Transcript: Premier Wynne - Interview with BNN (Sep 21, 2016)

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* As requested by Jennifer Beaudry

PREMIER WYNNE - INTERVIEW WITH BNN

Date: September 21, 2016
Length: 9:30 minutes
Speaker(s): Premier Kathleen Wynne
Paige Ellis, BNN

PREMIER KATHLEEN WYNNE: Well, you know, we are sitting on a group, an advisory group with the federal government with officials from British Columbia because, you know, we do see that there are challenges. And we're watching very closely what is happening in British Columbia. We haven't come to any conclusions at this point. I don't think we have the data that's Ontario-specific to make a decision about what we might, what we might do. But, yeah, I mean, I'm watching it closely because I am concerned.

BNN: But it's been a couple of months since that advisory group came together and was announced. So what do you say to people who are frustrated by the pace of action here?

PREMIER WYNNE: Well, again, I think that, you know, one of the challenges is: what is the impact of what has been done in British Columbia on Ontario? I'm not sure that we've had enough time to see exactly what that impact will be and whether it's going to level up, you know. I understand that there may be some spikes, but is that going to level up?

BNN: Are you referring to the new report by Sotheby's that suggested there is early signs of a leapfrog effect.

PREMIER WYNNE: Yes, yes, exactly.

BNN: So are you resentful at all that BC didn't tell you guys they were implementing this tax ahead of time?

PREMIER WYNNE: No. I mean, you know, the Premier of British Columbia has to look at her situation and make decisions. I do think that it may be something that we talk about at the Premiers' table, you know, because there is a national, there is a national discussion here, made obvious by the fact that what happens in one province may have a significant impact in another. So we haven't come to our conclusions yet, but we're watching very closely.

BNN: So why is it then that BC, who has also been dealing with a very hot housing market in Vancouver, came up with this solution? They are doing something to stabilize the market and Ontario isn't at this phase.

PREMIER WYNNE: Well, they are different markets, you know. And I think that the Premier of British Columbia perceived that there was a crisis situation and that she needed to, she needed to take a specific action. I'm not as clear in Ontario…and we haven't been advised by people in the province, whether from the real estate industry or from other sectors, that there is exactly the same issue and that the remedy that has been put into place in British Columbia – and there are a couple of things that have been done in British Columbia – that the remedies would be exactly the same here. So that's exactly what we are looking at.

BNN: And do you the sense of what remedies you might seriously consider?

PREMIER WYNNE: We, as I say, we haven't come to any conclusions yet. We are watching very carefully and we're working with our, we're working with our industry to look at what might work here.

BNN: You recently announced – shifting gears – an eight per cent cut to the hydro bills, in terms of the tax. That doesn't kick in until January and I don't know about you, but I've been blasting the air conditioning this summer to counter the heat. So why wait until the winter to introduce this?

PREMIER WYNNE: Well, it takes, it takes some time to make the adjustment. We have heard, not just over this summer, but we've heard for some time that electricity rates, not, again, not just in businesses, but also in people's homes are a challenge. And so that's why we are doing three things: we are taking the eight per cent, which is the provincial portion of the HST, off people's bills; we are putting in place an additional support for people in rural communities because, on top of the eight per cent, we are going to reduce those bills by another 12 per cent because the distribution-delivery charges are that much higher in rural communities; and we're also expanding the industrial conservation initiative, which will allow more companies to save up to 34 per cent. So we're getting all of things in place. They will start in January because this is not just a one season issue, this is across the board.

BNN: I understand this is more or a rebate versus a removal of that eight per cent portion of the HST.

PREMIER WYNNE: No, it's actually a removal on the bill. It's not a…it's not that you pay it upfront and then you get it back. It's a removal from the bill and we actually will bring legislation into the House, which, if passed, will actually take that off the bill.

BNN: And that will make it permanent?

PREMIER WYNNE: It's a permanent removal of the provincial portion.

