

Expenditure Monitor 2021-22: Q3

Briefing Deck



Purpose and Structure

- This report provides information on unaudited spending by the Province over the first three quarters of the 2021-22 fiscal year (April 1, 2021 to December 31, 2021). The report:
 - identifies changes to the Province's 2021-22 spending plan;
 - reviews actual spending against both planned spending and actual spending over the same time period in 2020-21; and
 - tracks transfers from, and top-ups to, the Province's two unallocated funds: the Contingency Fund and the Time-Limited COVID-19 Fund.



Changes to the 2021-22 Spending Plan



Changes to the 2021-22 Spending Plan

- Over the first three quarters of the fiscal year, the Province **added \$4.1 billion** to the 2021-22 spending plan.
- The largest spending plan increase went to the **'other programs' sector** at \$2,699 million.
- The Province's **unallocated funds** (Time-Limited COVID-19 Fund and the Contingency Fund) **increased by a net \$1,057 million**.
- The remaining sectors received a combined \$350 million in spending plan increases.



Changes to the 2021-22 Spending Plan

Sector	2021-22 Spending Plan	Q1 Changes	Q2 Changes	Q3 Changes	Total Changes	Revised 2021-22 Spending Plan
Health	71,184	5	15	118	138	71,322
Education	32,847	6	-	82	88	32,935
Postsecondary Education	6,987	-	-	12	12	6,999
Children's and Social Services	18,108	-	1	9	11	18,119
Justice	5,192	10	1	89	100	5,292
Other Programs	29,472	445	209	2,045	2,699	32,171
Unallocated Funds:						
Contingency Fund	2,080	-474	-235	-99	-808	1,272
Time-Limited COVID-19 Fund	-	-	-	1,865	1,865	1,865
Interest on Debt	12,419	-	-	-	-	12,419
Total	178,290	-7	-9	4,122	4,106	182,396

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.



