

UNFINISHED BUSINESS

Ontario since the Great Recession

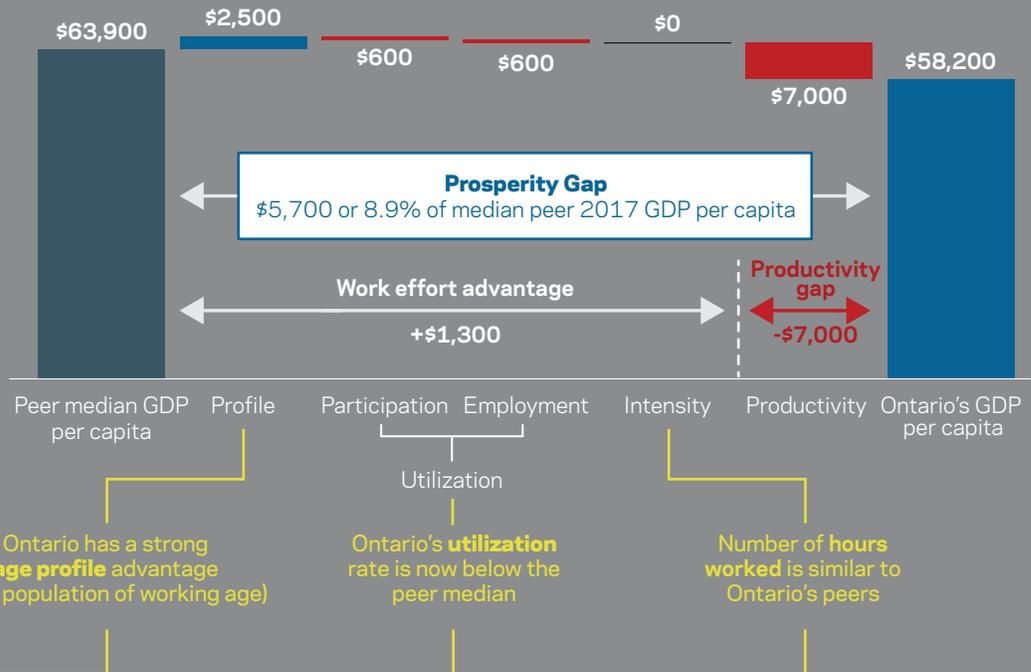


ONTARIO'S RECOVERY FROM THE GREAT RECESSION

This year, Ontario's Panel on Economic Growth & Prosperity examines Ontario's economic progress since 2000 and the impact of the 2008-2009 Great Recession.

IMPACT OF GREAT RECESSION ON THE PROSPERITY GAP

During the recession the prosperity gap shrank to just \$1,800. It is now greater than pre-recession levels.



234,000 The number of additional Ontarians who would have been employed in 2009 if the utilization rate remained constant through the recession.

IMPACT ON GOVERNMENT DEBT

\$476.1B
(2000, C\$2017)



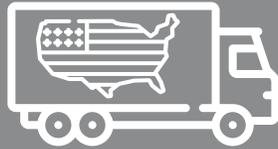
\$617.2B
(2017, C\$2017)

It has been ten years since the Great Recession and Ontario has yet to regain the economic footing to support the province's competitiveness and prosperity to its full potential.

IMPACT ON COMPETITIVENESS

Exports primarily to the US

MAJORITY: MANUFACTURED GOODS



72%

Nearly twice as many census divisions had less foreign direct investment (FDI) after the recession than gained FDI



Policy recommendations



Increase international exports from the service sector



Facilitate greater interprovincial trade



The federal government can reduce the requirements of the net benefits test to encourage FDI

IMPACT ON HOUSING AND PROSPERITY



-1.4%

Home ownership rates between 2006 and 2016

WHY?

Toronto housing prices by salary



Policy recommendations



Simplify regulations on construction of new residential units



Introduce tax on vacant residential units



Build medium-density housing in the yellow belt

Therefore **70,000** Missing home owning households

Social recommendations



Support cluster development to mitigate future economic shocks and improve social mobility



Promote work-integrated learning opportunities for youth not in employment, education or training (NEET)

Not owning real estate assets seriously affects the net worth of Ontarians:

	Median net worth of households	
	With real estate	Without real estate
1999	\$371,000	\$17,000
2016	\$728,000	\$15,000