

2022-23 Interprovincial Budget Comparison

Comparing Ontario's Revenues, Spending, Budget Balance and Net Debt with Other Provinces

Briefing Deck

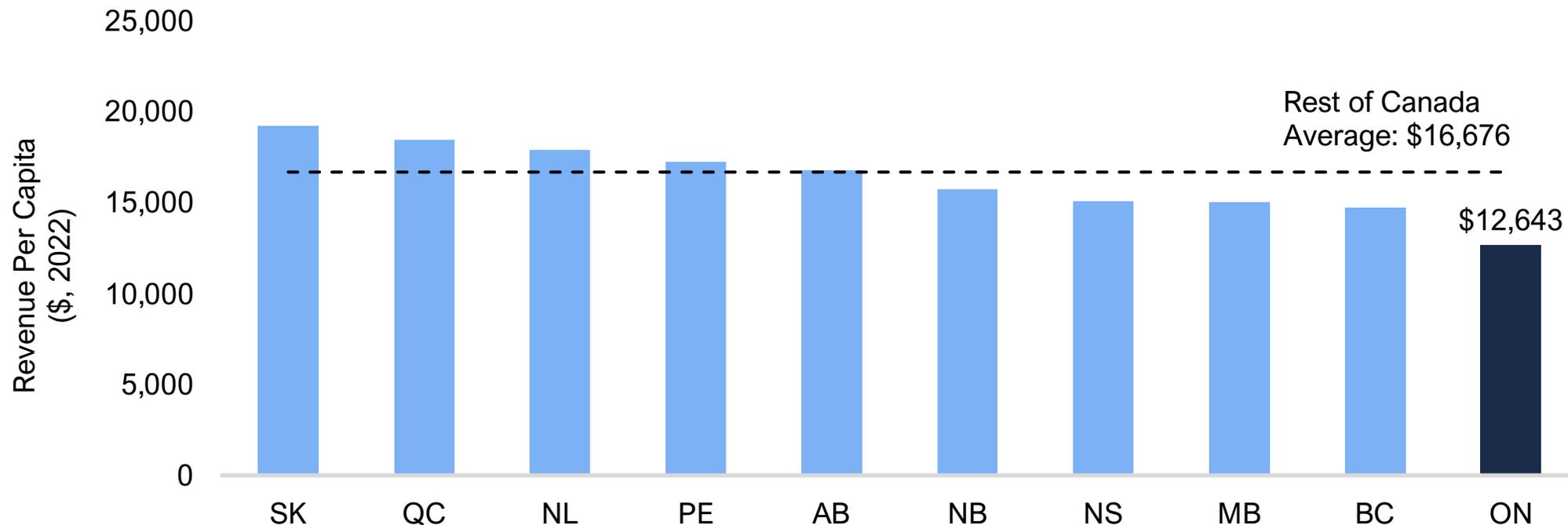
Overview

- This report provides a comparison of Ontario government revenues, spending, budget balance and net debt with the other Canadian provinces based on Statistics Canada's Government Finance Statistics (GFS).
- The GFS data, published since 2008, adjusts for differences in each province's organizational structure and accounting practices, providing a standardized framework for comparing provincial budgetary results.
- This report reviews financial information for the 2022-23 fiscal year, which is referred to as 2022.



Ontario's total revenue per capita was the lowest in Canada

- Ontario collected \$12,643 in total revenue per capita in 2022, the lowest among the provinces, mainly reflecting Ontario's below-average federal transfers and other non-tax revenues.
- Since 2008, Ontario's total revenue per capita has consistently ranked lowest or second lowest among the provinces.

