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Ontario's Economic and Fiscal Prospects: Challenging Times Ahead



Canadian Alliance for
Sustainable Health Care

ECONOMIC PERFORMANCE AND TRENDS

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Ontario's Economic and Fiscal Prospects: Challenging Times Ahead
by *Matthew Stewart, Kip Beckman, and Glen Hodgson*

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Preface

This report sheds light on Ontario's fiscal challenges in three ways. First, it provides an updated estimate of potential economic growth in Ontario over the longer term. Second, it provides detailed modelling of health and education spending to account for demographic changes, trends in technology and access to services, and trends in cost drivers over a long-term forecast horizon. And third, it produces projections on when the Ontario government is likely to rebalance its books under different spending assumptions, for health care spending in particular.

The results suggest that it will be difficult for the Ontario government to balance its books by 2017–18—the goal set out in its most recent budget. In fact, if Ontario residents want their publicly funded health care system to continue to receive strong funding growth, they will most likely have to pay for it through higher taxes.

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The findings and conclusions of this report are entirely those of The Conference Board of Canada and do not necessarily reflect the views of the Alliance investors or the external reviewers. Any errors or omissions in fact or interpretation remain the sole responsibility of The Conference Board of Canada.

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EXECUTIVE SUMMARY

Ontario's Economic and Fiscal Prospects: Challenging Times Ahead

At a Glance

- ◆ We estimate Ontario's economic growth potential, or the level of sustainable real economic growth, at 1.9 per cent annually. This will translate into lower levels of annual government revenue, over the longer term, than previously expected.
- ◆ As a result, the Ontario government would have to slow total program spending growth to just 0.7 per cent per year beginning in fiscal year 2012–13 in order to balance its books by 2017–18.
- ◆ If Ontario residents want their public health care system to continue to receive strong funding growth, they will most likely have to pay for it through higher taxes. If the public is unwilling to accept and support higher taxes, transformative changes will be required to how publicly funded health care is delivered in Ontario.

This report helps shed light on Ontario's fiscal challenges in three ways. First, it provides an updated estimate of potential (or sustainable) economic growth in Ontario over the longer term, which determines expected revenue for the provincial government. Second, it provides detailed modelling of health and education spending to account for demographic

changes, trends in technology and access to services, and trends in cost drivers in these sectors, over a long-term forecast horizon. And third, it produces projections on when the Ontario government is likely to rebalance its books, based on revised revenue projections and under different spending assumptions, for health care spending in particular. The analysis developed here helps to quantify the fiscal challenge the province is facing and provides tools necessary for future research, especially in evaluating policy alternatives.

THE CHALLENGE

The Ontario government is projecting an annual fiscal deficit of \$16 billion in 2011–12, and it expects to remain in fiscal deficit for a number of years to come. In order to rebalance its books by 2017–18, the Ontario government laid out a plan in its 2011 budget to tightly control spending growth over the next seven years.¹ The plan includes containing total program spending to growth of just 1.7 per cent per year over the next seven years, a radical break from recent history. This plan is already optimistic. Yet, our most recent Ontario economic outlook suggests that even if spending targets in the 2011 Ontario Budget are attained, the provincial government may still not be able to balance its books on schedule. Moreover, health care spending currently consumes

¹ Although some new spending announcements were included in the recent fiscal update, the spending plan remains mostly identical to that set out in the 2011 Ontario Budget.

44 cents of every dollar in provincial revenue and must, therefore, be a vital part of any expenditure restraint package. To achieve the very frugal spending target set out in its 2011 budget, the government expected annual growth in public health care spending to slow sharply—from the 7 per cent pace experienced over the last decade, to just 3 per cent per year beginning in 2012–13.

The provincial economy is expected to continue to recover slowly from the effects of the recession and then grow in line with our estimates of potential output.

Achieving such a different growth path for health care spending will be extremely challenging, given the increasing demand for health care from the province's aging population and the internal cost-drivers of the health care system. Slowing the rate of growth in spending won't be much easier for other programs. Total spending, excluding health care, was slated to rise by just 0.3 per cent per year from 2010–11 to 2017–18 in the 2011 budget. This includes spending on social services, education, and other programs. Given that the government plans to slow spending on social services and education to a pace slightly below 3 per cent per year, spending on other programs will have to be cut sharply to meet the overall target of 0.3 per cent per year. Indeed, to achieve its overall spending target, the provincial government would have to cut all other program spending (i.e., all program spending except for health care, education, and social services) by an average of 5.4 per cent per year—a difficult feat indeed!

The Ontario fiscal plan will need adequate revenue growth to fund ongoing government program spending. The provincial economy is expected to continue to recover slowly from the effects of the recession, and thereafter grow in line with our estimates of potential output.² A softer economic recovery, due largely to external factors such as the financial turbulence in Europe and the weakness of the U.S. economic recovery, means

² Potential output is the highest level of production an economy can attain when all factors of production (that is, labour and capital) are fully and efficiently employed.

economic growth—and related growth in government revenues—will be weaker than what was forecast in Ontario's 2011 budget. Moreover, aging demographics and slower labour force growth will reduce the province's economic growth prospects over the longer term, which in turn limits the outlook for government revenue growth.

Based on the Conference Board's latest economic outlook and our estimate of potential (or sustainable) economic growth over the longer term, the Ontario government would have to slow total program spending growth to just 0.7 per cent per year beginning in 2012–13 in order to balance its books by 2017–18 as planned in its 2011 budget. That is roughly 0.8 percentage points below the current plan. This means that bringing Ontario's budget back into balance within a reasonable time frame will be a significant challenge. At the same time, meeting that goal is imperative if Ontario is to keep its finances from running out of control.

THE ANALYTICAL FRAMEWORK

As noted, the analysis in this study is founded on a re-estimation of Ontario's growth potential, or the level of sustainable real economic growth (i.e., growth after inflation). The estimate of potential economic growth is based on three principal factors: the projected available labour force in Ontario, capital investment, and productivity growth. Over the longer term, aging demographics and slower labour force growth will reduce the province's economic growth prospects, which in turn will limit the outlook for government revenue growth. Our estimate for Ontario's economic growth potential is 1.9 per cent annually, which will translate into lower levels of annual government revenue over the longer term than previously expected.

The research then considers three spending scenarios in order to gain insights into the challenges the provincial government will face in trying to rebalance its budget. Each scenario uses the same economic growth outlook, which determines revenue growth. The provincial economy is expected to continue to recover slowly from the effects of the recession and to grow thereafter in line with our estimates of potential output. Ontario's gross

domestic product is estimated to grow in nominal terms (i.e., real economic growth plus inflation) at an average annual pace of 3.9 per cent over the 2011–30 forecast period. Since nominal GDP growth sets the broad revenue base that is available to government, success in rebalancing Ontario’s books will hinge on the government’s ability to constrain overall spending growth and/or raise additional revenues until the budget is rebalanced, and then to keep spending growth at this 3.9 per cent nominal GDP growth benchmark. Our analysis assumes that the Canada Health Transfer (CHT) to the provinces from the federal government will continue to increase by 6 per cent per year until 2016–17. Afterward, growth slows to match the increase in nominal GDP, as recently announced by finance minister Jim Flaherty.

Ontario’s GDP is estimated to grow in nominal terms (real economic growth plus inflation) at an average annual pace of 3.9 per cent over the 2011–30 forecast period.

Scenario 1 is the “maintain the spending plan” scenario. In Scenario 1, projections for spending on health care and other programs are aligned with the provincial government’s most recent budget, which was released in the spring of 2011, and economic update, which was delivered in November. Revenues, however, are adjusted to align with the Conference Board’s detailed economic outlook for Ontario. Under these assumptions, the Ontario government will not be able to eliminate the deficit by 2017–18 as set out in the 2011 budget. Instead, it would take until 2021–22 to balance the budget. If the government were to maintain its balanced budget target of 2017–18, overall program spending growth would have to be slowed to 0.7 per cent per year beginning in 2012–13.

Meeting this spending path will be extremely challenging. Together, health care and education spending eat up nearly 72 per cent of provincial government revenues. The 2011 budget calls for growth in health care spending

to be held to 3 per cent annually. By way of comparison, health care budgets have expanded by roughly 7 per cent per year over the past 30 years, with periods of restraint typically followed by periods of above-average spending growth to catch up with increased demand.

For scenarios 2 and 3, the Conference Board relies on its detailed, demographically driven model to properly assess future demand for health care. Scenario 2 is an “adjust for aging population” scenario. It examines what the spending plan would look like if health care funding were increased to account only for demographics and inflation; that is, real per capita spending remains constant over the forecast period. In essence, constant real per capita spending implies that there are few modifications made to the delivery of health care to account for increased utilization, new procedures, drugs, or new technologies. Even under these restrictive assumptions, demand-driven growth for health care spending averages 4.7 per cent per year, well above the Ontario government’s current target, and above our estimate for sustainable nominal GDP growth. Educational spending is forecast under this scenario by keeping real per-student spending constant. Beyond health care and education, strict spending restrictions are maintained for social services, and sizable declines in spending are projected beyond health care, education, and social services. Under these assumptions, Scenario 2 indicates that the provincial government would be unable to rebalance its budget over the time frame of this study (to 2031).

Scenario 3, the “maintain spending growth” scenario, assumes that funding for Ontario’s health care system will continue to grow at a pace that is more closely aligned with demand. In this scenario, real per person increases in public health care funding would allow for continued increases in health care delivery in line with the levels of growth we’ve seen in the past. In this case, health care spending averages annual growth of 5.6 per cent, with spending restraint maintained on other provincial programs. Rather than leave the province in deficit over the forecast horizon, additional financial resources

would be required to bring the deficit under control in addition to the sharp cuts in programs other than health care. The provincial sales tax rate would have to increase from 8 per cent to 15 per cent by 2017–18, in order to generate enough revenue to allow the provincial government to balance the budget in that year.

Scenarios 2 and 3 provide estimates for the likely paths for future provincial expenditures that are consistent with past spending trends. With an aging population in Ontario, there will be intense pressure on the government to improve the delivery of health care, such as through shorter wait times. Moreover, the aging baby-boom

cohort is growing and will continue to wield significant political clout. In fiscal terms, these scenarios highlight the challenges of controlling health care spending growth, of transforming the publicly funded health care delivery system in Ontario, and/or of increasing available government revenues. If Ontario residents want their public health care system to continue to receive strong funding growth, they will most likely have to pay for it through higher taxes. If the public is unwilling to accept and support higher taxes, other transformative changes will be required in the way in which publicly funded health care is delivered in Ontario.

CHAPTER 1

Introduction

Chapter Summary

- ◆ The Ontario government is projecting a fiscal deficit of \$16 billion in 2011–12.
- ◆ Health care currently consumes 44 cents of every dollar of provincial revenue.
- ◆ In order to rebalance its books by 2017–18, the Ontario government intends to hold program spending to an average increase of just 1.7 per cent per year over the next seven years—an ambitious target.

This report helps shed light on Ontario's fiscal challenges in three ways. First, it provides an updated estimate of potential (or sustainable) economic growth in Ontario over the longer term, which determines expected revenue for the provincial government. Second, it provides detailed modelling of health and education spending to account for demographic changes, trends in technology and access to services, and trends in cost drivers in these sectors over a long-term forecast horizon. And third, it produces projections on when the Ontario government is likely to rebalance its books, based on revised revenue projections and under different spending assumptions, for health care spending in particular. Specifically, the report considers three

different scenarios concerning the future path of health care and education spending. The analysis developed here helps to quantify the fiscal challenge the province is facing and provides tools that are necessary for future research, especially in evaluating policy alternatives.

A strategic rethinking of Ontario's publicly funded health care system is required as health care represents the largest share of provincial program spending.

The Ontario government is projecting an annual fiscal deficit of \$16 billion in 2011–12. In order to rebalance its books by 2017–18, as planned in its 2011 budget, the Ontario government intends to hold program spending to an average increase of just 1.7 per cent per year over the next seven years. To succeed in this plan, the government will have to slow the annual growth in public health care spending sharply. Given that health care represents the largest share of provincial program spending, a strategic rethinking of Ontario's publicly funded health care system is required to ensure its sustainability within the available fiscal capacity. Health care currently consumes 44 cents of every dollar of provincial revenue, making it a vital part of any spending restraint package. Additionally, spending outside of health care will have to be essentially frozen.

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Achieving such a different growth path for health care spending than we've seen in recent years will be extremely challenging. Restraint will come at a time of increasing demand for health care due to the province's aging population and to internal cost-drivers of the health care system. Spending cuts won't be much easier for other programs. Total spending, excluding health care, is set to rise by just 0.3 per cent per year from 2010–11 to 2017–18, even if spending on education and social services (which are included in this category) rises as planned at a pace slightly below 3 per cent. To achieve the overall spending target, the provincial government, therefore, would have to cut the entire remaining program spending by an average of 5.4 per cent per year until 2017–18.

The report is divided into five chapters. Chapter 2 looks at Ontario's economic prospects over the long term. Chapter 3 discusses the methodology for the

Conference Board's health care and education spending models that were used to make the projections. Chapter 4 presents the three spending scenarios and the results. The conclusion and implications are provided in Chapter 5.

A series of tables containing the detailed results of the analysis are presented in Appendix A. These tables display the relevant data used for the analysis, including data on key economic indicators, public finance, demographics and health expenditures by age cohort, as well as public education spending per student. This report also includes a number of technical appendices that discuss the rationale behind the assumptions used to make the projections.

CHAPTER 2

Ontario's Economic Outlook Over the Longer Term

Chapter Summary

- ◆ A number of factors, including Ontario's aging population and workforce, imply that real potential output will expand by less than 2 per cent per year over the forecast period.
- ◆ Weak growth in potential output will result in sluggish growth in government revenue and make it even more challenging to fund health care over the long term.
- ◆ At the same time, Ontario's aging population will sharply increase the demands on the provinces health care services.

As noted in the Introduction, a key component of this analysis is our estimate of Ontario's potential output—the level of sustainable real (i.e., adjusted for inflation) economic growth—over the long term. The estimate of potential economic growth is based on three principal factors: the projected available labour force in Ontario, capital investment, and productivity growth. Growth in potential output (or sustainable real economic growth), combined with our inflation forecast, determines the growth in nominal income in Ontario. This, in turn, determines the level and growth in revenue that is available to the Ontario government to fund programs such as health care and education.

The long-term economic outlook for Ontario is generated using the Conference Board's provincial forecasting model as a foundation. This model has several components. The forecast begins with a detailed demographic forecast and an estimate of Ontario's potential economic output. Potential output is defined as the level of economic activity that can be sustained in an economy without igniting inflation. The medium-term forecast takes into account trends in recent economic indicators to create projections of GDP growth in Ontario. Under this methodology, once Ontario's economy reaches estimated potential output, it is assumed that the economy expands at a pace consistent with the growth in its potential output.

Manufacturing is going through a profound transformation, driven by an array of factors, including globalization.

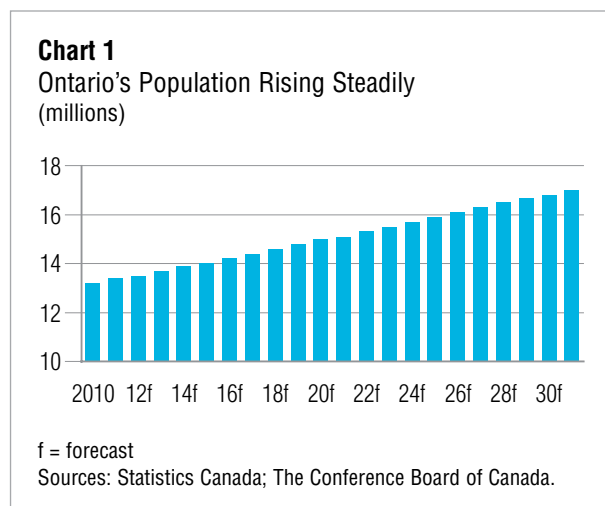
While investment activity in our analysis will remain solid over the long term, Ontario's manufacturing sector will not fare as well. Manufacturing is going through a profound transformation, driven by an array of factors that include globalization and the rise of emerging markets, a restructuring of the global auto industry, the unstable U.S. recovery, and the strong Canadian dollar. These factors, combined with Ontario's aging population and workforce, imply that Ontario's real potential output will expand by less than 2 per cent per year over the forecast period.

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The key assumptions behind our outlook for Ontario's demographics and potential output are described in more detail in the following sections.

DEMOGRAPHIC ASSUMPTIONS

The forecast for population growth in Ontario is an important component of the fiscal outlook. This forecast takes into account factors such as deaths, births, immigration, emigration, interprovincial migration, age, and gender. Capturing the changes in the age profile of the Ontario population is crucial to producing the fiscal outlook. The demographic profile helps determine labour force growth and economic potential—factors that drive growth in government revenues over the long term. Population trends also help to project future health care demand, since changes in the demographic mix are an important driver of the illness burden placed upon the health care system. After assessing all the factors, Ontario's population is expected to increase from 13.3 million in 2010–11 to 16.9 million by 2030–31—an average annual increase of around 1.2 per cent per year. (See Chart 1.)



It should be noted that the population projections in the current outlook assume a constant fertility rate of 1.58 births per woman. That is well below the standard replacement rate of 2.1, but consistent with recent trends. A low fertility rate, together with an aging population, will lower both the birth rate and population growth over the long term.

Mortality rates are also held constant over the forecast period, but the number of people entering higher-risk age cohorts will expand. This adjustment implies that the death rate will rise in Ontario over the next 20 years. As a result, the annual natural increase in the population (births minus deaths) is projected to fall from about 51,900 in 2010–11 to only 38,300 in 2030–31.

Population trends help project future health care demand, as changes in the demographic mix are an important driver of the health care system's illness burden.

These projections indicate the importance of immigration for future population growth in Ontario. In our analysis, international immigration is expected to rise from its 2010–11 level of 118,100 to 173,000 by 2030–31. Allowing for a slight rise in emigration, annual net immigration to Ontario is expected to increase from its current annual level of 114,800 to 146,700 by 2030–31. This change makes immigration the dominant source of population growth in Ontario over the long term.

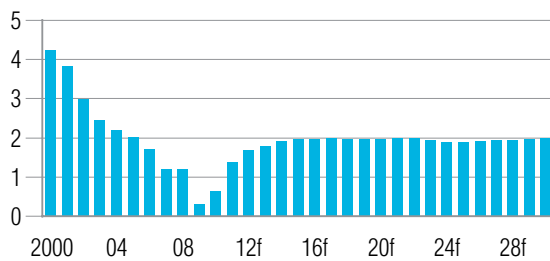
The aging population will make the fiscal problems facing Ontario more challenging. As discussed in the next section on the estimating of potential output, slower population growth will result in weaker economic growth over the forecast period and less revenue for provincial coffers. At the same time, a rapidly aging population will expect more health care services. Consequently, provincial governments will have to deal with a situation that combines sluggish revenue growth and escalating health care expenditures.

CALCULATING ONTARIO'S POTENTIAL OUTPUT

Potential output is a key concept in measuring an economy's long-term performance, as it represents the highest level of output that an economy can sustain without igniting inflation. Potential output is a function of three core factors: the size of the labour force, the economy's capital investment (in machinery and equipment, structures,

and infrastructure), and productivity.¹ The growth in Ontario’s potential output (see Chart 2) is an important concept in estimating Ontario’s future revenue-generating capacity. Real gross domestic product growth, coupled with assumptions about inflation, determines the pace of growth of nominal GDP (or income) generated in Ontario and provides the broadest base for determining how much revenue the province can generate to pay for programs such as health care and education.

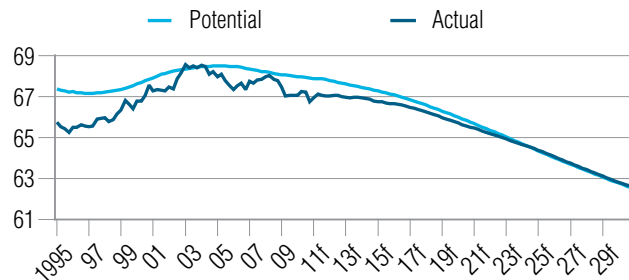
Chart 2
Potential Output Growth in Ontario
(per cent)



f = forecast
Source: The Conference Board of Canada.

Between 1998 and 2007 (before the severe 2008–09 recession hit Ontario’s economy), potential output grew at an average annual rate of 2.8 per cent. An aging population implies that growth in potential output will slow down over the forecast period (which runs to 2030–31). As Ontario’s population ages and more people retire, the supply of labour will not expand as quickly as in previous decades. Strong population gains in the 65-and-over category will overshadow growth in the 15-and-under population over the long term. This will cause the overall labour participation rate to decline gradually (see Chart 3) as the baby boomers move progressively into the older cohorts and as they reduce their attachment to the workforce due largely to the effects of retirement or deterioration in health. Therefore, as a growing proportion of the Canadian population moves into the 65-and-over cohorts, the overall labour force participation will fall precipitously. This development will limit economic growth through to 2031.

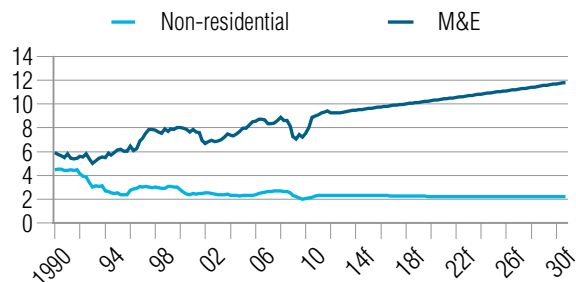
Chart 3
Ontario’s Participation Rate Will Decline
(per cent)



f = forecast
Sources: The Conference Board of Canada; Statistics Canada.

Slower population and labour force growth are not the only factors that will constrain growth in Ontario’s potential output over the long term. The recent recession had a major impact on business investment and on the level of capital stock (another key driver of potential output) in Ontario. (See Chart 4.) In 2009, machinery and equipment investment collapsed, falling 16.2 per cent as the recession led to a deep contraction in output, and non-residential construction fell 3.3 per cent. This drop in investment had the effect of reducing the overall stock of machinery and equipment in Ontario by 1.7 per cent and substantially slowing potential output growth.

Chart 4
Recession Had a Heavy Impact on Ontario Investment
(share of GDP, per cent)



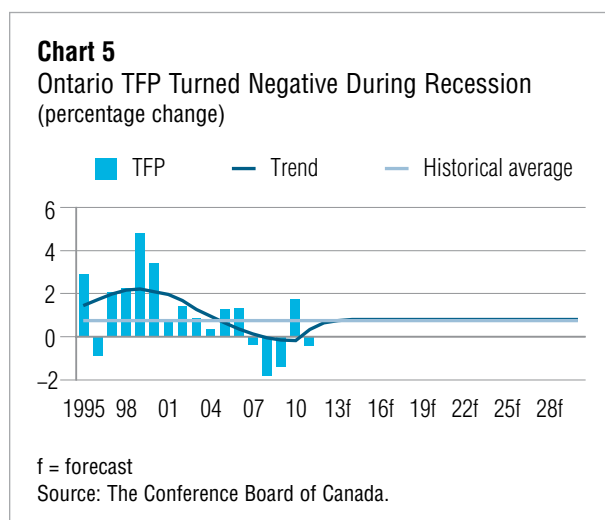
f = forecast
Sources: The Conference Board of Canada; Statistics Canada.

1 See Appendix B for a technical discussion of the assumptions used to estimate potential output in Ontario.

Over the long term, the relationship between capital investment and available labour will come into play. Tighter labour markets due to an aging workforce and slower labour force growth will place upward pressure on wages, which in turn will act as an incentive for firms to substitute labour for capital—machinery and equipment—wherever possible. This development will lead to a rebound in the growth of Ontario's capital stock. Capital investment and growth in the capital stock will be the main contributor to growth in potential output over the later years of the forecast period.

The final factor determining the growth in Ontario's potential output is productivity growth. We focus on total factor productivity in our analysis, which can be interpreted as the capacity to innovate in an economy.² Historically, Ontario's total factor productivity increased at an average annual pace of around 0.75 per cent. Productivity in Ontario grew above trend in the period leading up to the 2008–09 recession, and then fell into negative territory during the recession (as layoffs did not match the decline in output during the recession) and in its aftermath as firms expanded the hiring of staff faster than the growth in output. We expect growth in total factor productivity to return to the historical trend of 0.75 per cent per year over the long term. (See Chart 5.)

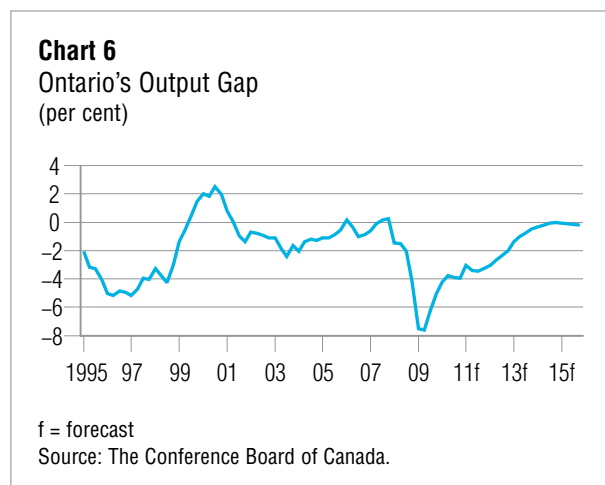
2 Total factor productivity, or TFP, is what is left after the effects of growth in labour and in capital investment have been taken into account when measuring productivity growth. TFP is comparable to "innovation," in that it estimates the impact of effective management—the ability to combine labour and capital effectively to increase output and wealth.



When we combine the three factors—available labour force, capital stock, and productivity—that are used to derive potential output, we reach the conclusion that the potential output for the Ontario economy will grow by 1.9 per cent per year in real terms (i.e., with inflation removed) over the forecast period to 2031. This estimate for potential output growth in Ontario is well below the growth in potential output of 2.8 per cent per year that occurred immediately before the 2008–09 recession.

Capital investment and growth in Ontario's capital stock will be the main contributor to growth in potential output over the later years of the forecast period.

During the 2008–09 recession, the Ontario economy opened up a sizable output gap. (The output gap is simply the difference between an economy's potential and actual growth.) Real GDP dropped by close to 1 per cent in 2008 and 3.8 per cent in 2009, creating an accumulative output gap of 6.6 per cent relative to its estimated potential growth path. The Ontario economy is currently expanding at a pace of just above 2 per cent. We expect that it will take until 2015 to close the gap between Ontario's potential and actual output because of the relatively slow pace of recovery from the recession, largely a result of the lethargic U.S. recovery. (See Chart 6.) At that point, real economic growth will start to decline and the economy is projected to grow at its real potential growth rate of 1.9 per cent.



As shown in the earlier analysis, an aging population and resulting slower labour force growth are the main factors that will restrain Ontario's growth in potential output over the long term. Labour force growth will contribute only 0.4 percentage points to the overall potential output growth rate of 1.9 per cent. Growth in the capital stock will provide 0.7 percentage points to that growth, and productivity will contribute 0.8 percentage points.

Ontario could, of course, consider various additional policy measures in an effort to improve its overall growth potential. Efforts could be made to increase the rate of immigration into the province in order to support and encourage faster labour force growth. The effective settlement and integration of immigrants into Ontario society and the recognition of their credentials and full use of their skills would take on even greater importance. Additional action could be examined to encourage capital investment. (Measures to improve business tax competitiveness have already been implemented, such

as harmonizing the provincial sales tax with the federal GST, eliminating capital taxes, and reducing the rates of corporate income taxation.) And additional measures could be considered to encourage business innovation and boost productivity growth, although there is certainly no silver bullet when it comes to improving productivity and innovation performance.

The projected sluggish growth in Ontario's potential output over the long term plays a crucial role in our analysis of fiscal capacity. Given our estimated real growth rate for potential output of 1.9 per cent, combined with our outlook for inflation of around 2 per cent per year, we expect that nominal GDP will expand at an average annual pace of about 4 per cent over the long term. Since nominal GDP defines the broad revenue base available to government, success in rebalancing the books in Ontario will hinge on the provincial government's ability to keep overall spending growth below this 4 per cent mark.

