



MUNICIPALITY OF THAMES CENTRE

REPORT NO. **CAO-010-23**

TO: Mayor and Members of Council
FROM: Chief Administrative Officer
MEETING DATE: November 14, 2023
SUBJECT: **2023 Fall Economic Update**

RECOMMENDATION:

THAT Report No. CAO-010-23, 2023 Fall Economic Update, be received for information.

PURPOSE:

The purpose of this report is to provide a 2023 Fall Economic Update for information as requested by Council.

BACKGROUND:

At its September 11, 2023, Council meeting, the following resolution was passed:

“**THAT** staff work with the Middlesex County Economic Development team to prepare a report for information respecting a local economic update which may include: building permits, building completions, 2024 permit forecast based on current projections and available commercial/industrial zoned lots.”

COMMENTS:

On Thursday, November 2, Minister of Finance, Peter Bethlenfalvy, introduced the 2023 Fall Economic Outlook and Fiscal Review: Building a Strong Ontario Together, known as the fall economic statement. The Government focused on two themes: Building Ontario and Working for You.

Building Ontario

- Launching the **Ontario Infrastructure Bank**, a new arms-length, board-governed agency responsible for attracting public-sector pension plans and other trusted institutional investors to participate in large-scale critical infrastructure projects, with proposed initial funding of \$3 billion.

- \$200 million over three years in a new **Housing-Enabling Water Systems Fund**, for the repair, rehabilitation and expansion of a variety of municipal water infrastructure projects.
- \$185 billion over 10 years, including \$20.7 billion in 2023–24, toward **Ontario's Plan to Build**, the Province's capital plan, to build highways, roads, transit, hospitals, long-term care homes, schools, child care spaces, broadband and other critical infrastructure.
- Making progress towards creating 86,000 new, high-quality, affordable **child care spaces** by 2026.

Working for You

- Extending the current **gas and fuel tax rate cuts** through June 30, 2024.
- Encouraging construction of **new purpose-built rental housing** by taking steps to remove the full eight per cent provincial portion of the Ontario Harmonized Sales Tax (HST) on qualifying projects.
- Supporting **skills development and training**, with more than \$1 billion invested over three years in the Skilled Trades Strategy, as well as \$860 million in the Training Stream and \$224 million in the Capital Stream of the Skills Development Fund.
 - This includes \$32.4 million over the next three years to support up to 6,500 **paid research internships** for undergraduate and graduate students, and postdoctoral fellows through Mitacs.
- Investing \$25 million over three years in the **Ontario Immigrant Nominee Program** through the 2023 Budget, expanding the **Ontario Bridge Training** program with a \$3 million investment in 2023–24 to help skilled newcomers start working in their trained fields faster, and removing Canadian work experience requirements for certain regulated professions to make it easier for newcomers to work in the professions they trained for.
- Building at least **1.5 million homes by 2031** through targeted incentives to municipalities, including the Building Faster Fund, strong mayor powers and the Streamline Development Approval Fund.

The Ontario Government is now projecting a \$5.6 billion deficit in 2023-24 based on updated economic and revenue information and higher contingencies to mitigate near-term risks. A deficit of \$5.3 billion is forecasted in 2024-25, followed by a surplus of \$0.5 billion in 2025-26.

Along with the above Provincial update, the attachments to this report provide economic updates for Thames Centre and Middlesex County as requested by Council.

FINANCIAL IMPLICATIONS:

None.

STRATEGIC PLAN LINK

Pillar: Responsive Leadership

Goal: Thames Centre encourages an environment of innovation, resilience and community through responsive leadership.

CONSULTATION:

Marc Bancroft, Director Planning & Development
Amanda Storrey, Development Services Supervisor
Nicole Bowery, Financial Analyst
Shannon Zylstra, Communications Coordinator

ATTACHMENTS:

- 2023 Thames Centre Fall Economic Update
- Economic Development in Middlesex County Update Report July 27, 2023

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