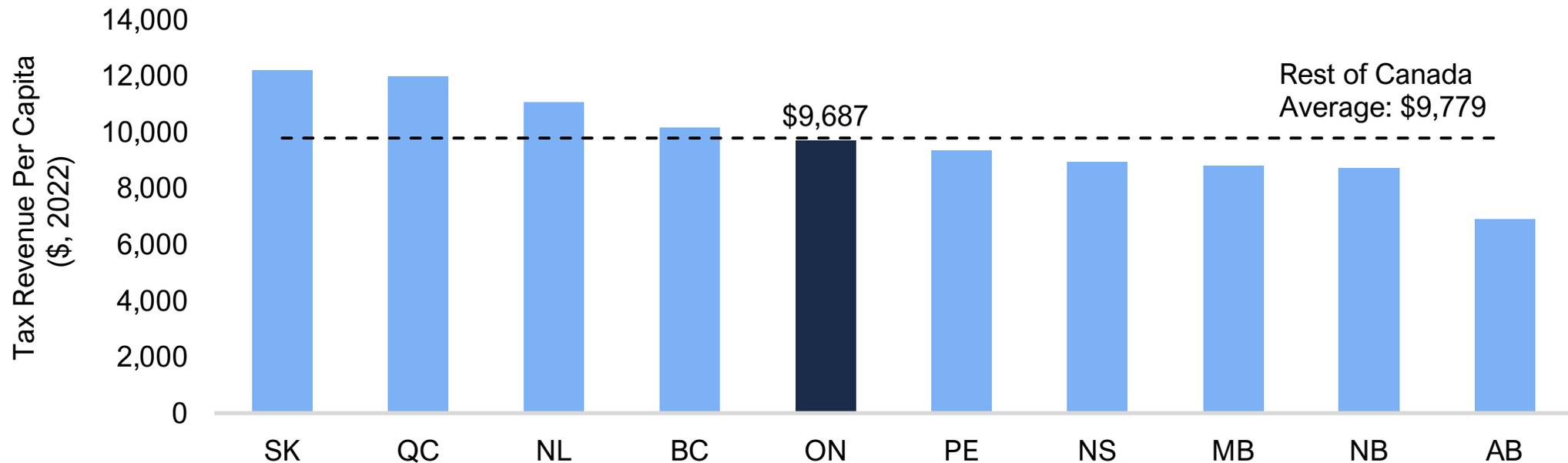


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#), [10-10-0019-01](#) and FAO.



Ontario's tax revenue per capita was below the average of other provinces

- Ontario collected \$9,687 in tax revenue per capita, \$92 (0.9 per cent) below the rest of Canada average of \$9,779.
- Ontario has historically had relatively higher tax revenue per capita compared to the rest of Canada average, however, slow tax revenue per capita growth in Ontario in 2022 compared to the rest of Canada brought Ontario below the rest of Canada average.

