2026

FAO
Financial Accountability Office of Ontario

Economic and Budget Outlook

Summer 2026

About this document

Established by the *Financial Accountability Officer Act, 2013*, the Financial Accountability Office of Ontario (FAO) provides independent analysis on the state of the Province's finances, trends in the provincial economy and related matters important to the Legislative Assembly of Ontario.

Prepared by: Zohra Jamasi, Jay Park, Nicolas Rhodes, Matthew Stephenson, Kyra Safar and Yefei Zhang under the direction of Paul Lewis, Edward Crummey, Matthew Gurnham and Luan Ngo. Lisa Barkova, Michelle Gordon and Ava Rahbari contributed to this report.

This report has been prepared with the benefit of publicly available information and information provided by Treasury Board Secretariat and the Ministries of Children, Community and Social Services; Colleges, Universities, Research Excellence and Security; Education; Finance; Health; Long-Term Care; and the Solicitor General.

In keeping with the FAO's mandate to provide the Legislative Assembly of Ontario with independent economic and financial analysis, this report makes no policy recommendations.

FAO
Financial Accountability Office of Ontario

Financial Accountability Office of Ontario
2 Bloor Street West, Suite 900 Toronto, Ontario M4W 3E2 | fao-on.org | info@fao-on.org | 416-644-0702
This document is also available in an accessible format and as a downloadable PDF on our website.

ISSN 2561-6412

Table of Contents

1. Summary

This Economic and Budget Outlook (EBO) report provides the FAO's projection for Ontario's economy and the Government of Ontario's (the Province's) finances over the 2025-26 to 2030-31 period.

Slow GDP growth expected to continue

Growth in Ontario's real GDP, the broadest measure of economic activity, slowed from 1.6 per cent in 2024 to 1.3 per cent in 2025 as US tariffs hindered Ontario's exports and machinery and equipment investment, while residential investment continued to fall. However, resilient household spending and stronger non-residential and government capital investment helped support overall economic growth in 2025.

Ontario's real GDP growth is projected to slow further to 0.6 per cent in 2026 as a weak start to the year, a decline in Ontario's population, US tariffs and elevated oil prices weigh on economic activity. Ontario's real GDP growth is projected to improve to 1.5 per cent in 2027 as population growth partly recovers, energy prices moderate and Ontario's economy continues to adjust to the impact of US tariffs. Over the 2028 to 2031 period, real GDP growth is projected to average 1.9 per cent, close to its long-term growth trend.

The FAO projects budget deficits over the outlook

The FAO projects that Ontario's budget deficit increased to $10.6 billion in 2025-26, up from a deficit of $1.1 billion in 2024-25. The significant increase in the budget deficit results from a projected 3.8 per cent increase in spending combined with a 0.4 per cent decline in revenue.

Based on the FAO's outlook for the Ontario economy, and current government policies and announced commitments, the FAO projects that the budget deficit will deteriorate further to $16.9 billion in 2026-27, as projected spending growth of $10.4 billion outpaces a projected increase in revenue of $4.1 billion. The budget deficit is projected to improve to $9.8 billion in 2027-28 and reach a deficit of $8.4 billion by 2030-31, as average annual revenue growth of 3.8 per cent is projected to exceed average spending growth of 2.8 per cent per year.

Compared to the Province's outlook in the 2026 Ontario Budget, the FAO projects a smaller budget deficit in 2025-26 and larger deficits in 2026-27, 2027-28 and 2028-29 (the last year of the Province's outlook). The FAO does not project a balanced budget over the outlook, while in the 2026 Ontario Budget the Province projected a balanced budget in 2028-29.

Ontario's accumulated deficit, net debt and fiscal sustainability indicators

The FAO projects that the Province's accumulated deficit, a measure of total liabilities minus total assets, will increase by $62.5 billion (25.3 per cent) over the outlook, rising from $247.1 billion in 2024-25 to $309.6 billion in 2030-31.

The FAO projects that the Province's net debt[1] will rise from $427.1 billion in 2024-25 to $596.1 billion in 2030-31, an increase of $169.1 billion (39.6 per cent). This increase is due to $62.5 billion in accumulated budget deficits over the outlook and borrowing to finance a $119.8 billion increase in non-financial assets (largely infrastructure assets owned by the Province), offset by a $13.3 billion accounting change to remove non-financial liabilities from the calculation of net debt.

1 Prior to 2026-27, net debt is calculated as total liabilities less financial assets. Starting in 2026-27, net debt is calculated as financial liabilities less financial assets.

In the 2026 Ontario Budget, the government identified targets for three fiscal sustainability indicators, two related to the debt burden (a net debt-to-GDP ratio below 40.0 per cent and a net debt-to-revenue ratio below 200 per cent) and one related to budgetary flexibility (the share of revenue dedicated to interest payments below 7.5 per cent). The FAO expects that all three fiscal sustainability indicators will deteriorate over the outlook. By 2030-31, the net debt-to-GDP ratio is expected to remain below the government's target but exceed the ratio's 10-year historical average, while the net debt-to-revenue and interest-to-revenue ratios are projected to exceed the government's targets and each ratio's 10-year historical average.

Revenue growth expected to moderate

From 2024-25 to 2030-31, revenue growth is expected to average 2.8 per cent per year, below the 6.5 per cent average annual increase recorded during the previous six years. The slowdown in revenue growth reflects the FAO's expectation that economic growth will moderate. Nominal GDP growth, the key driver of overall revenue gains, is projected to slow significantly compared to the previous six years.

Compared to the 2026 Ontario Budget, the FAO projects lower revenue in each year, with the gap steadily widening. In 2025-26, the FAO projects $1.3 billion in lower revenue, which widens to $5.9 billion in lower revenue by 2028-29. The difference in revenue outlooks is primarily due to the government's higher forecast for personal income tax revenue.

Spending growth expected to moderate

From 2024-25 to 2030-31, spending growth is projected to average 3.2 per cent per year, slower than the 5.8 per cent average annual increase recorded over the previous six years. Spending growth is expected to moderate based on slower projected inflation, slower wage and population growth, and the FAO's analysis of current government policies and announced commitments.

Compared to the 2026 Ontario Budget, the FAO projects a cumulative $6.4 billion in higher spending over the comparable outlook. The FAO's projection is $2.6 billion below the government's forecast in 2025-26, but exceeds the government's forecast in 2026-27, 2027-28 and 2028-29 by $2.1 billion, $1.7 billion and $5.1 billion, respectively.

By sector, the FAO estimates the government's spending plan contains cumulative shortfalls over the 2025-26 to 2028-29 period in health (-$5.2 billion), education (-$4.2 billion), children, community and social services (-$3.7 billion), interest and other debt servicing charges (-$1.4 billion), and justice (-$0.4 billion). These shortfalls are partially offset by estimated excess funds in postsecondary education ($2.2 billion) and 'other programs' ($6.3 billion).

Risks and uncertainties

There are numerous risks and uncertainties that could materially impact the FAO's economic and budget outlook over the projection period, including ongoing geopolitical conflicts and evolving Canada-US trade relations. Given this uncertainty, the FAO has developed two alternative economic scenarios, a "high growth" and a "low growth" scenario, based on different assumptions for key economic variables. Under the high growth scenario, the FAO projects a budget deficit of $2.1 billion by 2030-31, while under the low growth scenario the budget deficit reaches $13.7 billion in 2030-31.

2. Economic Outlook

Ontario's economic growth slowed modestly in 2025

Growth in Ontario's real GDP, the broadest measure of economic activity, slowed from 1.6 per cent in 2024 to 1.3 per cent in 2025 as US tariffs hindered Ontario's exports and machinery and equipment investment, while residential investment continued to fall. However, resilient household spending and stronger non-residential and government capital investment helped support overall economic growth in 2025.

Ontario's nominal GDP, the broadest measure of the tax base and which includes inflation, decelerated from 5.1 per cent growth in 2024 to 4.1 per cent in 2025 as the impact of US tariffs tempered labour income growth. A strong rebound in corporate profits and ongoing robust gains in net mixed income[2] helped drive nominal GDP growth in 2025.

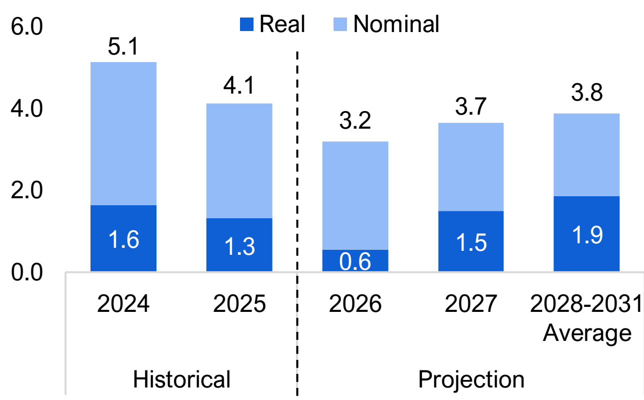
GDP growth to slow further in 2026

Ontario's real GDP growth is projected to slow further to 0.6 per cent in 2026 as a weak start to the year,[3] a decline in Ontario's population[4] and elevated oil prices[5] weigh on economic activity. In addition, business investment and exports are projected to remain subdued by uncertainty in trade relations with the United States and volatility in energy prices. Residential investment is projected to decline in 2026 for the fifth year in a row amid softness in housing construction and sales activity. Household spending is expected to be one of the few notable sources of growth in Ontario's economy in 2026 as relatively low interest rates, strong financial market gains and government affordability measures[6] provide a cushion to household finances.

Figure 2.1

Ontario's economic growth projected to slow further in 2026

Ontario GDP Growth (Per Cent)



Source: Ontario Economic Accounts and FAO.

Nominal GDP growth is also projected to slow to 3.2 per cent in 2026 as labour income growth moderates. Growth in corporate profits is expected to outpace labour income and net mixed income, reflecting in part strong momentum carried over from 2025.

