

CP: Liberals promise to remove Ontario portion of HST from hydro bills

From: "Gloyd, Matt (MCIIT)" <matt.gloyd@ontario.ca>
To: "@MCIIT-L-Comm-MCI-MO Top Issues" <mci.l.comm.mci.mo.top.issues@ontario.ca>, "@MCIIT-L-Comm-MCI Top Issues" <mci-l-comm-mcitopissues@msgov.gov.on.ca>, "@MCIIT-L-Comm-OWD-MO Top Issues" <mciit.l.comm.owd.motopissues@msgov.gov.on.ca>, "@MCIIT-L-Comm-OWD Top Issues" <mci.l.comm.owdtopissues@msgov.gov.on.ca>, "@MCIIT-L-Comm-OSS-MO Top Issues" <mci.l.comm.oss.motopissues@msgov.gov.on.ca>, "@MCI-L-OSS All Staff" <ontariosenior'ssecretariat@mcl.gov.on.ca>
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Liberals promise to remove Ontario portion of HST from hydro bills (Ont-Legis>Returns) By Keith Leslie

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TORONTO - Ontario home owners, farmers and small businesses will get some relief from soaring electricity prices starting in January when the provincial portion of the harmonized sales tax is removed from hydro bills.

The Liberal government announced the plan in the throne speech opening the fall session of the legislature, saying Ontario's eight-per-cent slice of the HST would be taken off electricity bills, and promising additional relief for rural ratepayers.

The government says the HST reduction will save the typical Ontario household about \$130 a year, and projects additional savings of about \$540 a year for some rural electricity customers.

It was just nine months ago that Ontario scrapped the Clean Energy Benefit, which provided a 10-per-cent reduction on all parts of electricity bills, including the HST.

Other initiatives in the throne speech include a commitment to create an additional 100,000 licensed child care spaces for kids aged four and under over five years, starting in 2017.

The government also promises to put a new emphasis on math skills after half of all Grade 6 students failed to meet the provincial math standard this year, continuing a steady decline in test scores over the past five years.

The throne speech was triggered by Premier Kathleen Wynne's surprise move last week to prorogue the legislature, saying the government wanted to reset its priorities halfway through its mandate _ with the next election less than two years away.

Wynne had indicated the government would offer some way to mitigate hydro costs for consumers after the Liberals lost a long-held Toronto riding to the Tories in a Sept. 1 byelection.

Auditor general Bonnie Lysyk has said the electricity portion of hydro bills for homes and small businesses rose 70 per cent between 2006 and 2014.

The opposition parties have been on the attack over rising electricity bills, demanding the Liberals stop selling any more shares in Hydro One, the province's transmission utility.

The Liberals say hydro rates increased because Ontario stopped burning coal to generate electricity and because they invested heavily in transmission grid upgrades after years of neglect.

The Progressive Conservatives say rates were driven up higher than necessary by the Liberals' generous, long-term contracts for wind and solar power, while the Green party blames expensive nuclear

refurbishments for adding to hydro bills.

The New Democrats have been demanding the government remove the entire 13 per cent HST from hydro bills, not just the provincial portion.

The Tories began the sitting on a high note with the swearing-in Monday of their newest member, Raymond Cho, who took Scarborough-Rouge River from the Liberals, giving the Tories a much-sought after seat in Toronto.

The throne speech also repeats the Liberals' plan to introduce a cap-and-trade system in January, which the government predicts will add about \$5 a month to home heating bills and about four-cents-a-litre to the price of gasoline.

“Cap-and-trade proceeds will be transparently invested in greenhouse gas reduction projects and incentives that will help Ontario households and businesses further reduce emissions,” said an advance text of the speech to be read by Lt.-Gov. Elizabeth Dowdeswell.

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