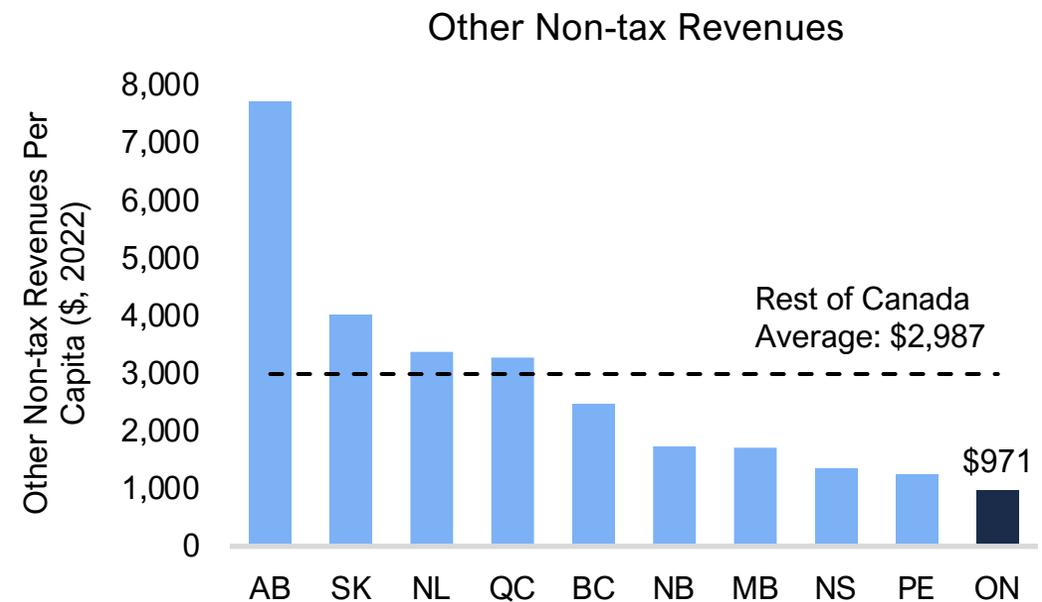
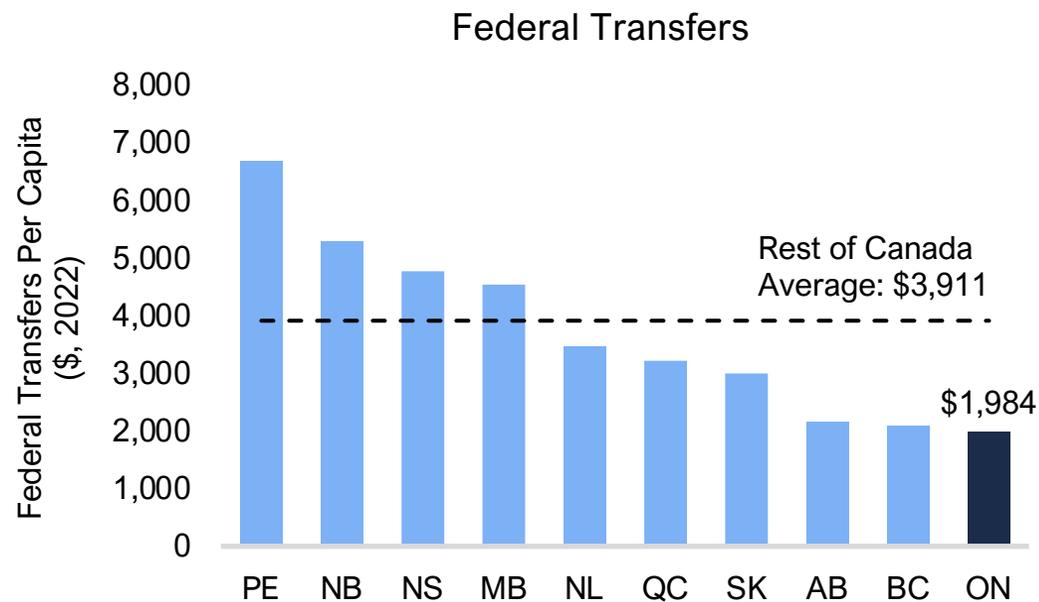


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#), [10-10-0019-01](#) and FAO.



Ontario received the lowest federal transfers and collected the lowest other non-tax revenues per capita

- Ontario received the lowest federal transfers per capita among the provinces (\$1,984), reflecting its lack of Equalization Program payments and its below-average revenue from other federal transfer programs.
- Ontario collected the lowest other non-tax revenue per capita among the provinces (\$971), largely reflecting its lack of resource royalties.

