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GVCA RECEIVES \$1 M+ FROM SDF FUND TO ADDRESS THE SKILLS SHORTAGE

Arguably the greatest challenge facing our industry today is the shortage of skilled trades workers. To address this situation, the Grand Valley Construction Association (GVCA) made an application to the Ministry of Labour Immigration Training and Skills Development for funding to attract new entrants to our industry.

A news release from Premier Ford's Office dated July 22nd announced that the GVCA's application was successful and stated the following,

"Grand Valley Construction Association: \$1,086,058 to deliver free job-ready training for careers in construction such as painting, drywall, carpentry, roofing and masonry work, as well as health and safety training, and match participants with local employers through paid job placements. Participants will include jobseekers and people from underrepresented and vulnerable groups such as Indigenous people, newcomers, and justice-involved individuals in Waterloo, Brant and Wellington regions."

Congratulations to the GVCA Team and best wishes for the successful delivery of this important new element of programming.

For the full text of the Premier's news release and the names of other groups receiving SDF funds, click on the following link:

<https://news.ontario.ca/en/release/1004851/ontario-investing-up-to-260-million-in-new-funding-to-train-workers>

MPP GHAMARI BOUNCED FROM JUSTICE COMMITTEE

We recently reported that the MPP for Carleton, Goldie Ghamari was expelled from the PC caucus. She was subsequently bounced from her position as chair of the Committee on Justice Policy. She was then removed as a Committee member.

Ghamari was first elected to the Ontario legislature by a wide margin in the solidly Tory riding in 2018 and again in 2022.

The Ontario legislature is currently in recess and is

scheduled to reconvene on October 21st.

The standings in Ontario's 124 seat legislature are as follows:

- PC – 79 seats
- NDP – 28 seats
- Liberal – 9 seats
- Green – 2 seats
- Independent – 6 seats

FAO RELEASES REPORT ON GOVERNMENT SPENDING IN FISCAL 2023-2024

Here are the highlights copied from the Financial Accountability Office's (FAO) report on spending by our provincial government in the fiscal year 2023-2024 that was published on July 17, 2024:

Highlights

- This report provides information on actual unaudited spending by the Government of Ontario (the Province) through the end of the 2023-24 fiscal year (March 31, 2024).
- The information in this report is based on the FAO's analysis of transactions recorded in the Province's Integrated Financial Information System (IFIS) as of April 22, 2024. All figures are unaudited, as final audited figures are not available until the release of the Public Accounts of Ontario.

2023-24 Spending Plan

- The Province's yearly spending plan represents the legal spending authority for ministries as granted by the Legislature through the process of supply.[1] The Province started the 2023-24 fiscal year with a spending plan of \$197.3 billion.[2]

Changes to the 2023-24 Spending Plan

- The Province may change its spending plan throughout the year, either by requesting additional spending authority from the Legislature or by reallocating spending among different programs through Treasury Board Orders.
- By the end of the fiscal year, March 31, 2024, the Province's spending plan was up \$7.6 billion to \$204.9 billion.
- By sector, the largest spending plan increase during the fiscal year was in health, at \$3,561 million, followed by education (\$3,149 million), 'other programs' (\$2,315 million), justice (\$651 million) and children, community and social services (\$57 million). Postsecondary education had a spending plan decrease (-\$5 million) during the 2023-24 fiscal year. Additionally, there was a \$2,145 million net decrease in the Contingency Fund.

Actual Unaudited Spending versus Planned Spending

- The Province planned to spend \$204.9 billion in the 2023-24 fiscal year. At the end of the 2023-24 fiscal year, actual unaudited spending was \$197.1 billion, based on information as of April 22, 2024. This was \$7.8 billion (3.8 per cent) less than planned.
- All sectors spent less than planned, led by 'other programs' (-\$2,409 million, -6.7 per cent), followed by interest on debt (-\$1,828 million, -13.3 per cent), health (-\$1,296 million, -1.6 per cent), justice (-\$118 million, -1.9 per cent), children, community and social services (-\$118 million, -0.6 per cent), postsecondary education (-\$108 million, -1.5 per cent) and education (-\$87 million, -0.2 per cent).
- For information on spending by all of the Province's programs and ministries, visit the FAO's website at: <https://tinyurl.com/yc3z92b3>.

2023-24 Spending versus 2022-23 Spending

- This report also compares 2023-24 actual unaudited spending against 2022-23 actual audited spending to provide context for provincial spending trends and to identify significant year-over-year spending changes.
- Spending in the 2023-24 fiscal year was \$7.8 billion (4.1 per cent) higher than in 2022-23.
- The largest year-over-year spending increase was in health (\$5,139 million, 6.9 per cent), followed by education (\$4,785 million, 13.8 per cent), children, community and social services (\$1,236 million, 6.8 per cent), postsecondary education (\$394 million, 5.9 per cent), and justice (\$388 million, 6.7 per cent). Two sectors spent less in 2023-24 compared to 2022-23: 'other programs' (-\$3,613 million, -9.7 per cent) and interest on debt (-\$558 million, -4.5 per cent).
- Higher spending in the education and health sectors is largely due to compensation for the impact of wage restraint under Bill 124, the Protecting a Sustainable Public Sector for Future Generations Act, 2019. A portion of the spending related to Bill 124 will not have a fiscal impact in 2023-24 because it was already recorded as a liability in 2022-23.