CHAPTER 3

Methodology Used to Estimate Health Care and Education Spending Over the Long Term

Chapter Summary

- ◆ The Conference Board has built and maintains a detailed, demographically driven health expenditure model to assess future demand for health care.
- ◆ The Board also has an education model that forecasts education spending on a real per-student basis.
- ◆ These models are used to develop the different spending scenarios for analyzing Ontario's prospects for balancing its books.

In addition to forecasting Ontario's potential output, the analysis in this report requires projections of future expenditures on health care and education under different scenarios in order to complete the fiscal picture. This section briefly describes the Health Care and Education estimation models that were developed by The Conference Board of Canada to be used to generate the different spending profiles in the scenarios, as discussed in the chapter on results. This section also provides a short description of the methodology used

to generate deflators for health care spending and of our assumptions concerning transfers from the federal government to Ontario.

THE HEALTH CARE MODEL

The Conference Board has built and maintains a detailed, demographically driven health expenditure model to assess future demand for health care. This model projects Ontario's provincial health care expenditures for nine components of public health care. Five of these components are driven by detailed age and gender cohorts, allowing not just for population growth, but also for changes in Ontario's demographic composition that would drive health care needs. Specifically, hospitals, physicians, other institutions, other professionals, and drugs were each broken down for 40 separate age and gender cohorts and forecast in real (i.e., inflation-adjusted) terms. Capital investment, public health, administration, and other health-spending categories were forecast on a more aggregate, total, real per capita basis. The first five categories were forecast on an age and gender basis, as the changing age composition of the population plays a significant role in health care spending growth. In the remaining four categories, historical data on spending are not broken down on an age or gender basis.

THE EDUCATION MODEL

The Conference Board education model is similar to the health care model, as spending is forecast on a real per-student basis. While an aging population is lifting health care costs, it is having the opposite effect on education. Education spending is forecast based on our projections of the school-aged population and historical enrolment rates. In some scenarios discussed below, we assume that real per-student spending levels for elementary, secondary, university, college, special retraining, and other education will remain constant—with only demographic demand and inflation driving growth. It is important to note that our analysis represents a departure from recent years, in which real per-student funding has been increasing.

Projections of real spending per student are multiplied by the corresponding forecasts for enrolment and inflation to arrive at total education spending.

Results from the education model simulations suggest that after peaking in fiscal year 2002–03, elementary and secondary enrolment levels will continue falling until fiscal year 2013–14. However, after 2013, elementary and secondary school enrolment is set to increase and is expected to rise by an average of 1.1 per cent per year from 2013–14 to 2030–31. In contrast, post-secondary enrolment will continue to increase until 2013–14. After that, post-secondary enrolment falls slightly until 2021–22, before rebounding in the final years of the forecast. Projections of real spending per student are then multiplied by the corresponding forecasts for enrolment and inflation to arrive at total education spending.

FORECASTING INFLATION

In all three scenarios presented in the next chapter, nominal growth in each of the eight health care spending components can be influenced by very different factors, such as increases in wages, the price of capital investment,

or the price of drugs and other goods and services. (See Table 1.) One of the challenges in developing the spending projections is to find ways to capture these influences, since a single price deflator for health care spending is inadequate for detailed analysis. To overcome this difficulty, a series of price deflators were constructed as part of this study. The seven deflators relate to various wages in the health sector, spending on goods and services, drug costs, and spending on capital.¹

Table 1
Inflation by Spending Category
(per cent)

Category	Average inflation over history (1991–2010)	Average inflation over forecast (2011–31)
Administration	1.8	2.0
Capital	1.1	1.7
Drugs	1.0	1.3
Other institutions	2.9	2.7
Hospitals	2.7	2.7
Other professionals	3.7	3.1
Other health care	1.8	2.0
Public health	1.8	2.0
Physicians	4.5	3.0
Overall health deflator	2.8	2.5

Source: The Conference Board of Canada.

PUBLIC ACCOUNTS PROJECTIONS

Finally, the public accounts model pulls all of the elements together to produce a detailed fiscal forecast for Ontario to 2031. Using key assumptions about economic growth, inflation, tax revenues, and education and health care spending, the public accounts model is used to project the fiscal situation of Ontario from fiscal year 2011–12 to 2030–31. A key assumption in this analysis is that there are no additional tax changes other than those announced in recent budgets. Transfers from the federal

¹ See Appendix C for a discussion of how the different deflators are derived.

government are based on the government's most recent announcements. On December 19, Federal Finance Minister Jim Flaherty announced that the Canada Health Transfer (CHT) to the provinces from the federal government will continue at the current 6 per cent pace until 2017, before slowing to match the increase in nominal GDP. Based on the current economic outlook, Ontario is

expected to receive equalization payments of \$2.2 billion in 2011–12 and \$3.7 billion in 2013–14. Beyond 2013–14, equalization payments are assumed to grow at the same pace as national GDP, with Ontario expected to maintain its share of the overall economy.²

2 More details on the assumptions used to project Ontario's fiscal position for each scenario are provided in Appendix D.

CHAPTER 4

The Spending Scenarios and Results

Chapter Summary

- ◆ The Ontario government would have to slow total program spending growth to just 0.7 per cent per year beginning in fiscal year 2012–13 to balance its books by 2017–18 as planned.
- ◆ Our analysis indicates that even if the government were to hold health care spending increases to just enough to account for demographics and inflation, it would not be in a position to balance its budget at any time during the forecast period (2012–31).
- ◆ If health care were to grow at close to historic trends, the provincial sales tax rate would have to increase from 8 per cent to 15 per cent by 2017–18 to generate enough revenue to allow the provincial government to balance the budget in that year.

INTRODUCTION

Health care spending restraint represents the biggest challenge the Ontario government will face if it is to balance its books as planned by 2017–18. This section focuses on forecasting Ontario’s

health expenditures under three scenarios.¹ For each scenario, health care spending in Ontario is presented in conjunction with the overall impact on the province’s fiscal situation through fiscal year 2030–31. In Scenario 1 (“maintain the spending plan”), health care spending and other provincial government expenditures are based on the projections outlined in the 2011 Ontario Budget and the Conference Board’s latest economic update. This scenario yields the slowest increase in health care spending over the long term. (See box “Summary of the Three Scenarios.”)

Health care spending restraint represents the biggest budgeting challenge the Ontario government will face.

In Scenario 2 (“adjust for aging population”), we assume that real per capita spending on health care and real per-student spending is held constant at 2010 levels over the forecast period. All remaining expenditure categories are maintained as outlined in the 2011 budget. Scenario 3 (“maintain recent spending growth”) assumes that improvements (and increased costs) to the health care system continue over the long term as they have in the past, but that sales taxes are increased to generate sufficient revenues.

1 For a more technical description of the methodology used for the “adjust for aging population” and “maintain recent spending growth” scenarios, see Appendix E.

Summary of the Three Scenarios

SCENARIO 1: MAINTAIN THE SPENDING PLAN

- ◆ Revenue assumptions are based on our projections for Ontario's potential output and inflation.
- ◆ Spending assumptions for health care, education, social services, and other programs are based on the 2011 provincial budget and the government's November economic update. They cover spending increases until 2017–18, and are broken down in the following manner:
 - annual spending growth of 3 per cent for health care;
 - annual spending growth of 2.4 per cent for education;
 - annual spending growth of 2.8 per cent for social services;
 - annual spending contraction of 5 per cent for other programs.
- ◆ Under this scenario, the Ontario budget would be balanced by 2021–22 due to weaker potential and the impact on revenues.
- ◆ Alternatively, if program spending were constrained to just 0.7 per cent per year, a balanced budget would be achieved in 2017–18 as planned.
- ◆ This alternative spending growth rate would be roughly 0.8 percentage points below current government projections.

SCENARIO 2: ADJUST FOR AGING POPULATION

- ◆ Revenue assumptions are based on our projections for Ontario's potential output and inflation.
- ◆ Health care and education spending increase over the long term based only on population growth, changes in the demographic composition, and inflation.

Source: The Conference Board of Canada.

- ◆ Average health care spending growth is estimated at 4.7 per cent, of which:
 - 2.5 per cent is due to inflation;
 - 1.2 per cent is due to population increase;
 - 1 per cent is due to changing demographics.
- ◆ Program spending targets outside of health and education are maintained. This includes curtailing growth in social services and making large cuts to all other program spending.
- ◆ Budget is not balanced at any point during the entire forecast period (2011–12 to 2030–31).

SCENARIO 3: MAINTAIN RECENT SPENDING GROWTH

- ◆ Overall health care spending grows by 5.6 per cent annually, reflecting increases due to population growth (1.2 per cent), changing demographic composition (1 per cent), inflation (2.5 per cent), and increased use of the health care system (0.9 per cent), which has been estimated using historical data over the past 30 years.
- ◆ Program spending targets outside of health care are the same as in the previous scenario.
- ◆ Budget is balanced by 2017–18, but only if the provincial sales tax increases from 8 per cent to 15 per cent.

SCENARIO 1: MAINTAIN THE SPENDING PLAN

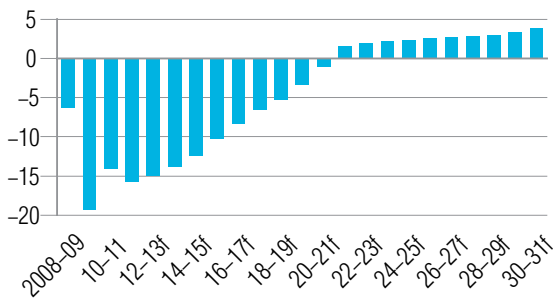
In this first scenario, provincial spending on health care and other programs matches the spending profile set out in the government's 2011 budget. In the budget, and again in the November economic update, total program spending averages less than 2 per cent per year between fiscal years 2011–12 and 2017–18. Spending on health care is held to growth of 3 per cent per year—well below the average annual increase in health care spending of 6.9 per cent over the past decade. Spending on education is held to average growth of 2.4 per cent per year. Spending on social services rises by 2.8 per cent a year, while spending on all other programs is planned to fall by an average of almost 5 per cent per year until 2017–18. Because of

the weaker-than-expected economic outlook (based on our re-estimation of Ontario's real growth potential at 1.9 per cent and the resulting weakness in revenues), under the restrictive spending plan laid out in the 2011 budget, Ontario would not balance its books until 2021–22—four years later than the budget target. (See Chart 7.)

To meet the current target date for fiscal balance, Ontario would have to constrain program spending growth to 0.7 per cent per year beginning in 2012–13—roughly 0.8 percentage points below the 2011 budget plan.

On December 19, Finance Minister Jim Flaherty announced that federal health transfers would continue to rise at an annual rate of 6 per cent through to 2016–17.

Chart 7
Provincial Books to Emerge From Deficit in 2021–22
(fiscal balance, \$ billions)



f = forecast
Source: The Conference Board of Canada.

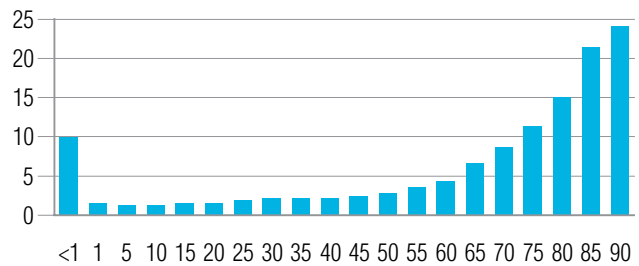
However, after that, growth in federal transfers would only match nominal GDP growth. This slower growth in the CHT is expected to reduce available revenues and place added pressure on Ontario’s budget. Under this plan, the federal share of Ontario’s health care spending would grow from 22.7 per cent in 2010–11 to about 24.8 per cent in 2030–31.

SCENARIO 2: ADJUST FOR AGING POPULATION

In this second scenario, we keep real per capita spending on health care constant over the forecast period. A similar assumption is made for education. This implies that health care and education spending increase as a result of population growth and changes in demographic composition. Holding real per capita spending constant implies there must be efficiency gains or a more effective use of dollars spent in the health care system in order to attain any improvement in health outcomes. Real spending increases associated with new products or services, new drugs or innovations, or increased utilization—all factors that have driven real health care costs higher in the last 30 years—are not accounted for over the forecast period in Scenario 2.

In 2010, average real per capita spending for all eight health care expenditure categories and all age and gender cohorts was \$2,704 (in 2002 dollars). Real per capita spending on hospitals accounted for the largest share (at \$1,015), followed by spending on physicians and on drugs. Still, because of the province’s aging population (older people tend to be far greater users of health care), average real spending on health care will be under constant pressure. For example, spending on people in the 70–74 age cohort is more than seven times higher than spending on the 5–9 age cohort. (See Chart 8.) By 2030, per capita spending on health care in Ontario is expected to rise to \$3,263 (in 2002 dollars) due to demographic forces. This represents an increase in real per capita health care spending of just under 1 per cent per year due solely to changes in the province’s demographic composition.

Chart 8
Total Average Per Capita Public Health Expenditures by Age Category, 2010
(\$ 000s)



Sources: The Conference Board of Canada; Canadian Institute for Health Information.

Each of the forecasts of real health care spending by category are adjusted for inflation and summed to obtain projections of total nominal health expenditures. Under Scenario 2, overall health spending is forecast to grow at an average pace of 4.7 per cent annually over the forecast horizon. The growth can be broken down as follows: 2.5 percentage points due to inflation; 1.2 percentage points due to the total increase in population; and 1 percentage point due to changing demographic composition (population aging).

This second scenario assumes that real per capita spending on education remains constant over the forecast period. Real spending per student (at elementary and secondary levels) of \$5,916 in 2010 is exactly the same by fiscal year 2030–31. Such restrictive spending may be difficult to achieve, given the stated goals of reducing classroom size and completing the move to full-day kindergarten.

Over the past 10 years, real per person spending on drugs—excluding the effects of an aging population—increased at a pace of 5 per cent per year.

Not surprisingly, the fiscal deficit deteriorates significantly in this second scenario. In Scenario 1, the province manages to balance its books by fiscal year 2021–22 if it maintains the 2011 budget's spending plan. In Scenario 2, the fiscal deficit would be close to \$45 billion in fiscal year 2030–31. (See Chart 9.) This rising fiscal deficit under Scenario 2 is due in large part to changing demographics and to the increasing cost of servicing the rising debt.

The results for Scenario 2 (“adjust for aging population”) differ sharply from those for Scenario 1 (“maintain the spending plan”). Even though real per capita

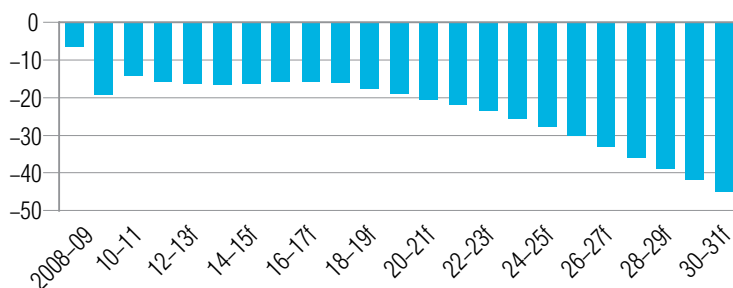
spending remains constant over the forecast period under Scenario 2—implying no real additional spending for the health care or education system—expenditures increase due to inflation and population changes. (See Chart 10.) In fiscal year 2010–11, spending on health care was \$44.8 billion. By fiscal year 2017–18, spending on health care would increase to \$62.7 billion. In contrast, health care expenditures would grow to just \$57 billion using the provincial government assumptions of 3 per cent growth as applied in Scenario 1.

SCENARIO 3: MAINTAIN RECENT SPENDING GROWTH

In this third scenario, adjustments are made to health care expenditures based on historical average annual per person increases in spending. These increases reflect the adoption of more expensive drugs and technology and increases in utilization of the system. In the first two scenarios, the increases in health care spending through 2030–31 do not reflect long-term trends in real per capita spending for each of the various expenditure categories. For instance, over the past 10 years, real per person spending on drugs—excluding the effects of an aging population—increased at a pace of 5 per cent per year. This growth rate reflects a trend toward greater use of the health care system and more expensive treatment. Overall, health spending has grown at an average annual pace of 6.9 per cent over the past decade. This is far higher than the 3 per cent increase assumed in the 2011 budget or the 4.7 per cent annual increase in the second (“adjust for aging population”) scenario, in which real per capita spending on health care remains constant over the forecast period.

In the third scenario, health care spending increases at an average annual pace of 5.6 per cent over the forecast period. Total spending on health care is \$134 billion by 2031, sharply higher than the \$97.4 billion in the first scenario and the \$114.3 billion in the second scenario.

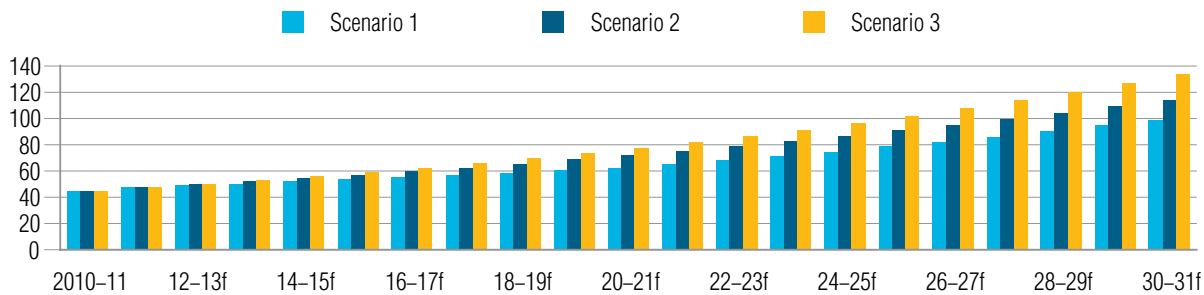
Chart 9
Provincial Government Balance Under Scenario 2
(\$ billions)



f = forecast

Source: The Conference Board of Canada.

Chart 10
Health Spending by Scenario
(\$ billions)



f = forecast

Sources: The Conference Board of Canada; Canadian Institute for Health Information.

In the third scenario, we also address how much more revenue would have to be generated to support this type of spending and still balance the budget by 2017–18. Specifically, our analysis found that the provincial sales tax would have to increase from 8 per cent to 15 per cent beginning in 2011–12 in order to generate the revenue required to balance the budget by 2017–18. This scenario suggests that, in addition to the deep cuts in non-health care spending, Ontario residents would have to pay sharply higher taxes if they want the provincial government to maintain the same pattern of spending on their health care system.

SUMMARY

These three scenarios demonstrate the fiscal challenges facing Ontario. Given that we have lowered our estimate of potential (or sustainable) economic growth to 1.9 per cent over the forecast period, and given the resulting impact on provincial government revenues, under Scenario 1, Ontario would not balance its budget until 2021–22—four years later than the target in the 2011 budget. This outcome occurs even though planned health care

spending growth is reduced under this scenario to 3 per cent annually—less than half the pace of what we’ve seen over the past decade. This first scenario also assumes that real per-student spending on education will decline from historic trends, and that spending on programs other than health care, education, and social services will drop sharply—by more than 26 per cent by 2017–18.

Overall, health spending has grown at an average annual pace of 6.9 per cent over the past decade.

In Scenario 2, real per capita spending on health care and education are held constant over the forecast period—and Ontario does not succeed in balancing its budget by fiscal year 2030–31. Under Scenario 3, recent rates of spending growth are maintained and the provincial portion of the harmonized sales tax would need to increase from 8 per cent to 15 per cent beginning in 2011–12 to generate the revenue required to balance the budget by 2017–18. The higher sales tax rate would be required in addition to deep cuts in non-health care spending assumed in this scenario.

CHAPTER 5

Conclusion

Chapter Summary

- ◆ If Ontario residents expect strong funding growth for their publicly funded health care system to continue, they will have to pay for it through higher taxes.
- ◆ Transformative changes will be required in the way publicly funded health care is delivered in Ontario if the public is unwilling to accept higher taxes.

This research report provides a re-estimation of economic potential in Ontario and considers three spending scenarios so as to gain insights into the challenges that the province faces in trying to rebalance the budget. For each scenario, the same economic outlook for Ontario is used: the provincial economy is expected to continue to recover slowly from the effects of the recession and thereafter grow in line with our estimates of potential output. Once the output gap is closed in 2015, Ontario's nominal gross domestic product is estimated to grow at an average annual rate of 4 per cent through to the end of 2030–31 forecast period. Since nominal GDP represents the broad revenue base for government, success in rebalancing Ontario's books will hinge on the government's ability to keep overall spending growth to below this 4 per cent mark.

We have also assumed in our analysis that the Canada Health Transfer (CHT) to the provinces from the federal government will increase at 6 per cent per year until 2016–17 before slowing to match the increase in nominal GDP. This slower growth rate in the CHT will put added pressure on Ontario's fiscal situation.

This report provides a re-estimation of Ontario's economic potential and considers three spending scenarios to gain insights into the province's challenges.

In Scenario 1 ("maintain the spending plan"), projections for spending on health care and other programs are aligned with the provincial government's most recent budget and economic update. Revenues are based on the Conference Board's detailed economic outlook and re-estimation of potential. Our findings suggest that, due to lower revenues, Ontario would not be able to eliminate its budget deficit by 2017–18 as set out in the 2011 budget. It would take another four years under continued spending restraint to balance the budget by 2021–22. To balance the budget by 2017–18, program spending growth would have to be restricted to just 0.7 per cent per year, beginning in 2012–13.

Scenarios 2 and 3 provide alternative estimates of the paths for provincial expenditures. With an aging population in Ontario, there will be ongoing pressure to fund

the delivery of health care. These scenarios highlight the challenge of controlling health care spending growth, transforming the health care system in Ontario, and/or increasing available government revenues. If Ontario residents want continued strong funding growth for their public health care system, they will have to pay for it

through higher taxes and through significant cuts in non-health care spending. If the public is unwilling to accept and support higher taxes, transformative changes will be required in how publicly funded health care is delivered in Ontario.

APPENDIX A

Ontario's Potential Output

Ontario's potential output is based on a Cobb-Douglas production function, which estimates the economy's production capacity given its current capital stock, potential labour supply, and technology. Potential labour output is estimated by projecting labour participation rates by age and gender, based on past trends and projections of changes for the average age of retirement. This is combined with demographic projections, a forecast of the natural unemployment rate, and potential average hours worked to estimate Ontario's level of potential employment. The natural unemployment rate is the lowest level of unemployment that can be sustained in the economy without creating inflation. It is estimated over history, based on various factors such as the generosity of the employment insurance program and other social programs. Potential average hours worked are estimated over history, based on past trends and the changing age structure of the labour force. The capital stock is determined simply as the capital stock at the end of the last period, plus projections of new investment, less depreciation. The final category of potential output—total factor productivity, or technological change—is assumed to grow over the forecast period at historical rates.

Due to an aging population, potential labour force growth will not keep pace with population growth. Strong population gains in the 65-and-over category will overshadow growth in the 15-and-under population over the long term. This will cause the overall labour participation rate to decline gradually as baby boomers

move progressively into the older cohorts. Older cohorts have a lower labour force attachment, due largely to the effects of health problems and retirement. Although we do assume that there will be continued increases in labour participation rates among older age cohorts, this will not be enough to offset the downward trend in the overall participation rate. Therefore, as a large proportion of the Canadian population moves into the 65-and-over cohorts, the overall labour force participation will fall precipitously.

Not only do older age cohorts have lower participation rates, they are much more likely to work part-time hours—which further reduces potential labour supply. For example, the average employed male in the 55-to-64 age cohort worked an average of 36.8 hours per year in 2010. For an employed male in the 65-and-over cohort, that number falls to 30.6 hours. These two factors—lower participation and fewer hours worked—will be offset somewhat by continued declines in the natural rate of unemployment, driven by the increase in the average age of the labour force. Since older workers are not as likely to quit their jobs to look for other work, the average number of unemployed workers between jobs will decrease as the average age of the labour force rises. When combining these three factors, the increase in potential hours available for work in Ontario will slow from the 1.3 per cent per year that we've seen over the last 10 years to growth of just 0.8 per cent over the next 10 years, and to growth of just 0.6 per cent by fiscal year 2030–31.

The recent recession had a severe impact on business investment, the level of capital stock, and potential output. In 2009, machinery and equipment investment collapsed, falling 16.2 per cent, while non-residential construction fell by 3.3 per cent. This had the effect of reducing the overall stock of machinery and equipment by 1.7 per cent and substantially slowing potential output growth. The government's recession-fighting stimulus program helped to boost business investment spending, and growth is expected to continue to rebound over the medium term. Over the long term, tight labour markets will place upward pressure on wages, which, in turn, will act as an incentive for firms to substitute labour for machinery and equipment where possible. This will make the capital stock the main contributor to growth in potential output over the forecast period. All in all, the capital stock is expected to increase by an average of 1.7 per

cent per year from 2010 to 2030, up from 1.4 per cent over the 1990 to 2010 period. At the same time, the capital stock per worker will increase by 0.8 per cent per year, compared with no growth over the over the 1990 to 2010 period.

Finally, TFP growth is projected to remain in line with its recent historical performance of 0.75 per cent per year.

All in all, potential output growth is expected to average 1.9 per cent per year over the 2011 to 2030 period. Of this growth, potential labour is expected to contribute just 0.4 percentage points, capital stock is expected to add roughly 0.7 points, and TFP is expected to contribute close to 0.8 percentage points per year.

APPENDIX B

Methodology Used to Develop Wage Deflators

Wage deflators were created for each of the categories of hospitals, other institutions, physicians, and other health professionals. All of these wage deflators are based on average wage increases in their respective fields. The hospital wage deflator was obtained from Statistics Canada's National Income and Expenditure Accounts division. The physician wage deflator was created using an index of average pay for physicians per hour worked, obtained from Statistics Canada. The wage deflator for other health professionals was based on the consumer price index (CPI) for other health professionals, obtained from Statistics Canada. In this forecast, all of these deflators are tied to the Conference Board's forecast for average Ontario government wages. Average Ontario government wages are expected to average 3 per cent annually over the long term as public sector wages are expected to keep pace with those in the private sector. This compares with average increases of 3.5 per cent over the last five years.

The Ontario CPI was used in this analysis as the price deflator for non-wage expenditures, excluding drugs and capital. It averages increases of 2 per cent per year over the forecast period. The government price deflator for capital is used for capital expenditures and is expected to average annual increases of 1.7 per cent over the forecast period.

The final health deflator reflects increases in drug costs and is based on Statistics Canada's implicit product price deflator for the pharmaceutical industry. This deflator was forecast based on its relationship with overall CPI. In this case, annual growth averages 1.3 per cent over the forecast period, compared with 1.4 per cent over the last 10 years.

Several of the categories of provincial health care spending include items that are influenced by multiple price factors. For example, hospital budgets include salaries for nurses and other professionals, goods and services, as well as pharmaceutical expenditures for drugs administered within the institution. Given this complexity, it was necessary to assign weightings for each of the available deflators in order to generate realistic historical and forecast estimates of the deflator for each of the eight categories. Because the influence of each deflator varies by category, different weightings are assigned to the deflator used to project each category of health spending. Weightings are estimated based on Statistics Canada's input-output model.

The deflator used to project hospital expenditures is based predominantly on the hospital wage deflator, since human resources represent the largest item in hospital budgets. While wages as a share of hospital spending

has declined in recent years, it has still averaged just over 60 per cent. This share is held constant over the forecast period. Because goods and services and pharmaceuticals are also budget items, it was necessary to account for them. In recent years, spending on drugs has accounted for about 3 per cent of hospital expenditures, and we hold this share constant as well. All other hospital expenditures are assigned growth equal to the CPI.

The salary weighting for the other institutions category is nearly identical to that of hospitals. In recent years, the weighting for wages has been 65 per cent. This category is not assigned a drug weighting because drug costs outside of hospital facilities are included in the drug component of government spending.

It should be noted that the deflator measures only the increase in a given cost over a specific period. Increases due to a shift to higher-cost services, increased per capita

utilization of services, and new services being made available to the public are captured in the trend in real per capita expenditures derived in the two alternative scenarios. Overall inflation in the health care sector is expected to average 2.5 per cent per year over 2011 to 2030.