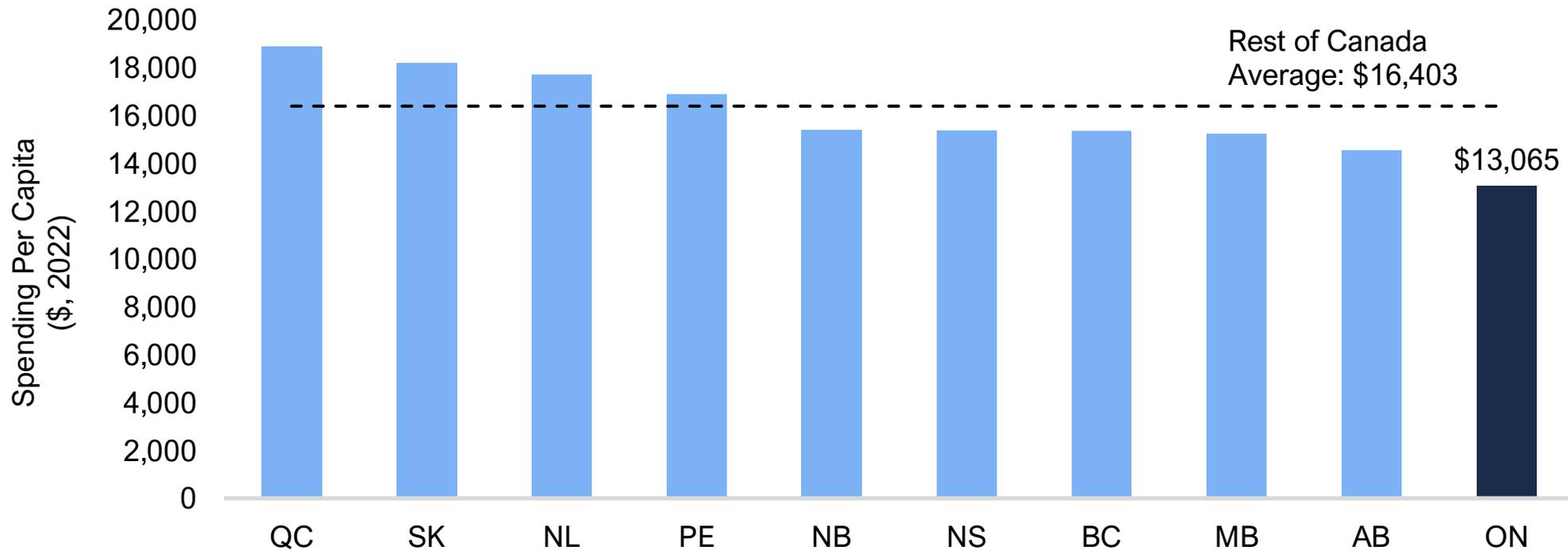


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#), [10-10-0019-01](#) and FAO.



Ontario's total spending per capita was the lowest in Canada

- Ontario's total spending per capita of \$13,065 was the lowest among the provinces, reflecting low program spending per capita and below-average interest on debt payments.
- Since 2008, Ontario's total spending per capita has consistently ranked at or near the lowest among the provinces.

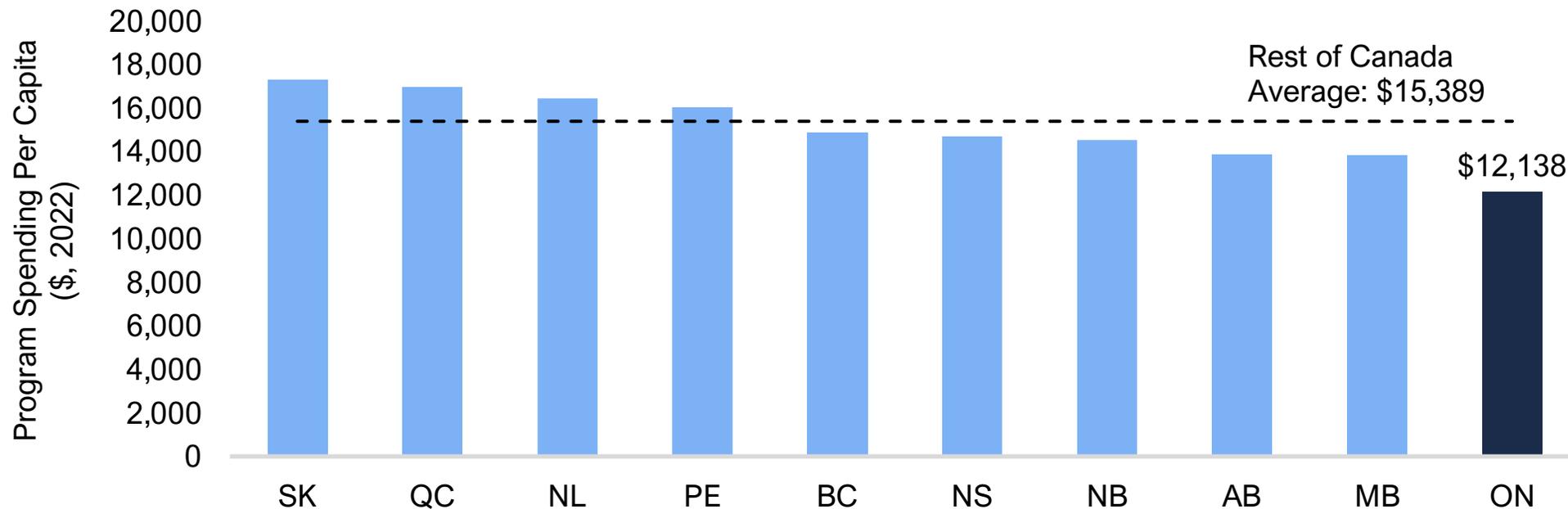


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#), [10-10-0019-01](#) and FAO.



