

## Public Accounts of Ontario 2020–21- Video Script

On September 24<sup>th</sup>, the Province released its *2020–21 Public Accounts*. I would like to take this opportunity to provide you with a quick update on the Province's finances and borrowing program.

### Let's start with Public Accounts

As reported in the release, the Province's deficit for 2020–21 was \$16.4 billion, a decrease of over \$22 billion from the interim projection contained in the *2021 Budget*.

While the Province's net debt-to-GDP ratio increased to 43.9 per cent in 2020–21 from 39.6 per cent in 2019–20 because of the response to the pandemic. This ratio is 3.2 percentage points lower than the 47.1 per cent interim forecast in the *2021 Budget*.

Interest on debt, or IOD, in 2020–21 dropped from a projected \$12.5 billion at the time of the *2021 Budget* to a final amount of \$12.3 billion. This drop in interest costs, combined with higher than forecast revenues, has resulted in Ontario's IOD-to-revenue ratio decreasing to 7.4 per cent in 2020–21, from an interim forecast of 8.2 per cent.

### Now, I'd like to turn to the Borrowing Program

The Province will be taking the same measured approach to adjusting its borrowing program as has been followed in previous years, and will not update its forecast long-term borrowing program of \$53 billion for 2021–22 until the *Fall Economic Statement*, or FES.

The FES is required, by legislation, to be released by November 15<sup>th</sup>. At that time, we will update our long-term and short-term borrowing program forecasts, taking into consideration both the final results for fiscal 2020–21 contained in the Public Accounts, and the FES's forecast projections for fiscal 2021–22.

As of the release of the *2020–21 Public Accounts*, we had issued \$24.6 billion this fiscal year, of which 77 per cent has been completed in the Canadian dollar market, near the high end of our target range of issuing 65 to 80 per cent of this year's debt in the domestic market.

The \$18.9 billion raised in the Canadian dollar market has come through 22 domestic syndicated issues and a \$2.75 billion Green Bond. This is the largest Green Bond ever launched in Canada. Foreign currency issues have totalled \$5.6 billion so far this year, primarily in U.S. dollars and euros, with smaller issues in Swiss francs and Australian dollars.

You can find further information on Ontario's 2020–21 Public Accounts on the Ontario Government's website.

Thank you very much for your time.