A deflator was also created for the education sector, and is based on a methodology similar to what was used for the health deflators. Historical data on education wages came from Statistics Canada's public education wage deflator (available through the system of National Accounts). The salary weighting for wages was based on Statistics Canada's input-output database. Wages accounted for 75 per cent of total education spending in the latest year of history. This is maintained throughout the forecast period. The non-wage share was based on the consumer price index. The overall price deflator is expected to average 2.8 per cent from 2011 to 2030. This compares with 3.2 per cent over the last 10 years.

APPENDIX C

The Public Accounts Model

The Conference Board's public accounts model for Ontario is used to project the fiscal situation of Ontario from fiscal year 2011–12 to 2030–31. A key assumption is that there are no additional tax changes other than those announced in the 2011 budget. Government revenues are estimated as a function of key determinants available from the Conference Board's long-term provincial economic forecast. For instance, direct taxes are a function of personal income growth and corporate profits. Indirect taxes are based on consumer spending, while other revenues are a function of overall economic activity. Transfers from the federal government take into account recent government announcements. On December 19, federal Finance Minister Jim Flaherty announced that the CHT to the provinces will continue at the current 6 per cent rate until 2017, before slowing to match the growth in nominal GDP. Health cash transfers are also expected to be allocated on an equal per capita basis beginning in 2014, eliminating tax points from the calculation. This is expected to cost Ontario about \$350 million per year beginning in 2014. Ontario is expected to receive equalization of \$2.2 billion in 2011–12. We have run the equalization formula using our predictions of the various revenue categories for each province to estimate equalization over the medium term. As such, equalization is expected to grow to \$3.7 billion in 2013–14. Beyond 2013–14, the province is assumed to maintain its national share of equalization payments. If economic growth in Ontario accelerates at a faster

pace than the pace of growth in other provinces eligible for equalization payments, Ontario's share of the total equalization pot would shrink.

In the first scenario ("maintain the spending plan"), expenditure targets from the 2011 budget and the November economic update are used for fiscal years 2011–12 to 2017–18. However, as the deficit is not yet closed by this time, budget targets are continued for health, education, and social service spending. Other health expenditures are frozen from 2017–18 until the deficit is eliminated. Once the deficit is eliminated, spending on health care is allowed to grow at constant real per capita levels, plus the trends used in Scenario 2.

In the second and third scenarios, the Conference Board's health and education models are used to project expenditures until fiscal year 2030–31. Projected growth in health care spending originates from the Health Canada expenditures model, which is based on calendar years. This was converted to fiscal years in order to be compatible with data from the public accounts. The same approach was used to project education spending.

To complete the outlook for the Ontario fiscal situation, forecasts are created for each of the remaining expenditure categories. In both scenarios, spending on social services and other program spending is assumed to proceed as projected in the Ontario budget until 2017–18.

Afterward, spending growth is assumed to proceed in line with population growth plus inflation. Interest payments on the public debt are projected using an implicit interest rate multiplied by the public debt. Changes in the implicit interest rate are tied to the Conference Board's outlook for interest rates. The implicit interest rate is expected

to rise marginally—from 4.5 per cent in 2010 to 4.6 per cent in 2016. However, it will continue to rise, reaching 5.4 per cent by 2030.

APPENDIX D

Methodology for the Second and Third Scenarios

In the second (“adjust for aging population”) scenario, real per capita growth in health care expenditures is assumed to remain flat. This differs from the first scenario, where we used the provincial government assumptions for spending on health care, education, and other programs over the forecast period. In particular, from 2011 through to 2030, real per capita health care expenditures for each of the 40 separate age and gender cohorts are held constant. For example, in 2010, the Ontario provincial government spent \$175 (2002 dollars) on hospital care per average male aged 25 to 29. For males aged 65 to 69, the cost was considerably higher—\$2,462. The cost skyrockets to \$8,329 for the average male 90 and over. In this scenario, the per capita costs for each age/sex cohort are kept constant over the forecast period. Therefore, in 2025, the Ontario government is still expected to spend \$175 (2002 dollars) for every male aged 25 to 29. This is then multiplied by the new population for every age category to get the total spending for each of these age categories. Consequently, health care spending will increase through population growth and changes in population composition.

The changing composition of the Ontario population affects health care spending, since an aging population means that a much larger share will be in the higher-cost age cohorts. In 2010, 12.4 per cent of the population was 65 or over. In 2030, the share of the population in this age category will have increased to 20.6 per cent. Consequently, even though the same real per capita cost in each age category is maintained, the total average per

capita cost increases. The final step is to multiply total real expenditures by the respective price deflators (to remove the effects of inflation) to obtain total nominal expenditures. These nominal expenditures are then compared with nominal revenues and other non-health expenditures. In this scenario, our forecast for growth in total nominal health care spending is due to increasing inflation and population as well as an aging population.

In the third (“maintain recent spending growth”) scenario, the data for health care are extrapolated, based on long-term historical movements in each of the eight components of health care. Trends are estimated from 1980 to 2010, controlling for inflation and differences in population size and age. This is added to the growth calculated in the second (“adjust for aging population”) scenario. This growth captures real increases in consumption and access, due to a more health-conscious population, and the introduction of new medical procedures, medications, or processes that were previously unavailable. Increased demand for health care due to technological innovation is expected to continue in the future, making this the most probable scenario.

In this scenario, real per capita spending on drugs is expected to increase by a conservative 1.5 per cent per year. This is considerably less than the age standardized real per capita trend of 5 per cent seen over the last 10 years. The real per capita increase for hospitals has been set at 0.5 per cent per year. This is in line with average increases experienced since the late 1990s.

However, there were large cuts to real per capita hospital funding in the mid-to-late 1990s. The real per capita increase for physicians is assumed to be 0.5 per cent per year. Real per capita increases on an age-adjusted basis for other institutions, other professionals, and administration are all assumed to be zero, which is consistent with recent trends. Real per capita spending for public health, capital, and other health spending (none of which are available by age and sex) are all expected

to increase by 1 per cent per year. While these three components account for only a small share of total health expenditures, they have been rising quickly in recent years. Over the last 10 years, real per capita spending on public health has soared, rising at an average annual pace of 7.7 per cent. Real per capita spending on capital has increased by 3.8 per cent, and other health spending has increased by 1.6 per cent per year.

APPENDIX E

Statistical Results

Table 1
Key Economic Indicators: Ontario

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	
GDP at market prices	520,031 <i>4.90</i>	546,581 <i>5.11</i>	564,169 <i>3.22</i>	586,994 <i>4.05</i>	582,286 <i>-0.80</i>	587,490 <i>0.89</i>	621,017 <i>5.71</i>	649,392 <i>4.57</i>	683,250 <i>5.21</i>	718,401 <i>5.14</i>	748,180 <i>4.15</i>	775,462 <i>3.65</i>	803,692 <i>3.64</i>	833,609 <i>3.72</i>	864,345 <i>3.69</i>	896,802 <i>3.76</i>	929,669 <i>3.67</i>	964,594 <i>3.76</i>	1,000,254 <i>3.70</i>	1,037,385 <i>3.71</i>	1,075,511 <i>3.68</i>	1,116,091 <i>3.77</i>	1,157,493 <i>3.71</i>	1,201,699 <i>3.82</i>	1,247,363 <i>3.80</i>	1,296,142 <i>3.91</i>	1,347,308 <i>3.95</i>	
GDP at basic prices	480,851 <i>4.73</i>	506,039 <i>5.24</i>	523,590 <i>3.47</i>	546,302 <i>4.34</i>	543,635 <i>-0.49</i>	548,270 <i>0.85</i>	579,216 <i>5.64</i>	604,660 <i>4.39</i>	635,621 <i>5.12</i>	668,440 <i>5.16</i>	696,233 <i>4.16</i>	721,642 <i>3.65</i>	747,719 <i>3.61</i>	775,437 <i>3.71</i>	803,952 <i>3.68</i>	834,137 <i>3.75</i>	864,674 <i>3.66</i>	897,219 <i>3.76</i>	930,429 <i>3.70</i>	965,018 <i>3.72</i>	1,000,509 <i>3.68</i>	1,038,370 <i>3.78</i>	1,076,946 <i>3.72</i>	1,118,211 <i>3.83</i>	1,160,809 <i>3.81</i>	1,206,387 <i>3.93</i>	1,254,158 <i>3.96</i>	
GDP at market prices (2002 \$)	497,563 <i>2.18</i>	516,828 <i>3.87</i>	524,326 <i>1.45</i>	532,144 <i>1.49</i>	525,608 <i>-1.23</i>	510,330 <i>-2.91</i>	527,596 <i>3.38</i>	537,584 <i>1.89</i>	553,599 <i>2.98</i>	570,992 <i>3.14</i>	584,771 <i>2.41</i>	595,900 <i>1.90</i>	607,813 <i>2.00</i>	619,931 <i>1.99</i>	632,437 <i>2.02</i>	644,896 <i>1.97</i>	657,602 <i>1.97</i>	670,778 <i>2.00</i>	684,133 <i>1.99</i>	697,404 <i>1.94</i>	710,868 <i>1.93</i>	724,733 <i>1.95</i>	738,959 <i>1.96</i>	753,736 <i>2.00</i>	768,984 <i>2.02</i>	784,781 <i>2.05</i>	801,291 <i>2.10</i>	
Implicit price deflator (2002 = 1.0)	1.05 <i>2.66</i>	1.06 <i>1.18</i>	1.08 <i>1.75</i>	1.10 <i>2.53</i>	1.11 <i>0.42</i>	1.15 <i>3.90</i>	1.18 <i>2.26</i>	1.21 <i>2.63</i>	1.23 <i>2.17</i>	1.26 <i>1.94</i>	1.28 <i>1.69</i>	1.30 <i>1.71</i>	1.32 <i>1.61</i>	1.34 <i>1.70</i>	1.37 <i>1.64</i>	1.39 <i>1.75</i>	1.41 <i>1.66</i>	1.44 <i>1.72</i>	1.46 <i>1.67</i>	1.49 <i>1.74</i>	1.51 <i>1.71</i>	1.54 <i>1.79</i>	1.57 <i>1.71</i>	1.59 <i>1.78</i>	1.62 <i>1.74</i>	1.65 <i>1.82</i>	1.68 <i>1.81</i>	
Consumer price index (2002 = 1.0)	1.05 <i>2.10</i>	1.08 <i>2.29</i>	1.09 <i>1.49</i>	1.11 <i>1.88</i>	1.14 <i>2.29</i>	1.14 <i>0.41</i>	1.17 <i>2.76</i>	1.21 <i>3.03</i>	1.23 <i>2.00</i>	1.26 <i>2.26</i>	1.29 <i>2.18</i>	1.31 <i>2.06</i>	1.34 <i>2.00</i>	1.37 <i>1.93</i>	1.39 <i>1.92</i>	1.42 <i>1.94</i>	1.45 <i>1.94</i>	1.48 <i>1.93</i>	1.51 <i>1.98</i>	1.54 <i>2.01</i>	1.57 <i>2.00</i>	1.60 <i>2.01</i>	1.63 <i>2.01</i>	1.66 <i>2.00</i>	1.70 <i>2.01</i>	1.73 <i>2.01</i>	1.76 <i>2.01</i>	
Personal income	405,068 <i>5.14</i>	426,642 <i>5.33</i>	447,809 <i>4.96</i>	471,309 <i>5.25</i>	479,312 <i>1.70</i>	480,991 <i>0.35</i>	505,970 <i>5.19</i>	529,024 <i>4.56</i>	553,147 <i>4.56</i>	578,464 <i>4.58</i>	602,380 <i>4.13</i>	624,673 <i>3.70</i>	647,952 <i>3.73</i>	670,948 <i>3.55</i>	694,636 <i>3.53</i>	719,059 <i>3.52</i>	745,426 <i>3.67</i>	773,170 <i>3.72</i>	801,847 <i>3.71</i>	831,475 <i>3.70</i>	862,431 <i>3.72</i>	894,310 <i>3.70</i>	926,808 <i>3.63</i>	960,514 <i>3.64</i>	995,263 <i>3.62</i>	1,030,498 <i>3.54</i>	1,066,848 <i>3.53</i>	
Personal disposable income	311,032 <i>4.97</i>	325,584 <i>4.68</i>	344,741 <i>5.88</i>	360,100 <i>4.46</i>	370,199 <i>2.80</i>	377,296 <i>1.92</i>	400,182 <i>6.07</i>	415,480 <i>3.82</i>	432,222 <i>4.03</i>	450,134 <i>4.14</i>	467,314 <i>3.82</i>	482,373 <i>3.22</i>	496,744 <i>2.98</i>	513,295 <i>3.33</i>	530,273 <i>3.31</i>	547,784 <i>3.30</i>	566,786 <i>3.47</i>	586,691 <i>3.51</i>	607,268 <i>3.51</i>	628,498 <i>3.50</i>	650,548 <i>3.51</i>	673,167 <i>3.48</i>	696,100 <i>3.41</i>	719,841 <i>3.41</i>	744,291 <i>3.40</i>	768,967 <i>3.32</i>	794,451 <i>3.31</i>	
Average weekly wages*	705.14 <i>1.82</i>	728.36 <i>3.29</i>	745.79 <i>2.39</i>	770.60 <i>3.33</i>	791.99 <i>2.78</i>	802.45 <i>1.32</i>	816.45 <i>1.74</i>	847.10 <i>3.75</i>	872.23 <i>2.97</i>	898.69 <i>3.03</i>	923.52 <i>2.76</i>	944.09 <i>2.23</i>	965.63 <i>2.28</i>	987.62 <i>2.28</i>	1,010.15 <i>2.28</i>	1,033.23 <i>2.28</i>	1,057.00 <i>2.30</i>	1,081.80 <i>2.35</i>	1,108.46 <i>2.46</i>	1,135.98 <i>2.48</i>	1,164.19 <i>2.48</i>	1,193.02 <i>2.48</i>	1,222.42 <i>2.46</i>	1,252.51 <i>2.46</i>	1,283.20 <i>2.45</i>	1,314.60 <i>2.45</i>	1,346.84 <i>2.45</i>	
Corporate pre-tax profits	59,601 <i>3.99</i>	65,261 <i>9.50</i>	65,258 <i>0.00</i>	65,925 <i>1.02</i>	57,735 <i>-12.42</i>	55,235 <i>-4.33</i>	60,886 <i>10.23</i>	61,318 <i>0.71</i>	66,753 <i>8.86</i>	72,146 <i>8.08</i>	74,837 <i>3.73</i>	76,939 <i>2.81</i>	79,762 <i>3.67</i>	83,692 <i>4.93</i>	87,429 <i>4.46</i>	92,585 <i>5.90</i>	98,085 <i>5.94</i>	104,200 <i>6.23</i>	108,570 <i>4.19</i>	114,022 <i>5.02</i>	118,012 <i>3.50</i>	122,769 <i>4.03</i>	126,725 <i>3.22</i>	132,112 <i>4.25</i>	137,595 <i>4.15</i>	145,133 <i>5.48</i>	152,854 <i>5.32</i>	
Population (000s)	12,426 <i>1.19</i>	12,563 <i>1.11</i>	12,697 <i>1.07</i>	12,827 <i>1.02</i>	12,965 <i>1.08</i>	13,100 <i>1.04</i>	13,250 <i>1.15</i>	13,413 <i>1.23</i>	13,575 <i>1.20</i>	13,739 <i>1.21</i>	13,910 <i>1.24</i>	14,085 <i>1.26</i>	14,262 <i>1.26</i>	14,444 <i>1.28</i>	14,629 <i>1.28</i>	14,815 <i>1.27</i>	15,002 <i>1.26</i>	15,190 <i>1.26</i>	15,381 <i>1.26</i>	15,573 <i>1.24</i>	15,765 <i>1.23</i>	15,957 <i>1.22</i>	16,147 <i>1.19</i>	16,336 <i>1.17</i>	16,524 <i>1.15</i>	16,710 <i>1.13</i>	16,895 <i>1.11</i>	
Labour force (000s)	6,779 <i>1.19</i>	6,834 <i>0.81</i>	6,920 <i>1.26</i>	7,046 <i>1.82</i>	7,143 <i>1.38</i>	7,162 <i>0.27</i>	7,256 <i>1.32</i>	7,355 <i>1.35</i>	7,455 <i>1.36</i>	7,541 <i>1.16</i>	7,619 <i>1.04</i>	7,697 <i>1.03</i>	7,782 <i>1.10</i>	7,859 <i>0.98</i>	7,933 <i>0.95</i>	8,005 <i>0.91</i>	8,078 <i>0.90</i>	8,153 <i>0.94</i>	8,225 <i>0.88</i>	8,299 <i>0.89</i>	8,373 <i>0.89</i>	8,440 <i>0.80</i>	8,504 <i>0.76</i>	8,572 <i>0.79</i>	8,638 <i>0.77</i>	8,704 <i>0.77</i>	8,776 <i>0.82</i>	
Total employment (000s)	6,318 <i>1.32</i>	6,389 <i>1.13</i>	6,479 <i>1.40</i>	6,596 <i>1.80</i>	6,635 <i>0.59</i>	6,508 <i>-1.90</i>	6,646 <i>2.11</i>	6,803 <i>2.37</i>	6,961 <i>2.33</i>	7,082 <i>1.73</i>	7,175 <i>1.32</i>	7,268 <i>1.30</i>	7,360 <i>1.26</i>	7,432 <i>0.98</i>	7,500 <i>0.92</i>	7,564 <i>0.85</i>	7,644 <i>1.06</i>	7,728 <i>1.09</i>	7,798 <i>0.91</i>	7,867 <i>0.88</i>	7,940 <i>0.93</i>	8,010 <i>0.88</i>	8,076 <i>0.82</i>	8,144 <i>0.84</i>	8,209 <i>0.79</i>	8,268 <i>0.72</i>	8,332 <i>0.78</i>	
Unemployment rate (per cent)	6.8 <i>-1.69</i>	6.5 <i>-4.26</i>	6.4 <i>-2.01</i>	6.4 <i>0.28</i>	7.1 <i>11.34</i>	9.1 <i>28.23</i>	8.4 <i>-7.76</i>	7.5 <i>-10.88</i>	6.6 <i>-11.74</i>	6.1 <i>-8.00</i>	5.8 <i>-4.32</i>	5.6 <i>-4.25</i>	5.4 <i>-2.70</i>	5.4 <i>-0.03</i>	5.5 <i>0.47</i>	5.5 <i>1.04</i>	5.4 <i>-2.57</i>	5.2 <i>-2.71</i>	5.2 <i>-0.56</i>	5.2 <i>0.27</i>	5.2 <i>-0.81</i>	5.2 <i>-1.50</i>	5.1 <i>-1.11</i>	5.0 <i>-1.11</i>	5.0 <i>-0.87</i>	5.0 <i>-0.36</i>	5.0 <i>0.87</i>	5.1 <i>0.80</i>
Housing starts (000s)	82.5 <i>-0.35</i>	81.0 <i>-1.78</i>	69.2 <i>-14.65</i>	72.1 <i>4.27</i>	67.9 <i>-5.90</i>	53.1 <i>-21.79</i>	60.3 <i>13.63</i>	63.0 <i>4.54</i>	72.2 <i>14.51</i>	86.6 <i>20.02</i>	87.9 <i>1.47</i>	90.4 <i>2.87</i>	89.8 <i>-0.71</i>	90.3 <i>0.59</i>	90.9 <i>0.65</i>	91.1 <i>0.18</i>	91.8 <i>0.74</i>	90.3 <i>-1.59</i>	89.1 <i>-1.29</i>	88.5 <i>-0.66</i>	89.6 <i>1.16</i>	90.4 <i>0.89</i>	89.1 <i>-1.43</i>	88.9 <i>-0.24</i>	89.3 <i>0.46</i>	89.8 <i>0.57</i>	88.2 <i>-1.70</i>	
Retail sales	130,695 <i>3.91</i>	136,511 <i>4.45</i>	141,537 <i>3.68</i>	148,233 <i>4.73</i>	149,865 <i>1.10</i>	150,140 <i>0.18</i>	157,281 <i>4.76</i>	162,901 <i>3.57</i>	169,700 <i>4.17</i>	176,741 <i>4.15</i>	183,518 <i>3.83</i>	189,710 <i>3.37</i>	195,548 <i>3.08</i>	202,187 <i>3.39</i>	208,804 <i>3.27</i>	215,373 <i>3.15</i>	222,153 <i>3.15</i>	228,979 <i>3.07</i>	235,796 <i>2.98</i>	242,810 <i>2.97</i>	250,132 <i>3.02</i>	257,507 <i>2.95</i>	265,115 <i>2.95</i>	273,154 <i>3.03</i>	281,473 <i>3.05</i>	290,105 <i>3.07</i>	299,165 <i>3.12</i>	

*Industrial composite (\$)

Italics indicate percentage change.

Shaded area represents forecast data.

All data are in millions of dollars, seasonally adjusted at annual rates, unless otherwise specified.

Sources: The Conference Board of Canada; Statistics Canada; CMHC Housing Time Series Database.

Table 2
Gross Domestic Product by Expenditure: Ontario
(2002 \$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Consumer expenditures	283,684 <i>3.37</i>	292,593 <i>3.14</i>	303,230 <i>3.64</i>	315,988 <i>4.21</i>	319,738 <i>1.19</i>	323,344 <i>1.13</i>	332,644 <i>2.88</i>	341,902 <i>2.78</i>	351,572 <i>2.83</i>	360,865 <i>2.64</i>	369,083 <i>2.28</i>	376,125 <i>1.91</i>	383,912 <i>2.07</i>	391,457 <i>1.97</i>	399,077 <i>1.95</i>	406,819 <i>1.94</i>	414,719 <i>1.94</i>	422,867 <i>1.96</i>	431,148 <i>1.96</i>	439,322 <i>1.90</i>	447,544 <i>1.87</i>	455,958 <i>1.88</i>	464,632 <i>1.90</i>	473,613 <i>1.93</i>	482,816 <i>1.94</i>	492,285 <i>1.96</i>	501,949 <i>1.96</i>
Gov't spending on goods and services	87,940 <i>2.16</i>	90,683 <i>3.12</i>	93,213 <i>2.79</i>	97,247 <i>4.33</i>	100,841 <i>3.70</i>	104,336 <i>3.47</i>	106,083 <i>1.67</i>	107,250 <i>1.10</i>	108,683 <i>1.34</i>	109,767 <i>1.00</i>	110,727 <i>0.87</i>	111,915 <i>1.07</i>	113,349 <i>1.28</i>	115,056 <i>1.51</i>	116,948 <i>1.64</i>	118,899 <i>1.67</i>	120,883 <i>1.67</i>	122,928 <i>1.69</i>	124,999 <i>1.68</i>	127,026 <i>1.62</i>	129,054 <i>1.60</i>	131,124 <i>1.60</i>	133,255 <i>1.63</i>	135,461 <i>1.66</i>	137,716 <i>1.66</i>	140,032 <i>1.68</i>	142,536 <i>1.79</i>
Gross fixed capital formation	92,747 <i>3.91</i>	98,967 <i>6.71</i>	103,032 <i>4.11</i>	105,078 <i>1.99</i>	99,895 <i>-4.93</i>	94,361 <i>-5.54</i>	107,706 <i>14.14</i>	112,724 <i>4.66</i>	114,852 <i>1.89</i>	122,653 <i>6.79</i>	126,204 <i>2.89</i>	128,880 <i>2.12</i>	131,517 <i>2.05</i>	134,195 <i>2.04</i>	136,899 <i>2.01</i>	139,640 <i>2.00</i>	142,452 <i>2.01</i>	145,351 <i>2.03</i>	148,163 <i>1.93</i>	150,924 <i>1.86</i>	153,717 <i>1.85</i>	156,567 <i>1.85</i>	159,319 <i>1.76</i>	162,117 <i>1.76</i>	164,982 <i>1.77</i>	167,928 <i>1.79</i>	170,962 <i>1.81</i>
Government	13,159 <i>-0.18</i>	14,220 <i>8.06</i>	14,687 <i>3.28</i>	14,922 <i>1.60</i>	14,942 <i>0.13</i>	17,339 <i>16.04</i>	20,808 <i>20.01</i>	19,752 <i>-5.07</i>	17,307 <i>-12.38</i>	17,206 <i>-0.58</i>	17,312 <i>0.62</i>	17,535 <i>1.29</i>	17,766 <i>1.32</i>	17,987 <i>1.24</i>	18,186 <i>1.11</i>	18,378 <i>1.05</i>	18,587 <i>1.14</i>	18,807 <i>1.18</i>	19,027 <i>1.17</i>	19,255 <i>1.20</i>	19,495 <i>1.25</i>	19,742 <i>1.27</i>	19,991 <i>1.26</i>	20,242 <i>1.26</i>	20,495 <i>1.25</i>	20,752 <i>1.25</i>	21,011 <i>1.25</i>
Business	79,564 <i>4.62</i>	84,717 <i>6.48</i>	88,316 <i>4.25</i>	90,128 <i>2.05</i>	84,867 <i>-5.84</i>	76,732 <i>-9.59</i>	86,513 <i>12.75</i>	92,776 <i>7.24</i>	97,641 <i>5.24</i>	105,684 <i>8.24</i>	109,178 <i>3.31</i>	111,653 <i>2.27</i>	114,079 <i>2.17</i>	116,559 <i>2.17</i>	119,089 <i>2.17</i>	121,667 <i>2.16</i>	124,297 <i>2.16</i>	127,005 <i>2.18</i>	129,624 <i>2.06</i>	132,182 <i>1.97</i>	134,761 <i>1.95</i>	137,389 <i>1.95</i>	139,916 <i>1.84</i>	142,489 <i>1.84</i>	145,127 <i>1.85</i>	147,844 <i>1.87</i>	150,649 <i>1.90</i>
Residential construction	30,417 <i>4.05</i>	30,697 <i>0.92</i>	30,753 <i>0.18</i>	31,345 <i>1.93</i>	29,553 <i>-5.72</i>	29,149 <i>-1.37</i>	30,803 <i>5.67</i>	32,602 <i>5.84</i>	35,290 <i>8.25</i>	39,743 <i>12.62</i>	41,086 <i>3.38</i>	41,836 <i>1.83</i>	42,553 <i>1.71</i>	43,286 <i>1.72</i>	44,032 <i>1.72</i>	44,784 <i>1.71</i>	45,458 <i>1.51</i>	46,122 <i>1.46</i>	46,717 <i>1.29</i>	47,283 <i>1.21</i>	47,851 <i>1.20</i>	48,418 <i>1.19</i>	48,868 <i>0.93</i>	49,297 <i>0.88</i>	49,732 <i>0.88</i>	50,176 <i>0.89</i>	50,630 <i>0.91</i>
Non-residential construction	11,447 <i>-0.67</i>	11,950 <i>4.40</i>	13,369 <i>11.87</i>	14,197 <i>6.20</i>	13,332 <i>-6.09</i>	10,614 <i>-20.38</i>	11,590 <i>9.19</i>	12,445 <i>7.37</i>	12,829 <i>3.09</i>	13,272 <i>3.46</i>	13,522 <i>1.88</i>	13,691 <i>1.25</i>	13,852 <i>1.18</i>	14,015 <i>1.18</i>	14,180 <i>1.18</i>	14,353 <i>1.22</i>	14,613 <i>1.81</i>	14,901 <i>1.97</i>	15,171 <i>1.81</i>	15,432 <i>1.72</i>	15,694 <i>1.70</i>	15,961 <i>1.70</i>	16,236 <i>1.72</i>	16,520 <i>1.75</i>	16,810 <i>1.76</i>	17,108 <i>1.77</i>	17,412 <i>1.77</i>
Machinery and equipment	37,960 <i>7.25</i>	42,961 <i>13.18</i>	45,256 <i>5.34</i>	45,504 <i>0.55</i>	42,887 <i>-5.75</i>	37,366 <i>-12.87</i>	46,121 <i>23.43</i>	50,140 <i>8.71</i>	51,413 <i>2.54</i>	53,836 <i>4.71</i>	55,939 <i>3.91</i>	57,860 <i>3.43</i>	59,807 <i>3.37</i>	61,820 <i>3.37</i>	63,896 <i>3.36</i>	66,033 <i>3.35</i>	68,244 <i>3.35</i>	70,554 <i>3.39</i>	72,933 <i>3.37</i>	75,315 <i>3.27</i>	77,743 <i>3.22</i>	80,260 <i>3.24</i>	82,887 <i>3.27</i>	85,642 <i>3.32</i>	88,501 <i>3.34</i>	91,482 <i>3.37</i>	94,605 <i>3.41</i>
Final domestic demand	464,324 <i>3.24</i>	482,135 <i>3.84</i>	499,312 <i>3.56</i>	518,224 <i>3.79</i>	520,675 <i>0.47</i>	522,399 <i>0.33</i>	546,442 <i>4.60</i>	561,604 <i>2.77</i>	574,656 <i>2.32</i>	592,330 <i>3.08</i>	604,780 <i>2.10</i>	615,516 <i>1.78</i>	627,217 <i>1.90</i>	639,033 <i>1.88</i>	651,156 <i>1.90</i>	663,500 <i>1.90</i>	676,102 <i>1.90</i>	689,095 <i>1.92</i>	702,163 <i>1.90</i>	715,029 <i>1.83</i>	727,972 <i>1.81</i>	741,202 <i>1.82</i>	754,667 <i>1.82</i>	768,562 <i>1.84</i>	782,791 <i>1.85</i>	797,425 <i>1.87</i>	812,552 <i>1.90</i>
Exports	337,705 <i>3.76</i>	346,359 <i>2.56</i>	347,047 <i>0.20</i>	343,306 <i>-1.08</i>	313,148 <i>-8.78</i>	291,295 <i>-6.98</i>	321,281 <i>10.29</i>	335,411 <i>4.40</i>	357,402 <i>6.56</i>	373,624 <i>4.54</i>	391,084 <i>4.67</i>	406,595 <i>3.97</i>	420,896 <i>3.52</i>	435,433 <i>3.45</i>	450,397 <i>3.44</i>	463,914 <i>3.00</i>	477,411 <i>2.91</i>	491,477 <i>2.95</i>	506,016 <i>2.96</i>	520,808 <i>2.92</i>	536,015 <i>2.92</i>	551,792 <i>2.94</i>	568,228 <i>2.98</i>	585,388 <i>3.02</i>	603,206 <i>3.04</i>	621,750 <i>3.07</i>	641,035 <i>3.10</i>
Imports	305,708 <i>5.67</i>	315,451 <i>3.19</i>	328,291 <i>4.07</i>	337,262 <i>2.73</i>	316,041 <i>-6.29</i>	310,436 <i>-1.77</i>	351,226 <i>13.14</i>	372,900 <i>6.17</i>	392,614 <i>5.29</i>	410,282 <i>4.50</i>	427,317 <i>4.15</i>	443,423 <i>3.77</i>	458,382 <i>3.37</i>	473,467 <i>3.29</i>	488,887 <i>3.26</i>	503,061 <i>2.90</i>	517,216 <i>2.81</i>	531,871 <i>2.83</i>	546,906 <i>2.83</i>	562,070 <i>2.77</i>	577,533 <i>2.75</i>	593,463 <i>2.76</i>	609,942 <i>2.78</i>	627,038 <i>2.80</i>	644,664 <i>2.81</i>	662,883 <i>2.83</i>	681,621 <i>2.83</i>
Net Exports	31,997	30,909	18,756	6,044	-2,893	-19,141	-29,945	-37,488	-35,212	-36,658	-36,233	-36,828	-37,486	-38,033	-38,490	-39,148	-39,806	-40,394	-40,890	-41,262	-41,519	-41,671	-41,714	-41,650	-41,458	-41,133	-40,587
Change in inventories	4,123	-295	3,288	8,107	1,220	1,254	3,534	3,566	3,680	3,970	4,114	4,195	4,278	4,362	4,448	4,535	4,624	4,716	4,809	4,901	4,993	5,088	5,185	5,286	5,390	5,496	5,606
Real GDP at market prices	497,563 <i>2.18</i>	516,828 <i>3.87</i>	524,326 <i>1.45</i>	532,144 <i>1.49</i>	525,608 <i>-1.23</i>	510,330 <i>-2.91</i>	527,596 <i>3.38</i>	537,584 <i>1.89</i>	553,599 <i>2.98</i>	570,992 <i>3.14</i>	584,771 <i>2.41</i>	595,900 <i>1.90</i>	607,813 <i>2.00</i>	619,931 <i>1.99</i>	632,437 <i>2.02</i>	644,896 <i>1.97</i>	657,602 <i>1.97</i>	670,778 <i>2.00</i>	684,133 <i>1.99</i>	697,404 <i>1.94</i>	710,868 <i>1.93</i>	724,733 <i>1.95</i>	738,959 <i>1.96</i>	753,736 <i>2.00</i>	768,984 <i>2.02</i>	784,781 <i>2.05</i>	801,291 <i>2.10</i>