Ontario's program spending per capita was the lowest in Canada

- Ontario's program spending of \$12,138 per capita in 2022 was the lowest among the provinces and \$3,251 (21.1 per cent) below the rest of Canada average of \$15,389.
- Since 2008, Ontario's program spending per capita has consistently ranked at or near the lowest among the provinces.

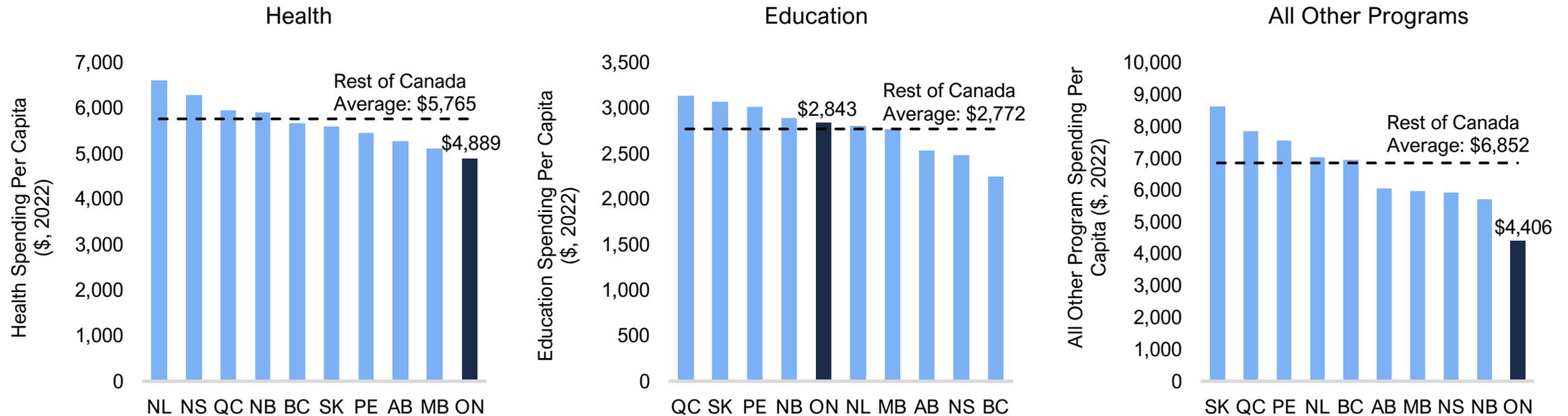


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#), [10-10-0019-01](#) and FAO.



Per capita spending by program area

- Ontario's relatively low level of program spending results from lower-than-average per capita spending on health and all other programs, which outweighs above-average per capita spending on education.