Ontario's real and nominal GDP growth are projected to improve to 1.5 per cent and 3.7 per cent, respectively, in 2027 as population growth partly recovers, energy prices moderate and Ontario's economy continues to adjust to the impact of US tariffs. Over the 2028 to 2031 period, real and nominal GDP growth are projected to average 1.9 per cent and 3.8 per cent, respectively, close to their long-term growth trends.[7]

2 This includes farm income, unincorporated business income and rental income.

3 Ontario's economy experienced a technical recession from the fourth quarter of 2025 to the first quarter of 2026. See the FAO's *Ontario Economic Monitor: January to June 2026*.

4 Ontario's population is projected to have declined by 1.0 per cent between July 1, 2025 and July 1, 2026. However, according to Statistics Canada, there may be significant upcoming revisions to Ontario's population. See discussion in Chapter 6.

5 The FAO's outlook assumes an average price of West Texas Intermediate crude oil of US$80 per barrel in 2026, up from US$65 per barrel in 2025.

6 Federal and provincial government affordability measures that impact 2026 include the federal Canada Groceries and Essentials Benefit, a one percentage point reduction in the lowest federal personal income tax rate to 14 per cent, the Ontario Enhanced New Housing Rebate, and the temporary suspension of the federal fuel excise tax.

7 Ontario's historical average real and nominal GDP growth over the 2001 to 2025 period were 1.9 per cent and 4.2 per cent, respectively.

There is significant uncertainty in the economic outlook stemming from geopolitical risks, Canada-US trade relations and Ontario's demographic outlook, which could have a broad range of impacts on Ontario's economic growth. For a discussion of the current risks to the economic outlook, see Chapter 6.

Canada's GDP growth projected to outpace Ontario

Canada's real GDP growth slowed slightly from 2.0 per cent in 2024 to 1.9 per cent in 2025, even as US tariffs reduced trade activity between the two countries. Ontario is expected to be disproportionately impacted by uncertainty in Canada-US trade relations as Ontario's manufacturing sector continues to face significant pressure from US tariffs. As a result, Canada's real GDP growth is expected to continue to outpace Ontario's growth in the near term, with Canadian real GDP growth of 0.7 per cent in 2026 and 1.6 per cent in 2027, compared to Ontario real GDP growth of 0.6 per cent in 2026 and 1.5 per cent in 2027.

Ontario's job market expected to moderate further in 2026

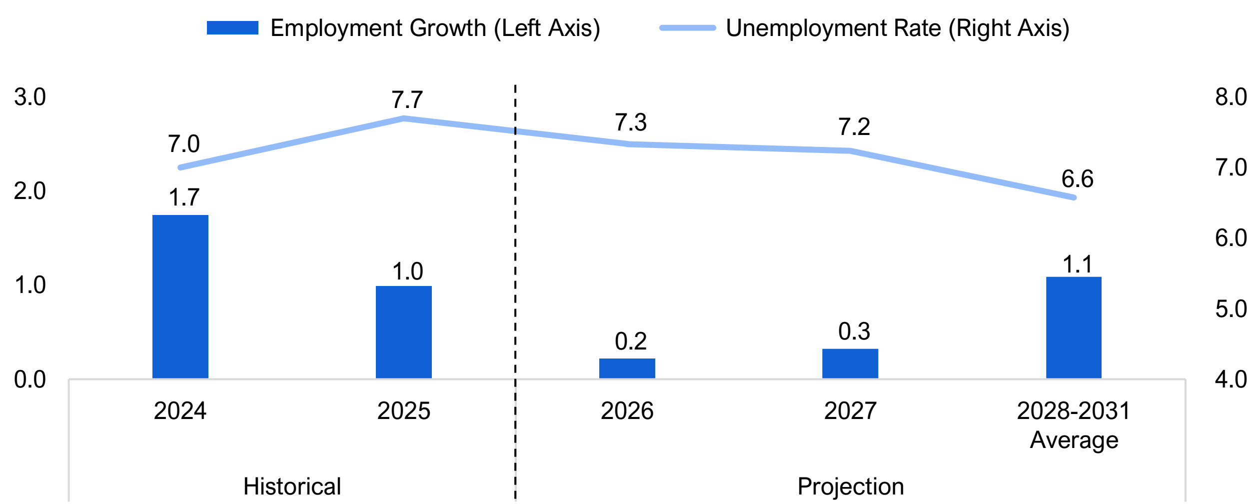
Ontario's job creation moderated in 2025 as employment increased by 80,900 jobs (1.0 per cent) compared to 140,000 jobs (1.7 per cent) created in 2024, with job losses in industries vulnerable to US tariffs.[8] As more people entered the labour market (156,300 or 1.8 per cent) than were hired, the annual unemployment rate increased to 7.7 per cent in 2025, up from 7.0 per cent in 2024, and the highest rate since 2012 excluding the COVID-19 pandemic.

Annual employment growth is projected to slow to 0.2 per cent in 2026 and 0.3 per cent in 2027 as Ontario's labour market adjusts to trade pressures and a significant reduction in new immigrants and temporary residents. Despite weak employment growth, the annual unemployment rate is projected to decline to 7.3 per cent in 2026 as Ontario's population decline limits the number of new job seekers. The unemployment rate is expected to trend down over the remainder of the outlook as job gains strengthen.

Figure 2.2

Unemployment rate expected to trend down over the outlook

(Per Cent)



Source: Statistics Canada and FAO.

[8] For details, see the FAO's *Ontario's Labour Market in 2025*.

Inflation projected to rise in 2026

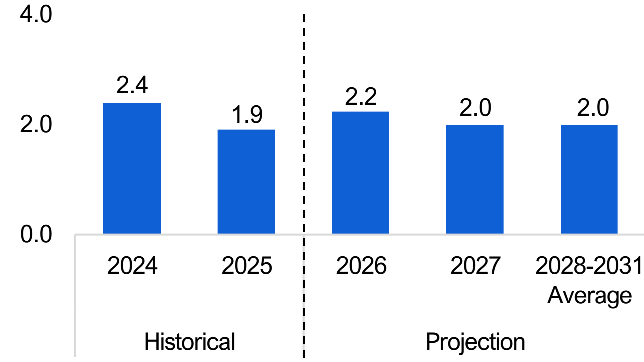
Ontario's annual inflation rate fell from 2.4 per cent in 2024 to 1.9 per cent in 2025, led by a 7.4 per cent decline in energy prices and easing shelter cost inflation.

Ontario's annual inflation rate is projected to increase to 2.2 per cent in 2026 due to elevated fuel costs related to the war in Iran, partially offset by the impact of weaker economic activity. Over the rest of the outlook, inflation is expected to ease back to the Bank of Canada's 2.0 per cent target as energy prices moderate and housing market activity recovers.

Figure 2.3

Ontario's inflation rate outlook

Annual CPI Inflation (Per Cent)



Source: Statistics Canada and FAO.

Interest rates to rise over the outlook

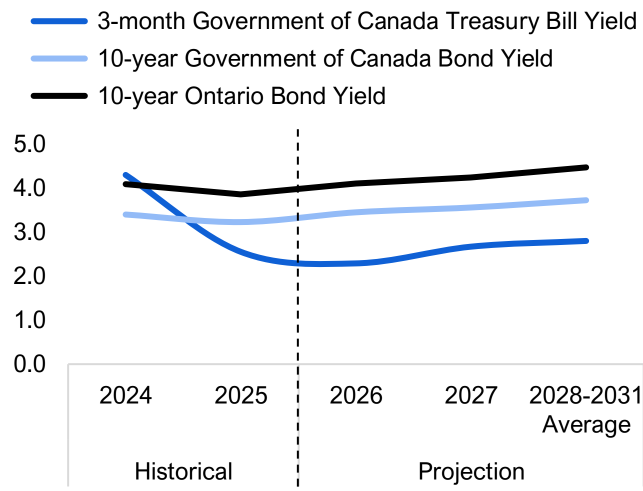
The Bank of Canada has maintained its policy interest rate at 2.25 per cent since October 2025. Financial market participants anticipate the Bank of Canada will hold its policy interest rate unchanged in 2026 and raise the rate by 50 basis points in 2027.[9]

The FAO projects that interest rates will trend up gradually over the outlook, with the 3-month Government of Canada Treasury bill yield projected to average 2.8 per cent and the 10-year Government of Canada bond yield projected to average 3.7 per cent over the 2028 to 2031 period. The FAO assumes the spread between the 10-year Ontario and Government of Canada bond yields will trend to its long-term historical average over the outlook.[10] As a result, the 10-year Ontario bond yield is projected to rise from 3.9 per cent in 2025 to an average of 4.5 per cent over the 2028 to 2031 period.

Figure 2.4

Interest rate outlook

(Per Cent)



Source: Statistics Canada, Ontario Financing Authority and FAO.

9 Market Participants Survey: Second Quarter of 2026, Bank of Canada, July 2026.

10 Based on information from the Ontario Financing Authority's bond database, the average spread between the 10-year Ontario and Government of Canada bond yields from January 2026 to July 2026 was around 50 basis points. The historical average spread from 2006 to 2025 was around 80 basis points.