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 3
Scenario 1—Government Revenues
(\$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Total Revenues	83,861 <i>12.92</i>	90,305 <i>7.68</i>	96,640 <i>7.02</i>	103,579 <i>7.18</i>	96,933 <i>-6.42</i>	95,793 <i>-1.18</i>	106,658 <i>11.34</i>	108,564 <i>1.79</i>	111,531 <i>2.73</i>	115,807 <i>3.83</i>	120,453 <i>4.01</i>	125,205 <i>3.95</i>	130,272 <i>4.05</i>	135,354 <i>3.90</i>	140,522 <i>3.82</i>	146,019 <i>3.91</i>	151,791 <i>3.95</i>	157,866 <i>4.00</i>	163,934 <i>3.84</i>	170,335 <i>3.90</i>	176,783 <i>3.79</i>	183,535 <i>3.82</i>	190,387 <i>3.73</i>	197,691 <i>3.84</i>	205,253 <i>3.83</i>	213,303 <i>3.92</i>	221,642 <i>3.91</i>
Own source revenues	71,979 <i>11.81</i>	77,054 <i>7.05</i>	82,604 <i>7.20</i>	86,982 <i>5.30</i>	80,342 <i>-7.63</i>	77,173 <i>-3.94</i>	83,617 <i>8.35</i>	86,975 <i>4.02</i>	89,758 <i>3.20</i>	92,939 <i>3.54</i>	96,781 <i>4.13</i>	100,348 <i>3.69</i>	104,176 <i>3.81</i>	108,178 <i>3.84</i>	112,270 <i>3.78</i>	116,678 <i>3.93</i>	121,345 <i>4.00</i>	126,292 <i>4.08</i>	131,192 <i>3.88</i>	136,391 <i>3.96</i>	141,599 <i>3.82</i>	147,085 <i>3.87</i>	152,627 <i>3.77</i>	158,576 <i>3.90</i>	164,736 <i>3.88</i>	171,332 <i>4.00</i>	178,164 <i>3.99</i>
Personal income taxes	20,312 <i>5.59</i>	22,114 <i>8.87</i>	24,622 <i>11.34</i>	25,472 <i>3.45</i>	25,738 <i>1.04</i>	23,393 <i>-9.11</i>	23,624 <i>0.99</i>	24,781 <i>4.90</i>	26,193 <i>5.70</i>	27,692 <i>5.72</i>	29,123 <i>5.17</i>	30,470 <i>4.63</i>	31,889 <i>4.66</i>	33,304 <i>4.44</i>	34,774 <i>4.41</i>	36,302 <i>4.39</i>	37,966 <i>4.58</i>	39,732 <i>4.65</i>	41,574 <i>4.64</i>	43,494 <i>4.62</i>	45,519 <i>4.65</i>	47,622 <i>4.62</i>	49,785 <i>4.54</i>	52,048 <i>4.55</i>	54,402 <i>4.52</i>	56,809 <i>4.43</i>	59,314 <i>4.41</i>
Corporate income taxes	9,883 <i>48.44</i>	9,984 <i>1.02</i>	10,845 <i>8.62</i>	12,990 <i>19.78</i>	6,748 <i>-48.05</i>	5,615 <i>-16.79</i>	8,383 <i>49.30</i>	8,893 <i>6.08</i>	9,206 <i>3.52</i>	9,249 <i>0.48</i>	9,594 <i>3.73</i>	9,864 <i>2.81</i>	10,226 <i>3.67</i>	10,730 <i>4.93</i>	11,209 <i>4.46</i>	11,870 <i>5.90</i>	12,575 <i>5.94</i>	13,359 <i>6.23</i>	13,919 <i>4.19</i>	14,618 <i>5.02</i>	15,130 <i>3.50</i>	15,739 <i>4.03</i>	16,247 <i>3.22</i>	16,937 <i>4.25</i>	17,640 <i>4.15</i>	18,607 <i>5.48</i>	19,596 <i>5.32</i>
Retail sales tax	14,605 <i>4.31</i>	15,285 <i>4.66</i>	15,986 <i>4.58</i>	16,745 <i>4.75</i>	17,021 <i>1.65</i>	17,059 <i>0.22</i>	18,813 <i>10.28</i>	20,129 <i>7.00</i>	21,074 <i>4.69</i>	22,034 <i>4.55</i>	22,937 <i>4.10</i>	23,784 <i>3.69</i>	24,696 <i>3.83</i>	25,620 <i>3.74</i>	26,572 <i>3.72</i>	27,556 <i>3.70</i>	28,579 <i>3.71</i>	29,651 <i>3.75</i>	30,767 <i>3.76</i>	31,915 <i>3.73</i>	33,111 <i>3.75</i>	34,356 <i>3.76</i>	35,665 <i>3.81</i>	37,042 <i>3.86</i>	38,482 <i>3.89</i>	39,987 <i>3.91</i>	41,553 <i>3.92</i>
Ontario Health Premium	1,737 <i>0.00</i>	2,350 <i>35.29</i>	2,589 <i>10.17</i>	2,713 <i>4.79</i>	2,776 <i>2.32</i>	2,763 <i>-0.47</i>	2,934 <i>6.19</i>	2,948 <i>0.47</i>	3,109 <i>5.47</i>	3,280 <i>5.49</i>	3,442 <i>4.96</i>	3,595 <i>4.44</i>	3,756 <i>4.47</i>	3,916 <i>4.26</i>	4,082 <i>4.24</i>	4,254 <i>4.22</i>	4,441 <i>4.40</i>	4,640 <i>4.47</i>	4,846 <i>4.45</i>	5,061 <i>4.43</i>	5,287 <i>4.47</i>	5,522 <i>4.44</i>	5,763 <i>4.36</i>	6,014 <i>4.36</i>	6,275 <i>4.34</i>	6,542 <i>4.25</i>	6,819 <i>4.23</i>
Education property tax	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	5,754 <i>0.00</i>	5,696 <i>-1.01</i>	5,626 <i>-1.23</i>	5,913 <i>5.10</i>	5,727 <i>-3.15</i>	5,700 <i>-0.47</i>	5,600 <i>-1.75</i>	5,792 <i>3.42</i>	5,984 <i>3.32</i>	6,179 <i>3.25</i>	6,377 <i>3.21</i>	6,581 <i>3.20</i>	6,792 <i>3.21</i>	7,010 <i>3.20</i>	7,234 <i>3.19</i>	7,468 <i>3.23</i>	7,711 <i>3.25</i>	7,960 <i>3.23</i>	8,217 <i>3.23</i>	8,479 <i>3.20</i>	8,748 <i>3.17</i>	9,024 <i>3.15</i>	9,307 <i>3.14</i>	9,597 <i>3.12</i>
Other tax revenue	10,180 <i>0.00</i>	9,141 <i>-10.21</i>	10,993 <i>20.26</i>	11,215 <i>2.02</i>	10,877 <i>-3.01</i>	10,475 <i>-3.70</i>	11,480 <i>9.59</i>	12,095 <i>5.36</i>	12,253 <i>1.30</i>	12,603 <i>2.86</i>	12,945 <i>2.72</i>	13,256 <i>2.40</i>	13,578 <i>2.43</i>	13,904 <i>2.40</i>	14,236 <i>2.39</i>	14,577 <i>2.39</i>	14,925 <i>2.39</i>	15,285 <i>2.41</i>	15,662 <i>2.47</i>	16,052 <i>2.49</i>	16,451 <i>2.49</i>	16,859 <i>2.48</i>	17,277 <i>2.47</i>	17,703 <i>2.47</i>	18,139 <i>2.46</i>	18,584 <i>2.46</i>	19,039 <i>2.45</i>
Income from gov't business enterprises	3,578 <i>0.00</i>	4,308 <i>20.40</i>	4,196 <i>-2.60</i>	4,437 <i>5.74</i>	4,042 <i>-8.90</i>	4,195 <i>3.79</i>	4,566 <i>8.84</i>	4,775 <i>4.57</i>	5,024 <i>5.21</i>	5,282 <i>5.14</i>	5,501 <i>4.15</i>	5,702 <i>3.65</i>	5,909 <i>3.64</i>	6,129 <i>3.72</i>	6,355 <i>3.69</i>	6,594 <i>3.76</i>	6,835 <i>3.67</i>	7,092 <i>3.76</i>	7,354 <i>3.70</i>	7,627 <i>3.71</i>	7,908 <i>3.68</i>	8,206 <i>3.77</i>	8,510 <i>3.71</i>	8,835 <i>3.82</i>	9,171 <i>3.80</i>	9,530 <i>3.91</i>	9,906 <i>3.95</i>
Other own-source revenue	11,684 <i>0.00</i>	13,871 <i>18.73</i>	13,373 <i>-3.59</i>	7,656 <i>-42.75</i>	7,444 <i>-2.77</i>	8,047 <i>8.10</i>	7,904 <i>-1.78</i>	7,628 <i>-3.49</i>	7,200 <i>-5.61</i>	7,200 <i>0.00</i>	7,446 <i>3.42</i>	7,694 <i>3.32</i>	7,944 <i>3.25</i>	8,199 <i>3.21</i>	8,461 <i>3.20</i>	8,733 <i>3.21</i>	9,013 <i>3.20</i>	9,300 <i>3.19</i>	9,601 <i>3.23</i>	9,914 <i>3.25</i>	10,234 <i>3.23</i>	10,564 <i>3.23</i>	10,902 <i>3.20</i>	11,247 <i>3.17</i>	11,602 <i>3.15</i>	11,966 <i>3.14</i>	12,339 <i>3.12</i>
Transfers from Gov't of Canada	11,882 <i>20.11</i>	13,251 <i>11.52</i>	14,036 <i>5.92</i>	16,597 <i>18.25</i>	16,591 <i>-0.04</i>	18,620 <i>12.23</i>	23,041 <i>23.74</i>	21,589 <i>-6.30</i>	21,773 <i>0.85</i>	22,868 <i>5.03</i>	23,672 <i>3.52</i>	24,857 <i>5.01</i>	26,096 <i>4.99</i>	27,176 <i>4.14</i>	28,252 <i>3.96</i>	29,341 <i>3.85</i>	30,447 <i>3.77</i>	31,574 <i>3.70</i>	32,743 <i>3.70</i>	33,944 <i>3.67</i>	35,183 <i>3.65</i>	36,450 <i>3.60</i>	37,760 <i>3.59</i>	39,115 <i>3.59</i>	40,518 <i>3.59</i>	41,971 <i>3.59</i>	43,478 <i>3.59</i>
Canada Health Transfer	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	8,487 <i>0.00</i>	8,942 <i>5.36</i>	9,791 <i>9.49</i>	10,184 <i>4.01</i>	10,741 <i>5.47</i>	11,387 <i>6.02</i>	12,071 <i>6.00</i>	12,443 <i>3.09</i>	13,201 <i>6.08</i>	14,005 <i>6.09</i>	14,647 <i>4.59</i>	15,282 <i>4.33</i>	15,920 <i>4.18</i>	16,565 <i>4.05</i>	17,221 <i>3.96</i>	17,901 <i>3.95</i>	18,598 <i>3.90</i>	19,319 <i>3.88</i>	20,054 <i>3.80</i>	20,815 <i>3.80</i>	21,605 <i>3.79</i>	22,424 <i>3.79</i>	23,274 <i>3.79</i>	24,159 <i>3.80</i>
Canada Social Transfer	2,912 <i>0.00</i>	3,324 <i>14.15</i>	3,499 <i>5.26</i>	3,778 <i>7.97</i>	4,079 <i>7.97</i>	4,204 <i>3.06</i>	4,330 <i>3.00</i>	4,461 <i>3.03</i>	4,597 <i>3.04</i>	4,732 <i>2.95</i>	4,877 <i>3.06</i>	5,028 <i>3.08</i>	5,183 <i>3.09</i>	5,345 <i>3.13</i>	5,513 <i>3.14</i>	5,687 <i>3.15</i>	5,866 <i>3.16</i>	6,052 <i>3.17</i>	6,245 <i>3.18</i>	6,444 <i>3.18</i>	6,650 <i>3.19</i>	6,862 <i>3.19</i>	7,081 <i>3.19</i>	7,307 <i>3.20</i>	7,541 <i>3.20</i>	7,782 <i>3.20</i>	8,030 <i>3.19</i>
Equalization	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	347 <i>0.00</i>	972 <i>180.12</i>	2,200 <i>126.34</i>	3,261 <i>48.23</i>	3,676 <i>12.73</i>	3,881 <i>5.56</i>	4,076 <i>5.03</i>	4,272 <i>4.81</i>	4,463 <i>4.46</i>	4,650 <i>4.19</i>	4,837 <i>4.03</i>	5,025 <i>3.89</i>	5,215 <i>3.78</i>	5,411 <i>3.76</i>	5,612 <i>3.71</i>	5,819 <i>3.68</i>	6,029 <i>3.61</i>	6,246 <i>3.60</i>	6,471 <i>3.60</i>	6,703 <i>3.59</i>	6,944 <i>3.59</i>	7,195 <i>3.61</i>
Other	3,912 <i>0.00</i>	2,779 <i>-28.96</i>	2,805 <i>0.94</i>	4,332 <i>54.44</i>	3,570 <i>-17.59</i>	4,278 <i>19.83</i>	7,555 <i>76.60</i>	4,183 <i>-44.63</i>	2,528 <i>-39.56</i>	2,389 <i>-5.50</i>	2,471 <i>3.42</i>	2,553 <i>3.32</i>	2,636 <i>3.25</i>	2,720 <i>3.21</i>	2,808 <i>3.20</i>	2,898 <i>3.21</i>	2,990 <i>3.20</i>	3,086 <i>3.19</i>	3,186 <i>3.23</i>	3,289 <i>3.25</i>	3,396 <i>3.23</i>	3,505 <i>3.23</i>	3,617 <i>3.20</i>	3,732 <i>3.17</i>	3,850 <i>3.15</i>	3,971 <i>3.14</i>	4,094 <i>3.12</i>

Italics indicate percentage change.
Shaded area represents forecast data.
Sources: The Conference Board of Canada; Statistics Canada.

Table 4
Scenario 1—Government Expenditures
(\$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Total expenditures	85,416	90,007	94,371	102,979	103,342	115,055	120,669	124,100	125,556	128,681	131,882	134,497	137,697	141,013	144,816	148,382	151,844	155,224	161,016	167,089	173,385	179,938	186,739	193,867	201,280	208,932	216,807
	<i>7.10</i>	<i>5.37</i>	<i>4.85</i>	<i>9.12</i>	<i>0.35</i>	<i>11.33</i>	<i>4.88</i>	<i>2.84</i>	<i>1.17</i>	<i>2.49</i>	<i>2.49</i>	<i>1.98</i>	<i>2.38</i>	<i>2.41</i>	<i>2.70</i>	<i>2.46</i>	<i>2.33</i>	<i>2.23</i>	<i>3.73</i>	<i>3.77</i>	<i>3.77</i>	<i>3.78</i>	<i>3.78</i>	<i>3.82</i>	<i>3.82</i>	<i>3.80</i>	<i>3.77</i>
Total program expenditures	76,048	80,988	85,540	94,065	94,776	106,336	111,189	114,000	114,900	117,000	118,800	121,000	122,900	124,900	127,744	130,667	133,669	136,755	142,403	148,354	154,558	161,035	167,772	174,840	182,199	189,801	197,644
	<i>8.41</i>	<i>6.50</i>	<i>5.62</i>	<i>9.97</i>	<i>0.76</i>	<i>12.20</i>	<i>4.56</i>	<i>2.53</i>	<i>0.79</i>	<i>1.83</i>	<i>1.54</i>	<i>1.85</i>	<i>1.57</i>	<i>1.63</i>	<i>2.28</i>	<i>2.29</i>	<i>2.30</i>	<i>2.31</i>	<i>4.13</i>	<i>4.18</i>	<i>4.18</i>	<i>4.19</i>	<i>4.18</i>	<i>4.21</i>	<i>4.21</i>	<i>4.17</i>	<i>4.13</i>
Health	31,634	32,903	35,655	38,108	40,734	43,159	44,773	47,644	49,200	50,600	52,118	53,682	55,292	56,951	58,659	60,419	62,232	64,099	67,136	70,330	73,661	77,149	80,802	84,678	88,743	92,974	97,372
	<i>7.72</i>	<i>4.01</i>	<i>8.36</i>	<i>6.88</i>	<i>6.89</i>	<i>5.95</i>	<i>3.74</i>	<i>6.41</i>	<i>3.27</i>	<i>2.85</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>4.74</i>	<i>4.76</i>	<i>4.74</i>	<i>4.74</i>	<i>4.74</i>	<i>4.80</i>	<i>4.80</i>	<i>4.77</i>	<i>4.73</i>
Social services	9,153	9,998	10,455	11,282	11,215	12,219	12,993	13,701	14,000	14,400	14,832	15,277	15,735	16,207	16,694	17,194	17,710	18,241	18,831	19,444	20,073	20,721	21,383	22,060	22,756	23,471	24,202
	<i>6.82</i>	<i>9.23</i>	<i>4.57</i>	<i>7.91</i>	<i>-0.59</i>	<i>8.95</i>	<i>6.33</i>	<i>5.45</i>	<i>2.18</i>	<i>2.86</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Education	21,245	22,100	23,344	25,219	26,552	26,656	29,689	30,883	31,100	31,700	32,302	32,916	33,541	34,179	34,828	35,490	36,164	36,851	38,304	39,858	41,497	43,216	44,999	46,861	48,789	50,759	52,767
	<i>7.42</i>	<i>4.02</i>	<i>5.63</i>	<i>8.03</i>	<i>5.29</i>	<i>0.39</i>	<i>11.38</i>	<i>4.02</i>	<i>0.70</i>	<i>1.93</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>3.94</i>	<i>4.06</i>	<i>4.11</i>	<i>4.14</i>	<i>4.13</i>	<i>4.14</i>	<i>4.11</i>	<i>4.04</i>	<i>3.96</i>
Primary and secondary	0	0	0	18,733	20,471	21,432	22,372	23,738	24,000	24,300	24,762	25,232	25,712	26,200	26,698	27,205	27,722	28,249	29,435	30,689	32,001	33,388	34,810	36,277	37,778	39,297	40,838
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>9.28</i>	<i>4.69</i>	<i>4.39</i>	<i>6.11</i>	<i>1.10</i>	<i>1.25</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>4.20</i>	<i>4.26</i>	<i>4.28</i>	<i>4.33</i>	<i>4.26</i>	<i>4.21</i>	<i>4.14</i>	<i>4.02</i>	<i>3.92</i>
Training colleges and universities	0	0	0	6,486	6,081	6,081	7,317	7,145	7,100	7,400	7,541	7,684	7,830	7,979	8,130	8,285	8,442	8,603	8,869	9,169	9,496	9,829	10,190	10,585	11,011	11,461	11,929
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>-6.24</i>	<i>0.00</i>	<i>20.33</i>	<i>-2.36</i>	<i>-0.62</i>	<i>4.23</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>1.90</i>	<i>3.09</i>	<i>3.39</i>	<i>3.57</i>	<i>3.50</i>	<i>3.67</i>	<i>3.88</i>	<i>4.03</i>	<i>4.09</i>	<i>4.08</i>
Other program expenditures	14,016	15,987	16,086	19,456	16,275	24,361	23,734	21,773	20,600	20,300	19,548	19,125	18,331	17,563	17,563	17,563	17,563	17,563	18,131	18,721	19,327	19,950	20,588	21,240	21,910	22,598	23,302
	<i>12.71</i>	<i>14.06</i>	<i>0.62</i>	<i>20.95</i>	<i>-16.35</i>	<i>49.68</i>	<i>-2.57</i>	<i>-8.26</i>	<i>-5.39</i>	<i>-1.46</i>	<i>-3.71</i>	<i>-2.16</i>	<i>-4.15</i>	<i>-4.19</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Interest payments	9,368	9,019	8,831	8,914	8,566	8,719	9,480	10,100	10,656	11,681	13,082	13,497	14,797	16,113	17,072	17,715	18,175	18,469	18,613	18,735	18,826	18,903	18,967	19,028	19,081	19,131	19,163
	<i>-2.46</i>	<i>-3.73</i>	<i>-2.08</i>	<i>0.94</i>	<i>-3.90</i>	<i>1.79</i>	<i>8.73</i>	<i>6.54</i>	<i>5.51</i>	<i>9.62</i>	<i>12.00</i>	<i>3.17</i>	<i>9.63</i>	<i>8.89</i>	<i>5.95</i>	<i>3.77</i>	<i>2.59</i>	<i>1.62</i>	<i>0.78</i>	<i>0.66</i>	<i>0.49</i>	<i>0.40</i>	<i>0.34</i>	<i>0.32</i>	<i>0.28</i>	<i>0.26</i>	<i>0.17</i>
Reserve	0	0	0	0	0	0	0	-200	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000
Surplus/deficit	-1,555	298	2,269	600	-6,409	-19,262	-14,011	-15,736	-15,025	-13,874	-12,429	-10,291	-8,424	-6,659	-5,294	-3,363	-1,052	1,642	1,918	2,247	2,398	2,597	2,648	2,823	2,973	3,371	3,836
Accumulated deficit	125,743	109,155	106,766	105,617	113,238	130,957	144,573	160,309	175,334	189,208	201,637	211,928	220,353	227,012	232,306	235,668	236,721	235,079	233,160	230,914	228,516	225,918	223,270	220,447	217,474	214,103	210,267
	<i>1.25</i>	<i>-13.19</i>	<i>-2.19</i>	<i>-1.08</i>	<i>7.22</i>	<i>15.65</i>	<i>10.40</i>	<i>10.88</i>	<i>9.37</i>	<i>7.91</i>	<i>6.57</i>	<i>5.10</i>	<i>3.98</i>	<i>3.02</i>	<i>2.33</i>	<i>1.45</i>	<i>0.45</i>	<i>-0.69</i>	<i>-0.82</i>	<i>-0.96</i>	<i>-1.04</i>	<i>-1.14</i>	<i>-1.17</i>	<i>-1.26</i>	<i>-1.35</i>	<i>-1.55</i>	<i>-1.79</i>
Net debt	140,921	152,702	153,742	156,616	169,585	193,589	214,511	238,109	261,034	281,608	297,200	310,666	322,300	332,233	340,893	347,743	352,384	354,432	356,374	358,138	359,854	361,493	363,177	364,788	366,369	367,671	368,622
	<i>1.52</i>	<i>8.36</i>	<i>0.68</i>	<i>1.87</i>	<i>8.28</i>	<i>14.15</i>	<i>10.81</i>	<i>11.00</i>	<i>9.63</i>	<i>7.88</i>	<i>5.54</i>	<i>4.53</i>	<i>3.74</i>	<i>3.08</i>	<i>2.61</i>	<i>2.01</i>	<i>1.33</i>	<i>0.58</i>	<i>0.55</i>	<i>0.49</i>	<i>0.48</i>	<i>0.46</i>	<i>0.47</i>	<i>0.44</i>	<i>0.43</i>	<i>0.36</i>	<i>0.26</i>
Total debt	0	0	157,311	162,217	176,915	212,122	236,629	254,544	278,534	299,708	296,800	309,752	320,871	330,283	338,411	344,715	348,790	350,256	351,599	352,735	353,801	354,771	355,768	356,676	357,537	358,100	358,292
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>11.55</i>	<i>7.57</i>	<i>9.42</i>	<i>7.60</i>	<i>-0.97</i>	<i>4.36</i>	<i>3.59</i>	<i>2.93</i>	<i>2.46</i>	<i>1.86</i>	<i>1.18</i>	<i>0.42</i>	<i>0.38</i>	<i>0.32</i>	<i>0.30</i>	<i>0.27</i>	<i>0.28</i>	<i>0.26</i>	<i>0.24</i>	<i>0.16</i>	<i>0.05</i>