2023-24 Total Consolidated Spending Projection

- The FAO's projection for total consolidated spending in 2023-24 is \$203.9 billion. This total consolidated spending includes the \$197.1 billion in ministry spending previously discussed in this report and an estimated \$6.8 billion in additional spending by the broader public sector organizations controlled by the Province (hospitals, school boards, colleges and Children's Aid Societies), the Province's agencies and the legislative offices, as well as other spending adjustments.
- The FAO's projection for total consolidated spending of \$203.9 billion for 2023-24 is \$3.4 billion less than the Province's projection of \$207.3 billion in the 2024 Ontario Budget. The difference between the two forecasts is primarily due to more up-to-date spending information available to the FAO.[3]
- Over the past four years, the FAO's projection for total consolidated spending in the Fourth Quarter Expenditure Monitor has been on average \$1.5 billion (0.8 per cent) different from the final audited spending reported in the Public Accounts of Ontario.

Status of the Contingency Fund

- The Contingency Fund is used to address spending pressures or fund program changes during the fiscal year. The funds within the Contingency Fund cannot be spent directly by the Province but must be transferred to government programs through Treasury Board Orders.
- The Province started the 2023-24 fiscal year with a total of \$4.0 billion in the Contingency Fund. In the first and second quarters, the Province transferred \$849 million and \$277 million, respectively, from the Contingency Fund to various programs. In the third quarter, the Province topped up the Contingency Fund by \$2,500 million and transferred out \$288 million to fund various programs. In the fourth quarter, the Province transferred \$5,107 million from the Contingency Fund to various programs and \$1,876 million from various programs to the Contingency Fund. At year-end, the Contingency Fund had a remaining balance of \$1.9 billion.

For the full details, click on the following link:

<https://fao-on.org/en/Blog/Publications/2023-24-expenditure-monitor-q4>

REPORTING ON THE LCBO-OPSEU DEAL

Here's what we have been able to glean from media reporting on the recently struck LCBO-OPSEU collective agreement:

- The agreement reached between the LCBO and OPSEU was ratified by OPSEU members on Sunday, July 21st
- Most LCBO stores reopened on Tuesday, July 23rd
- It's been reported that LCBO workers will receive an increase of 8% over 3 years
- A new management-union (advisory) task force (3 management and 3 union members) will be struck to look into the government's modernization policy and consider new store locations and the possibility of pop-up stores. (This is expected to provide the union with data about the impact of the government's modernization policy on the LCBO)
- The agreement states that none of the LCBO's 680 stores can be closed before March 2027 as a result of the government's alcohol distribution modernization policy, although some locations could possibly be closed for safety reasons
- The number of LCBO convenience outlets (independent local retailers allowed to sell beer, wine and alcohol in locations where consumers don't have access to an LCBO store) has been capped at 400
- The government has stated that in the near future up to 8,500 convenience stores may be able to sell beer, wine and coolers (some reports say by the end of October)
- 30% of the LCBO's workforce will be permanent and 12.5% will be permanent part-time
- About 1,000 casual worker will become permanent full-time
- Casual or part-time workers who work more than 1,300 hours will have improved access to benefits
- Convenience stores will be allowed to sell ready-to-drink beverages which was one of OPSEU's biggest objections

CONSTRUCTION OF BATTERY MATERIALS PLANT HALTED

Belgian company Umicore recently announced that it is halting construction of its multi-billion-dollar EV battery materials plant in Loyalist Township west of Kingston. The decision was based on slowing demand. The future of the Loyalist project, which was to receive significant funding from both the federal and provincial governments, is pending a review of Umicore's world-wide operations and market conditions.

HUDAK LEAVE CEO ROLE AT OREA

In a surprise email to members of the Ontario Real Estate Association, Tim Hudak announced that he will be resigning from his role as the association's CEO effective August 2, 2024.

Hudak served as an MPP in the Ontario legislature for more than 21 years both in Government where he held several ministerial portfolios and in Opposition including a stint as leader of the Official Opposition. He joined OREA as its CEO in December 2016 and his accomplishments in the role were significant.

OREA has not announced the appointment of an interim or permanent CEO to succeed Hudak.

We wish Tim and his family only the very best and look forward to learning about Tim's future successes.

For more details about Tim's successes as CEO of OREA and about his resignation, [click here](#).



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