The FAO's economic outlook is lower than the government's projection in the 2026 Ontario Budget

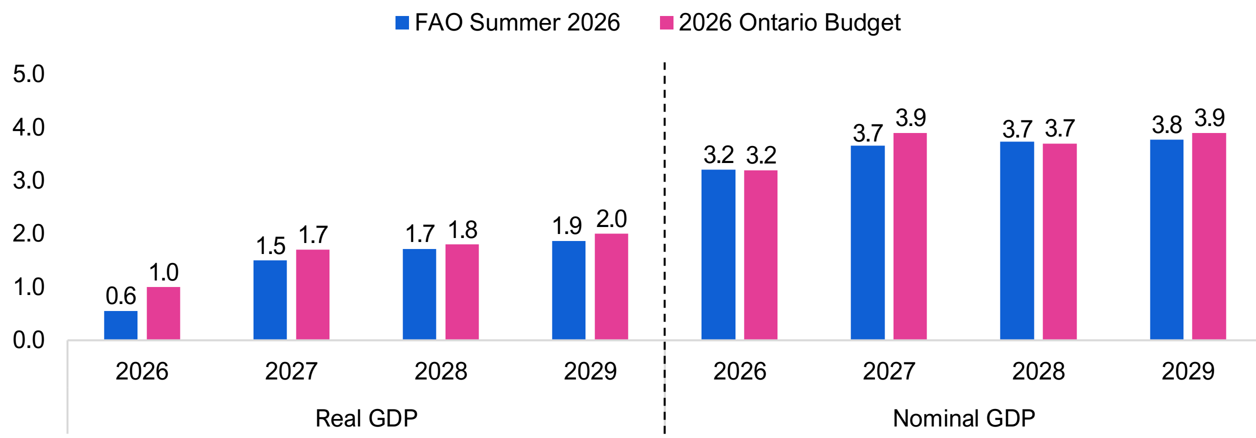
Compared to the government's economic outlook in the 2026 Ontario Budget, the FAO's projection for real GDP growth is lower in all years, with the largest gap in 2026 due to more current data that indicate a modest technical recession from the fourth quarter of 2025 to the first quarter of 2026, as well as the impact of the war in Iran on energy prices and supply chains.

The FAO's projection for nominal GDP growth is slightly lower than the government's projections in 2027 and 2029, largely due to the FAO's more moderate outlook for corporate profits.

Figure 2.5

The FAO's real GDP outlook is lower than the government's projection

Annual Growth (Per Cent)



Source: 2026 Ontario Budget and FAO.

For a comparison of the FAO's and the government's outlook for key revenue drivers and select economic indicators, see Appendix tables 7.1 and 7.2.

3. Budget Outlook

The FAO projects budget deficits over the outlook

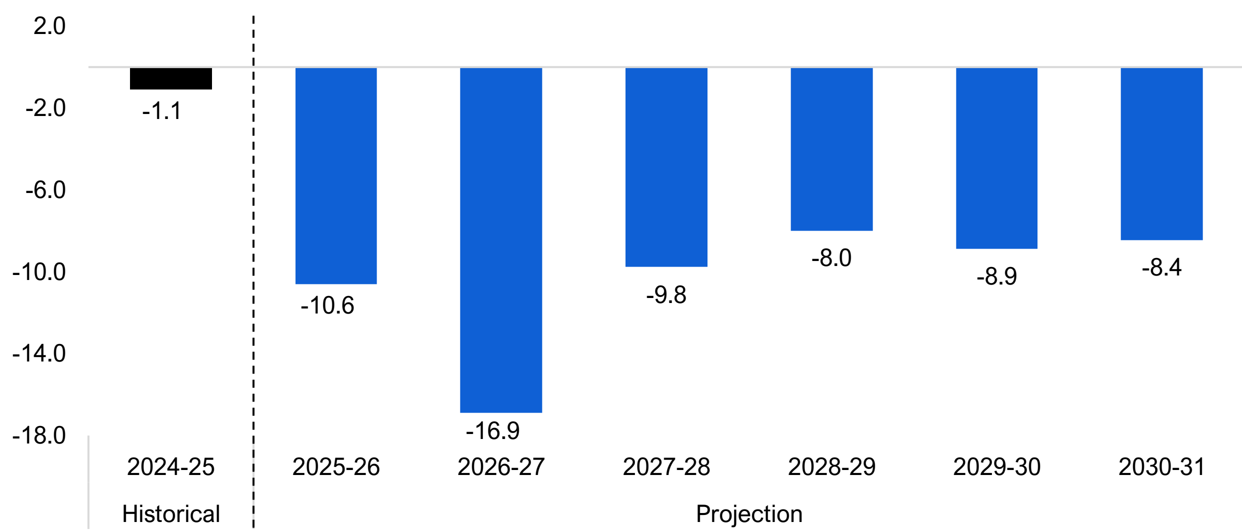
Following a budget deficit of $1.1 billion in 2024-25, the FAO projects that Ontario's budget deficit deteriorated to $10.6 billion in 2025-26 due to spending growth of 3.8 per cent combined with a 0.4 per cent decline in revenue (see Chapters 4 and 5 for details).

Based on the FAO's outlook for the Ontario economy, and current government policies and announced commitments, the FAO projects that the budget deficit will deteriorate further to $16.9 billion in 2026-27, as projected spending growth of $10.4 billion outpaces a projected increase in revenue of $4.1 billion. The budget deficit is projected to improve to $9.8 billion in 2027-28 and reach a deficit of $8.4 billion by 2030-31, as average annual revenue growth of 3.8 per cent is projected to exceed average spending growth of 2.8 per cent per year.

Figure 3.1

FAO projects budget deficits over the outlook

Budget Balance ($ Billions)



Source: Ontario Public Accounts and FAO.

The FAO's budget outlook is subject to significant risks (see Chapter 6 for more details).

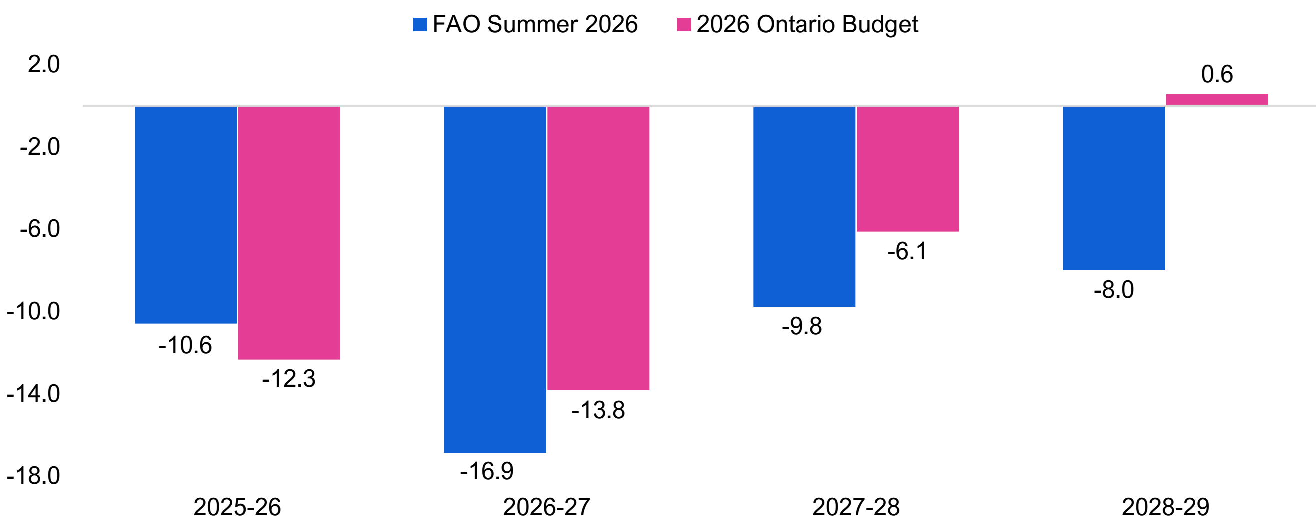
Comparison to the outlook in the 2026 Ontario Budget

The FAO's budget deficit projection is smaller than the government's deficit forecast in the 2026 Ontario Budget in the first year of the outlook and larger in the last three years (the Province's forecast ends in 2028-29). The FAO does not project a balanced budget over the outlook, while in the 2026 Ontario Budget the Province projected a balanced budget in 2028-29.

Figure 3.2

FAO does not expect a balanced budget by 2028-29

Budget Balance ($ Billions)



Source: FAO and 2026 Ontario Budget.

In 2025-26, the FAO's budget deficit projection is $1.7 billion smaller than the government's deficit forecast, due to the FAO's $2.6 billion lower projected spending and the government's inclusion of a $0.5 billion reserve, partially offset by $1.3 billion in lower projected revenue in the FAO's outlook.

However, the FAO's budget deficit projection is $3.0 billion larger than the government's in 2026-27, $3.7 billion larger in 2027-28 and $8.5 billion larger in 2028-29, the year in which the government expects to achieve a balanced budget. In total, over the three-year period from 2026-27 to 2028-29, the FAO projects $12.3 billion in lower revenue and $8.9 billion in higher spending than the 2026 budget projection (see Chapters 4 and 5 for additional details). The 2026 budget also includes a reserve that totals $6.0 billion over the three years, which is not included in the FAO's outlook.

The *Fiscal Sustainability, Transparency and Accountability Act, 2019* (FSTAA) mandates that the Province plan for a balanced budget in each fiscal year, unless the government determines that extraordinary circumstances require the Province to have a budget deficit for one or more years. The 2026 Ontario Budget projected budget deficits in 2026-27 and 2027-28, with a plan to return to balance in 2028-29. Based on the FAO's outlook for the Ontario economy, and current government policies and announced commitments, the FAO does not expect that the Province will return to a balanced budget by 2028-29 without additional measures to reduce spending and/or increase revenue.

Ontario's accumulated deficit and net debt

The accumulated deficit is a measure of the Province's total liabilities minus total assets. It represents the total of all past annual deficits minus all past annual surpluses. The FAO projects that Ontario's accumulated deficit will increase from $247.1 billion in 2024-25 to $309.6 billion in 2030-31, an increase of $62.5 billion (25.3 per cent), driven by ongoing budget deficits over the outlook.

