

Daily Media Note - March 2, 2017

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Attachments: 20170302 - Media Scan - Hydro Rate Reduction (Afternoon Scan).doc (199.68 kB); Daily Media Note - March 2, 2017.docx (41.4 kB)

Good afternoon Premier,

We have four items to update you on today:

- Energy announcement
- English Catholic teachers
- Grassy Narrows
- French, Chinese, and Ethnic media update

Energy announcement

Like yesterday, the Energy announcement has received massive coverage. The comprehensive media scan of Hydro Rate Reduction coverage is attached.

This morning the Toronto Star editorial board praised the plan saying it is "a reasonable response to real pain". After your announcement, their story emphasized that increases will be held to inflation after the 25% cut.

Most of the other mainstream media are critical of the plan because it will ultimately cost taxpayers more, like Allison Jones' story that is titled "Ontario hydro bill reductions to ultimately cost ratepayers more..." We have included it below this segment for your reference.

Shawn McCarty for the Globe and Mail highlighted that the plan will cost billions in long term. Shawn Jeffords for the Toronto Sun also attacked the plan in the same angle, backlashing the interest costs. David Reevely described the plan as "full of risk and driven by fear".

TV coverage focused more on the 25% cut that will soon bring relief. The TV interviews you pretaped today are starting to air and are helping to reinforce the positive messaging.

CP story: *Ontario hydro bill reductions to ultimately cost ratepayers more*

Soaring electricity bills in Ontario will see an average 17-per-cent cut this summer, a year before the provincial Liberals bid for re-election, but those savings will ultimately cost ratepayers billions in extra

interest payments.

Ontario Premier Kathleen Wynne acknowledged Thursday that the bill for the across-the-board-relief will eventually come due for ratepayers.

“Over time it will cost a bit more. That's true,” she said when detailing the plan. “And it will take longer to pay off. That's also true. But it is fairer because it doesn't ask this generation of hydro customers alone to pay the freight for everyone before and after.”

Electricity bills have roughly doubled in the last decade, rising faster than inflation since 2010, and have sparked increasing anger among Ontarians, leading to plummeting approval ratings for Wynne.

She said the increasing costs were due to investments in the grid, nuclear refurbishments and getting rid of coal. She also acknowledged that long-term contracts for green energy producers at above-market rates were “too generous.”

Ontario now has a clean and reliable system, Wynne said, but the entire burden of those investments was being shouldered by current ratepayers when the benefits will be seen over many years.

But Ontario Progressive Conservative Leader Patrick Brown said the new plan just shifts the burden between the same group of people — “robbing Peter to pay Paul, but in this case, both Peter and Paul are taxpayers.”

Most of the electricity generation contracts in Ontario are for 20 years, so refinancing them is like re-amortizing a mortgage over 30 years instead. But that will come with up to \$1.4 billion a year in extra interest payments over 10 years.

In the near term, rates will also be held to the rate of inflation, and the plan is for the 17-per-cent cut to be reflected in the Ontario Energy Board's May 1 rates so customers see it reflected on their June bills.

But those extra interest costs will be added back onto bills in the future.

Legislation will be introduced to enable the Independent Electricity System Operator and Ontario Power Generation to refinance a portion of the global adjustment charge.

That's the charge consumers pay for above-market rates for power producers. The auditor general has estimated the global adjustment charge cost \$50 billion between 2006 and 2015 and increased by 1,200 per cent between 2006 and 2013 — meanwhile, the average electricity market price dropped by 46 per cent.

The across-the-board relief of 17 per cent comes in addition to an eight-per-cent rebate that took effect Jan. 1. That cut is estimated to cost taxpayers about \$1 billion per year.

Several other measures were announced Thursday to help low-income and rural residents at a cost of \$2.5 billion over three years to taxpayers.

Customers under a program that gives a rate subsidy to those in rural and remote areas will be expanded, so that ratepayers covered by local distribution companies with the highest delivery charges will see those rates cut.

The Ontario Electricity Support Program for low-income ratepayers will be funded through government revenues instead of other taxpayers. The benefits are also being increased, so that someone who qualifies for the smallest credit — a single person earning less than \$28,000 — would save \$45 a month instead of \$30.

The delivery charge for on-reserve First Nations residential customers is being removed. The province is also establishing an affordability fund for electricity customers who don't qualify for low-income conservation programs to make energy efficiency improvements.

The government will still meet its goal of balancing the next budget, Wynne said, though she admitted the new measures puts the government ``a lot closer to the line."

English Catholic teachers

Allison Jones moved a story this afternoon on the CP wire reporting Ontario's English Catholic teachers have ratified an agreement to extend their contracts past the next provincial election.

We have included the story bellow for your reference:

Ontario's English Catholic teachers have ratified an agreement to extend their contracts past the next provincial election.

Members of the Ontario English Catholic Teachers' Association voted 87 per cent in favour of the two-year extension, which gives them four per cent in raises and gives the Liberal government labour peace ahead of the June 2018 vote.

The deal also allocates \$67 million over the two years for hiring more teachers.

