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**Policy**



## AMO Policy Update – Fall Economic Statement

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### Top Insights

- The Fall Economic Statement makes some targeted investments in response to tariffs, but no update on a much-needed property tax re-assessment.
- The government will introduce legislative changes to the *OMERS Act* which will have significant implications for municipal employers.

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### 2025 Fall Economic Statement

The province is now projecting a \$13.5B deficit for 2025-26, down from the \$14.6B originally projected in the 2025 Budget. Projected deficits for 2026-27 remain unchanged at \$7.8B. The government is projecting a return to surplus in 2027-28.

The Fall Economic Statement largely summarizes previously announced funding initiatives. It does include \$100 million in new funding for the Ontario Together Trade Fund to help small and medium businesses affected by US tariffs to shift and diversify sales to new markets. Municipalities will not be eligible for this funding.

The government will introduce legislation that will have significant implications for OMERS governance. These changes are outlined in the [Final Report on the 2025 OMERS Governance Review](#). The [Municipal Employer Pension Centre of Ontario \(MEPCO\)](#) is working to understand the implications of these changes and mitigate risks for municipal employers.

Unfortunately, the Fall Economic Statement included no update on the province's plans for a property tax reassessment. A provincial review of the property tax system was announced in 2023 but no results have been released. AMO will continue to advocate for a return to a regular assessment cycle to support a fair and transparent property tax system.

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*An online version of this Policy Update is also available on the [AMO Website](#).*

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