The 2026 Ontario Budget introduced a change to the calculation of net debt to comply with updated public sector accounting standards for the presentation of financial statements.[11] Prior to 2026-27, net debt was calculated as the Province's total liabilities less financial assets, and excluded non-financial assets (largely infrastructure assets owned by the Province and the broader public sector). Starting in 2026-27, net debt also excludes non-financial liabilities.[12]

With the new net debt calculation starting in 2026-27, the FAO projects that the Province's net debt will rise from $427.1 billion in 2024-25 to $596.1 billion in 2030-31, an increase of $169.1 billion (39.6 per cent). This increase is due to $62.5 billion in accumulated budget deficits over the outlook and borrowing to finance a $119.8 billion increase in non-financial assets, offset by a $13.3 billion adjustment to remove non-financial liabilities from the calculation of net debt.

Table 3.1

FAO projected accumulated deficit and net debt

($ Billions)	2024-25a	2025-26f	2026-27f	2027-28f	2028-29f	2029-30f	2030-31f	Total Change
Accumulated Deficit	247.1	257.7	274.5	284.3	292.3	301.2	309.6	**62.5**
Net Debt*	427.1	457.6	485.8	520.8	547.8	573.6	596.1	**169.1**

a = Actual, f = Forecast
* Prior to 2026-27, net debt is calculated as total liabilities less financial assets. Starting in 2026-27, net debt is calculated as financial liabilities less financial assets.
Source: Ontario Public Accounts, 2026 Ontario Budget and FAO.

Ontario's fiscal sustainability indicators

FSTAA mandates that each Ontario budget include a debt burden reduction strategy that outlines specific objectives for the projected net debt-to-GDP ratio and a progress update on the debt burden reduction strategy from the last budget.

11 Public Sector Accounting Board, Conceptual Framework for Financial Reporting in the Public Sector and Section PS 1202 *Financial Statement Presentation* (Conceptual Framework and Reporting Model).

12 Non-financial liabilities largely consist of unearned revenues and obligations relating to government capital transfers that are not expected to be settled with an outflow of future financial assets.

The government's 2026 budget debt burden reduction strategy contained targets for three fiscal sustainability indicators:[13]

- net debt-to-GDP[14] below 40.0 per cent;
- net debt-to-revenue[15] below 200 per cent; and
- interest-to-revenue[16] below 7.5 per cent.

In 2024-25, all three of the government's fiscal sustainability indicators were below their 10-year historical average and the government's targets in the 2026 Ontario Budget. Looking forward, the FAO expects that all three fiscal sustainability indicators will deteriorate over the outlook. The net debt-to-GDP ratio is expected to increase from 35.68 per cent in 2024-25 to 39.99 per cent in 2030-31, below the government's target but above the ratio's 10-year historical average. The net debt-to-revenue ratio is expected to increase from 191.2 per cent in 2024-25 to 226.0 per cent in 2030-31, ending the outlook period above the government's target and its 10-year historical average. Finally, the interest-to-revenue ratio is projected to increase from 5.5 per cent in 2024-25 to 8.0 per cent in 2030-31, ending the period above the government's target and its 10-year historical average.

Table 3.2

Actual and projected fiscal sustainability indicators

Indicator	2024-25 Actual (%)	2030-31 Forecast (%)	Change (ppt*)	Government Target (%)	Over / Under Target in 2030-31	10-Year Historical Average** (%)	Over / Under 10-Year Historical Average in 2030-31**
Net debt-to-GDP	35.68	39.99	up 4.3 ppt	< 40.0	Under	38.91	Over
Net debt-to-revenue	191.2	226.0	up 34.9 ppt	< 200.0	Over	213.8	Over
Interest-to-revenue	5.5	8.0	up 2.5 ppt	< 7.5	Over	7.3	Over

* "ppt" stands for percentage point.
** 10-year historical average is from 2015-16 to 2024-25.
Note: According to the debt burden reduction strategy from the 2026 Ontario Budget, prior to 2026-27, 'net debt' is calculated as total liabilities less financial assets, while starting in 2026-27, 'net debt' is calculated as financial liabilities less financial assets; 'revenue' is calculated as total revenue less interest and investment income; and 'interest' is calculated as interest and other debt servicing charges less interest and investment income.
Source: Ontario Public Accounts, 2026 Ontario Budget and FAO.

[13] According to the debt burden reduction strategy from the 2026 Ontario Budget, prior to 2026-27, 'net debt' is calculated as total liabilities less financial assets, while starting in 2026-27, 'net debt' is calculated as financial liabilities less financial assets; 'revenue' is calculated as total revenue less interest and investment income; and 'interest' is calculated as interest and other debt servicing charges less interest and investment income.

[14] Net debt as a share of GDP is a measure of the debt burden relative to the size of the economy and provides information on a government's ability to raise funds to manage its debt obligations.

[15] Net debt-to-revenue is a measure of the debt burden and indicates the number of years it would take to eliminate a government's net debt if all operating revenues were used for debt repayment. For example, a net debt-to-revenue ratio of 200 per cent means it would take two years to pay off a government's net debt if all revenues were dedicated to debt repayment.

[16] The ratio of interest-to-revenue is an indicator of budgetary flexibility – a higher ratio indicates that a government has a smaller share of revenue available to spend on programs.

4. Revenue Outlook

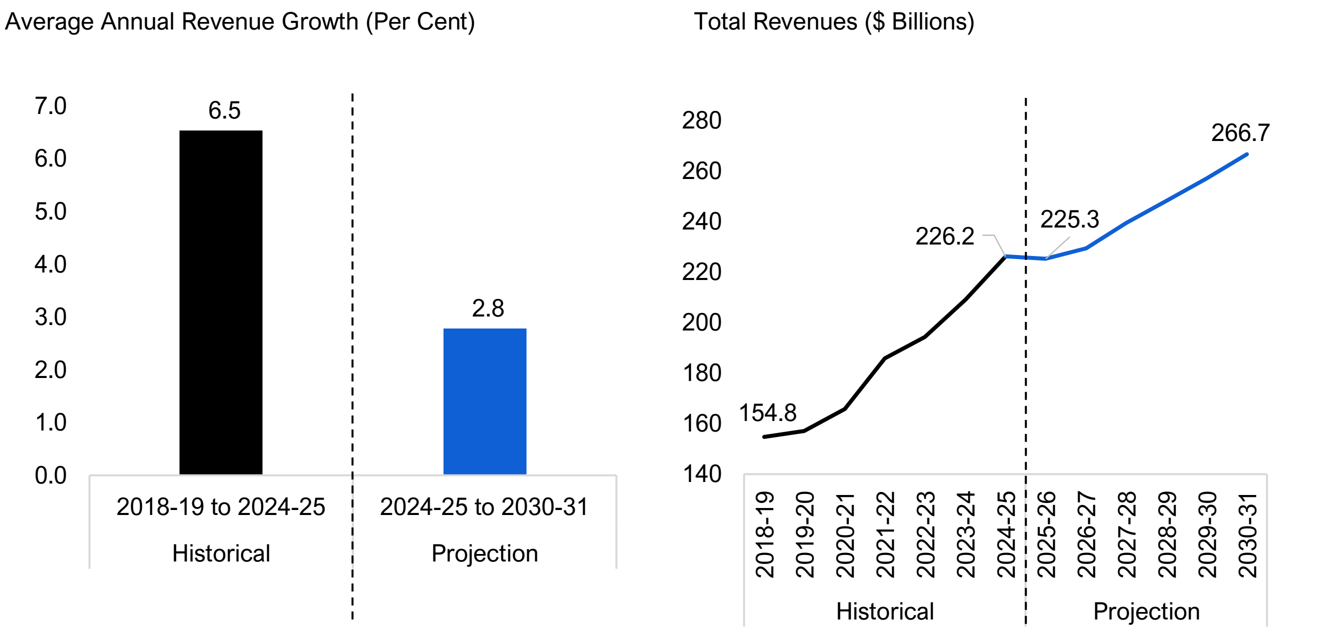
Revenue growth expected to moderate

From 2024-25 to 2030-31, revenue growth is expected to average 2.8 per cent per year, below the 6.5 per cent average annual increase recorded during the previous six years. The slowdown in revenue growth reflects the FAO's expectation that economic growth will moderate. Nominal GDP growth, the key driver of overall revenue gains, is projected to slow significantly when compared to the previous six years.

In the first year of the projection, total revenue is projected to decline from $226.2 billion in 2024-25 to $225.3 billion in 2025-26, a drop of $0.9 billion (-0.4 per cent). This decline results primarily from lower non-tax revenues, reflecting the loss of a one-time $3.4 billion revenue gain from a tobacco company settlement in 2024-25, as well as declines in revenues from international student college tuition fees, interest and investment income, and recoveries from prior-year expenditures.[17] Beyond 2025-26, total revenue is expected to grow at an average annual rate of 3.4 per cent over the rest of the projection, generally in line with nominal GDP growth, reaching $266.7 billion in 2030-31.

Figure 4.1

Ontario's revenue growth to moderate over the projection



Note: Historical revenue has been restated to include revenue from interest and investment income.
Source: Ontario Public Accounts, 2026 Ontario Budget and FAO.

[17] Recoveries from prior-year expenditures occur when actual spending is lower than the amount recorded in a prior fiscal year. For example, if the government receives a refund for an overpayment made in a prior fiscal year, then that refund is recorded as revenue in the current fiscal year.