BNN: The eight per cent removal means that the average household is going to save some $130 in a year on their hydro bill. But at the same time, the new carbon pricing plan kicks in, which means potentially higher prices for gasoline and natural gas prices. Doesn't that sort of offset the hydro savings?

PREMIER WYNNE: Well, in fact, the changes that we're going to make in order to tackle climate change, which is, you know, the biggest challenge that the globe faces; we need to reduce greenhouse gas emissions. The cap-and-trade system will actually provide revenue that will be able to be reinvested. So it will help people to retrofit their homes, will help businesses to innovate, and further save dollars. So we recognize that there is a cost associated with that and that's why the revenue that comes in through cap-and-trade will be reinvested in people to help them in their lives every day.

BNN: Given the anger that you've seen over hydro bills and this recent move, and the general popularity of the privatization…or I should say the public sale of Hydro One, what is your plan for the next traunch of shares?

PREMIER WYNNE: Well, first of all, linking those two things. I know that is something that some people want to do. But the reality is that the broadening of the ownership of Hydro One is about having resources to invest in new assets. So Hydro One is an asset that has been owned by the people of Ontario. But we're broadening that ownership and leveraging the money that comes from that to invest in transit, in transportation infrastructure across the province; infrastructure that will be owned by the people of Ontario. So that was the, that was the point of doing that. The electricity prices are not set by Hydro One. They are set by the Ontario Energy Board. And there is no, there is no direct connection electricity costs and the change in ownership of Hydro One. We've said, we recognize that the investments that we've made, of the shutting down of the coal-fired plants, the building of over 10,000 kilometres of line, those investments have a cost associated with them. And those are the costs that people are seeing on their electricity bill. And so we are making a change to take some of those, to take…to reduce those electricity bills.

BNN: Have you guys identified a ballpark time when you are going to…the next traunch of shares are going to up for sale?

PREMIER WYNNE: I, you know what, I don't know what the, I don't know what that schedule is.

BNN: We also learned this week that GM and Unifor struck a deal, which is going to preserve a lot of jobs in Oshawa and St. Catharines…

PREMIER WYNNE: Great news.

BNN: It is great news for the people of those communities, absolutely.

PREMIER WYNNE: Well, it's for the province too because what it means is that we've got an auto sector that is very competitive. Part of that deal is that there is business that has been done in Mexico that is coming back to Ontario, and preserving those jobs, and preserving the footprint of the auto sector in Ontario. So it's been…the auto sector has been a huge part of our economic history and it's a huge part of our economic future.

BNN: There have been some critics that said this sort of shift from Mexico back to Ontario with this deal is somewhat more symbolic, it's not substantive. You were recently in Mexico. What are you going to do to ensure that we have a substantive reversal of the trend that we've seen the past little while where the auto jobs are moving to Mexico?

PREMIER WYNNE: Well, again, I think that we have to take encouragement from this deal and recognize that to see a future for the plant in Oshawa, to see (inaudible) and to see investments in other parts of the province by GM, that's a significant, significant vote of confidence in Ontario. And it…the most important thing that we can do to keep those jobs and to keep companies here is to make sure that we have a highly educated workforce, that we…that government partners with companies and works to make sure that the conditions are in place. Those investments I talked about on infrastructure, businesses want to know that we are keeping up, that we are keeping the roads, the bridges, the transit in place, so that their workers can have good quality of life that they want and need, and that they can move their goods in a reasonable way. Infrastructure that is falling down doesn't allow that. So those investments, partnering with the businesses, and having a workforce that is second to none in the world, that's the way we are drawing business to the province. And that's the way we'll keep it.

BNN: As a final question to you, as part of the deal that GM struck with Unifor, they said they were looking for possible or potential government support. Have they approached? What form would that take?

PREMIER WYNNE: Absolutely. We're…the government is in conversation with both the union and with the company right now. So can't predict where we would land, but we've been very clear that we want to be part of the solution here. And without us at the table, then I think a solution is much harder to reach. So we're there and we'll see what happens.

BNN: Great. Thank you so much.

PREMIER WYNNE: Thank you.