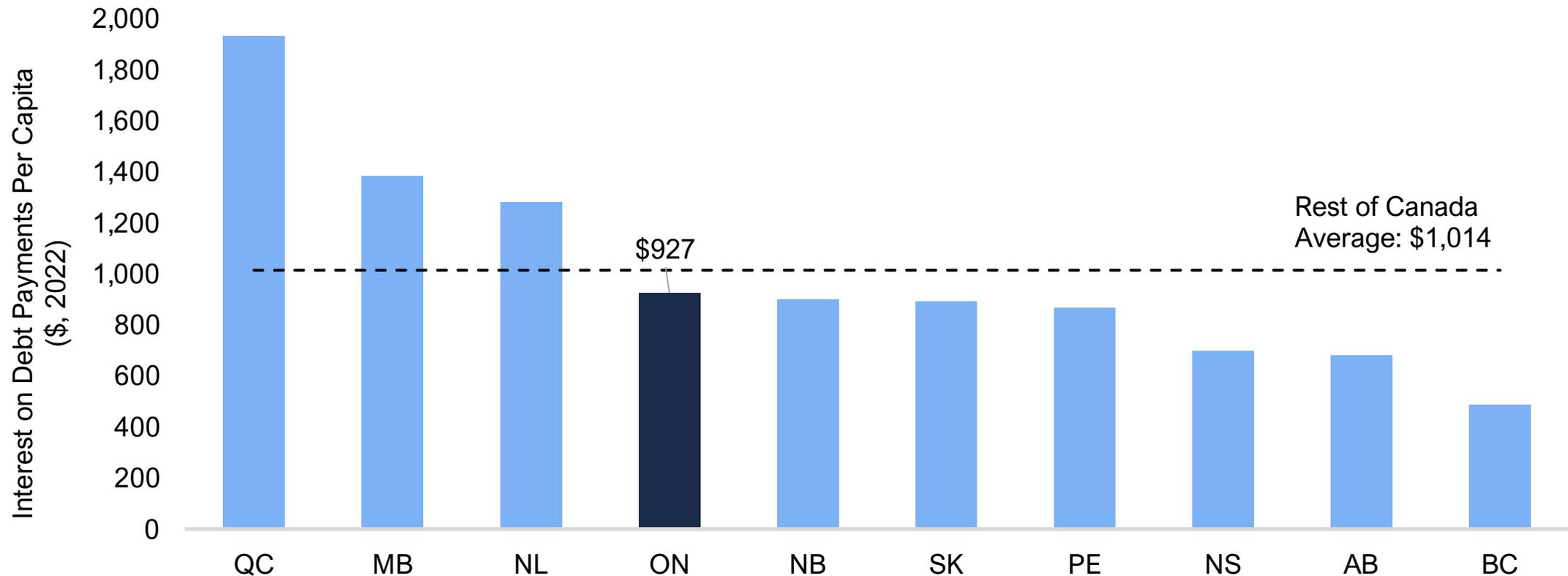


Note: Education spending includes primary, secondary and postsecondary expenses, among others. All other program spending is calculated by subtracting health and education expenses from overall program expense. Sources: Statistics Canada Tables [10-10-0024-01](#), [17-10-0005-01](#), [10-10-0019-01](#) and FAO.



Ontario's interest on debt payments per capita were below the average of other provinces

- Ontario's interest on debt payments were \$927 per capita, the fourth highest among the provinces but below the rest of Canada average of \$1,014, reflecting Ontario's below-average borrowing rates.