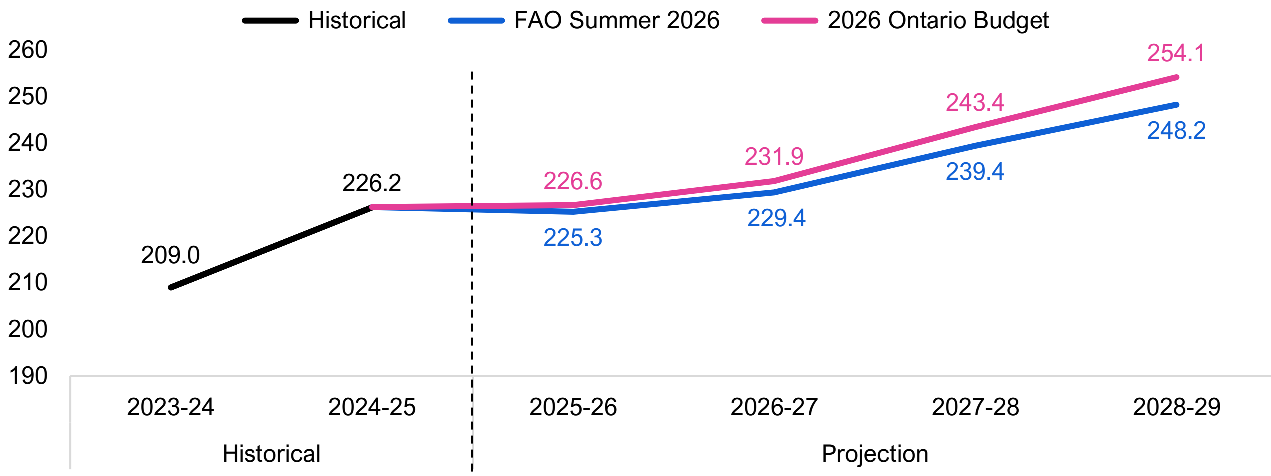
Comparison to revenue projection in the 2026 Ontario Budget

Over each year of the comparable outlook period (2025-26 to 2028-29), the FAO projects lower revenue than the government, with the gap steadily widening. In 2025-26, the FAO projects $1.3 billion in lower revenue, which widens to $5.9 billion in lower revenue by 2028-29.

Figure 4.2

Comparison to 2026 Ontario Budget revenue projection

Revenue ($ Billions)



Source: Ontario Public Accounts, 2026 Ontario Budget and FAO.

In total, the FAO's revenue forecast is $13.6 billion lower than the government's forecast. The difference is the result of the FAO's:

- $20.5 billion lower taxation revenue forecast, notably for personal income tax revenues ($16.6 billion lower).
- $1.3 billion higher federal transfer revenue forecast, due to the FAO's higher projection for federal transfers related to the Canada-wide Early Learning and Child Care agreement and the inclusion of federal transfers related to the Build Communities Strong Fund, which was announced after the release of the 2026 Ontario Budget.[18]
- $5.6 billion higher other non-tax revenue forecast, due to the FAO's stronger forecast for revenue from the broader public sector and higher interest and investment income.

[18] The Build Communities Strong Fund will provide the Province with $4.4 billion over 10 years to support municipalities that reduce their development charges for new housing construction. See Ontario and Canada Open Applications for New Development Charge Reduction Program.

Table 4.1

Comparison to 2026 Ontario Budget revenue projection by source

Difference ($ billions)	2025-26	2026-27	2027-28	2028-29	Total
Personal Income Tax	-2.2	-3.3	-4.7	-6.3	-16.6
Sales Tax	0.1	-0.1	-0.5	-0.8	-1.3
Corporations Tax	0.2	0.0	-0.6	-1.1	-1.5
All Other Taxes	-0.1	-0.5	-0.3	-0.3	-1.2
Total Taxation Revenue	**-1.9**	**-3.8**	**-6.1**	**-8.6**	**-20.5**
Transfers from Government of Canada	0.2	0.0	0.4	0.6	1.3
Income from Government Business Enterprises	0.0	0.0	0.0	0.0	0.0
Other Non-Tax Revenue	0.4	1.3	1.7	2.2	5.6
Total Revenue Difference	**-1.3**	**-2.4**	**-4.0**	**-5.9**	**-13.6**

Note: Values are calculated by subtracting 2026 Ontario Budget projections from the FAO's Summer 2026 projections. Positive values indicate that the FAO's projection is above the government's, while negative values indicate that the FAO's projection is below the government's.
Source: FAO.

The most notable difference between the FAO's revenue forecast and the revenue forecast in the 2026 Ontario Budget is the outlook for personal income tax (PIT). The FAO projects lower PIT revenue than the government throughout the comparable outlook despite the FAO's stronger labour income forecast, which is the primary driver of PIT revenue growth. Historically (from 2015-16 to 2024-25), PIT revenue has grown 1.2 times faster than labour income, as income growth pushed taxpayers into higher income brackets.[19] Over the 2024-25 to 2028-29 outlook, the FAO projects average annual PIT revenue growth of 5.2 per cent,[20] which is 1.4 times faster than the FAO's projected growth in labour income. In contrast, the government projects average annual PIT revenue growth of 7.6 per cent, which is 2.2 times faster than the government's projected growth in labour income in the 2026 budget.

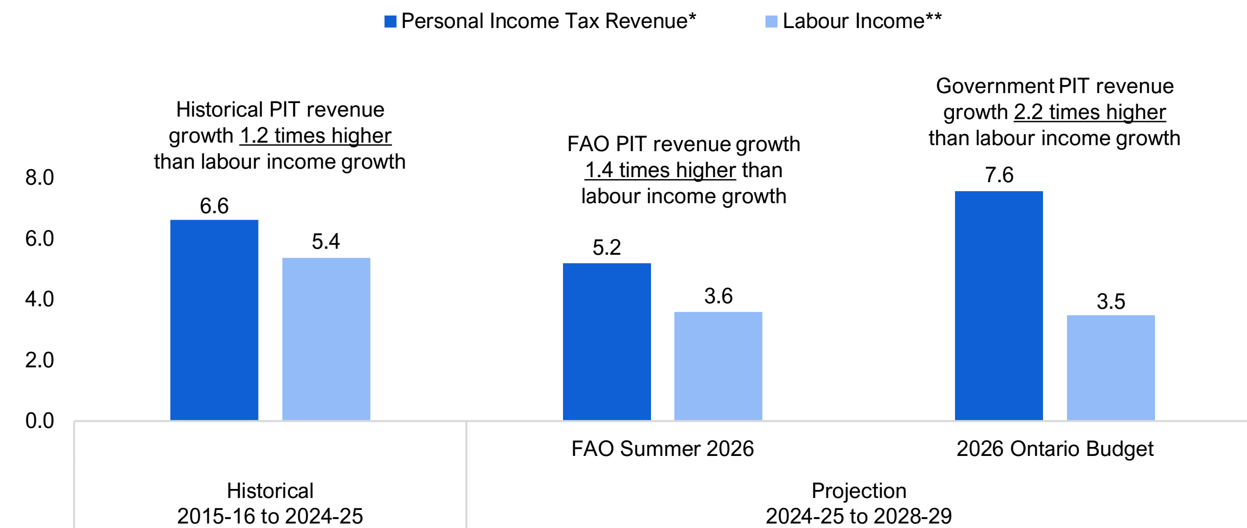
[19] In Ontario, the top two income tax brackets are not indexed for inflation.

[20] Personal income tax revenue is adjusted to account for prior-year adjustments and tax measures.

Figure 4.3

Growth in personal income tax and labour income

Average Fiscal Year Growth (Per Cent)



* Personal income tax revenue is adjusted to account for prior-year adjustments and tax measures.
** Calendar year economic activity is fiscalized to calculate fiscal year growth rates.
Source: Statistics Canada, Ontario Public Accounts, 2026 Ontario Budget and FAO analysis.

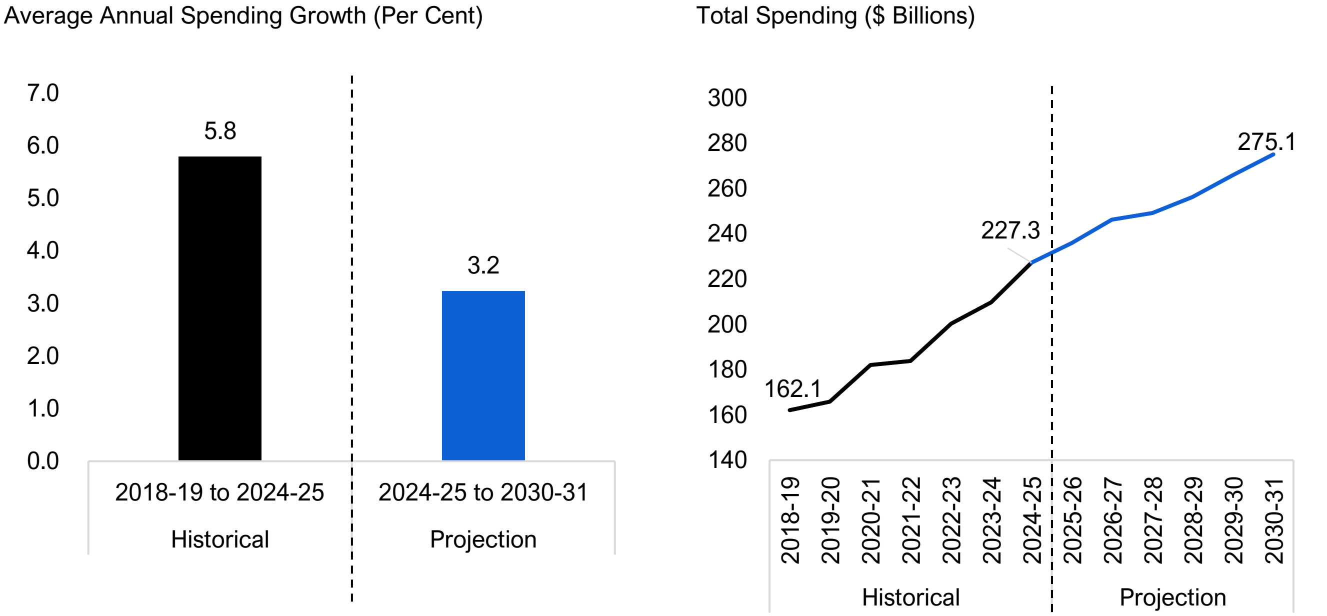
5. Spending Outlook

Spending growth expected to moderate

The FAO projects that spending will grow at an average annual rate of 3.2 per cent, from $227.3 billion in 2024-25 to $275.1 billion in 2030-31. This is a slower pace than the 5.8 per cent average annual growth from 2018-19 to 2024-25, a period that included the introduction of new government programs,[21] the expansion of existing programs,[22] and higher spending in response to the COVID-19 pandemic, inflationary pressures and high population growth. The FAO expects spending growth to moderate over the forecast period based on slower projected inflation, slower wage and population growth, and the FAO's analysis of current government policies and announced commitments.