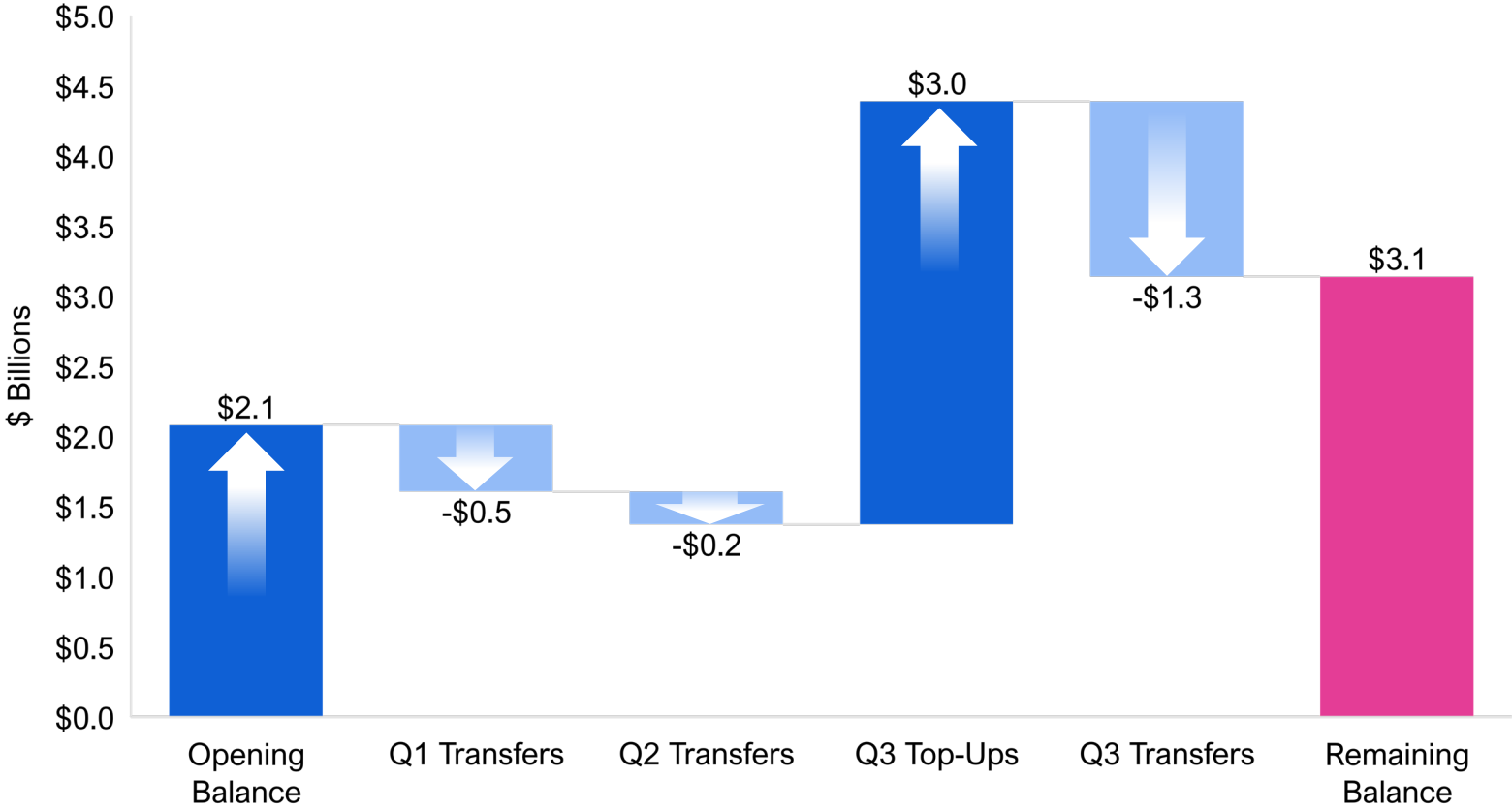
Highlights of Q3 Spending Plan Changes

- Key third quarter spending plan increases include:
 - **\$1,355 million increase** for Metrolinx transit infrastructure investments.
 - **\$521 million increase** for Metrolinx and municipal transit operations.
 - **\$300 million increase** for the Ontario Business Costs Rebate Program.
 - **\$123 million increase** for long-term care homes.



Status of Unallocated Funds

- Remaining balance of **\$3.1 billion** as of December 31, 2021.



Source: FAO analysis of information provided by Treasury Board Secretariat.



Actual Spending



Actual Spending vs. Planned Spending

- The Province spent **\$119.9 billion** over the first three quarters of 2021-22, which was **\$5.5 billion (4.4%)** less than planned.
- All sectors spent less than planned, except for the justice sector.
- The FAO expects that the pace of spending will increase in Q4 due to the impact of the Omicron variant on the health sector and the introduction of new fourth quarter spending programs.



Actual Spending vs. Planned Spending

Sector	Revised 2021-22 Spending Plan	Planned Spending at end of Q3	Actual Spending at end of Q3	Actual vs. Planned at end of Q3	Actual vs. Planned (%)
Health	71,322	52,799	51,507	-1,293	-2.4%
Education	32,935	18,556	18,344	-212	-1.1%
Postsecondary Education	6,999	5,334	4,943	-391	-7.3%
Children's and Social Services	18,119	14,039	12,833	-1,206	-8.6%
Justice	5,292	3,627	3,931	305	8.4%
Other Programs	32,171	21,850	19,565	-2,285	-10.5%
Unallocated Funds:					
Contingency Fund	1,272	-	-	-	N/A
Time-Limited COVID-19 Fund	1,865	-	-	-	N/A
Interest on Debt	12,419	9,235	8,796	-438	-4.7%
Total	182,396	125,439	119,919	-5,521	-4.4%

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.



Spending Highlights Through Q3

- Select programs with **lower-than-expected** spending through three quarters include:
 - In the **health** sector, the Province spent \$999 million (39%) of the \$2.5 billion revised budget for the COVID-19 Response program. There was also lower than expected spending on payments to physicians, provincial drug programs and hospital capital projects.
 - In the **education** sector, the Province spent \$733 million (43%) of the \$1.7 billion budget for the School Board Capital Grants program.
 - In the **children's and social services** sector, the Province spent \$334 million (56%) of the \$600 million budget for the Autism program and \$1.6 billion (62%) of the \$2.7 billion budget for the Ontario Works – Financial Assistance program.
 - In the **'other programs'** sector, the Province spent \$28 million (4%) of the \$630 million revised budget for municipal transit projects.



2021-22 Spending vs. 2020-21 Spending

- Spending in the first three quarters of 2021-22 was **\$3.2 billion (2.8%)** more than during the same period in 2020-21.
- Key year-over-year changes by sector include:
 - **Health** spent \$2.2 billion (4.5%) **more**, including higher spending for population and public health programs, payments to physicians, and long-term care homes operations and capital investments.
 - **'Other programs'** spent \$1.8 billion (10.1%) **more**, including higher spending for provincial transit infrastructure projects and electricity price mitigation programs, offset by lower net spending on COVID-19-related programs.
 - **Children's and social services** spent \$0.7 billion (5.5%) **less**, including lower spending for Ontario Works, the Ontario Disability Support Program and autism services.



2021-22 Spending vs. 2020-21 Spending

Sector	2021-22 Spending at end of Q3	2020-21 Spending at end of Q3	2021-22 vs. 2020-21	2021-22 vs. 2020-21 (%)
Health	51,507	49,311	2,195	4.5%
Education	18,344	19,432	-1,088	-5.6%
Postsecondary Education	4,943	4,674	269	5.8%
Children's and Social Services	12,833	13,575	-742	-5.5%
Justice	3,931	3,484	447	12.8%
Other Programs	19,565	17,776	1,789	10.1%
Interest on Debt	8,796	8,430	367	4.4%
Total	119,919	116,681	3,238	2.8%

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.



Thank you!



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