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 5
Scenario 2—Government Revenues
(\$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Total Revenues	83,861	90,305	96,640	103,579	96,933	95,793	106,658	108,564	111,531	115,807	120,453	125,205	130,272	135,354	140,522	146,019	151,791	157,866	163,934	170,335	176,783	183,535	190,387	197,691	205,253	213,303	221,642
	<i>12.92</i>	<i>7.68</i>	<i>7.02</i>	<i>7.18</i>	<i>-6.42</i>	<i>-1.18</i>	<i>11.34</i>	<i>1.79</i>	<i>2.73</i>	<i>3.83</i>	<i>4.01</i>	<i>3.95</i>	<i>4.05</i>	<i>3.90</i>	<i>3.82</i>	<i>3.91</i>	<i>3.95</i>	<i>4.00</i>	<i>3.84</i>	<i>3.90</i>	<i>3.79</i>	<i>3.82</i>	<i>3.73</i>	<i>3.84</i>	<i>3.83</i>	<i>3.92</i>	<i>3.91</i>
Own source revenues	71,979	77,054	82,604	86,982	80,342	77,173	83,617	86,975	89,758	92,939	96,781	100,348	104,176	108,178	112,270	116,678	121,345	126,292	131,192	136,391	141,599	147,085	152,627	158,576	164,736	171,332	178,164
	<i>11.81</i>	<i>7.05</i>	<i>7.20</i>	<i>5.30</i>	<i>-7.63</i>	<i>-3.94</i>	<i>8.35</i>	<i>4.02</i>	<i>3.20</i>	<i>3.54</i>	<i>4.13</i>	<i>3.69</i>	<i>3.81</i>	<i>3.84</i>	<i>3.78</i>	<i>3.93</i>	<i>4.00</i>	<i>4.08</i>	<i>3.88</i>	<i>3.96</i>	<i>3.82</i>	<i>3.87</i>	<i>3.77</i>	<i>3.90</i>	<i>3.88</i>	<i>4.00</i>	<i>3.99</i>
Personal income taxes	20,312	22,114	24,622	25,472	25,738	23,393	23,624	24,781	26,193	27,692	29,123	30,470	31,889	33,304	34,774	36,302	37,966	39,732	41,574	43,494	45,519	47,622	49,785	52,048	54,402	56,809	59,314
	<i>5.59</i>	<i>8.87</i>	<i>11.34</i>	<i>3.45</i>	<i>1.04</i>	<i>-9.11</i>	<i>0.99</i>	<i>4.90</i>	<i>5.70</i>	<i>5.72</i>	<i>5.17</i>	<i>4.63</i>	<i>4.66</i>	<i>4.44</i>	<i>4.41</i>	<i>4.39</i>	<i>4.58</i>	<i>4.65</i>	<i>4.64</i>	<i>4.62</i>	<i>4.65</i>	<i>4.62</i>	<i>4.54</i>	<i>4.55</i>	<i>4.52</i>	<i>4.43</i>	<i>4.41</i>
Corporate income taxes	9,883	9,984	10,845	12,990	6,748	5,615	8,383	8,893	9,206	9,249	9,594	9,864	10,226	10,730	11,209	11,870	12,575	13,359	13,919	14,618	15,130	15,739	16,247	16,937	17,640	18,607	19,596
	<i>48.44</i>	<i>1.02</i>	<i>8.62</i>	<i>19.78</i>	<i>-48.05</i>	<i>-16.79</i>	<i>49.30</i>	<i>6.08</i>	<i>3.52</i>	<i>0.48</i>	<i>3.73</i>	<i>2.81</i>	<i>3.67</i>	<i>4.93</i>	<i>4.46</i>	<i>5.90</i>	<i>5.94</i>	<i>6.23</i>	<i>4.19</i>	<i>5.02</i>	<i>3.50</i>	<i>4.03</i>	<i>3.22</i>	<i>4.25</i>	<i>4.15</i>	<i>5.48</i>	<i>5.32</i>
Retail sales tax	14,605	15,285	15,986	16,745	17,021	17,059	18,813	20,129	21,074	22,034	22,937	23,784	24,696	25,620	26,572	27,556	28,579	29,651	30,767	31,915	33,111	34,356	35,665	37,042	38,482	39,987	41,553
	<i>4.31</i>	<i>4.66</i>	<i>4.58</i>	<i>4.75</i>	<i>1.65</i>	<i>0.22</i>	<i>10.28</i>	<i>7.00</i>	<i>4.69</i>	<i>4.55</i>	<i>4.10</i>	<i>3.69</i>	<i>3.83</i>	<i>3.74</i>	<i>3.72</i>	<i>3.70</i>	<i>3.71</i>	<i>3.75</i>	<i>3.76</i>	<i>3.73</i>	<i>3.75</i>	<i>3.76</i>	<i>3.81</i>	<i>3.86</i>	<i>3.89</i>	<i>3.91</i>	<i>3.92</i>
Ontario Health Premium	1,737	2,350	2,589	2,713	2,776	2,763	2,934	2,948	3,109	3,280	3,442	3,595	3,756	3,916	4,082	4,254	4,441	4,640	4,846	5,061	5,287	5,522	5,763	6,014	6,275	6,542	6,819
	<i>0.00</i>	<i>35.29</i>	<i>10.17</i>	<i>4.79</i>	<i>2.32</i>	<i>-0.47</i>	<i>6.19</i>	<i>0.47</i>	<i>5.47</i>	<i>5.49</i>	<i>4.96</i>	<i>4.44</i>	<i>4.47</i>	<i>4.26</i>	<i>4.24</i>	<i>4.22</i>	<i>4.40</i>	<i>4.47</i>	<i>4.45</i>	<i>4.43</i>	<i>4.47</i>	<i>4.44</i>	<i>4.36</i>	<i>4.36</i>	<i>4.34</i>	<i>4.25</i>	<i>4.23</i>
Education property tax	0	0	0	5,754	5,696	5,626	5,913	5,727	5,700	5,600	5,792	5,984	6,179	6,377	6,581	6,792	7,010	7,234	7,468	7,711	7,960	8,217	8,479	8,748	9,024	9,307	9,597
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>-1.01</i>	<i>-1.23</i>	<i>5.10</i>	<i>-3.15</i>	<i>-0.47</i>	<i>-1.75</i>	<i>3.42</i>	<i>3.32</i>	<i>3.25</i>	<i>3.21</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Other tax revenue	10,180	9,141	10,993	11,215	10,877	10,475	11,480	12,095	12,253	12,603	12,945	13,256	13,578	13,904	14,236	14,577	14,925	15,285	15,662	16,052	16,451	16,859	17,277	17,703	18,139	18,584	19,039
	<i>0.00</i>	<i>-10.21</i>	<i>20.26</i>	<i>2.02</i>	<i>-3.01</i>	<i>-3.70</i>	<i>9.59</i>	<i>5.36</i>	<i>1.30</i>	<i>2.86</i>	<i>2.72</i>	<i>2.40</i>	<i>2.43</i>	<i>2.40</i>	<i>2.39</i>	<i>2.39</i>	<i>2.39</i>	<i>2.41</i>	<i>2.47</i>	<i>2.49</i>	<i>2.49</i>	<i>2.48</i>	<i>2.47</i>	<i>2.47</i>	<i>2.46</i>	<i>2.46</i>	<i>2.45</i>
Income from gov't business enterprises	3,578	4,308	4,196	4,437	4,042	4,195	4,566	4,775	5,024	5,282	5,501	5,702	5,909	6,129	6,355	6,594	6,835	7,092	7,354	7,627	7,908	8,206	8,510	8,835	9,171	9,530	9,906
	<i>0.00</i>	<i>20.40</i>	<i>-2.60</i>	<i>5.74</i>	<i>-8.90</i>	<i>3.79</i>	<i>8.84</i>	<i>4.57</i>	<i>5.21</i>	<i>5.14</i>	<i>4.15</i>	<i>3.65</i>	<i>3.64</i>	<i>3.72</i>	<i>3.69</i>	<i>3.76</i>	<i>3.67</i>	<i>3.76</i>	<i>3.70</i>	<i>3.71</i>	<i>3.68</i>	<i>3.77</i>	<i>3.71</i>	<i>3.82</i>	<i>3.80</i>	<i>3.91</i>	<i>3.95</i>
Other own-source revenue	11,684	13,871	13,373	7,656	7,444	8,047	7,904	7,628	7,200	7,200	7,446	7,694	7,944	8,199	8,461	8,733	9,013	9,300	9,601	9,914	10,234	10,564	10,902	11,247	11,602	11,966	12,339
	<i>0.00</i>	<i>18.73</i>	<i>-3.59</i>	<i>-42.75</i>	<i>-2.77</i>	<i>8.10</i>	<i>-1.78</i>	<i>-3.49</i>	<i>-5.61</i>	<i>n.a.</i>	<i>3.42</i>	<i>3.32</i>	<i>3.25</i>	<i>3.21</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Transfers from Gov't of Canada	11,882	13,251	14,036	16,597	16,591	18,620	23,041	21,589	21,773	22,868	23,672	24,857	26,096	27,176	28,252	29,341	30,447	31,574	32,743	33,944	35,183	36,450	37,760	39,115	40,518	41,971	43,478
	<i>20.11</i>	<i>11.52</i>	<i>5.92</i>	<i>18.25</i>	<i>-0.04</i>	<i>12.23</i>	<i>23.74</i>	<i>-6.30</i>	<i>0.85</i>	<i>5.03</i>	<i>3.52</i>	<i>5.01</i>	<i>4.99</i>	<i>4.14</i>	<i>3.96</i>	<i>3.85</i>	<i>3.77</i>	<i>3.70</i>	<i>3.70</i>	<i>3.67</i>	<i>3.65</i>	<i>3.60</i>	<i>3.59</i>	<i>3.59</i>	<i>3.59</i>	<i>3.59</i>	<i>3.59</i>
Canada Health Transfer	0	0	0	8,487	8,942	9,791	10,184	10,741	11,387	12,071	12,443	13,201	14,005	14,647	15,282	15,920	16,565	17,221	17,901	18,598	19,319	20,054	20,815	21,605	22,424	23,274	24,159
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>5.36</i>	<i>9.49</i>	<i>4.01</i>	<i>5.47</i>	<i>6.02</i>	<i>6.00</i>	<i>3.09</i>	<i>6.08</i>	<i>6.09</i>	<i>4.59</i>	<i>4.33</i>	<i>4.18</i>	<i>4.05</i>	<i>3.96</i>	<i>3.95</i>	<i>3.90</i>	<i>3.88</i>	<i>3.80</i>	<i>3.80</i>	<i>3.79</i>	<i>3.79</i>	<i>3.79</i>	<i>3.80</i>
Canada Social Transfer	2,912	3,324	3,499	3,778	4,079	4,204	4,330	4,461	4,597	4,732	4,877	5,028	5,183	5,345	5,513	5,687	5,866	6,052	6,245	6,444	6,650	6,862	7,081	7,307	7,541	7,782	8,030
	<i>0.00</i>	<i>14.15</i>	<i>5.26</i>	<i>7.97</i>	<i>7.97</i>	<i>3.06</i>	<i>3.00</i>	<i>3.03</i>	<i>3.04</i>	<i>2.95</i>	<i>3.06</i>	<i>3.08</i>	<i>3.09</i>	<i>3.13</i>	<i>3.14</i>	<i>3.15</i>	<i>3.16</i>	<i>3.17</i>	<i>3.18</i>	<i>3.18</i>	<i>3.19</i>	<i>3.19</i>	<i>3.19</i>	<i>3.20</i>	<i>3.20</i>	<i>3.20</i>	<i>3.19</i>
Equalization	0	0	0	0	0	347	972	2,200	3,261	3,676	3,881	4,076	4,272	4,463	4,650	4,837	5,025	5,215	5,411	5,612	5,819	6,029	6,246	6,471	6,703	6,944	7,195
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>180.12</i>	<i>126.34</i>	<i>48.23</i>	<i>12.73</i>	<i>5.56</i>	<i>5.03</i>	<i>4.81</i>	<i>4.46</i>	<i>4.19</i>	<i>4.03</i>	<i>3.89</i>	<i>3.78</i>	<i>3.76</i>	<i>3.71</i>	<i>3.68</i>	<i>3.61</i>	<i>3.60</i>	<i>3.60</i>	<i>3.59</i>	<i>3.59</i>	<i>3.61</i>
Other	3,912	2,779	2,805	4,332	3,570	4,278	7,555	4,183	2,528	2,389	2,471	2,553	2,636	2,720	2,808	2,898	2,990	3,086	3,186	3,289	3,396	3,505	3,617	3,732	3,850	3,971	4,094
	<i>0.00</i>	<i>-28.96</i>	<i>0.94</i>	<i>54.44</i>	<i>-17.59</i>	<i>19.83</i>	<i>76.60</i>	<i>-44.63</i>	<i>-39.56</i>	<i>-5.50</i>	<i>3.42</i>	<i>3.32</i>	<i>3.25</i>	<i>3.21</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 6
Scenario 2—Government Expenditures
(\$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Total expenditures	85,416	90,007	94,371	102,979	103,342	115,055	120,669	124,100	126,821	131,194	135,754	139,959	144,973	150,396	157,187	164,086	171,252	178,709	186,610	194,951	203,674	212,827	222,404	232,507	243,097	254,132	265,606
	<i>7.10</i>	<i>5.37</i>	<i>4.85</i>	<i>9.12</i>	<i>0.35</i>	<i>11.33</i>	<i>4.88</i>	<i>2.84</i>	<i>2.19</i>	<i>3.45</i>	<i>3.48</i>	<i>3.10</i>	<i>3.58</i>	<i>3.74</i>	<i>4.52</i>	<i>4.39</i>	<i>4.37</i>	<i>4.35</i>	<i>4.42</i>	<i>4.47</i>	<i>4.47</i>	<i>4.49</i>	<i>4.50</i>	<i>4.54</i>	<i>4.55</i>	<i>4.54</i>	<i>4.52</i>
Total program expenditures	76,048	80,988	85,540	94,065	94,776	106,336	111,189	114,000	116,165	119,460	122,506	126,114	129,551	133,260	138,576	144,164	150,027	156,149	162,644	169,484	176,617	184,067	191,816	199,946	208,412	217,157	226,178
	<i>8.41</i>	<i>6.50</i>	<i>5.62</i>	<i>9.97</i>	<i>0.76</i>	<i>12.20</i>	<i>4.56</i>	<i>2.53</i>	<i>1.90</i>	<i>2.84</i>	<i>2.55</i>	<i>2.95</i>	<i>2.72</i>	<i>2.86</i>	<i>3.99</i>	<i>4.03</i>	<i>4.07</i>	<i>4.08</i>	<i>4.16</i>	<i>4.21</i>	<i>4.21</i>	<i>4.22</i>	<i>4.21</i>	<i>4.24</i>	<i>4.23</i>	<i>4.20</i>	<i>4.15</i>
Health	31,634	32,903	35,655	38,108	40,734	43,159	44,773	47,644	49,864	52,207	54,638	57,207	59,888	62,703	65,647	68,708	71,916	75,272	78,839	82,589	86,501	90,597	94,888	99,439	104,213	109,181	114,346
	<i>7.72</i>	<i>4.01</i>	<i>8.36</i>	<i>6.88</i>	<i>6.89</i>	<i>5.95</i>	<i>3.74</i>	<i>6.41</i>	<i>4.66</i>	<i>4.70</i>	<i>4.66</i>	<i>4.70</i>	<i>4.69</i>	<i>4.70</i>	<i>4.69</i>	<i>4.66</i>	<i>4.67</i>	<i>4.67</i>	<i>4.74</i>	<i>4.76</i>	<i>4.74</i>	<i>4.74</i>	<i>4.74</i>	<i>4.80</i>	<i>4.80</i>	<i>4.77</i>	<i>4.73</i>
Social services	9,153	9,998	10,455	11,282	11,215	12,219	12,993	13,701	14,000	14,400	14,832	15,277	15,735	16,207	16,726	17,263	17,816	18,384	18,979	19,596	20,230	20,883	21,550	22,233	22,934	23,654	24,392
	<i>6.82</i>	<i>9.23</i>	<i>4.57</i>	<i>7.91</i>	<i>-0.59</i>	<i>8.95</i>	<i>6.33</i>	<i>5.45</i>	<i>2.18</i>	<i>2.86</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Education	21,245	22,100	23,344	25,219	26,552	26,656	29,689	30,883	31,701	32,554	33,488	34,505	35,596	36,786	38,078	39,486	40,989	42,571	44,259	46,063	47,963	49,958	52,025	54,181	56,411	58,688	61,008
	<i>7.42</i>	<i>4.02</i>	<i>5.63</i>	<i>8.03</i>	<i>5.29</i>	<i>0.39</i>	<i>11.38</i>	<i>4.02</i>	<i>2.65</i>	<i>2.69</i>	<i>2.87</i>	<i>3.04</i>	<i>3.16</i>	<i>3.34</i>	<i>3.51</i>	<i>3.70</i>	<i>3.81</i>	<i>3.86</i>	<i>3.96</i>	<i>4.08</i>	<i>4.13</i>	<i>4.16</i>	<i>4.14</i>	<i>4.14</i>	<i>4.12</i>	<i>4.04</i>	<i>3.95</i>
Primary and secondary	0	0	0	18,733	20,471	21,432	22,372	23,738	24,329	24,950	25,667	26,510	27,462	28,500	29,615	30,842	32,145	33,505	34,913	36,400	37,956	39,600	41,287	43,027	44,807	46,610	48,437
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>9.28</i>	<i>4.69</i>	<i>4.39</i>	<i>6.11</i>	<i>2.49</i>	<i>2.55</i>	<i>2.87</i>	<i>3.29</i>	<i>3.59</i>	<i>3.78</i>	<i>3.91</i>	<i>4.14</i>	<i>4.22</i>	<i>4.23</i>	<i>4.20</i>	<i>4.26</i>	<i>4.28</i>	<i>4.33</i>	<i>4.26</i>	<i>4.21</i>	<i>4.14</i>	<i>4.02</i>	<i>3.92</i>
Training colleges and universities	0	0	0	6,486	6,081	6,081	7,317	7,145	7,372	7,604	7,821	7,994	8,135	8,286	8,463	8,645	8,845	9,066	9,346	9,663	10,008	10,358	10,738	11,155	11,604	12,079	12,572
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>-6.24</i>	<i>0.00</i>	<i>20.33</i>	<i>-2.36</i>	<i>3.18</i>	<i>3.15</i>	<i>2.86</i>	<i>2.21</i>	<i>1.75</i>	<i>1.85</i>	<i>2.15</i>	<i>2.14</i>	<i>2.31</i>	<i>2.50</i>	<i>3.09</i>	<i>3.39</i>	<i>3.57</i>	<i>3.50</i>	<i>3.67</i>	<i>3.88</i>	<i>4.03</i>	<i>4.09</i>	<i>4.08</i>
Other program expenditures	14,016	15,987	16,086	19,456	16,275	24,361	23,734	21,773	20,600	20,300	19,548	19,125	18,331	17,563	18,125	18,707	19,306	19,922	20,567	21,236	21,923	22,630	23,353	24,093	24,853	25,633	26,432
	<i>12.71</i>	<i>14.06</i>	<i>0.62</i>	<i>20.95</i>	<i>-16.35</i>	<i>49.68</i>	<i>-2.57</i>	<i>-8.26</i>	<i>-5.39</i>	<i>-1.46</i>	<i>-3.71</i>	<i>-2.16</i>	<i>-4.15</i>	<i>-4.19</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Interest payments	9,368	9,019	8,831	8,914	8,566	8,719	9,480	10,100	10,656	11,734	13,247	13,844	15,423	17,136	18,611	19,921	21,225	22,560	23,966	25,467	27,056	28,759	30,588	32,561	34,686	36,975	39,428
	<i>-2.46</i>	<i>-3.73</i>	<i>-2.08</i>	<i>0.94</i>	<i>-3.90</i>	<i>1.79</i>	<i>8.73</i>	<i>6.54</i>	<i>5.51</i>	<i>10.11</i>	<i>12.90</i>	<i>4.51</i>	<i>11.40</i>	<i>11.11</i>	<i>8.60</i>	<i>7.04</i>	<i>6.54</i>	<i>6.29</i>	<i>6.23</i>	<i>6.26</i>	<i>6.24</i>	<i>6.29</i>	<i>6.36</i>	<i>6.45</i>	<i>6.52</i>	<i>6.60</i>	<i>6.63</i>
Reserve	0	0	0	0	0	0	0	-200	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000
Surplus/deficit	-1,555	298	2,269	600	-6,409	-19,262	-14,011	-15,736	-16,290	-16,387	-16,300	-15,754	-15,701	-16,042	-17,665	-19,067	-20,460	-21,843	-23,676	-25,616	-27,891	-30,291	-33,017	-35,817	-38,844	-41,829	-44,964
Accumulated deficit	125,743	109,155	106,766	105,617	113,238	130,957	144,573	160,309	176,599	192,986	209,286	225,040	240,741	256,783	274,448	293,515	313,975	335,819	359,494	385,110	413,001	443,292	476,309	512,125	550,969	592,798	637,761
	<i>1.25</i>	<i>-13.19</i>	<i>-2.19</i>	<i>-1.08</i>	<i>7.22</i>	<i>15.65</i>	<i>10.40</i>	<i>10.88</i>	<i>10.16</i>	<i>9.28</i>	<i>8.45</i>	<i>7.53</i>	<i>6.98</i>	<i>6.66</i>	<i>6.88</i>	<i>6.95</i>	<i>6.97</i>	<i>6.96</i>	<i>7.05</i>	<i>7.13</i>	<i>7.24</i>	<i>7.33</i>	<i>7.45</i>	<i>7.52</i>	<i>7.58</i>	<i>7.59</i>	<i>7.58</i>
Net debt	140,921	152,702	153,742	156,616	169,585	193,589	214,511	238,109	262,299	285,386	304,849	323,777	342,688	362,004	383,036	405,590	429,638	455,172	482,708	512,334	544,339	578,866	616,215	656,466	699,864	746,366	796,116
	<i>1.52</i>	<i>8.36</i>	<i>0.68</i>	<i>1.87</i>	<i>8.28</i>	<i>14.15</i>	<i>10.81</i>	<i>11.00</i>	<i>10.16</i>	<i>8.80</i>	<i>6.82</i>	<i>6.21</i>	<i>5.84</i>	<i>5.64</i>	<i>5.81</i>	<i>5.89</i>	<i>5.93</i>	<i>5.94</i>	<i>6.05</i>	<i>6.14</i>	<i>6.25</i>	<i>6.34</i>	<i>6.45</i>	<i>6.53</i>	<i>6.61</i>	<i>6.64</i>	<i>6.67</i>
Total debt	0	0	157,311	162,217	176,915	212,122	236,629	254,544	279,799	303,486	304,449	322,864	341,259	360,055	380,554	402,562	426,044	450,996	477,933	506,932	538,286	572,145	608,806	648,354	691,032	736,795	785,786
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>11.55</i>	<i>7.57</i>	<i>9.92</i>	<i>8.47</i>	<i>0.32</i>	<i>6.05</i>	<i>5.70</i>	<i>5.51</i>	<i>5.69</i>	<i>5.78</i>	<i>5.83</i>	<i>5.86</i>	<i>5.97</i>	<i>6.07</i>	<i>6.19</i>	<i>6.29</i>	<i>6.41</i>	<i>6.50</i>	<i>6.58</i>	<i>6.62</i>	<i>6.65</i>

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 7
Scenario 2: Detailed Health Expenditures, Ontario