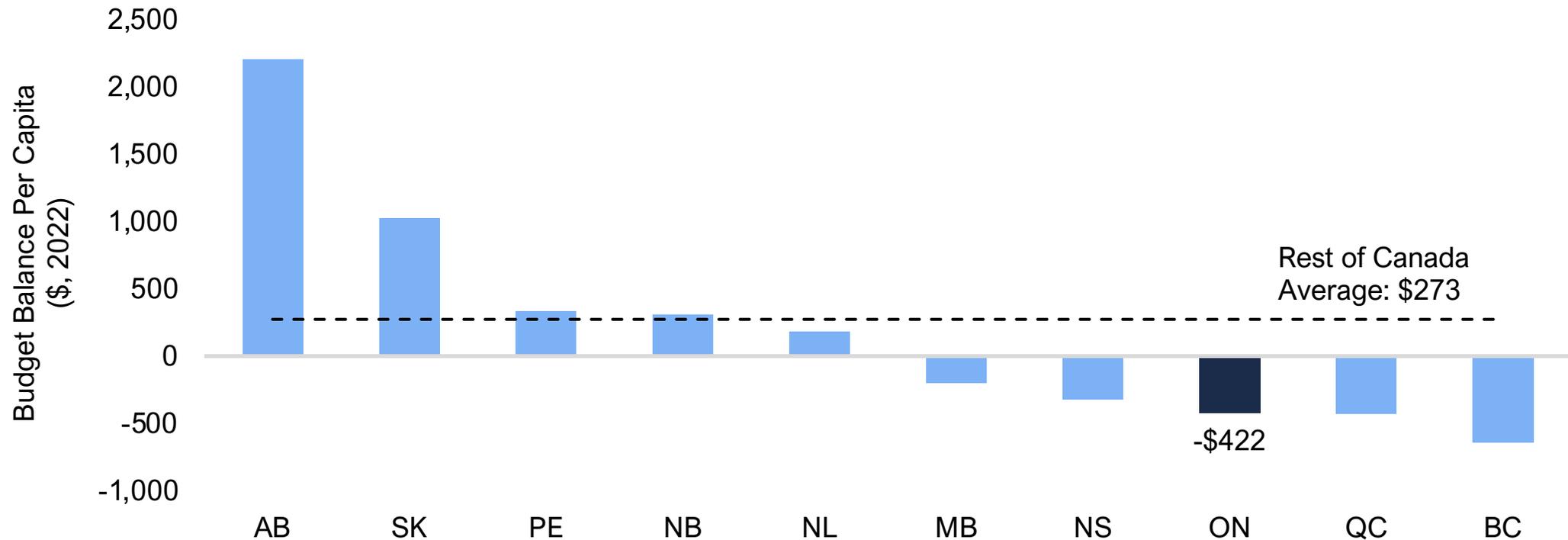


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#) and FAO.



Ontario was one of five provinces to record a deficit

- According to Statistics Canada's Government Finance Statistics, Ontario recorded a budget deficit of \$422 per person in 2022, the third largest deficit among the provinces.
- Excluding Ontario, the average budget position of the other provinces was a \$273 per capita surplus in 2022.

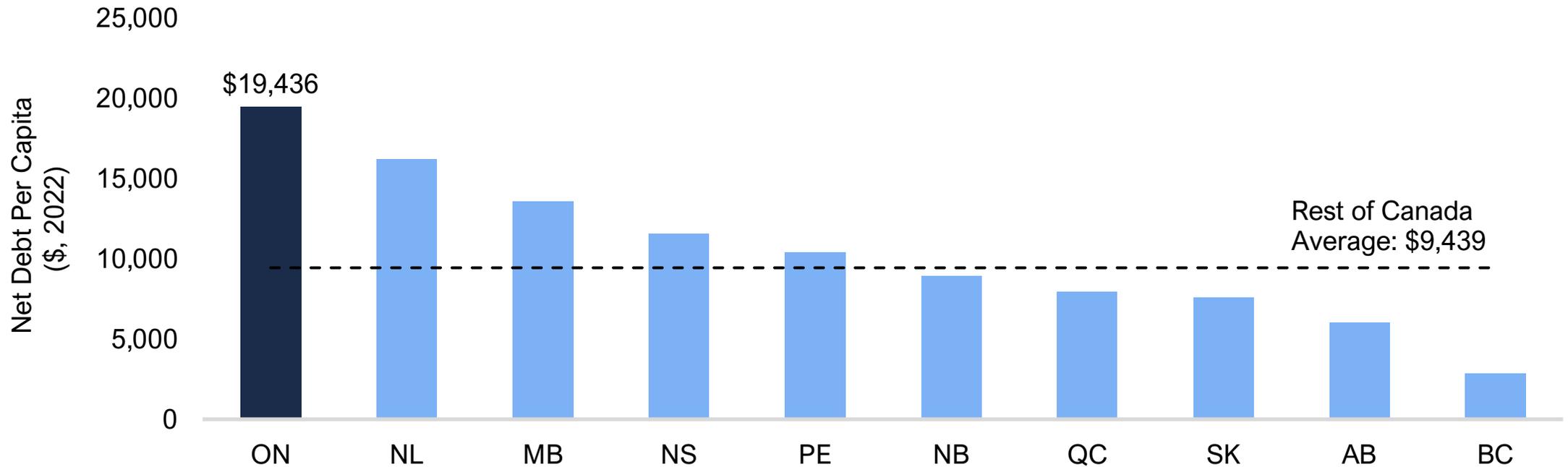


Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#) and FAO.



Ontario's debt burden per capita was the highest in Canada

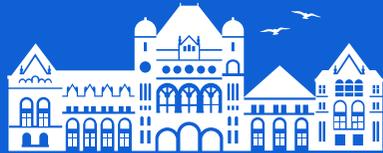
- Ontario's net debt per capita was \$19,436, the highest among the provinces and \$9,997 (105.9 per cent) above the rest of Canada average of \$9,439.
- Ontario's relatively high net debt results from its frequent budget deficits, which have typically been larger than the average budget deficit in the rest of Canada.



Sources: Statistics Canada Tables [10-10-0017-01](#), [17-10-0005-01](#), [36-10-0222-01](#) and FAO.



Thank you!



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