Figure 5.1

Ontario's spending growth to moderate over the projection



Note: Historical spending has been restated to exclude revenue from interest and investment income.
Source: Ontario Public Accounts, 2026 Ontario Budget and FAO analysis of information provided by the Province.

[21] Examples of new programs during this period include the Renewable Cost Shift (2020-21, currently referred to as the Comprehensive Electricity Plan), and the start of the $10-a-day child care program in 2022-23.

[22] Examples of expanded programs include the expansion of hospital beds and the increase in hours of direct care provided to long-term care home residents.

Spending growth led by interest and other debt servicing charges and the health sector

Two sectors are expected to grow faster than the average total spending growth of 3.2 per cent from 2024-25 to 2030-31.

- Interest and other debt servicing charges spending has the highest projected growth, averaging 8.0 per cent per year. The FAO estimates total provincial gross debt will increase by 40 per cent over the projection, largely due to borrowing to finance ongoing deficits, investments in capital assets and investments associated with the Protect Ontario Account and Building Ontario Fund. Higher debt levels combined with projected increases in the average cost of provincial borrowing contribute to the relatively high growth in interest and other debt servicing charges spending.
- Health sector spending has the second highest projected growth rate at 4.6 per cent per year, driven by strong spending growth in long-term care (6.3 per cent per year), drug programs (6.5 per cent per year), community care (4.9 per cent per year) and payments to physicians and practitioners (4.9 per cent per year). The FAO projects that spending by hospitals will grow at an average annual rate of 3.8 per cent, driven largely by projected salary growth and planned increases in hospital capacity.

In contrast, all other sectors are expected to grow slower than the average total spending growth of 3.2 per cent from 2024-25 to 2030-31.

- Education sector spending is projected to grow at 3.0 per cent per year on average, based on projected salary growth, elementary and secondary school enrolment, and the continued implementation of the Canada-wide Early Learning and Child Care (CWELCC) agreement.[23]
- Children, community and social services sector spending is projected to grow at 3.0 per cent per year on average, based on the FAO's projected growth in social assistance caseloads, which is driven by growth in population and unemployment, and the legislated benefit rates for the Ontario Disability Support Program and the Ontario Works program.[24]
- Justice sector spending is projected to grow at 0.9 per cent per year, based on the FAO's forecast for increases in corrections capacity and employee compensation, and high 2024-25 spending due to legal settlement costs.[25]
- 'Other programs' sector spending is projected to decline by 0.3 per cent per year on average, due to a combination of high 2024-25 spending from one-time expenses,[26] the expiry of time-limited programs[27] and declining spending on electricity subsidy programs.[28]

[23] The FAO assumes that the CWELCC agreement will be extended through 2030-31, with average daily fees maintained at $19 per day and the target of 375,111 CWELCC spaces achieved by 2028-29.

[24] Benefit rates for the Ontario Disability Support Program are indexed to inflation, while benefit rates for the Ontario Works program are currently not scheduled to change.

[25] In 2024-25, the justice sector recorded a $602 million expense for statutory payments under the *Crown Liability and Proceedings Act*. Excluding this expense in 2024-25, justice sector spending is projected to increase at an average annual rate of 2.4 per cent through 2030-31.

[26] One-time expenses in 2024-25 include $2.9 billion in spending for the Ontario Taxpayer Rebate and $0.8 billion in payments to the Mercury Disability Fund.

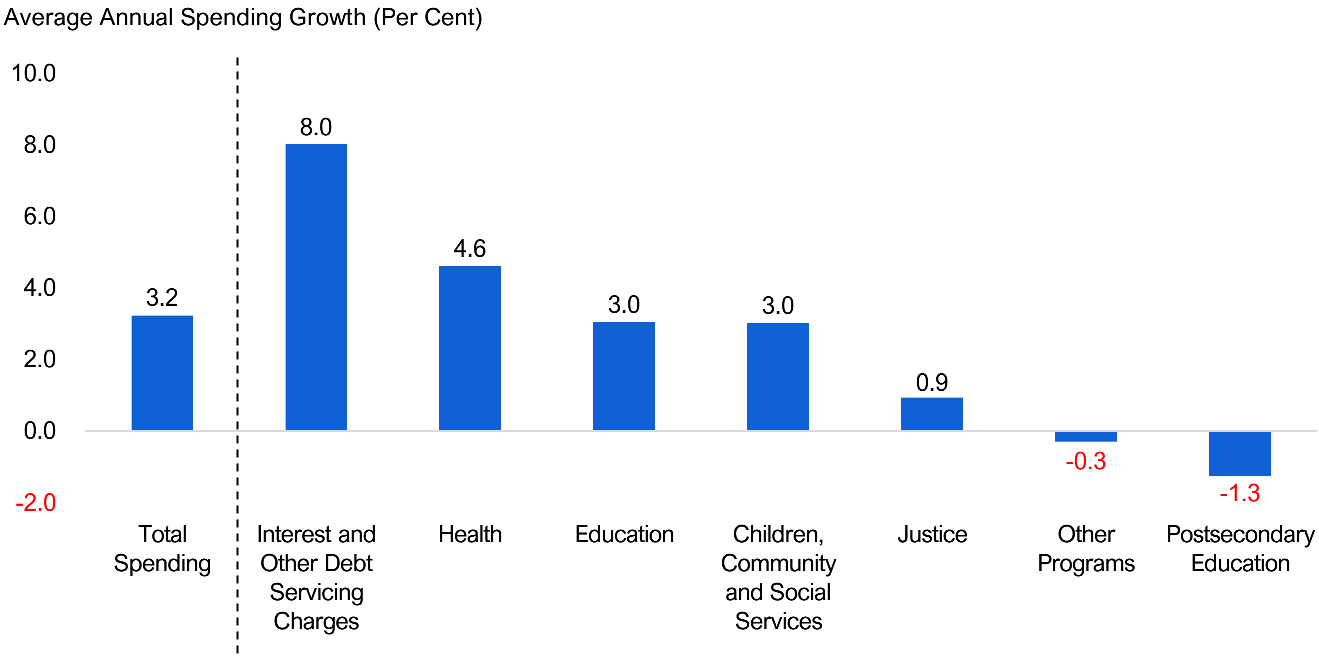
[27] Expiring time-limited programs include the Housing-Enabling Water Systems Fund, the Building Faster Fund and the New Deal Agreement with the City of Toronto.

[28] Spending on electricity subsidy programs is projected to peak at $7.4 billion in 2026-27 (up from $6.5 billion in 2024-25) before falling to $5.4 billion in 2030-31.

- Postsecondary education sector spending is projected to decline by an average of 1.3 per cent per year. The decline reflects lower colleges spending, driven by an estimated 7.3 per cent average annual decline in international student enrolment in response to lower federal limits on new study permits, as well as changes to the Ontario Student Assistance Program (OSAP).[29]

Figure 5.2

FAO's spending projection by sector from 2024-25 to 2030-31



Source: 2026 Ontario Budget and FAO analysis of information provided by the Province.

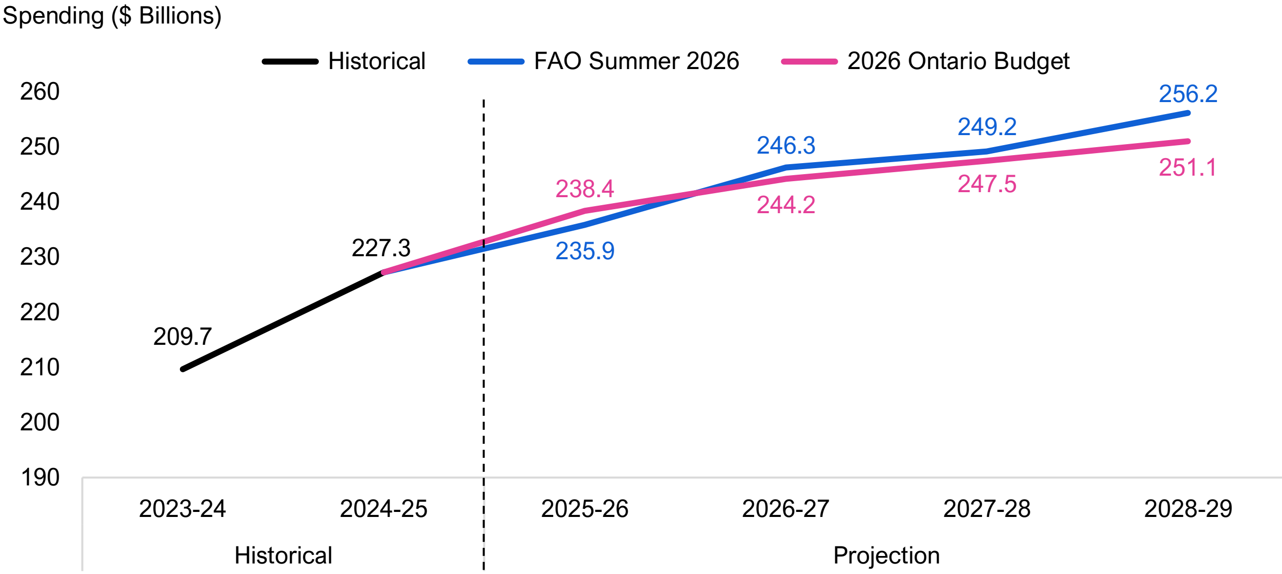
Comparison to spending projection in the 2026 Ontario Budget

Over the comparable outlook (2025-26 to 2028-29), the FAO projects a cumulative $6.4 billion in higher spending than the government's projection in the 2026 Ontario Budget. In 2025-26, the FAO's spending projection is $2.6 billion below the government's projection. In 2026-27, 2027-28 and 2028-29, the FAO's spending forecast exceeds the government's forecast by $2.1 billion, $1.7 billion and $5.1 billion, respectively.