\$ millions	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Administration	465	490	535	578	452	410	420	439	455	469	484	501	517	534	551	569	588	606	626	647	668	689	712	734	758	782	806
	<i>8.02</i>	<i>5.49</i>	<i>9.28</i>	<i>7.96</i>	<i>-21.84</i>	<i>-9.22</i>	<i>2.31</i>	<i>4.58</i>	<i>3.57</i>	<i>3.23</i>	<i>3.24</i>	<i>3.36</i>	<i>3.33</i>	<i>3.24</i>	<i>3.22</i>	<i>3.23</i>	<i>3.23</i>	<i>3.21</i>	<i>3.25</i>	<i>3.28</i>	<i>3.26</i>	<i>3.26</i>	<i>3.23</i>	<i>3.20</i>	<i>3.18</i>	<i>3.17</i>	<i>3.14</i>
Capital	1,623	1,671	1,492	1,935	2,091	2,292	2,138	2,214	2,265	2,330	2,400	2,471	2,544	2,620	2,698	2,778	2,862	2,947	3,036	3,127	3,221	3,318	3,417	3,519	3,623	3,730	3,840
	<i>3.98</i>	<i>2.98</i>	<i>-10.72</i>	<i>29.70</i>	<i>8.06</i>	<i>9.62</i>	<i>-6.70</i>	<i>3.52</i>	<i>2.33</i>	<i>2.86</i>	<i>2.99</i>	<i>2.97</i>	<i>2.95</i>	<i>2.98</i>	<i>2.99</i>	<i>2.98</i>	<i>2.99</i>	<i>2.99</i>	<i>3.01</i>	<i>3.01</i>	<i>3.01</i>	<i>3.00</i>	<i>2.99</i>	<i>2.98</i>	<i>2.97</i>	<i>2.95</i>	<i>2.94</i>
Drugs	3,141	3,439	3,693	3,814	4,063	4,406	4,579	4,749	4,962	5,171	5,383	5,604	5,835	6,082	6,341	6,610	6,894	7,187	7,500	7,825	8,163	8,518	8,887	9,270	9,672	10,083	10,498
	<i>11.01</i>	<i>9.49</i>	<i>7.40</i>	<i>3.26</i>	<i>6.54</i>	<i>8.43</i>	<i>3.93</i>	<i>3.70</i>	<i>4.49</i>	<i>4.22</i>	<i>4.10</i>	<i>4.10</i>	<i>4.12</i>	<i>4.24</i>	<i>4.26</i>	<i>4.25</i>	<i>4.29</i>	<i>4.25</i>	<i>4.35</i>	<i>4.34</i>	<i>4.32</i>	<i>4.35</i>	<i>4.33</i>	<i>4.32</i>	<i>4.34</i>	<i>4.25</i>	<i>4.11</i>
Hospitals	12,955	13,511	14,294	14,923	15,819	16,601	17,082	18,192	19,154	20,142	21,172	22,261	23,401	24,609	25,876	27,196	28,579	30,028	31,573	33,198	34,891	36,664	38,515	40,476	42,530	44,671	46,907
	<i>9.82</i>	<i>4.29</i>	<i>5.80</i>	<i>4.40</i>	<i>6.00</i>	<i>4.94</i>	<i>2.90</i>	<i>6.50</i>	<i>5.29</i>	<i>5.15</i>	<i>5.11</i>	<i>5.14</i>	<i>5.12</i>	<i>5.16</i>	<i>5.15</i>	<i>5.10</i>	<i>5.08</i>	<i>5.07</i>	<i>5.14</i>	<i>5.15</i>	<i>5.10</i>	<i>5.08</i>	<i>5.05</i>	<i>5.09</i>	<i>5.07</i>	<i>5.03</i>	<i>5.01</i>
Other institutions	3,251	3,530	3,734	3,691	3,865	4,007	4,124	4,386	4,655	4,928	5,202	5,495	5,803	6,122	6,456	6,798	7,163	7,558	7,995	8,468	8,971	9,507	10,098	10,779	11,514	12,288	13,102
	<i>11.98</i>	<i>8.58</i>	<i>5.79</i>	<i>-1.15</i>	<i>4.71</i>	<i>3.69</i>	<i>2.92</i>	<i>6.35</i>	<i>6.12</i>	<i>5.86</i>	<i>5.57</i>	<i>5.63</i>	<i>5.61</i>	<i>5.49</i>	<i>5.45</i>	<i>5.30</i>	<i>5.38</i>	<i>5.52</i>	<i>5.78</i>	<i>5.91</i>	<i>5.95</i>	<i>5.97</i>	<i>6.22</i>	<i>6.74</i>	<i>6.83</i>	<i>6.72</i>	<i>6.62</i>
Other professionals	303	206	184	184	215	237	252	268	285	301	318	336	355	375	397	419	443	469	496	525	556	588	623	661	702	744	789
	<i>-1.83</i>	<i>-32.16</i>	<i>-10.64</i>	<i>0.27</i>	<i>16.71</i>	<i>10.31</i>	<i>6.23</i>	<i>6.22</i>	<i>6.23</i>	<i>5.81</i>	<i>5.69</i>	<i>5.67</i>	<i>5.66</i>	<i>5.66</i>	<i>5.70</i>	<i>5.64</i>	<i>5.71</i>	<i>5.76</i>	<i>5.84</i>	<i>5.86</i>	<i>5.81</i>	<i>5.86</i>	<i>5.94</i>	<i>6.10</i>	<i>6.14</i>	<i>6.09</i>	<i>5.98</i>
Other health spending	1,563	1,740	1,883	2,014	2,261	2,350	2,427	2,538	2,629	2,713	2,801	2,895	2,992	3,089	3,188	3,291	3,398	3,507	3,621	3,739	3,861	3,987	4,116	4,247	4,382	4,521	4,663
	<i>3.41</i>	<i>11.31</i>	<i>8.25</i>	<i>6.93</i>	<i>12.28</i>	<i>3.94</i>	<i>3.26</i>	<i>4.58</i>	<i>3.57</i>	<i>3.23</i>	<i>3.24</i>	<i>3.36</i>	<i>3.33</i>	<i>3.24</i>	<i>3.22</i>	<i>3.23</i>	<i>3.23</i>	<i>3.21</i>	<i>3.25</i>	<i>3.28</i>	<i>3.26</i>	<i>3.26</i>	<i>3.23</i>	<i>3.20</i>	<i>3.18</i>	<i>3.17</i>	<i>3.14</i>
Public health	2,401	2,761	2,977	3,754	4,054	4,261	4,513	4,720	4,888	5,046	5,209	5,384	5,563	5,744	5,929	6,121	6,318	6,521	6,733	6,954	7,181	7,415	7,654	7,899	8,150	8,408	8,672
	<i>-4.76</i>	<i>14.99</i>	<i>7.83</i>	<i>26.08</i>	<i>7.99</i>	<i>5.10</i>	<i>5.92</i>	<i>4.58</i>	<i>3.57</i>	<i>3.23</i>	<i>3.24</i>	<i>3.36</i>	<i>3.33</i>	<i>3.24</i>	<i>3.22</i>	<i>3.23</i>	<i>3.23</i>	<i>3.21</i>	<i>3.25</i>	<i>3.28</i>	<i>3.26</i>	<i>3.26</i>	<i>3.23</i>	<i>3.20</i>	<i>3.18</i>	<i>3.17</i>	<i>3.14</i>
Physicians	7,025	7,664	8,370	9,113	9,985	10,732	11,404	11,857	12,370	12,988	13,639	14,323	15,036	15,789	16,578	17,402	18,264	19,162	20,102	21,083	22,107	23,177	24,287	25,438	26,638	27,888	29,191
	<i>7.75</i>	<i>9.10</i>	<i>9.21</i>	<i>8.88</i>	<i>9.57</i>	<i>7.48</i>	<i>6.26</i>	<i>3.97</i>	<i>4.33</i>	<i>5.00</i>	<i>5.01</i>	<i>5.02</i>	<i>4.98</i>	<i>5.01</i>	<i>5.00</i>	<i>4.97</i>	<i>4.96</i>	<i>4.92</i>	<i>4.91</i>	<i>4.88</i>	<i>4.86</i>	<i>4.84</i>	<i>4.79</i>	<i>4.74</i>	<i>4.72</i>	<i>4.69</i>	<i>4.67</i>
Total health care expenditures	32,725	35,011	37,164	40,006	42,805	45,296	46,939	49,361	51,661	54,089	56,608	59,269	62,047	64,964	68,014	71,184	74,508	77,986	81,682	85,567	89,619	93,863	98,308	103,023	107,970	113,117	118,468
	<i>7.72</i>	<i>6.98</i>	<i>6.15</i>	<i>7.65</i>	<i>7.00</i>	<i>5.82</i>	<i>3.63</i>	<i>5.16</i>	<i>4.66</i>	<i>4.70</i>	<i>4.66</i>	<i>4.70</i>	<i>4.69</i>	<i>4.70</i>	<i>4.69</i>	<i>4.66</i>	<i>4.67</i>	<i>4.67</i>	<i>4.74</i>	<i>4.76</i>	<i>4.74</i>	<i>4.74</i>	<i>4.74</i>	<i>4.80</i>	<i>4.80</i>	<i>4.77</i>	<i>4.73</i>
2002 \$ millions																											
Administration	444	458	492	522	399	361	360	365	369	374	378	383	388	393	398	403	408	413	418	423	429	434	439	444	449	454	460
	<i>6.02</i>	<i>3.22</i>	<i>7.38</i>	<i>6.02</i>	<i>-23.58</i>	<i>-9.56</i>	<i>-0.12</i>	<i>1.23</i>	<i>1.21</i>	<i>1.20</i>	<i>1.24</i>	<i>1.26</i>	<i>1.25</i>	<i>1.27</i>	<i>1.28</i>	<i>1.27</i>	<i>1.27</i>	<i>1.26</i>	<i>1.26</i>	<i>1.25</i>	<i>1.24</i>	<i>1.22</i>	<i>1.20</i>	<i>1.18</i>	<i>1.16</i>	<i>1.13</i>	<i>1.11</i>
Capital	1,594	1,611	1,397	1,765	1,804	1,957	1,821	1,843	1,865	1,888	1,911	1,935	1,959	1,984	2,010	2,035	2,061	2,087	2,113	2,140	2,166	2,193	2,219	2,245	2,271	2,297	2,322
	<i>2.34</i>	<i>1.09</i>	<i>-13.32</i>	<i>26.39</i>	<i>2.18</i>	<i>8.50</i>	<i>-6.97</i>	<i>1.23</i>	<i>1.21</i>	<i>1.20</i>	<i>1.24</i>	<i>1.26</i>	<i>1.25</i>	<i>1.27</i>	<i>1.28</i>	<i>1.27</i>	<i>1.27</i>	<i>1.26</i>	<i>1.26</i>	<i>1.25</i>	<i>1.24</i>	<i>1.22</i>	<i>1.20</i>	<i>1.18</i>	<i>1.16</i>	<i>1.13</i>	<i>1.11</i>
Drugs	3,089	3,357	3,521	3,610	3,788	4,039	4,146	4,255	4,383	4,511	4,636	4,763	4,895	5,037	5,183	5,334	5,490	5,650	5,819	5,992	6,170	6,356	6,546	6,741	6,943	7,146	7,344
	<i>10.25</i>	<i>8.65</i>	<i>4.90</i>	<i>2.51</i>	<i>4.93</i>	<i>6.63</i>	<i>2.67</i>	<i>2.62</i>	<i>3.01</i>	<i>2.90</i>	<i>2.78</i>	<i>2.75</i>	<i>2.77</i>	<i>2.90</i>	<i>2.91</i>	<i>2.90</i>	<i>2.93</i>	<i>2.90</i>	<i>2.99</i>	<i>2.99</i>	<i>2.97</i>	<i>3.00</i>	<i>2.99</i>	<i>2.98</i>	<i>3.00</i>	<i>2.92</i>	<i>2.77</i>
Hospitals	12,304	12,620	12,955	12,812	13,250	13,486	13,414	13,743	14,081	14,423	14,769	15,123	15,483	15,862	16,249	16,636	17,030	17,430	17,850	18,278	18,707	19,143	19,582	20,040	20,504	20,969	21,439
	<i>7.59</i>	<i>2.56</i>	<i>2.66</i>	<i>-1.10</i>	<i>3.42</i>	<i>1.78</i>	<i>-0.54</i>	<i>2.45</i>	<i>2.46</i>	<i>2.43</i>	<i>2.40</i>	<i>2.40</i>	<i>2.38</i>	<i>2.45</i>	<i>2.44</i>	<i>2.38</i>	<i>2.36</i>	<i>2.35</i>	<i>2.41</i>	<i>2.40</i>	<i>2.35</i>	<i>2.33</i>	<i>2.30</i>	<i>2.33</i>	<i>2.32</i>	<i>2.27</i>	<i>2.24</i>
Other institutions	3,093	3,251	3,295	3,131	3,230	3,284	3,304	3,421	3,531	3,640	3,743	3,849	3,958	4,066	4,176	4,283	4,395	4,516	4,652	4,797	4,948	5,104	5,278	5,485	5,704	5,926	6,150
	<i>9.77</i>	<i>5.12</i>	<i>1.34</i>	<i>-4.96</i>	<i>3.15</i>	<i>1.68</i>	<i>0.61</i>	<i>3.52</i>	<i>3.23</i>	<i>3.09</i>	<i>2.81</i>	<i>2.84</i>	<i>2.82</i>	<i>2.74</i>	<i>2.71</i>	<i>2.55</i>	<i>2.62</i>	<i>2.76</i>	<i>3.00</i>	<i>3.12</i>	<i>3.15</i>	<i>3.17</i>	<i>3.40</i>	<i>3.92</i>	<i>4.00</i>	<i>3.89</i>	<i>3.79</i>
Other professionals	285	179	154	150	170	176	174	179	184	189	193	198	203	209	214	219	225	231	237	244	251	257	265	273	281	289	297
	<i>-4.64</i>	<i>-37.04</i>	<i>-14.20</i>	<i>-2.68</i>	<i>13.12</i>	<i>3.81</i>	<i>-1.08</i>	<i>2.66</i>	<i>2.78</i>	<i>2.69</i>	<i>2.58</i>	<i>2.56</i>	<i>2.55</i>	<i>2.54</i>	<i>2.58</i>	<i>2.53</i>	<i>2.59</i>	<i>2.64</i>	<i>2.73</i>	<i>2.75</i>	<i>2.70</i>	<i>2.75</i>	<i>2.82</i>	<i>2.97</i>	<i>3.01</i>	<i>2.96</i>	<i>2.86</i>
Other health spending	1,494	1,628	1,731	1,818	1,996	2,067	2,084	2,109	2,135	2,160	2,187	2,215	2,242	2,271	2,300	2,329	2,359	2,388	2,419	2,449	2,479	2,509	2,539	2,569	2,599	2,628	2,658
	<i>1.50</i>	<i>8.92</i>	<i>6.38</i>	<i>5.01</i>	<i>9.79</i>	<i>3.55</i>	<i>0.81</i>	<i>1.23</i>	<i>1.21</i>	<i>1.20</i>	<i>1.24</i>	<i>1.26</i>															

Table 8
Scenario 2: Detailed Health Care Expenditures, Ontario

Health Care Expenditures (per capita, 2002 \$)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Administration	36	37	39	41	31	28	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27
	<i>4.75</i>	<i>2.08</i>	<i>6.22</i>	<i>4.96</i>	<i>-24.40</i>	<i>-10.48</i>	<i>-1.22</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Capital	129	129	110	138	139	150	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138	138
	<i>1.12</i>	<i>-0.02</i>	<i>-14.25</i>	<i>25.13</i>	<i>1.08</i>	<i>7.40</i>	<i>-8.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Drugs	249	268	278	282	293	309	314	318	324	329	334	339	344	350	355	361	367	373	379	386	393	400	407	414	421	429	436	
	<i>8.93</i>	<i>7.46</i>	<i>3.77</i>	<i>1.49</i>	<i>3.79</i>	<i>5.55</i>	<i>1.54</i>	<i>1.38</i>	<i>1.78</i>	<i>1.68</i>	<i>1.52</i>	<i>1.46</i>	<i>1.50</i>	<i>1.60</i>	<i>1.61</i>	<i>1.61</i>	<i>1.65</i>	<i>1.63</i>	<i>1.71</i>	<i>1.72</i>	<i>1.71</i>	<i>1.76</i>	<i>1.78</i>	<i>1.78</i>	<i>1.82</i>	<i>1.76</i>	<i>1.64</i>	
Hospitals	993	1,007	1,023	1,001	1,025	1,032	1,015	1,028	1,040	1,053	1,065	1,077	1,089	1,102	1,114	1,127	1,139	1,151	1,164	1,177	1,190	1,203	1,216	1,230	1,244	1,258	1,272	
	<i>6.30</i>	<i>1.43</i>	<i>1.55</i>	<i>-2.09</i>	<i>2.31</i>	<i>0.75</i>	<i>-1.63</i>	<i>1.21</i>	<i>1.23</i>	<i>1.22</i>	<i>1.15</i>	<i>1.12</i>	<i>1.11</i>	<i>1.16</i>	<i>1.14</i>	<i>1.10</i>	<i>1.08</i>	<i>1.08</i>	<i>1.14</i>	<i>1.14</i>	<i>1.10</i>	<i>1.09</i>	<i>1.09</i>	<i>1.14</i>	<i>1.15</i>	<i>1.13</i>	<i>1.12</i>	
Other institutions	250	260	260	245	250	251	250	256	261	266	270	274	278	282	286	290	294	298	303	309	315	321	328	337	346	356	365	
	<i>8.45</i>	<i>3.97</i>	<i>0.24</i>	<i>-5.91</i>	<i>2.04</i>	<i>0.64</i>	<i>-0.50</i>	<i>2.27</i>	<i>2.00</i>	<i>1.87</i>	<i>1.56</i>	<i>1.55</i>	<i>1.55</i>	<i>1.45</i>	<i>1.41</i>	<i>1.27</i>	<i>1.34</i>	<i>1.48</i>	<i>1.72</i>	<i>1.85</i>	<i>1.89</i>	<i>1.92</i>	<i>2.18</i>	<i>2.71</i>	<i>2.81</i>	<i>2.72</i>	<i>2.65</i>	
Other professionals	23	14	12	12	13	13	13	13	14	14	14	14	14	14	15	15	15	15	15	16	16	16	16	17	17	17	18	
	<i>-5.78</i>	<i>-37.73</i>	<i>-15.12</i>	<i>-3.65</i>	<i>11.90</i>	<i>2.75</i>	<i>-2.17</i>	<i>1.41</i>	<i>1.55</i>	<i>1.47</i>	<i>1.32</i>	<i>1.28</i>	<i>1.28</i>	<i>1.25</i>	<i>1.29</i>	<i>1.25</i>	<i>1.31</i>	<i>1.37</i>	<i>1.45</i>	<i>1.48</i>	<i>1.44</i>	<i>1.50</i>	<i>1.60</i>	<i>1.78</i>	<i>1.84</i>	<i>1.81</i>	<i>1.73</i>	
Other health spending	121	130	137	142	154	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	158	
	<i>0.29</i>	<i>7.72</i>	<i>5.23</i>	<i>3.96</i>	<i>8.61</i>	<i>2.50</i>	<i>-0.30</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	
Public health	185	206	216	265	277	287	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	293	
	<i>-7.64</i>	<i>11.27</i>	<i>4.82</i>	<i>22.58</i>	<i>4.45</i>	<i>3.65</i>	<i>2.27</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	
Physicians	472	488	506	519	500	482	495	498	502	505	509	512	515	519	522	525	528	531	534	537	540	542	545	548	550	553	556	
	<i>-2.72</i>	<i>3.34</i>	<i>3.75</i>	<i>2.42</i>	<i>-3.53</i>	<i>-3.78</i>	<i>2.79</i>	<i>0.68</i>	<i>0.71</i>	<i>0.70</i>	<i>0.67</i>	<i>0.65</i>	<i>0.63</i>	<i>0.63</i>	<i>0.61</i>	<i>0.60</i>	<i>0.59</i>	<i>0.56</i>	<i>0.55</i>	<i>0.54</i>	<i>0.53</i>	<i>0.52</i>	<i>0.50</i>	<i>0.47</i>	<i>0.47</i>	<i>0.47</i>	<i>0.47</i>	
Total health care expenditures	2,458	2,538	2,582	2,645	2,682	2,710	2,704	2,729	2,757	2,783	2,808	2,833	2,857	2,883	2,909	2,934	2,959	2,985	3,012	3,041	3,069	3,098	3,129	3,161	3,195	3,229	3,263	
	<i>3.03</i>	<i>3.29</i>	<i>1.70</i>	<i>2.44</i>	<i>1.42</i>	<i>1.05</i>	<i>-0.24</i>	<i>0.96</i>	<i>1.00</i>	<i>0.97</i>	<i>0.89</i>	<i>0.87</i>	<i>0.87</i>	<i>0.90</i>	<i>0.89</i>	<i>0.86</i>	<i>0.86</i>	<i>0.87</i>	<i>0.93</i>	<i>0.94</i>	<i>0.94</i>	<i>0.94</i>	<i>0.97</i>	<i>1.05</i>	<i>1.08</i>	<i>1.06</i>	<i>1.04</i>	
Health Care Price Deflators (2002 = 100)																												
Administration	105	107	109	111	113	114	116	120	123	126	128	131	133	136	139	141	144	147	150	153	156	159	162	165	169	172	175	
	<i>1.88</i>	<i>2.20</i>	<i>1.76</i>	<i>1.83</i>	<i>2.27</i>	<i>0.38</i>	<i>2.43</i>	<i>3.31</i>	<i>2.33</i>	<i>2.00</i>	<i>1.98</i>	<i>2.07</i>	<i>2.05</i>	<i>1.94</i>	<i>1.92</i>	<i>1.94</i>	<i>1.94</i>	<i>1.93</i>	<i>1.96</i>	<i>2.01</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	<i>2.00</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	
Capital	102	104	107	110	116	117	117	120	121	123	126	128	130	132	134	137	139	141	144	146	149	151	154	157	160	162	165	
	<i>1.60</i>	<i>1.87</i>	<i>2.99</i>	<i>2.62</i>	<i>5.75</i>	<i>1.04</i>	<i>0.29</i>	<i>2.27</i>	<i>1.11</i>	<i>1.64</i>	<i>1.73</i>	<i>1.68</i>	<i>1.68</i>	<i>1.68</i>	<i>1.69</i>	<i>1.69</i>	<i>1.70</i>	<i>1.71</i>	<i>1.73</i>	<i>1.74</i>	<i>1.75</i>	<i>1.76</i>	<i>1.77</i>	<i>1.78</i>	<i>1.79</i>	<i>1.80</i>	<i>1.81</i>	
Drugs	102	102	105	106	107	109	110	112	113	115	116	118	119	121	122	124	126	127	129	131	132	134	136	138	139	141	143	
	<i>0.69</i>	<i>0.77</i>	<i>2.38</i>	<i>0.73</i>	<i>1.54</i>	<i>1.69</i>	<i>1.23</i>	<i>1.05</i>	<i>1.43</i>	<i>1.29</i>	<i>1.28</i>	<i>1.32</i>	<i>1.32</i>	<i>1.30</i>	<i>1.31</i>	<i>1.31</i>	<i>1.32</i>	<i>1.31</i>	<i>1.32</i>	<i>1.31</i>	<i>1.31</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	
Hospitals	105	107	110	116	119	123	127	132	136	140	143	147	151	155	159	163	168	172	177	182	187	192	197	202	207	213	219	
	<i>2.07</i>	<i>1.69</i>	<i>3.06</i>	<i>5.56</i>	<i>2.50</i>	<i>3.10</i>	<i>3.45</i>	<i>3.95</i>	<i>2.77</i>	<i>2.66</i>	<i>2.65</i>	<i>2.68</i>	<i>2.68</i>	<i>2.65</i>	<i>2.64</i>	<i>2.65</i>	<i>2.66</i>	<i>2.66</i>	<i>2.67</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.70</i>	<i>2.70</i>	
Other institutions	105	109	113	118	120	122	125	128	132	135	139	143	147	151	155	159	163	167	172	177	181	186	191	197	202	207	213	
	<i>2.02</i>	<i>3.29</i>	<i>4.40</i>	<i>4.00</i>	<i>1.51</i>	<i>1.98</i>	<i>2.30</i>	<i>2.73</i>	<i>2.80</i>	<i>2.69</i>	<i>2.68</i>	<i>2.71</i>	<i>2.71</i>	<i>2.68</i>	<i>2.67</i>	<i>2.68</i>	<i>2.68</i>	<i>2.68</i>	<i>2.70</i>	<i>2.71</i>	<i>2.71</i>	<i>2.72</i>	<i>2.72</i>	<i>2.72</i>	<i>2.72</i>	<i>2.72</i>	<i>2.73</i>	
Other professionals	106	115	119	123	127	135	145	150	155	160	164	169	175	180	185	191	197	203	209	215	222	228	235	243	250	258	265	
	<i>2.94</i>	<i>7.75</i>	<i>4.15</i>	<i>3.03</i>	<i>3.18</i>	<i>6.26</i>	<i>7.39</i>	<i>3.48</i>	<i>3.36</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	
Other health spending	105	107	109	111	113	114	116	120	123	126	128	131	133	136	139	141	144	147	150	153	156	159	162	165	169	172	175	
	<i>1.88</i>	<i>2.20</i>	<i>1.76</i>	<i>1.83</i>	<i>2.27</i>	<i>0.38</i>	<i>2.43</i>	<i>3.31</i>	<i>2.33</i>	<i>2.00</i>	<i>1.98</i>	<i>2.07</i>	<i>2.05</i>	<i>1.94</i>	<i>1.92</i>	<i>1.94</i>	<i>1.94</i>	<i>1.93</i>	<i>1.96</i>	<i>2.01</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	<i>2.00</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	
Public health	105	107	109	111	113	114	116	120	123	126	128	131	133	136	139	141	144	147	150	153	156	159	162	165	169	172	175	
	<i>1.88</i>	<i>2.20</i>	<i>1.76</i>	<i>1.83</i>	<i>2.27</i>	<i>0.38</i>	<i>2.43</i>	<i>3.31</i>	<i>2.33</i>	<i>2.00</i>	<i>1.98</i>	<i>2.07</i>	<i>2.05</i>	<i>1.94</i>	<i>1.92</i>	<i>1.94</i>	<i>1.94</i>	<i>1.93</i>	<i>1.96</i>	<i>2.01</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	<i>2.00</i>				

Table 9
Scenario 2—Detailed Education Spending
(2002 \$)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	
Total education spending (\$ millions)	16,151 <i>4.03</i>	17,175 <i>6.34</i>	18,155 <i>5.71</i>	19,765 <i>8.87</i>	20,472 <i>3.58</i>	21,168 <i>3.40</i>	21,992 <i>3.90</i>	22,793 <i>3.64</i>	23,411 <i>2.71</i>	24,052 <i>2.74</i>	24,742 <i>2.87</i>	25,471 <i>2.94</i>	26,236 <i>3.01</i>	27,070 <i>3.18</i>	27,981 <i>3.37</i>	28,969 <i>3.53</i>	30,026 <i>3.65</i>	31,142 <i>3.72</i>	32,348 <i>3.87</i>	33,644 <i>4.01</i>	35,013 <i>4.07</i>	36,446 <i>4.09</i>	37,937 <i>4.09</i>	39,499 <i>4.12</i>	41,121 <i>4.11</i>	42,783 <i>4.04</i>	44,480 <i>3.97</i>	
Elementary and secondary	11,189 <i>0.06</i>	11,922 <i>6.55</i>	12,266 <i>2.89</i>	12,853 <i>4.79</i>	13,910 <i>8.22</i>	14,269 <i>2.58</i>	14,736 <i>3.27</i>	15,227 <i>3.33</i>	15,601 <i>2.45</i>	15,993 <i>2.52</i>	16,448 <i>2.85</i>	16,986 <i>3.27</i>	17,593 <i>3.58</i>	18,257 <i>3.77</i>	18,970 <i>3.91</i>	19,757 <i>4.14</i>	20,592 <i>4.23</i>	21,464 <i>4.24</i>	22,366 <i>4.20</i>	23,320 <i>4.26</i>	24,318 <i>4.28</i>	25,372 <i>4.34</i>	26,455 <i>4.26</i>	27,571 <i>4.22</i>	28,712 <i>4.14</i>	29,868 <i>4.02</i>	31,038 <i>3.92</i>	
Post-secondary	4,465 <i>15.67</i>	4,698 <i>5.22</i>	5,253 <i>11.81</i>	6,246 <i>18.90</i>	5,888 <i>-5.73</i>	6,195 <i>5.21</i>	6,515 <i>5.17</i>	6,787 <i>4.18</i>	6,999 <i>3.12</i>	7,216 <i>3.09</i>	7,416 <i>2.78</i>	7,571 <i>2.09</i>	7,692 <i>1.60</i>	7,822 <i>1.70</i>	7,980 <i>2.01</i>	8,139 <i>2.00</i>	8,317 <i>2.18</i>	8,515 <i>2.38</i>	8,772 <i>3.02</i>	9,064 <i>3.33</i>	9,384 <i>3.53</i>	9,708 <i>3.46</i>	10,062 <i>3.64</i>	10,451 <i>3.86</i>	10,872 <i>4.03</i>	11,317 <i>4.10</i>	11,780 <i>4.09</i>	
Other	498 <i>3.11</i>	554 <i>11.24</i>	636 <i>14.80</i>	667 <i>4.87</i>	673 <i>0.90</i>	704 <i>4.64</i>	741 <i>5.23</i>	779 <i>5.08</i>	811 <i>4.11</i>	844 <i>4.04</i>	878 <i>4.07</i>	914 <i>4.11</i>	952 <i>4.11</i>	991 <i>4.10</i>	1,031 <i>4.10</i>	1,073 <i>4.10</i>	1,117 <i>4.10</i>	1,163 <i>4.09</i>	1,211 <i>4.10</i>	1,260 <i>4.10</i>	1,312 <i>4.09</i>	1,365 <i>4.07</i>	1,421 <i>4.05</i>	1,478 <i>4.03</i>	1,537 <i>4.01</i>	1,598 <i>3.99</i>	1,662 <i>3.97</i>	
Total education spending (2002 \$ millions)	15,190 <i>1.21</i>	15,670 <i>3.16</i>	15,518 <i>-0.97</i>	16,940 <i>9.16</i>	17,163 <i>1.32</i>	17,137 <i>-0.15</i>	17,113 <i>-0.14</i>	17,085 <i>-0.16</i>	17,058 <i>-0.16</i>	17,048 <i>-0.06</i>	17,061 <i>0.07</i>	17,082 <i>0.12</i>	17,114 <i>0.19</i>	17,178 <i>0.38</i>	17,275 <i>0.56</i>	17,398 <i>0.72</i>	17,542 <i>0.83</i>	17,699 <i>0.89</i>	17,883 <i>1.04</i>	18,089 <i>1.15</i>	18,310 <i>1.22</i>	18,536 <i>1.24</i>	18,765 <i>1.23</i>	19,001 <i>1.26</i>	19,238 <i>1.25</i>	19,465 <i>1.18</i>	19,680 <i>1.11</i>	
Elementary and secondary	10,523 <i>-2.65</i>	10,877 <i>3.36</i>	10,485 <i>-3.61</i>	11,016 <i>5.07</i>	11,661 <i>5.86</i>	11,552 <i>-0.94</i>	11,466 <i>-0.74</i>	11,414 <i>-0.46</i>	11,367 <i>-0.41</i>	11,336 <i>-0.27</i>	11,342 <i>0.05</i>	11,392 <i>0.44</i>	11,476 <i>0.74</i>	11,586 <i>0.96</i>	11,712 <i>1.09</i>	11,865 <i>1.31</i>	12,030 <i>1.39</i>	12,199 <i>1.40</i>	12,364 <i>1.36</i>	12,538 <i>1.41</i>	12,717 <i>1.42</i>	12,904 <i>1.48</i>	13,085 <i>1.40</i>	13,263 <i>1.36</i>	13,433 <i>1.28</i>	13,589 <i>1.16</i>	13,733 <i>1.06</i>	
Post-secondary	4,199 <i>12.53</i>	4,286 <i>2.07</i>	4,490 <i>4.76</i>	5,353 <i>19.22</i>	4,936 <i>-7.79</i>	5,015 <i>1.61</i>	5,070 <i>1.08</i>	5,088 <i>0.35</i>	5,100 <i>0.24</i>	5,114 <i>0.29</i>	5,114 <i>-0.01</i>	5,078 <i>-0.71</i>	5,017 <i>-1.19</i>	4,964 <i>-1.06</i>	4,926 <i>-0.76</i>	4,888 <i>-0.77</i>	4,859 <i>-0.60</i>	4,839 <i>-0.40</i>	4,849 <i>0.21</i>	4,874 <i>0.50</i>	4,907 <i>0.69</i>	4,937 <i>0.62</i>	4,977 <i>0.80</i>	5,027 <i>1.01</i>	5,086 <i>1.17</i>	5,149 <i>1.23</i>	5,212 <i>1.23</i>	
Other	468 <i>0.31</i>	505 <i>7.92</i>	544 <i>7.56</i>	572 <i>5.16</i>	564 <i>-1.30</i>	570 <i>1.05</i>	577 <i>1.14</i>	584 <i>1.22</i>	591 <i>1.21</i>	598 <i>1.21</i>	605 <i>1.24</i>	613 <i>1.26</i>	621 <i>1.26</i>	629 <i>1.28</i>	637 <i>1.28</i>	645 <i>1.27</i>	653 <i>1.26</i>	661 <i>1.26</i>	669 <i>1.26</i>	678 <i>1.24</i>	686 <i>1.23</i>	694 <i>1.22</i>	703 <i>1.19</i>	711 <i>1.17</i>	719 <i>1.15</i>	727 <i>1.13</i>	735 <i>1.10</i>	
Total spending per student (2002 \$)	6,050 <i>0.70</i>	6,222 <i>2.85</i>	6,184 <i>-0.62</i>	6,774 <i>9.54</i>	6,899 <i>1.85</i>	6,916 <i>0.24</i>	6,931 <i>0.21</i>	6,941 <i>0.14</i>	6,949 <i>0.13</i>	6,957 <i>0.11</i>	6,960 <i>0.05</i>	6,957 <i>-0.04</i>	6,950 <i>-0.11</i>	6,941 <i>-0.13</i>	6,932 <i>-0.13</i>	6,921 <i>-0.16</i>	6,910 <i>-0.16</i>	6,900 <i>-0.15</i>	6,892 <i>-0.11</i>	6,886 <i>-0.08</i>	6,882 <i>-0.07</i>	6,877 <i>-0.07</i>	6,874 <i>-0.05</i>	6,872 <i>-0.03</i>	6,871 <i>-0.02</i>	6,871 <i>0.00</i>	6,871 <i>0.01</i>	
Elementary and secondary	5,230 <i>-2.48</i>	5,420 <i>3.64</i>	5,266 <i>-2.85</i>	5,573 <i>5.83</i>	5,965 <i>7.04</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>	5,965 <i>0.00</i>
Post-secondary	8,421 <i>8.90</i>	8,379 <i>-0.49</i>	8,664 <i>3.40</i>	10,217 <i>17.93</i>	9,267 <i>-9.30</i>	9,265 <i>-0.02</i>	9,272 <i>0.07</i>	9,282 <i>0.12</i>	9,292 <i>0.10</i>	9,297 <i>0.06</i>	9,303 <i>0.06</i>	9,309 <i>0.06</i>	9,316 <i>0.07</i>	9,319 <i>0.04</i>	9,318 <i>-0.02</i>	9,315 <i>-0.03</i>	9,310 <i>-0.05</i>	9,304 <i>-0.07</i>	9,294 <i>-0.11</i>	9,287 <i>-0.08</i>	9,283 <i>-0.05</i>	9,283 <i>0.00</i>	9,282 <i>-0.01</i>	9,283 <i>0.01</i>	9,281 <i>-0.02</i>	9,279 <i>-0.02</i>	9,276 <i>-0.03</i>	