Teachers' and education workers' contracts were set to expire this August, and OECTA becomes the third major education union to ratify extensions to August 2019.

Ontario's French teachers and education workers represented by the Canadian Union of Public Employees have also voted in favour of similar deals.

Elementary teachers, high school teachers and other support staff have all reached tentative deals with the government, but have not yet ratified them.

The last round of negotiations with the education unions saw support staff and elementary teachers staging work-to-rule campaigns and the government threatening to dock their pay.

The contract extensions are all contingent on amendments to bargaining legislation, which are expected to pass soon.

Details of various contracts either made public or leaked include four per cent in raises over the two years as well as a 0.5-per-cent lump sum payment.

Their benefits are also set to rise by four per cent each year of the deal.

CUPE's deal also included a commitment from the government to invest \$115 million over the two years in special education and hiring office, clerical, technical and custodial workers.

The tentative deal for the Elementary Teachers' Federation of Ontario included a commitment from the government to invest \$89 million over the two years for school boards to hire special education teachers and for occasional teachers' professional development, early years special education support, and support for indigenous students, at-risk students and English-language learners.

ETFO's deal also includes an agreement from the government to cap full-day kindergarten classes at 30 students next year and 29 the year after. Currently, each school board must have an average full-day kindergarten class size of 26, but there is no cap.

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The story has been picked up by CTV Toronto and Metro News.



CTV Toronto @CTVToronto 54m
Ontario's English Catholic teachers
ratify two-year contract extension
toronto.ctvnews.ca/ontario-s-engl...

Grassy Narrows

CP moved a story on its wire after Prime Minister Trudeau commented today that Grassy Narrows First Nation is "very much" an Ontario issue.

We have included the story below for your reference:

Prime Minister Justin Trudeau is under fire from indigenous leaders and human rights advocates for saying mercury contamination in Grassy Narrows First Nation is "very much" an Ontario issue.

Trudeau says the federal government is supporting provincial efforts to address contamination in the northwestern Ontario community, but that he has yet to formally commit to helping with the cleanup of toxic material.

This week, a report commissioned by Grassy Narrows and funded by Ontario revealed there is ongoing mercury contamination in the area from a paper mill in Dryden, Ont., that was decommissioned decades ago.

Grassy First Nation Chief Simon Fobister says Trudeau is letting his people down by failing to lead on solving the reserve's mercury crisis _ an issue affecting three generations of residents.

Fobister says he doesn't see how the prime minister can say he is reconciling with First Nations while "passing the buck" on the cleanup of an ongoing toxic leak that has plagued the community for half a century.

Richard Pearshouse, a senior researcher with Human Rights Watch in Geneva, says the federal government has an obligation under international law to respect, protect and fulfil the human rights at issue, including the right to health and cultural rights.

French Media update

Radio Canada and TFO reported on the hydro announcement this morning. They both titled that Ontario is going to lower electricity cost by 17%. Radio-Canada is wondering if the plan is going to be a short term solution but fairly list the details of the announcement. TFO is more technical and does not critique the plan outside their coverage of the reaction of the opposition.

A lot of French media, including TFO and Radio-Canada, reported of the motion presented by MPP Grant Crack to officialise the song Notre Place as the Franco-Ontarian anthem. Thank you for dropping by and singing along, it has been greatly appreciated!

Chinese Media update

Unlike the mainstream, the Chinese outlets did not take the due to announce electricity rate cut with much enthusiasm. Ming Pao was the only daily print that gave the news a moderate coverage with files from CP. It was highlighted in the heading government is expected to announce another 17% cut to hydro bills. In

the subheading, it was noted the saving is made possible by extending the period of paying the costs involved in power generation. The smoothing out methodology was criticised as a ploy to cheat Ontarians.

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Ethnic Media update

Most of the multicultural talk radio shows focused on the hydro announcement from this morning. Coverage was generally positive, and most callers welcomed the electricity cost relief but didn't understand why this relief wasn't introduced earlier. A number of discussions turned to question whether this is the turning point for the Liberal government, leading up to the election.

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FYI – Mayor John Tory held a press conference at City Hall this morning asking Ottawa for more funding to help refugees who struggle with the “hard landing” of losing government support and, in some cases, end up relying on the city's already over-strained shelter system. In an open letter sent today to Minister of Immigration, Refugees, and Citizenship Ahmed Hussen, Tory said that opening the doors to refugees is simply not enough and that the federal government must “make sure our cities have the resources they need to support new arrivals and set them up for success over the long term.”

FYI – Mayor John Tory will be going on a business mission to India and Sri Lanka later this month. The mission will focus on India's growing film media and technology.

FYI – CP24 is reporting Metrolinx said it has been in discussions with an alternate light rail vehicle supplier as it continues a court battle with manufacturer Bombardier.

FYI - Grant Crack's motion to officialise the song Notre Place as the Franco-ontarian anthem passed today. Members unanimously voted in favour. Grant Crack was very emotional.

As always, let us know if you have any questions,
Kate, Jenn, Gurvinder and Ronan