29 Changes to OSAP include a higher proportion of financial assistance provided through loans (which are financed through provincial borrowing) as opposed to grants (which are recorded as spending), and eliminating grants for students enrolled in private career colleges.

Figure 5.3

Comparison to 2026 Ontario Budget spending projection



Source: Ontario Public Accounts, 2026 Ontario Budget and FAO.

By sector, the FAO estimates that the government's spending plan contains cumulative shortfalls over the 2025-26 to 2028-29 period in health (-$5.2 billion), education (-$4.2 billion), children, community and social services (-$3.7 billion), interest and other debt servicing charges (-$1.4 billion), and justice (-$0.4 billion). These cumulative shortfalls are partially offset by estimated excess funds in postsecondary education ($2.2 billion) and 'other programs' ($6.3 billion). The excess funds in 'other programs' are largely due to the government's Contingency Fund, which could be used to partially address funding shortfalls in other sectors. The FAO does not include the Contingency Fund in its spending forecast as the purpose of the funds has not yet been announced.

Table 5.1

Comparison to 2026 Ontario Budget spending projection by sector

Difference ($ billions)	2025-26	2026-27	2027-28	2028-29	Total
Health	0.7	-0.7	-2.3	-2.9	-5.2
Education	0.0	-0.8	-1.3	-2.1	-4.2
Postsecondary Education	0.5	0.7	0.7	0.5	2.2
Children, Community and Social Services	0.0	-0.8	-1.2	-1.7	-3.7
Justice	0.2	-0.3	-0.1	-0.2	-0.4
Other Programs*	0.7	0.2	3.1	2.2	6.3
Interest and Other Debt Servicing Charges	0.4	-0.3	-0.6	-0.9	-1.4
Total Spending Difference	**2.6**	**-2.1**	**-1.7**	**-5.1**	**-6.4**

Note: Values are calculated by subtracting the FAO's Summer 2026 projections from the 2026 Ontario Budget projections. Positive values indicate that the FAO's projection is below the government's, while negative values indicate that the FAO's projection is above the government's.
* Contingency funds are included in the government's 'other programs' spending plan but excluded from the FAO's projection as the purpose of the funds has not yet been announced.
Source: FAO.

6. Risks to the Economic and Budget Outlook

Risks and uncertainties

There are numerous risks and uncertainties that could materially impact the FAO's economic and budget outlook over the projection period.

The lack of permanent resolutions to ongoing geopolitical conflicts continues to add uncertainty to the outlook. For example, if the war in Iran becomes prolonged or escalates into a regional war, disruptions in global supply chains and further increases in oil prices could boost inflation and prompt higher interest rates, slowing Ontario's economic and revenue growth. Conversely, an enduring resolution to the war and lower, more stable energy prices would support Ontario's economic and revenue growth and improve the Province's fiscal results.

The FAO's economic and budget outlook was finalized based on trade policies as of August 22, 2026. However, Canada-US trade relations, including negotiations for the Canada-United States-Mexico Agreement (CUSMA), are still evolving. The outcome of these events, including the duration and scope of any Canadian and US tariffs, could significantly impact Ontario's economic outlook.

The FAO's economic outlook incorporates an updated population projection based on the latest data that show Ontario's population declined in each of the last three quarters. However, Statistics Canada noted that there may be larger-than-usual revisions to non-permanent resident estimates due to shifting international migration policies, which could lead to upward changes to estimated total population.[30] If the population decline in 2026 is less pronounced than indicated by the quarterly data, economic activity could outperform current projections in the near term, potentially boosting provincial revenues more than expected but also adding pressures to program spending.

In addition to these risks, Ontario's economic growth could outperform current projections if stronger US economic growth boosts demand for Ontario's exports or advances in artificial intelligence and new capital investment lead to productivity gains. Conversely, growth could underperform if elevated valuations in the artificial intelligence sector prove unsustainable, leading to a financial market correction that weakens business investment and reduces household wealth.

The potential budget impacts of alternative economic scenarios

Given the numerous risks and uncertainties to the outlook, the FAO has developed two alternative economic scenarios, a "high growth" and a "low growth" scenario, based on different assumptions for population growth and key economic variables. These scenarios illustrate a range of possible economic and budget outcomes for Ontario.

30 Canada's population estimates, first quarter 2026, Statistics Canada, June 2026.

Under the high growth scenario, Ontario's nominal GDP growth averages 0.6 percentage points higher and Ontario's unemployment rate averages 0.4 percentage points lower compared to the FAO's EBO base case projection over the 2026 to 2031 period. Under the low growth scenario, Ontario's nominal GDP growth averages 0.7 percentage points lower and Ontario's unemployment rate averages 0.3 percentage points higher compared to the FAO's EBO base case projection over the 2026 to 2031 period.

Table 6.1

High and low growth scenarios

2026-2031 Average	High Growth Scenario	FAO EBO Summer 2026	Low Growth Scenario
Real GDP growth (per cent)	2.1	1.6	1.1
Nominal GDP growth (per cent)	4.3	3.7	3.0
Unemployment rate (per cent)	6.4	6.8	7.1
Population growth (per cent)	1.0	0.5	0.0
CPI growth (per cent)	2.2	2.0	1.9

Source: FAO.

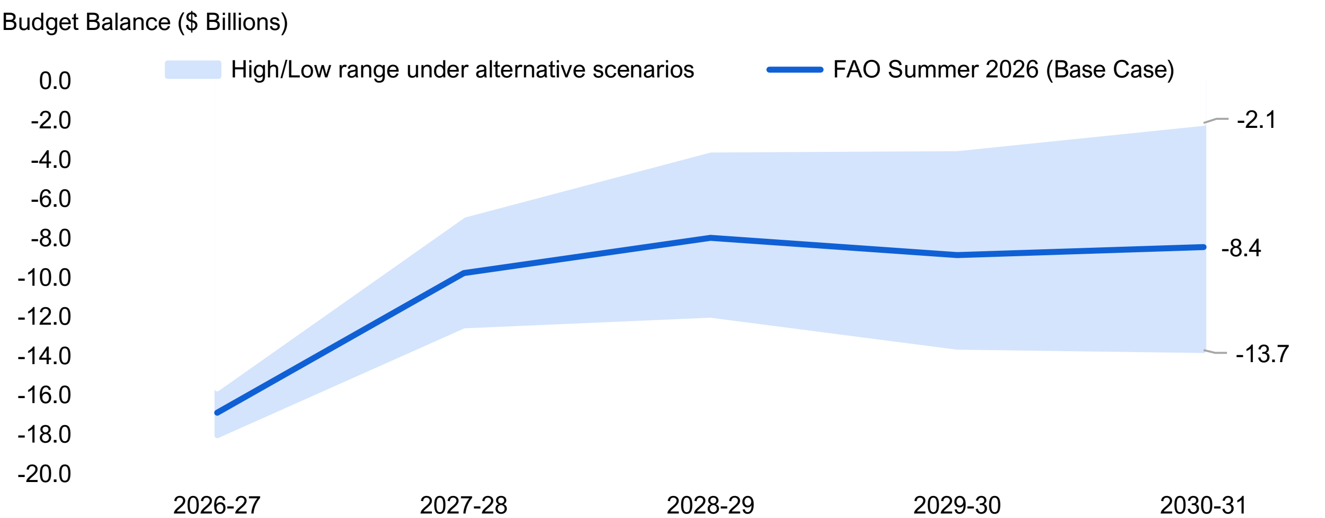
Under the high growth scenario, the FAO projects a budget deficit of $2.1 billion by 2030-31, a $6.3 billion improvement compared to the FAO's EBO base case projection. The Province's net debt-to-GDP ratio is also projected to be 37.40 per cent in 2030-31, compared to 39.99 per cent in the base case.

Under the low growth scenario, the budget deficit reaches $13.7 billion in 2030-31, a $5.3 billion deterioration from the FAO's EBO base case. Ontario's net debt-to-GDP ratio is also projected to rise to 42.55 per cent in 2030-31, exceeding the government's target to keep Ontario's net debt-to-GDP ratio below 40.0 per cent.

Importantly, the Province's budget balance from 2026-27 to 2030-31 could still fall outside of the FAO's high-low range if there are significant changes to provincial spending or revenue policies, changes to federal policies, or unexpected external shocks that impact Ontario's economy.

Figure 6.1

The impacts of alternative scenarios on Ontario's budget balance



Source: FAO.

Budget balance and net debt sensitivities

To illustrate the impact of potential policy changes on Ontario's budget position, the FAO estimated the sensitivity of key budget indicators to select revenue and spending policy changes. For each policy item, the FAO provides an estimate of the 2026-27 and 2030-31 change in the budget balance, the total change in net debt by 2030-31, and the change in the net debt-to-GDP ratio in 2030-31.