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 10
Scenario 3—Government Revenues
(\$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Total revenues	83,861 <i>12.92</i>	90,305 <i>7.68</i>	96,640 <i>7.02</i>	103,579 <i>7.18</i>	96,933 <i>-6.42</i>	95,793 <i>-1.18</i>	106,658 <i>11.34</i>	108,075 <i>1.33</i>	113,589 <i>5.10</i>	120,646 <i>6.21</i>	128,289 <i>6.33</i>	136,230 <i>6.19</i>	144,732 <i>6.24</i>	153,479 <i>6.04</i>	159,321 <i>3.81</i>	165,515 <i>3.89</i>	172,011 <i>3.92</i>	178,843 <i>3.97</i>	185,701 <i>3.83</i>	192,914 <i>3.88</i>	200,208 <i>3.78</i>	207,841 <i>3.81</i>	215,619 <i>3.74</i>	223,897 <i>3.84</i>	232,478 <i>3.83</i>	241,593 <i>3.92</i>	251,040 <i>3.91</i>
Own source revenues	71,979 <i>11.81</i>	77,054 <i>7.05</i>	82,604 <i>7.20</i>	86,982 <i>5.30</i>	80,342 <i>-7.63</i>	77,173 <i>-3.94</i>	83,617 <i>8.35</i>	86,486 <i>3.43</i>	91,816 <i>6.16</i>	97,778 <i>6.49</i>	104,616 <i>6.99</i>	111,373 <i>6.46</i>	118,636 <i>6.52</i>	126,304 <i>6.46</i>	131,069 <i>3.77</i>	136,174 <i>3.89</i>	141,564 <i>3.96</i>	147,269 <i>4.03</i>	152,958 <i>3.86</i>	158,970 <i>3.93</i>	165,025 <i>3.81</i>	171,391 <i>3.86</i>	177,859 <i>3.77</i>	184,782 <i>3.89</i>	191,961 <i>3.88</i>	199,622 <i>3.99</i>	207,561 <i>3.98</i>
Personal income taxes	20,312 <i>5.59</i>	22,114 <i>8.87</i>	24,622 <i>11.34</i>	25,472 <i>3.45</i>	25,738 <i>1.04</i>	23,393 <i>-9.11</i>	23,624 <i>0.99</i>	24,781 <i>4.90</i>	26,193 <i>5.70</i>	27,692 <i>5.72</i>	29,123 <i>5.17</i>	30,470 <i>4.63</i>	31,889 <i>4.66</i>	33,304 <i>4.44</i>	34,774 <i>4.41</i>	36,302 <i>4.39</i>	37,966 <i>4.58</i>	39,732 <i>4.65</i>	41,574 <i>4.64</i>	43,494 <i>4.62</i>	45,519 <i>4.65</i>	47,622 <i>4.62</i>	49,785 <i>4.54</i>	52,048 <i>4.55</i>	54,402 <i>4.52</i>	56,809 <i>4.43</i>	59,314 <i>4.41</i>
Corporate income taxes	9,883 <i>48.44</i>	9,984 <i>1.02</i>	10,845 <i>8.62</i>	12,990 <i>19.78</i>	6,748 <i>-48.05</i>	5,615 <i>-16.79</i>	8,383 <i>49.30</i>	8,893 <i>6.08</i>	9,206 <i>3.52</i>	9,249 <i>0.48</i>	9,594 <i>3.73</i>	9,864 <i>2.81</i>	10,226 <i>3.67</i>	10,730 <i>4.93</i>	11,209 <i>4.46</i>	11,870 <i>5.90</i>	12,575 <i>5.94</i>	13,359 <i>6.23</i>	13,919 <i>4.19</i>	14,618 <i>5.02</i>	15,130 <i>3.50</i>	15,739 <i>4.03</i>	16,247 <i>3.22</i>	16,937 <i>4.25</i>	17,640 <i>4.15</i>	18,607 <i>5.48</i>	19,596 <i>5.32</i>
Retail sales tax	14,605 <i>4.31</i>	15,285 <i>4.66</i>	15,986 <i>4.58</i>	16,745 <i>4.75</i>	17,021 <i>1.65</i>	17,059 <i>0.22</i>	18,813 <i>10.28</i>	19,640 <i>4.40</i>	23,133 <i>17.78</i>	26,873 <i>16.17</i>	30,773 <i>14.51</i>	34,809 <i>13.12</i>	39,155 <i>12.49</i>	43,745 <i>11.72</i>	45,371 <i>3.72</i>	47,052 <i>3.70</i>	48,798 <i>3.71</i>	50,628 <i>3.75</i>	52,533 <i>3.76</i>	54,493 <i>3.73</i>	56,537 <i>3.75</i>	58,662 <i>3.76</i>	60,897 <i>3.81</i>	63,249 <i>3.86</i>	65,707 <i>3.89</i>	68,277 <i>3.91</i>	70,950 <i>3.92</i>
Ontario Health Premium	0 <i>0.00</i>	0 <i>0.00</i>	2,589 <i>0.00</i>	2,713 <i>4.79</i>	2,776 <i>2.32</i>	2,763 <i>-0.47</i>	2,934 <i>6.19</i>	2,948 <i>0.47</i>	3,109 <i>5.47</i>	3,280 <i>5.49</i>	3,442 <i>4.96</i>	3,595 <i>4.44</i>	3,756 <i>4.47</i>	3,916 <i>4.26</i>	4,082 <i>4.24</i>	4,254 <i>4.22</i>	4,441 <i>4.40</i>	4,640 <i>4.47</i>	4,846 <i>4.45</i>	5,061 <i>4.43</i>	5,287 <i>4.47</i>	5,522 <i>4.44</i>	5,763 <i>4.36</i>	6,014 <i>4.36</i>	6,275 <i>4.34</i>	6,542 <i>4.25</i>	6,819 <i>4.23</i>
Education property tax	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	5,754 <i>0.00</i>	5,696 <i>-1.01</i>	5,626 <i>-1.23</i>	5,913 <i>5.10</i>	5,727 <i>-3.15</i>	5,700 <i>-0.47</i>	5,600 <i>-1.75</i>	5,792 <i>3.42</i>	5,984 <i>3.32</i>	6,179 <i>3.25</i>	6,377 <i>3.21</i>	6,581 <i>3.20</i>	6,792 <i>3.21</i>	7,010 <i>3.20</i>	7,234 <i>3.19</i>	7,468 <i>3.23</i>	7,711 <i>3.25</i>	7,960 <i>3.23</i>	8,217 <i>3.23</i>	8,479 <i>3.20</i>	8,748 <i>3.17</i>	9,024 <i>3.15</i>	9,307 <i>3.14</i>	9,597 <i>3.12</i>
Other tax revenue	0 <i>0.00</i>	0 <i>0.00</i>	10,993 <i>0.00</i>	11,215 <i>2.02</i>	10,877 <i>-3.01</i>	10,475 <i>-3.70</i>	11,480 <i>9.59</i>	12,095 <i>5.36</i>	12,253 <i>1.30</i>	12,603 <i>2.86</i>	12,945 <i>2.72</i>	13,256 <i>2.40</i>	13,578 <i>2.43</i>	13,904 <i>2.40</i>	14,236 <i>2.39</i>	14,577 <i>2.39</i>	14,925 <i>2.39</i>	15,285 <i>2.41</i>	15,662 <i>2.47</i>	16,052 <i>2.49</i>	16,451 <i>2.49</i>	16,859 <i>2.48</i>	17,277 <i>2.47</i>	17,703 <i>2.47</i>	18,139 <i>2.46</i>	18,584 <i>2.46</i>	19,039 <i>2.45</i>
Income from gov't business enterprises	0 <i>0.00</i>	0 <i>0.00</i>	4,196 <i>0.00</i>	4,437 <i>5.74</i>	4,042 <i>-8.90</i>	4,195 <i>3.79</i>	4,566 <i>8.84</i>	4,775 <i>4.57</i>	5,024 <i>5.21</i>	5,282 <i>5.14</i>	5,501 <i>4.15</i>	5,702 <i>3.65</i>	5,909 <i>3.64</i>	6,129 <i>3.72</i>	6,355 <i>3.69</i>	6,594 <i>3.76</i>	6,835 <i>3.67</i>	7,092 <i>3.76</i>	7,354 <i>3.70</i>	7,627 <i>3.71</i>	7,908 <i>3.68</i>	8,206 <i>3.77</i>	8,510 <i>3.71</i>	8,835 <i>3.82</i>	9,171 <i>3.80</i>	9,530 <i>3.91</i>	9,906 <i>3.95</i>
Other own-source revenue	0 <i>0.00</i>	0 <i>0.00</i>	7,855 <i>0.00</i>	7,656 <i>-2.53</i>	7,444 <i>-2.77</i>	8,047 <i>8.10</i>	7,904 <i>-1.78</i>	7,628 <i>-3.49</i>	7,200 <i>-5.61</i>	7,200 <i>0.00</i>	7,446 <i>3.42</i>	7,694 <i>3.32</i>	7,944 <i>3.25</i>	8,199 <i>3.21</i>	8,461 <i>3.20</i>	8,733 <i>3.21</i>	9,013 <i>3.20</i>	9,300 <i>3.19</i>	9,601 <i>3.23</i>	9,914 <i>3.25</i>	10,234 <i>3.23</i>	10,564 <i>3.23</i>	10,902 <i>3.20</i>	11,247 <i>3.17</i>	11,602 <i>3.15</i>	11,966 <i>3.14</i>	12,339 <i>3.12</i>
Transfers from Gov't of Canada	11,882 <i>20.11</i>	13,251 <i>11.52</i>	14,036 <i>5.92</i>	16,597 <i>18.25</i>	16,591 <i>-0.04</i>	18,620 <i>12.23</i>	23,041 <i>23.74</i>	21,589 <i>-6.30</i>	21,773 <i>0.85</i>	22,868 <i>5.03</i>	23,672 <i>3.52</i>	24,857 <i>5.01</i>	26,096 <i>4.99</i>	27,176 <i>4.14</i>	28,252 <i>3.96</i>	29,341 <i>3.85</i>	30,447 <i>3.77</i>	31,574 <i>3.70</i>	32,743 <i>3.70</i>	33,944 <i>3.67</i>	35,183 <i>3.65</i>	36,450 <i>3.60</i>	37,760 <i>3.59</i>	39,115 <i>3.59</i>	40,518 <i>3.59</i>	41,971 <i>3.59</i>	43,478 <i>3.59</i>
Canada Health Transfer	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	8,487 <i>0.00</i>	8,942 <i>5.36</i>	9,791 <i>9.49</i>	10,184 <i>4.01</i>	10,741 <i>5.47</i>	11,387 <i>6.02</i>	12,071 <i>6.00</i>	12,443 <i>3.09</i>	13,201 <i>6.08</i>	14,005 <i>6.09</i>	14,647 <i>4.59</i>	15,282 <i>4.33</i>	15,920 <i>4.18</i>	16,565 <i>4.05</i>	17,221 <i>3.96</i>	17,901 <i>3.95</i>	18,598 <i>3.90</i>	19,319 <i>3.88</i>	20,054 <i>3.80</i>	20,815 <i>3.80</i>	21,605 <i>3.79</i>	22,424 <i>3.79</i>	23,274 <i>3.79</i>	24,159 <i>3.80</i>
Canada Social Transfer	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	3,778 <i>0.00</i>	4,079 <i>7.97</i>	4,204 <i>3.06</i>	4,330 <i>3.00</i>	4,465 <i>3.12</i>	4,597 <i>2.95</i>	4,732 <i>2.95</i>	4,877 <i>3.06</i>	5,028 <i>3.08</i>	5,183 <i>3.09</i>	5,345 <i>3.13</i>	5,513 <i>3.14</i>	5,687 <i>3.15</i>	5,866 <i>3.16</i>	6,052 <i>3.17</i>	6,245 <i>3.18</i>	6,444 <i>3.18</i>	6,650 <i>3.19</i>	6,862 <i>3.19</i>	7,081 <i>3.19</i>	7,307 <i>3.20</i>	7,541 <i>3.20</i>	7,782 <i>3.20</i>	8,030 <i>3.19</i>
Equalization	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	347 <i>0.00</i>	972 <i>180.12</i>	2,200 <i>126.34</i>	3,261 <i>48.23</i>	3,676 <i>12.73</i>	3,881 <i>5.56</i>	4,076 <i>5.03</i>	4,272 <i>4.81</i>	4,463 <i>4.46</i>	4,650 <i>4.19</i>	4,837 <i>4.03</i>	5,025 <i>3.89</i>	5,215 <i>3.78</i>	5,411 <i>3.76</i>	5,612 <i>3.71</i>	5,819 <i>3.68</i>	6,029 <i>3.61</i>	6,246 <i>3.60</i>	6,471 <i>3.60</i>	6,703 <i>3.59</i>	6,944 <i>3.59</i>	7,195 <i>3.61</i>
Other	0 <i>0.00</i>	0 <i>0.00</i>	0 <i>0.00</i>	4,332 <i>0.00</i>	3,570 <i>-17.59</i>	4,278 <i>19.83</i>	7,555 <i>76.60</i>	4,183 <i>-44.63</i>	2,528 <i>-39.56</i>	2,389 <i>-5.50</i>	2,471 <i>3.42</i>	2,553 <i>3.32</i>	2,636 <i>3.25</i>	2,720 <i>3.21</i>	2,808 <i>3.20</i>	2,898 <i>3.21</i>	2,990 <i>3.20</i>	3,086 <i>3.19</i>	3,186 <i>3.23</i>	3,289 <i>3.25</i>	3,396 <i>3.23</i>	3,505 <i>3.23</i>	3,617 <i>3.20</i>	3,732 <i>3.17</i>	3,850 <i>3.15</i>	3,971 <i>3.14</i>	4,094 <i>3.12</i>

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 11
Scenario 3—Government Expenditures
(\$ millions)

	2004–05	2005–06	2006–07	2007–08	2008–09	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31
Total expenditures	85,416	90,007	94,371	102,979	103,342	115,055	120,669	124,100	127,279	132,064	136,973	141,444	146,603	152,014	158,647	165,415	172,478	179,863	187,727	196,074	204,852	214,120	223,874	234,226	245,143	256,591	268,570
	<i>7.10</i>	<i>5.37</i>	<i>4.85</i>	<i>9.12</i>	<i>0.35</i>	<i>11.33</i>	<i>4.88</i>	<i>2.84</i>	<i>2.56</i>	<i>3.76</i>	<i>3.72</i>	<i>3.26</i>	<i>3.65</i>	<i>3.69</i>	<i>4.36</i>	<i>4.27</i>	<i>4.27</i>	<i>4.28</i>	<i>4.37</i>	<i>4.45</i>	<i>4.48</i>	<i>4.52</i>	<i>4.56</i>	<i>4.62</i>	<i>4.66</i>	<i>4.67</i>	<i>4.67</i>
Total program expenditures	76,048	80,988	85,540	94,065	94,776	106,336	111,189	114,000	116,602	120,377	123,948	128,131	132,195	136,588	142,650	149,048	155,791	162,867	170,398	178,362	186,709	195,471	204,634	214,288	224,395	234,902	245,812
	<i>8.41</i>	<i>6.50</i>	<i>5.62</i>	<i>9.97</i>	<i>0.76</i>	<i>12.20</i>	<i>4.56</i>	<i>2.53</i>	<i>2.28</i>	<i>3.24</i>	<i>2.97</i>	<i>3.38</i>	<i>3.17</i>	<i>3.32</i>	<i>4.44</i>	<i>4.49</i>	<i>4.52</i>	<i>4.54</i>	<i>4.62</i>	<i>4.67</i>	<i>4.68</i>	<i>4.69</i>	<i>4.69</i>	<i>4.72</i>	<i>4.72</i>	<i>4.68</i>	<i>4.64</i>
Health	31,634	32,903	35,655	38,108	40,734	43,159	44,773	47,644	50,301	53,123	56,080	59,224	62,532	66,032	69,721	73,592	77,680	81,990	86,594	91,467	96,593	102,001	107,706	113,780	120,196	126,926	133,980
	<i>7.72</i>	<i>4.01</i>	<i>8.36</i>	<i>6.88</i>	<i>6.89</i>	<i>5.95</i>	<i>3.74</i>	<i>6.41</i>	<i>5.58</i>	<i>5.61</i>	<i>5.57</i>	<i>5.61</i>	<i>5.59</i>	<i>5.60</i>	<i>5.59</i>	<i>5.55</i>	<i>5.56</i>	<i>5.55</i>	<i>5.62</i>	<i>5.63</i>	<i>5.60</i>	<i>5.60</i>	<i>5.59</i>	<i>5.64</i>	<i>5.64</i>	<i>5.60</i>	<i>5.56</i>
Social services	9,153	9,998	10,455	11,282	11,215	12,219	12,993	13,701	14,000	14,400	14,832	15,277	15,735	16,207	16,726	17,263	17,816	18,384	18,979	19,596	20,230	20,883	21,550	22,233	22,934	23,654	24,392
	<i>6.82</i>	<i>9.23</i>	<i>4.57</i>	<i>7.91</i>	<i>-0.59</i>	<i>8.95</i>	<i>6.33</i>	<i>5.45</i>	<i>2.18</i>	<i>2.86</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Education	21,245	22,100	23,344	25,219	26,552	26,656	29,689	30,883	31,701	32,554	33,488	34,505	35,596	36,786	38,078	39,486	40,989	42,571	44,259	46,063	47,963	49,958	52,025	54,181	56,411	58,688	61,008
	<i>7.42</i>	<i>4.02</i>	<i>5.63</i>	<i>8.03</i>	<i>5.29</i>	<i>0.39</i>	<i>11.38</i>	<i>4.02</i>	<i>2.65</i>	<i>2.69</i>	<i>2.87</i>	<i>3.04</i>	<i>3.16</i>	<i>3.34</i>	<i>3.51</i>	<i>3.70</i>	<i>3.81</i>	<i>3.86</i>	<i>3.96</i>	<i>4.08</i>	<i>4.13</i>	<i>4.16</i>	<i>4.14</i>	<i>4.14</i>	<i>4.12</i>	<i>4.04</i>	<i>3.95</i>
Primary and secondary	0	0	0	18,733	20,471	21,432	22,372	23,738	24,329	24,950	25,667	26,510	27,462	28,500	29,615	30,842	32,145	33,505	34,913	36,400	37,956	39,600	41,287	43,027	44,807	46,610	48,437
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>9.28</i>	<i>4.69</i>	<i>4.39</i>	<i>6.11</i>	<i>2.49</i>	<i>2.55</i>	<i>2.87</i>	<i>3.29</i>	<i>3.59</i>	<i>3.78</i>	<i>3.91</i>	<i>4.14</i>	<i>4.22</i>	<i>4.23</i>	<i>4.20</i>	<i>4.26</i>	<i>4.28</i>	<i>4.33</i>	<i>4.26</i>	<i>4.21</i>	<i>4.14</i>	<i>4.02</i>	<i>3.92</i>
Training colleges and universities	0	0	0	6,486	6,081	6,081	7,317	7,145	7,372	7,604	7,821	7,994	8,135	8,286	8,463	8,645	8,845	9,066	9,346	9,663	10,008	10,358	10,738	11,155	11,604	12,079	12,572
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>-6.24</i>	<i>0.00</i>	<i>20.33</i>	<i>-2.36</i>	<i>3.18</i>	<i>3.15</i>	<i>2.86</i>	<i>2.21</i>	<i>1.75</i>	<i>1.85</i>	<i>2.15</i>	<i>2.14</i>	<i>2.31</i>	<i>2.50</i>	<i>3.09</i>	<i>3.39</i>	<i>3.57</i>	<i>3.50</i>	<i>3.67</i>	<i>3.88</i>	<i>4.03</i>	<i>4.09</i>	<i>4.08</i>
Other program expenditures	14,016	15,987	16,086	19,456	16,275	24,361	23,734	21,773	20,600	20,300	19,548	19,125	18,331	17,563	18,125	18,707	19,306	19,922	20,567	21,236	21,923	22,630	23,353	24,093	24,853	25,633	26,432
	<i>12.71</i>	<i>14.06</i>	<i>0.62</i>	<i>20.95</i>	<i>-16.35</i>	<i>49.68</i>	<i>-2.57</i>	<i>-8.26</i>	<i>-5.39</i>	<i>-1.46</i>	<i>-3.71</i>	<i>-2.16</i>	<i>-4.15</i>	<i>-4.19</i>	<i>3.20</i>	<i>3.21</i>	<i>3.20</i>	<i>3.19</i>	<i>3.23</i>	<i>3.25</i>	<i>3.23</i>	<i>3.23</i>	<i>3.20</i>	<i>3.17</i>	<i>3.15</i>	<i>3.14</i>	<i>3.12</i>
Interest payments	9,368	9,019	8,831	8,914	8,566	8,719	9,480	10,100	10,677	11,687	13,026	13,313	14,408	15,426	15,997	16,366	16,686	16,996	17,329	17,711	18,143	18,648	19,240	19,938	20,749	21,689	22,758
	<i>-2.46</i>	<i>-3.73</i>	<i>-2.08</i>	<i>0.94</i>	<i>-3.90</i>	<i>1.79</i>	<i>8.73</i>	<i>6.54</i>	<i>5.71</i>	<i>9.47</i>	<i>11.45</i>	<i>2.20</i>	<i>8.23</i>	<i>7.06</i>	<i>3.70</i>	<i>2.31</i>	<i>1.96</i>	<i>1.86</i>	<i>1.96</i>	<i>2.21</i>	<i>2.44</i>	<i>2.78</i>	<i>3.17</i>	<i>3.63</i>	<i>4.07</i>	<i>4.53</i>	<i>4.93</i>
Reserve	0	0	0	0	0	0	0	-200	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000	-1,000
Surplus/deficit	-1,555	298	2,269	600	-6,409	-19,262	-14,011	-16,225	-14,690	-12,418	-9,685	-6,213	-2,871	465	-326	-900	-1,467	-2,020	-3,026	-4,159	-5,644	-7,278	-9,255	-11,329	-13,665	-15,998	-18,530
Accumulated deficit	125,743	109,155	106,766	105,617	113,238	130,957	144,573	160,798	175,488	187,906	197,591	203,804	206,675	206,210	206,536	207,436	208,903	210,923	213,949	218,109	223,753	231,031	240,286	251,615	265,280	281,278	299,808
	<i>1.25</i>	<i>-13.19</i>	<i>-2.19</i>	<i>-1.08</i>	<i>7.22</i>	<i>15.65</i>	<i>10.40</i>	<i>11.22</i>	<i>9.14</i>	<i>7.08</i>	<i>5.15</i>	<i>3.14</i>	<i>1.41</i>	<i>-0.22</i>	<i>0.16</i>	<i>0.44</i>	<i>0.71</i>	<i>0.97</i>	<i>1.43</i>	<i>1.94</i>	<i>2.59</i>	<i>3.25</i>	<i>4.01</i>	<i>4.71</i>	<i>5.43</i>	<i>6.03</i>	<i>6.59</i>
Net debt	140,921	152,702	153,742	156,616	169,585	193,589	214,511	238,598	261,188	280,306	293,153	302,541	308,622	311,431	315,123	319,511	324,566	330,277	337,164	345,333	355,091	366,606	380,193	395,956	414,175	434,846	458,163
	<i>1.52</i>	<i>8.36</i>	<i>0.68</i>	<i>1.87</i>	<i>8.28</i>	<i>14.15</i>	<i>10.81</i>	<i>11.23</i>	<i>9.47</i>	<i>7.32</i>	<i>4.58</i>	<i>3.20</i>	<i>2.01</i>	<i>0.91</i>	<i>1.19</i>	<i>1.39</i>	<i>1.58</i>	<i>1.76</i>	<i>2.09</i>	<i>2.42</i>	<i>2.83</i>	<i>3.24</i>	<i>3.71</i>	<i>4.15</i>	<i>4.60</i>	<i>4.99</i>	<i>5.36</i>
Total debt	0	0	157,311	162,217	176,915	212,122	236,629	255,033	278,688	298,406	292,753	301,628	307,194	309,481	312,642	316,483	320,972	326,101	332,388	339,930	349,038	359,884	372,784	387,844	405,343	425,275	447,833
	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>11.55</i>	<i>7.78</i>	<i>9.28</i>	<i>7.08</i>	<i>-1.89</i>	<i>3.03</i>	<i>1.85</i>	<i>0.74</i>	<i>1.02</i>	<i>1.23</i>	<i>1.42</i>	<i>1.60</i>	<i>1.93</i>	<i>2.27</i>	<i>2.68</i>	<i>3.11</i>	<i>3.58</i>	<i>4.04</i>	<i>4.51</i>	<i>4.92</i>	<i>5.30</i>

Italics indicate percentage change.

