

Q3 2023–24 – Video Script

On February 12, Ontario released its *2023–24 Third Quarter Finances*. I would like to take this opportunity to provide you with a quick update on the Province's finances, and the borrowing program.

Let's start with Ontario's fiscal position. Ontario's deficit for fiscal 2023–24 is now projected to be \$4.5 billion, a \$1.1 billion improvement from the Province's most recent fiscal update, the *2023 Ontario Economic Outlook and Fiscal Review*, or Fall Economic Statement, also called the "FES".

Revenues in 2023–24 are now projected to be \$202.7 billion — \$0.9 billion higher than projected in the FES. Overall program expense in 2023–24 is projected to be \$193.4 billion — \$0.4 billion higher than forecast in the FES.

Interest on debt is projected to be \$12.9 billion, down from the \$13.4 billion projection in the FES. With declining long-term interest rates since the FES was released, Ontario's forecast cost of borrowing for 2023–24 has been reduced to 4.2 per cent, from the 4.6 per cent forecasted in the FES.

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

Ontario's long-term borrowing program for 2023–24 is now \$33.6 billion, a \$1.1 billion decrease from the FES forecast, mirroring a decrease in the projected deficit.

As of February 7, 2024, we had completed \$38.6 billion of long-term borrowing, with an average term of 15.2 years, and had begun pre-borrowing for next fiscal year. Approximately \$32.8 billion, or 85 per cent, had been completed in Canadian dollars, through 34 domestic syndicated issues, our first CORRA-based Floating Rate Note, and one Green Bond. The remaining \$5.9 billion, or 15 per cent, was completed through a 5-year 3 billion U.S. dollar issue and a 10-year 1.25 billion Euro issue.

Speaking of the Green Bond —

On February 1st we released Ontario's new Sustainable Bond Framework replacing our Green Bond Framework from 2014. The new framework will allow for a broader range of potential bond offerings in the future.

Back in December, Ontario issued a \$1.5 billion Green Bond. This was the fourteenth Green Bond issued by the Province, and the first offering of this fiscal year.

The December Green Bond issue was the last bond issued under the previous Green Bond framework. The next issue will be under the new Sustainable Bond Framework and we plan to launch it before the end of the fiscal year.

Looking ahead, further updates to the fiscal plan, Ontario's economy and our borrowing program will be included in the upcoming *2024 Budget*.

You can find further fiscal and economic information about the *Third Quarter Finances* on the Ministry of Finance's website. You can also find updated borrowing information in our Investor Relations Fact Sheet, posted on the OFA website.

Thank you very much for your time.