Table 6.2

Budget balance and net debt sensitivities

	Change in Budget Balance in:		Change in Net Debt by 2030-31	Change in Net Debt-to-GDP Ratio by 2030-31
	2026-27	2030-31		
Revenue				
Increase/decrease in annual personal income taxes payable by $500 per taxpayer	+/- $4.7 billion	+/- $6.5 billion	-/+ $27.7 billion	-/+ 1.9 ppt
A one percentage point increase/decrease to the 11.5 per cent provincial general corporate tax rate	+/- $2.2 billion	+/- $3.1 billion	-/+ $13.3 billion	-/+ 0.9 ppt
A one percentage point increase/decrease to the 8 per cent provincial HST rate	+/- $4.6 billion	+/- $6.4 billion	-/+ $27.4 billion	-/+ 1.8 ppt
Spending				
A sustained one percentage point increase/decrease in the growth rate of health sector spending	-/+ $1.0 billion	-/+ $6.4 billion	+/- $17.7 billion	+/- 1.2 ppt
A sustained one percentage point increase/decrease in the growth rate of education sector spending	-/+ $0.4 billion	-/+ $2.6 billion	+/- $7.4 billion	+/- 0.5 ppt
A one percentage point increase/decrease in interest rates*	-/+ $0.3 billion	-/+ $2.6 billion	+/- $7.2 billion	+/- 0.5 ppt

Note: All estimates are full-year impacts. "ppt" stands for percentage point.
* Sensitivity to interest rates reflects the net effect of the interest cost of a one percentage point increase/decrease in provincial borrowing rates and the interest revenue from a one percentage point increase/decrease in the return on the Province's financial assets.
Source: FAO.

7. Appendix

Data Tables

Table 7.1
FAO outlook for key revenue drivers

	2024a	2025a	2026f	2027f	2028f-2031f Average*
Nominal GDP (% Change)					
FAO	5.1	4.1	3.2	3.7	3.8
2026 Ontario Budget**	5.1	4.1	3.2	3.9	3.8
Labour Income (% Change)					
FAO	6.4	3.7	3.4	3.5	3.7
2026 Ontario Budget	6.4	3.7	3.2	3.3	3.7
Corporate Profits (% Change)					
FAO	-1.1	6.2	5.4	4.7	4.2
2026 Ontario Budget	-1.1	6.2	4.7	7.2	6.1
Household Consumption (% Change)					
FAO	4.6	4.6	4.4	3.6	3.9
2026 Ontario Budget	4.6	4.6	3.3	3.4	3.7

a = Actual, f = Forecast
* 2026 Ontario Budget average is from 2028 to 2029.
** 2026 Ontario Budget was based on information available up to January 16, 2026.
Source: Ontario Economic Accounts, 2026 Ontario Budget and FAO.

Table 7.2
FAO outlook for real GDP and select economic indicators

	2024a	2025a	2026f	2027f	2028f-2031f Average*
Real GDP (% Change)					
FAO	1.6	1.3	0.6	1.5	1.9
2026 Ontario Budget**	1.6	1.3	1.0	1.7	1.9
Employment (% Change)					
FAO	1.7	1.0	0.2	0.3	1.1
2026 Ontario Budget	1.7	1.0	0.5	0.7	1.0
Unemployment Rate (%)					
FAO	7.0	7.7	7.3	7.2	6.6
2026 Ontario Budget	7.0	7.7	7.4	6.9	6.3
CPI Inflation (% Change)					
FAO	2.4	1.9	2.2	2.0	2.0
2026 Ontario Budget	2.4	1.9	2.1	2.0	2.0
3-month Government of Canada Treasury Bill Yield (%)					
FAO	4.3	2.6	2.3	2.7	2.8
2026 Ontario Budget	4.3	2.6	2.3	2.6	2.6
10-year Government of Canada Bond Yield (%)					
FAO	3.4	3.2	3.5	3.6	3.7
2026 Ontario Budget	3.4	3.2	3.3	3.5	3.5
10-year Ontario Bond Yield (%)* **					
FAO	4.3	3.9	4.1	4.3	4.5

a = Actual, f = Forecast
* 2026 Ontario Budget average is from 2028 to 2029.
** 2026 Ontario Budget was based on information available up to January 16, 2026.
*** 10-year Ontario bond rates are presented on a fiscal year basis. The 2026 Ontario Budget projection is not available.
Source: Ontario Economic Accounts, 2026 Ontario Budget and FAO.

Table 7.3

FAO budget outlook

($ Billions)	2024-25a	2025-26f	2026-27f	2027-28f	2028-29f	2029-30f	2030-31f
Revenue							
Personal Income Tax	**55.7**	**59.7**	**61.8**	**64.8**	**67.7**	**70.5**	**73.4**
Annual Growth (%)	*9.7*	*7.1*	*3.6*	*4.9*	*4.4*	*4.2*	*4.1*
Sales Tax	**39.4**	**39.3**	**39.8**	**42.7**	**44.3**	**46.0**	**47.8**
Annual Growth (%)	*-1.3*	*-0.2*	*1.3*	*7.2*	*3.8*	*3.9*	*3.9*
Corporations Tax	**27.8**	**27.9**	**28.6**	**30.0**	**31.4**	**32.7**	**34.2**
Annual Growth (%)	*20.0*	*0.4*	*2.7*	*4.6*	*4.7*	*4.2*	*4.7*
All Other Taxes	**28.7**	**29.2**	**29.6**	**30.5**	**31.8**	**32.7**	**33.7**
Annual Growth (%)	*2.2*	*1.6*	*1.4*	*3.2*	*4.2*	*2.7*	*3.1*
Total Taxation Revenue	**151.5**	**156.0**	**159.8**	**168.0**	**175.2**	**181.9**	**189.2**
Annual Growth (%)	*6.8*	*3.0*	*2.4*	*5.1*	*4.3*	*3.8*	*4.0*
Transfers from Government of Canada	**36.6**	**39.3**	**39.9**	**40.6**	**41.0**	**42.1**	**43.2**
Annual Growth (%)	*6.7*	*7.3*	*1.5*	*1.7*	*1.1*	*2.6*	*2.7*
Income from Government Business Enterprises	**7.5**	**7.3**	**6.5**	**6.8**	**7.3**	**7.6**	**7.9**
Annual Growth (%)	*0.5*	*-1.7*	*-12.0*	*4.6*	*8.4*	*3.8*	*3.8*
Other Non-Tax Revenue	**30.5**	**22.6**	**23.3**	**24.1**	**24.7**	**25.6**	**26.4**
Annual Growth (%)	*20.3*	*-25.9*	*2.8*	*3.6*	*2.6*	*3.4*	*3.3*
Total Revenue	**226.2**	**225.3**	**229.4**	**239.4**	**248.2**	**257.1**	**266.7**
Annual Growth (%)	*8.2*	*-0.4*	*1.8*	*4.4*	*3.7*	*3.6*	*3.7*
Spending							
Health	**91.4**	**97.1**	**101.9**	**105.8**	**109.6**	**114.5**	**119.7**
Annual Growth (%)	*7.2*	*6.3*	*4.9*	*3.9*	*3.6*	*4.5*	*4.5*
Education	**40.0**	**42.7**	**43.4**	**44.3**	**45.5**	**46.8**	**47.9**
Annual Growth (%)	*3.2*	*6.6*	*1.6*	*2.2*	*2.8*	*2.7*	*2.5*
Children, Community and Social Services	**20.5**	**21.4**	**22.3**	**22.9**	**23.4**	**24.0**	**24.6**
Annual Growth (%)	*6.6*	*4.3*	*4.0*	*2.7*	*2.3*	*2.5*	*2.5*
Postsecondary Education	**14.2**	**13.6**	**13.3**	**12.1**	**12.2**	**12.7**	**13.1**
Annual Growth (%)	*6.9*	*-4.2*	*-2.0*	*-9.1*	*1.2*	*3.5*	*3.7*
Justice	**7.2**	**7.1**	**7.6**	**7.4**	**7.6**	**7.8**	**7.6**
Annual Growth (%)	*19.9*	*-0.3*	*6.0*	*-1.5*	*2.2*	*2.7*	*-3.2*
Other Programs	**38.9**	**38.3**	**40.4**	**37.5**	**37.2**	**38.0**	**38.2**
Annual Growth (%)	*18.7*	*-1.4*	*5.4*	*-7.1*	*-1.0*	*2.2*	*0.5*
Total Program Spending	**212.1**	**220.2**	**228.8**	**230.1**	**235.6**	**243.7**	**251.1**
Annual Growth (%)	*8.7*	*3.8*	*3.9*	*0.6*	*2.4*	*3.5*	*3.0*
Interest and Other Debt Servicing Charges	**15.1**	**15.7**	**17.5**	**19.1**	**20.6**	**22.2**	**24.0**
Annual Growth (%)	*4.6*	*3.6*	*12.0*	*9.0*	*7.9*	*7.7*	*8.0*
Total Spending	**227.3**	**235.9**	**246.3**	**249.2**	**256.2**	**266.0**	**275.1**
Annual Growth (%)	*8.4*	*3.8*	*4.4*	*1.2*	*2.8*	*3.8*	*3.4*
Budget Balance, Accumulated Deficit, Net Debt and Fiscal Sustainability Indicators*							
Budget Balance	**-1.1**	**-10.6**	**-16.9**	**-9.8**	**-8.0**	**-8.9**	**-8.4**
Accumulated Deficit	**247.1**	**257.7**	**274.5**	**284.3**	**292.3**	**301.2**	**309.6**
Net Debt	**427.1**	**457.6**	**485.8**	**520.8**	**547.8**	**573.6**	**596.1**
Net Debt-to-GDP (%)	*35.68*	*36.71*	*37.77*	*39.06*	*39.60*	*39.96*	*39.99*
Net Debt-to-Revenue (%)	*191.2*	*204.8*	*213.8*	*219.7*	*223.0*	*225.5*	*226.0*
Interest-to-Revenue (%)	*5.5*	*6.2*	*6.8*	*7.1*	*7.3*	*7.7*	*8.0*

a = Actual, f = Forecast; * See Chapter 3 for fiscal sustainability indicator definitions.
Source: Ontario Public Accounts and FAO.