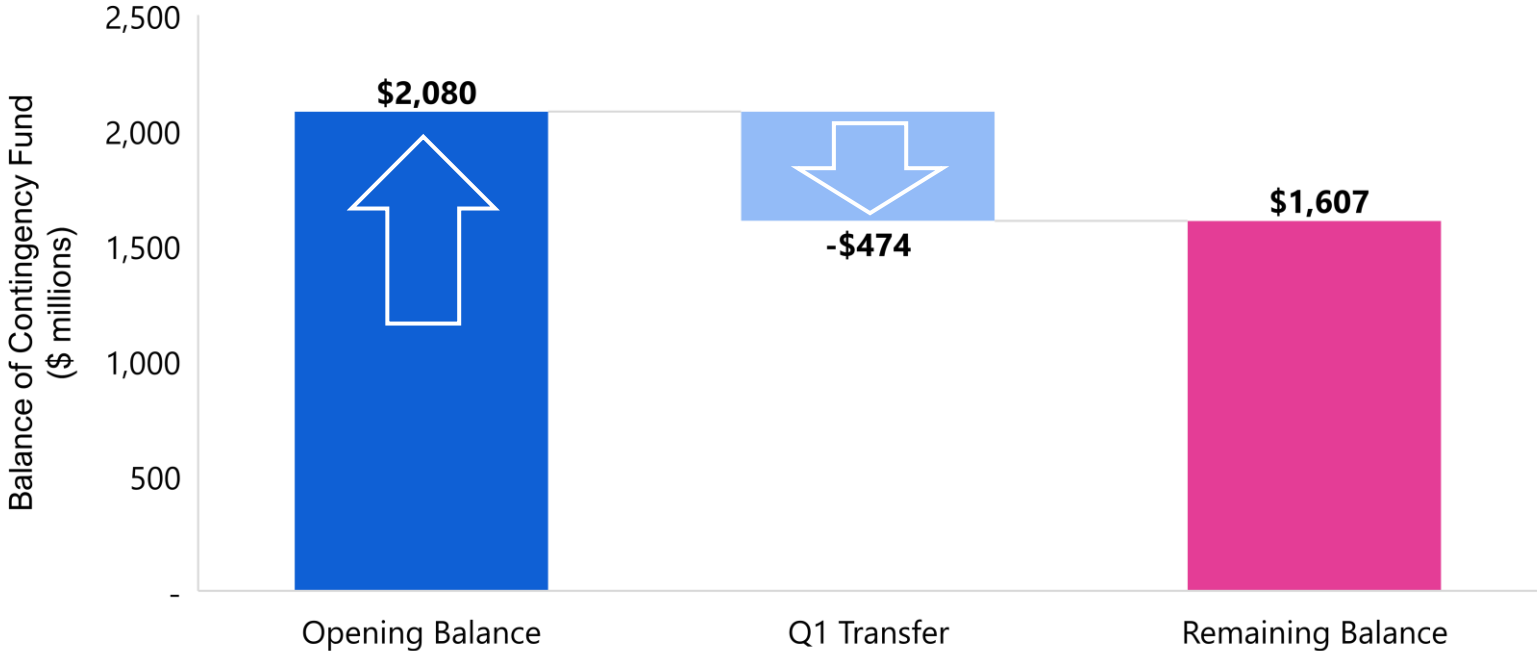
Note: Figures exclude planned spending on some assets and \$7.8 billion in additional planned spending by the broader public sector organizations controlled by the Province (hospitals, school boards and colleges), the Province's agencies and the legislative offices.

Source: FAO analysis of the 2021-22 Expenditure Estimates and information provided by Treasury Board Secretariat.



Status of the Unallocated Funds

- The Contingency Fund balance as of June 30, 2021 is \$1.6 billion.



Source: FAO analysis of the 2021-22 Expenditure Estimates and information provided by Treasury Board Secretariat.

- In its 2021-22 First Quarter Finances, the Province announced a \$2.2 billion Time-Limited COVID-19 Fund, which the FAO expects will be available in the second quarter of 2021-22.



Actual Spending vs. Planned Spending

- The Province spent \$36.9 billion in the first quarter of 2021-22, which was \$2.6 billion (6.6 per cent) less than planned.
- Most sectors spent less than planned, including:
 - **'Other programs'** - \$1.0 billion (16.6 per cent) less than planned.
 - **Health** - \$1.0 billion (5.4 per cent) less than planned.
 - **Children's and social services** - \$0.5 billion (11.6 per cent) less than planned.
 - **Postsecondary education** - \$33 million (2.3 per cent) less than planned.



Actual Spending vs. Planned Spending

Sector	Revised 2021-22 Spending Plan	Planned Spending at end of Q1	Actual Spending at end of Q1	Actual vs. Planned at end of Q1	Actual vs. Planned (%)
Health	71,188	17,776	16,824	-952	-5.4%
Education	32,853	5,489	5,506	17	0.3%
Postsecondary Education	6,987	1,447	1,414	-33	-2.3%
Children's and Social Services	18,108	4,566	4,034	-531	-11.6%
Justice	5,203	1,142	1,167	25	2.2%
Other Programs	29,917	6,074	5,067	-1,007	-16.6%
Unallocated Funds:					
Contingency Fund	1,607	-	-	-	-
Interest on Debt	12,419	3,001	2,861	-139	-4.6%
Total	178,282	39,495	36,873	-2,622	-6.6%

Note: Figures exclude planned spending on some assets and \$7.8 billion in additional planned spending by the broader public sector organizations controlled by the Province (hospitals, school boards and colleges), the Province's agencies and the legislative offices.

Source: FAO analysis of the 2021-22 Expenditure Estimates and information provided by Treasury Board Secretariat.



Highlights of Actual Q1 Spending

- Select programs with spending **below plan** in Q1:
 - In the **health** sector, the Province did not spend any of the \$2.7 billion COVID-19 Response transfer payment
 - In the **'other programs'** sector, the Province recorded a \$554 million negative adjustment for the Ontario Small Business Support Grant
 - In the **children's and social services** sector, the Province was below plan for the Ontario Drug Benefit Plan, Autism, Supportive Services, and Children's Treatment and Rehabilitation Services.
- Select programs with actual spending **above plan** in Q1:
 - The Province was \$176 million above plan for provincial and municipal public transit projects.



2021-22 Spending vs 2020-21 Spending

- Spending in the first quarter of 2021-22 was \$1.1 billion (2.8 per cent) lower than during the same period in 2020-21.
- **Health** spent \$0.9 billion (5.8 per cent) more in the first quarter of 2021-22 compared to 2020-21, largely due to higher spending on long-term care homes and payments to physicians.
- **Education** spent \$1.7 billion (24.1 per cent) less in the first quarter of 2021-22 compared to 2020-21, largely due to the government's decision in 2020 to temporarily defer municipal Education Property Tax payments for 90 days.



2021-22 Spending vs. 2020-21 Spending

Sector	2021-22 Spending at end of Q1	2020-21 Spending at end of Q1	2021-22 vs. 2020-21	2021-22 vs. 2020-21 (%)
Health	16,824	15,906	917	5.8%
Education	5,506	7,253	-1,747	-24.1%
Postsecondary Education	1,414	1,587	-174	-10.9%
Children's and Social Services	4,034	4,428	-394	-8.9%
Justice	1,167	1,098	69	6.3%
Other Programs	5,067	4,844	223	4.6%
Interest on Debt	2,861	2,813	48	1.7%
Total	36,873	37,930	-1,057	-2.8%

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Source: FAO analysis of the 2021-22 Expenditure Estimates and information provided by Treasury Board Secretariat.

Thank you!



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