Shaded area represents forecast data.

Sources: The Conference Board of Canada; Statistics Canada.

Table 12
Scenario 3: Detailed Health Expenditures, Ontario

\$ millions	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Administration	465	490	535	578	452	410	420	439	455	469	484	501	517	534	551	569	588	606	626	647	668	689	712	734	758	782	806	
	<i>8.02</i>	<i>5.49</i>	<i>9.28</i>	<i>7.96</i>	<i>-21.84</i>	<i>-9.22</i>	<i>2.31</i>	<i>4.58</i>	<i>3.57</i>	<i>3.23</i>	<i>3.24</i>	<i>3.36</i>	<i>3.33</i>	<i>3.24</i>	<i>3.22</i>	<i>3.23</i>	<i>3.23</i>	<i>3.21</i>	<i>3.25</i>	<i>3.28</i>	<i>3.26</i>	<i>3.26</i>	<i>3.23</i>	<i>3.20</i>	<i>3.18</i>	<i>3.17</i>	<i>3.14</i>	
Capital	1,623	1,671	1,492	1,935	2,091	2,292	2,138	2,247	2,334	2,437	2,547	2,662	2,782	2,907	3,039	3,177	3,321	3,472	3,630	3,795	3,968	4,148	4,336	4,532	4,737	4,950	5,172	
	<i>3.98</i>	<i>2.98</i>	<i>-10.72</i>	<i>29.70</i>	<i>8.06</i>	<i>9.62</i>	<i>-6.70</i>	<i>5.07</i>	<i>3.87</i>	<i>4.41</i>	<i>4.53</i>	<i>4.51</i>	<i>4.49</i>	<i>4.52</i>	<i>4.54</i>	<i>4.53</i>	<i>4.54</i>	<i>4.54</i>	<i>4.55</i>	<i>4.55</i>	<i>4.55</i>	<i>4.55</i>	<i>4.53</i>	<i>4.52</i>	<i>4.51</i>	<i>4.50</i>	<i>4.49</i>	
Drugs	3,141	3,439	3,693	3,814	4,063	4,406	4,579	4,820	5,111	5,407	5,713	6,037	6,380	6,750	7,143	7,558	8,001	8,466	8,967	9,497	10,055	10,650	11,277	11,940	12,645	13,380	14,139	
	<i>11.01</i>	<i>9.49</i>	<i>7.40</i>	<i>3.26</i>	<i>6.54</i>	<i>8.43</i>	<i>3.93</i>	<i>5.26</i>	<i>6.05</i>	<i>5.79</i>	<i>5.66</i>	<i>5.66</i>	<i>5.68</i>	<i>5.80</i>	<i>5.83</i>	<i>5.81</i>	<i>5.85</i>	<i>5.82</i>	<i>5.92</i>	<i>5.90</i>	<i>5.88</i>	<i>5.91</i>	<i>5.89</i>	<i>5.88</i>	<i>5.90</i>	<i>5.81</i>	<i>5.67</i>	
Hospitals	12,955	13,511	14,294	14,923	15,819	16,601	17,082	18,283	19,346	20,445	21,598	22,823	24,112	25,484	26,929	28,445	30,041	31,721	33,520	35,422	37,414	39,512	41,715	44,058	46,525	49,112	51,828	
	<i>9.82</i>	<i>4.29</i>	<i>5.80</i>	<i>4.40</i>	<i>6.00</i>	<i>4.94</i>	<i>2.90</i>	<i>7.03</i>	<i>5.82</i>	<i>5.68</i>	<i>5.64</i>	<i>5.67</i>	<i>5.65</i>	<i>5.69</i>	<i>5.67</i>	<i>5.63</i>	<i>5.61</i>	<i>5.59</i>	<i>5.67</i>	<i>5.67</i>	<i>5.63</i>	<i>5.61</i>	<i>5.58</i>	<i>5.62</i>	<i>5.60</i>	<i>5.56</i>	<i>5.53</i>	
Other institutions	3,251	3,530	3,734	3,691	3,865	4,007	4,124	4,386	4,655	4,928	5,202	5,495	5,803	6,122	6,456	6,798	7,163	7,558	7,995	8,468	8,971	9,507	10,098	10,779	11,514	12,288	13,102	
	<i>11.98</i>	<i>8.58</i>	<i>5.79</i>	<i>-1.15</i>	<i>4.71</i>	<i>3.69</i>	<i>2.92</i>	<i>6.35</i>	<i>6.12</i>	<i>5.86</i>	<i>5.57</i>	<i>5.63</i>	<i>5.61</i>	<i>5.49</i>	<i>5.45</i>	<i>5.30</i>	<i>5.38</i>	<i>5.52</i>	<i>5.78</i>	<i>5.91</i>	<i>5.95</i>	<i>5.97</i>	<i>6.22</i>	<i>6.74</i>	<i>6.83</i>	<i>6.72</i>	<i>6.62</i>	
Other professionals	303	206	184	184	215	237	252	268	285	301	318	336	355	375	397	419	443	469	496	525	556	588	623	661	702	744	789	
	<i>-1.83</i>	<i>-32.16</i>	<i>-10.64</i>	<i>0.27</i>	<i>16.71</i>	<i>10.31</i>	<i>6.23</i>	<i>6.22</i>	<i>6.23</i>	<i>5.81</i>	<i>5.69</i>	<i>5.67</i>	<i>5.66</i>	<i>5.66</i>	<i>5.70</i>	<i>5.64</i>	<i>5.71</i>	<i>5.76</i>	<i>5.84</i>	<i>5.86</i>	<i>5.81</i>	<i>5.86</i>	<i>5.94</i>	<i>6.10</i>	<i>6.14</i>	<i>6.09</i>	<i>5.98</i>	
Other health spending	1,563	1,740	1,883	2,014	2,261	2,350	2,427	2,576	2,708	2,837	2,973	3,119	3,271	3,428	3,591	3,763	3,943	4,131	4,329	4,538	4,756	4,985	5,223	5,471	5,729	6,000	6,281	
	<i>3.41</i>	<i>11.31</i>	<i>8.25</i>	<i>6.93</i>	<i>12.28</i>	<i>3.94</i>	<i>3.26</i>	<i>6.15</i>	<i>5.12</i>	<i>4.78</i>	<i>4.78</i>	<i>4.91</i>	<i>4.88</i>	<i>4.79</i>	<i>4.77</i>	<i>4.78</i>	<i>4.78</i>	<i>4.76</i>	<i>4.80</i>	<i>4.83</i>	<i>4.81</i>	<i>4.80</i>	<i>4.78</i>	<i>4.75</i>	<i>4.73</i>	<i>4.72</i>	<i>4.69</i>	
Public health	2,401	2,761	2,977	3,754	4,054	4,261	4,513	4,861	5,186	5,514	5,863	6,242	6,643	7,064	7,510	7,986	8,491	9,027	9,600	10,212	10,862	11,552	12,282	13,055	13,875	14,743	15,663	
	<i>-4.76</i>	<i>14.99</i>	<i>7.83</i>	<i>26.08</i>	<i>7.99</i>	<i>5.10</i>	<i>5.92</i>	<i>7.71</i>	<i>6.68</i>	<i>6.32</i>	<i>6.33</i>	<i>6.46</i>	<i>6.43</i>	<i>6.34</i>	<i>6.32</i>	<i>6.33</i>	<i>6.33</i>	<i>6.31</i>	<i>6.34</i>	<i>6.38</i>	<i>6.36</i>	<i>6.35</i>	<i>6.32</i>	<i>6.29</i>	<i>6.28</i>	<i>6.26</i>	<i>6.24</i>	
Physicians	7,025	7,664	8,370	9,113	9,985	10,732	11,404	11,916	12,494	13,184	13,914	14,685	15,493	16,350	17,253	18,200	19,198	20,243	21,342	22,496	23,706	24,978	26,305	27,689	29,141	30,660	32,253	
	<i>7.75</i>	<i>9.10</i>	<i>9.21</i>	<i>8.88</i>	<i>9.57</i>	<i>7.48</i>	<i>6.26</i>	<i>4.49</i>	<i>4.85</i>	<i>5.53</i>	<i>5.53</i>	<i>5.54</i>	<i>5.50</i>	<i>5.53</i>	<i>5.52</i>	<i>5.49</i>	<i>5.48</i>	<i>5.44</i>	<i>5.43</i>	<i>5.40</i>	<i>5.38</i>	<i>5.37</i>	<i>5.31</i>	<i>5.26</i>	<i>5.24</i>	<i>5.22</i>	<i>5.19</i>	
Total health care expenditures	32,725	35,011	37,164	40,006	42,805	45,296	46,939	49,796	52,573	55,522	58,613	61,898	65,356	69,014	72,870	76,916	81,188	85,693	90,505	95,598	100,956	106,608	112,570	118,919	125,625	132,659	140,032	
	<i>7.72</i>	<i>6.98</i>	<i>6.15</i>	<i>7.65</i>	<i>7.00</i>	<i>5.82</i>	<i>3.63</i>	<i>6.09</i>	<i>5.58</i>	<i>5.61</i>	<i>5.57</i>	<i>5.61</i>	<i>5.59</i>	<i>5.60</i>	<i>5.59</i>	<i>5.55</i>	<i>5.56</i>	<i>5.55</i>	<i>5.62</i>	<i>5.63</i>	<i>5.60</i>	<i>5.60</i>	<i>5.59</i>	<i>5.64</i>	<i>5.64</i>	<i>5.60</i>	<i>5.56</i>	
2002 \$ millions																												
Administration	444	458	492	522	399	361	360	365	369	374	378	383	388	393	398	403	408	413	418	423	429	434	439	444	449	454	460	
	<i>6.02</i>	<i>3.22</i>	<i>7.38</i>	<i>6.02</i>	<i>-23.58</i>	<i>-9.56</i>	<i>-0.12</i>	<i>1.23</i>	<i>1.21</i>	<i>1.20</i>	<i>1.24</i>	<i>1.26</i>	<i>1.25</i>	<i>1.27</i>	<i>1.28</i>	<i>1.27</i>	<i>1.27</i>	<i>1.26</i>	<i>1.26</i>	<i>1.25</i>	<i>1.24</i>	<i>1.22</i>	<i>1.20</i>	<i>1.18</i>	<i>1.16</i>	<i>1.13</i>	<i>1.11</i>	
Capital	1,594	1,611	1,397	1,765	1,804	1,957	1,821	1,871	1,922	1,974	2,028	2,085	2,142	2,202	2,264	2,327	2,392	2,458	2,527	2,596	2,668	2,741	2,816	2,891	2,969	3,047	3,127	
	<i>2.34</i>	<i>1.09</i>	<i>-13.32</i>	<i>26.39</i>	<i>2.18</i>	<i>8.50</i>	<i>-6.97</i>	<i>2.75</i>	<i>2.73</i>	<i>2.72</i>	<i>2.75</i>	<i>2.78</i>	<i>2.77</i>	<i>2.79</i>	<i>2.80</i>	<i>2.79</i>	<i>2.78</i>	<i>2.77</i>	<i>2.78</i>	<i>2.76</i>	<i>2.76</i>	<i>2.74</i>	<i>2.71</i>	<i>2.69</i>	<i>2.67</i>	<i>2.65</i>	<i>2.63</i>	
Drugs	3,089	3,357	3,521	3,610	3,788	4,039	4,146	4,319	4,516	4,717	4,920	5,131	5,352	5,590	5,839	6,099	6,372	6,655	6,957	7,272	7,600	7,946	8,307	8,682	9,077	9,482	9,891	
	<i>10.25</i>	<i>8.65</i>	<i>4.90</i>	<i>2.51</i>	<i>4.93</i>	<i>6.63</i>	<i>2.67</i>	<i>4.16</i>	<i>4.56</i>	<i>4.44</i>	<i>4.32</i>	<i>4.29</i>	<i>4.31</i>	<i>4.44</i>	<i>4.46</i>	<i>4.44</i>	<i>4.48</i>	<i>4.45</i>	<i>4.54</i>	<i>4.53</i>	<i>4.51</i>	<i>4.55</i>	<i>4.54</i>	<i>4.52</i>	<i>4.55</i>	<i>4.46</i>	<i>4.32</i>	
Hospitals	12,304	12,620	12,955	12,812	13,250	13,486	13,414	13,812	14,222	14,641	15,067	15,505	15,953	16,426	16,910	17,400	17,901	18,413	18,951	19,502	20,060	20,630	21,209	21,813	22,429	23,054	23,688	
	<i>7.59</i>	<i>2.56</i>	<i>2.66</i>	<i>-1.10</i>	<i>3.42</i>	<i>1.78</i>	<i>-0.54</i>	<i>2.96</i>	<i>2.97</i>	<i>2.95</i>	<i>2.91</i>	<i>2.91</i>	<i>2.89</i>	<i>2.96</i>	<i>2.95</i>	<i>2.90</i>	<i>2.88</i>	<i>2.86</i>	<i>2.92</i>	<i>2.91</i>	<i>2.86</i>	<i>2.84</i>	<i>2.81</i>	<i>2.85</i>	<i>2.83</i>	<i>2.78</i>	<i>2.75</i>	
Other institutions	3,093	3,251	3,295	3,131	3,230	3,284	3,304	3,421	3,531	3,640	3,743	3,849	3,958	4,066	4,176	4,283	4,395	4,516	4,652	4,797	4,948	5,104	5,278	5,485	5,704	5,926	6,150	
	<i>9.77</i>	<i>5.12</i>	<i>1.34</i>	<i>-4.96</i>	<i>3.15</i>	<i>1.68</i>	<i>0.61</i>	<i>3.52</i>	<i>3.23</i>	<i>3.09</i>	<i>2.81</i>	<i>2.84</i>	<i>2.82</i>	<i>2.74</i>	<i>2.71</i>	<i>2.55</i>	<i>2.62</i>	<i>2.76</i>	<i>3.00</i>	<i>3.12</i>	<i>3.15</i>	<i>3.17</i>	<i>3.40</i>	<i>3.92</i>	<i>4.00</i>	<i>3.89</i>	<i>3.79</i>	
Other professionals	285	179	154	150	170	176	174	179	184	189	193	198	203	209	214	219	225	231	237	244	251	257	265	273	281	289	297	
	<i>-4.64</i>	<i>-37.04</i>	<i>-14.20</i>	<i>-2.68</i>	<i>13.12</i>	<i>3.81</i>	<i>-1.08</i>	<i>2.66</i>	<i>2.78</i>	<i>2.69</i>	<i>2.58</i>	<i>2.56</i>	<i>2.55</i>	<i>2.54</i>	<i>2.58</i>	<i>2.53</i>	<i>2.59</i>	<i>2.64</i>	<i>2.73</i>	<i>2.75</i>	<i>2.70</i>	<i>2.75</i>	<i>2.82</i>	<i>2.97</i>	<i>3.01</i>	<i>2.96</i>	<i>2.86</i>	
Other health spending	1,494	1,628	1,731	1,818	1,996	2,067	2,084	2,141	2,199	2,259	2,321	2,386	2,452	2,521	2,591	2,663	2,738	2,813	2,892	2,972	3,053	3,137	3,222	3,309	3,398	3,488	3,579	
	<i>1.50</i>	<i>8.92</i>	<i>6.38</i>	<i>5.01</i>	<i>9.79</i>	<i>3.55</i>	<i>0.81</i>	<i>2.75</i>	<i>2.73</i>	<i>2</i>																		

Table 13
Scenario 3: Detailed Health Care Expenditures, Ontario

Health Care Expenditures (per capita, 2002 \$)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Administration	36	37	39	41	31	28	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27
	<i>4.75</i>	<i>2.08</i>	<i>6.22</i>	<i>4.96</i>	<i>-24.40</i>	<i>-10.48</i>	<i>-1.22</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Capital	129	129	110	138	139	150	138	140	142	144	146	148	151	153	155	158	160	162	165	167	170	172	175	178	180	183	186	
	<i>1.12</i>	<i>-0.02</i>	<i>-14.25</i>	<i>25.13</i>	<i>1.08</i>	<i>7.40</i>	<i>-8.00</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>
Drugs	249	268	278	282	293	309	314	323	334	344	355	365	376	388	400	413	426	439	454	468	484	499	516	533	551	569	587	
	<i>8.93</i>	<i>7.46</i>	<i>3.77</i>	<i>1.49</i>	<i>3.79</i>	<i>5.55</i>	<i>1.54</i>	<i>2.90</i>	<i>3.31</i>	<i>3.20</i>	<i>3.05</i>	<i>2.99</i>	<i>3.02</i>	<i>3.13</i>	<i>3.14</i>	<i>3.13</i>	<i>3.17</i>	<i>3.15</i>	<i>3.24</i>	<i>3.25</i>	<i>3.24</i>	<i>3.28</i>	<i>3.30</i>	<i>3.31</i>	<i>3.35</i>	<i>3.29</i>	<i>3.17</i>	
Hospitals	993	1,007	1,023	1,001	1,025	1,032	1,015	1,033	1,051	1,069	1,087	1,104	1,122	1,141	1,160	1,178	1,197	1,216	1,236	1,256	1,276	1,297	1,317	1,339	1,361	1,383	1,406	
	<i>6.30</i>	<i>1.43</i>	<i>1.55</i>	<i>-2.09</i>	<i>2.31</i>	<i>0.75</i>	<i>-1.63</i>	<i>1.72</i>	<i>1.74</i>	<i>1.72</i>	<i>1.65</i>	<i>1.62</i>	<i>1.62</i>	<i>1.67</i>	<i>1.65</i>	<i>1.61</i>	<i>1.59</i>	<i>1.59</i>	<i>1.64</i>	<i>1.64</i>	<i>1.61</i>	<i>1.60</i>	<i>1.59</i>	<i>1.65</i>	<i>1.65</i>	<i>1.63</i>	<i>1.62</i>	
Other institutions	250	260	260	245	250	251	250	256	261	266	270	274	278	282	286	290	294	298	303	309	315	321	328	337	346	356	365	
	<i>8.45</i>	<i>3.97</i>	<i>0.24</i>	<i>-5.91</i>	<i>2.04</i>	<i>0.64</i>	<i>-0.50</i>	<i>2.27</i>	<i>2.00</i>	<i>1.87</i>	<i>1.56</i>	<i>1.55</i>	<i>1.55</i>	<i>1.45</i>	<i>1.41</i>	<i>1.27</i>	<i>1.34</i>	<i>1.48</i>	<i>1.72</i>	<i>1.85</i>	<i>1.89</i>	<i>1.92</i>	<i>2.18</i>	<i>2.71</i>	<i>2.81</i>	<i>2.72</i>	<i>2.65</i>	
Other professionals	23	14	12	12	13	13	13	13	14	14	14	14	14	14	15	15	15	15	15	16	16	16	16	17	17	17	18	
	<i>-5.78</i>	<i>-37.73</i>	<i>-15.12</i>	<i>-3.65</i>	<i>11.90</i>	<i>2.75</i>	<i>-2.17</i>	<i>1.41</i>	<i>1.55</i>	<i>1.47</i>	<i>1.32</i>	<i>1.28</i>	<i>1.28</i>	<i>1.25</i>	<i>1.29</i>	<i>1.25</i>	<i>1.31</i>	<i>1.37</i>	<i>1.45</i>	<i>1.48</i>	<i>1.44</i>	<i>1.50</i>	<i>1.60</i>	<i>1.78</i>	<i>1.84</i>	<i>1.81</i>	<i>1.73</i>	
Other health spending	121	130	137	142	154	158	158	160	162	165	167	170	172	175	178	180	183	186	189	191	194	197	200	203	206	209	212	
	<i>0.29</i>	<i>7.72</i>	<i>5.23</i>	<i>3.96</i>	<i>8.61</i>	<i>2.50</i>	<i>-0.30</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	<i>1.50</i>	
Public health	185	206	216	265	277	287	293	302	311	321	330	340	350	361	372	383	394	406	418	431	444	457	471	485	499	514	530	
	<i>-7.64</i>	<i>11.27</i>	<i>4.82</i>	<i>22.58</i>	<i>4.45</i>	<i>3.65</i>	<i>2.27</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	<i>3.00</i>	
Physicians	472	488	506	519	500	482	495	501	507	513	519	525	531	537	543	549	555	561	567	573	579	585	590	596	602	608	614	
	<i>-2.72</i>	<i>3.34</i>	<i>3.75</i>	<i>2.42</i>	<i>-3.53</i>	<i>-3.78</i>	<i>2.79</i>	<i>1.19</i>	<i>1.21</i>	<i>1.20</i>	<i>1.17</i>	<i>1.16</i>	<i>1.13</i>	<i>1.14</i>	<i>1.12</i>	<i>1.10</i>	<i>1.10</i>	<i>1.07</i>	<i>1.05</i>	<i>1.04</i>	<i>1.03</i>	<i>1.03</i>	<i>1.00</i>	<i>0.98</i>	<i>0.98</i>	<i>0.97</i>	<i>0.97</i>	
Total health care expenditures	2,458	2,538	2,582	2,645	2,682	2,710	2,704	2,755	2,809	2,863	2,915	2,969	3,023	3,079	3,136	3,193	3,251	3,311	3,374	3,439	3,504	3,572	3,641	3,715	3,790	3,867	3,945	
	<i>3.03</i>	<i>3.29</i>	<i>1.70</i>	<i>2.44</i>	<i>1.42</i>	<i>1.05</i>	<i>-0.24</i>	<i>1.90</i>	<i>1.95</i>	<i>1.92</i>	<i>1.84</i>	<i>1.83</i>	<i>1.83</i>	<i>1.86</i>	<i>1.85</i>	<i>1.82</i>	<i>1.83</i>	<i>1.84</i>	<i>1.90</i>	<i>1.91</i>	<i>1.91</i>	<i>1.92</i>	<i>1.95</i>	<i>2.02</i>	<i>2.04</i>	<i>2.02</i>	<i>2.00</i>	
Health Care Price Deflators (2002 = 100)																												
Administration	105	107	109	111	113	114	116	120	123	126	128	131	133	136	139	141	144	147	150	153	156	159	162	165	169	172	175	
	<i>1.88</i>	<i>2.20</i>	<i>1.76</i>	<i>1.83</i>	<i>2.27</i>	<i>0.38</i>	<i>2.43</i>	<i>3.31</i>	<i>2.33</i>	<i>2.00</i>	<i>1.98</i>	<i>2.07</i>	<i>2.05</i>	<i>1.94</i>	<i>1.92</i>	<i>1.94</i>	<i>1.94</i>	<i>1.93</i>	<i>1.96</i>	<i>2.01</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	<i>2.00</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	
Capital	102	104	107	110	116	117	117	120	121	123	126	128	130	132	134	137	139	141	144	146	149	151	154	157	160	162	165	
	<i>1.60</i>	<i>1.87</i>	<i>2.99</i>	<i>2.62</i>	<i>5.75</i>	<i>1.04</i>	<i>0.29</i>	<i>2.27</i>	<i>1.11</i>	<i>1.64</i>	<i>1.73</i>	<i>1.68</i>	<i>1.68</i>	<i>1.68</i>	<i>1.69</i>	<i>1.69</i>	<i>1.70</i>	<i>1.71</i>	<i>1.73</i>	<i>1.74</i>	<i>1.75</i>	<i>1.76</i>	<i>1.77</i>	<i>1.78</i>	<i>1.79</i>	<i>1.80</i>	<i>1.81</i>	
Drugs	102	102	105	106	107	109	110	112	113	115	116	118	119	121	122	124	126	127	129	131	132	134	136	138	139	141	143	
	<i>0.69</i>	<i>0.77</i>	<i>2.38</i>	<i>0.73</i>	<i>1.54</i>	<i>1.69</i>	<i>1.23</i>	<i>1.05</i>	<i>1.43</i>	<i>1.29</i>	<i>1.28</i>	<i>1.32</i>	<i>1.32</i>	<i>1.30</i>	<i>1.31</i>	<i>1.31</i>	<i>1.32</i>	<i>1.31</i>	<i>1.32</i>	<i>1.31</i>	<i>1.31</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	<i>1.30</i>	
Hospitals	105	107	110	116	119	123	127	132	136	140	143	147	151	155	159	163	168	172	177	182	187	192	197	202	207	213	219	
	<i>2.07</i>	<i>1.69</i>	<i>3.06</i>	<i>5.56</i>	<i>2.50</i>	<i>3.10</i>	<i>3.45</i>	<i>3.95</i>	<i>2.77</i>	<i>2.66</i>	<i>2.65</i>	<i>2.68</i>	<i>2.68</i>	<i>2.65</i>	<i>2.64</i>	<i>2.65</i>	<i>2.66</i>	<i>2.66</i>	<i>2.67</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.69</i>	<i>2.70</i>	<i>2.70</i>	
Other institutions	105	109	113	118	120	122	125	128	132	135	139	143	147	151	155	159	163	167	172	177	181	186	191	197	202	207	213	
	<i>2.02</i>	<i>3.29</i>	<i>4.40</i>	<i>4.00</i>	<i>1.51</i>	<i>1.98</i>	<i>2.30</i>	<i>2.73</i>	<i>2.80</i>	<i>2.69</i>	<i>2.68</i>	<i>2.71</i>	<i>2.71</i>	<i>2.68</i>	<i>2.67</i>	<i>2.68</i>	<i>2.68</i>	<i>2.68</i>	<i>2.68</i>	<i>2.70</i>	<i>2.71</i>	<i>2.71</i>	<i>2.72</i>	<i>2.72</i>	<i>2.72</i>	<i>2.72</i>	<i>2.73</i>	
Other professionals	106	115	119	123	127	135	145	150	155	160	164	169	175	180	185	191	197	203	209	215	222	228	235	243	250	258	265	
	<i>2.94</i>	<i>7.75</i>	<i>4.15</i>	<i>3.03</i>	<i>3.18</i>	<i>6.26</i>	<i>7.39</i>	<i>3.48</i>	<i>3.36</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	<i>3.03</i>	
Other health spending	105	107	109	111	113	114	116	120	123	126	128	131	133	136	139	141	144	147	150	153	156	159	162	165	169	172	175	
	<i>1.88</i>	<i>2.20</i>	<i>1.76</i>	<i>1.83</i>	<i>2.27</i>	<i>0.38</i>	<i>2.43</i>	<i>3.31</i>	<i>2.33</i>	<i>2.00</i>	<i>1.98</i>	<i>2.07</i>	<i>2.05</i>	<i>1.94</i>	<i>1.92</i>	<i>1.94</i>	<i>1.94</i>	<i>1.93</i>	<i>1.96</i>	<i>2.01</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	<i>2.00</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	
Public health	105	107	109	111	113	114	116	120	123	126	128	131	133	136	139	141	144	147	150	153	156	159	162	165	169	172	175	
	<i>1.88</i>	<i>2.20</i>	<i>1.76</i>	<i>1.83</i>	<i>2.27</i>	<i>0.38</i>	<i>2.43</i>	<i>3.31</i>	<i>2.33</i>	<i>2.00</i>	<i>1.98</i>	<i>2.07</i>	<i>2.05</i>	<i>1.94</i>	<i>1.92</i>	<i>1.94</i>	<i>1.94</i>	<i>1.93</i>	<i>1.96</i>	<i>2.01</i>	<i>2.00</i>	<i>2.01</i>	<i>2.01</i>	<i>2.00</i>	<i>2.00</i>	<i>2.0</i>		

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