

HYDRO RATES IN HOSPITALS – NORTHERN ONTARIO

RESPONSE TO OPPOSITION: IMPACT OF HYDRO RATES ON HOSPITALS

- Last year our government invested nearly half a billion dollars in hospitals across the province
- We provided \$345 million to Ontario hospitals with the 2016 budget AND we provided an additional \$140 million in November (of 2016) to help Ontario hospitals address existing pressures
- As a result, all Ontario hospitals have now received at least a 2% increase to their budgets.
- We realize that some Ontario hospitals are facing increased hydro costs but the suggestion made by the Opposition Parties that hospitals are resorting to layoffs to cover hydro costs is inaccurate.
- In fact, when the Leader of the Third Party visited Sault Ste. Marie to make these accusations the Sault Ste. Marie hospital had to correct her –
- The hospital said, and I quote: “while electricity costs have risen over the past five years, **those increases have not resulted in layoffs at the hospital.** ”
- The Soo hospital has said that it **has not made decisions directly tied to the increase in electricity rates AND that there are no planned layoffs of frontline staff at SAH.**
- With the investments we made in Ontario hospitals last year our hospitals are well equipped to cover their hydro costs while continuing to provide world class front line care.
- While we recognize that there has been an increase for some rate payers we have also made significant investments to Ontario hospitals to cover these additional costs.

[On average Ontario hospitals spend approximately 1.6% of their ministry allocated budget on hydro/electricity costs]

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INVESTMENTS IN NORTHERN ONTARIO

- Our government is committed to supporting hospitals right across the province.
- This year our government invested nearly half a billion dollars in Ontario hospitals – including \$345 million with the 2016 budget and an additional \$140 million announced in late 2016 to help Ontario hospitals address existing pressures.
- As a result of these investments all Ontario public hospitals have now received at least a 2% increase to their operating budgets and these investments have impacted hospitals right across the province, including in Northern Ontario:
 - \$6.9 million in Health Sciences North (3.6% increase)
 - \$1.9 million in Sioux Lookout Meno-Ya-Win Health Centre (6.1% increase)
 - \$7.2 million Quinte Health Care (5.5% increase)
 - \$3.7 million North Bay Regional (2.1% increase)
- Our government will continue to work with hospitals across the province to continue to provide the support they need to deliver world class care to Ontarians.

SAULT STE. MARIE

- **Sault Area Hospital has confirmed that hydro prices have not resulted in layoffs – contrary to comments made by Andrew Horvath and Vic Fideli**
- Sault Area Hospital says “while electricity costs have risen over the past five years, **those increases have not resulted in layoffs at the hospital.** ”

From the Sault Star:

- “The hospital's manager of communications Brandy Sharp Young took exception to Ontario NDP leader Andrea Horwath's suggestion that the two issues are connected (referring to supposed layoffs and hydro prices)”
- The Soo hospital has said that it "has not made decisions directly tied to the increase in electricity rates. There are no planned layoffs of frontline staff at SAH."

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NEW HYDRO PLAN

- Part of our government's Fair Hydro Plan is to take social programs currently funded by electricity users, and fund them through provincial revenues instead.
- Since these programs are social initiatives designed to help those in need, this is a more appropriate and fair approach.
- All ratepayers, including those ineligible for other programs (such as hospitals), will benefit from this change.
- **We expect that hospitals will see a modest reduction of approximately 2-4%**
- We will also continue to work with Ontario hospitals to ensure they are also benefiting from other support programs such as rebates and retrofitting

HOSPITALS BENEFITING FROM REBATES/RETROFITS

- Our government has committed to investing \$12 billion over the next 10 years to help build and re-develop Ontario hospitals – this is will not only help our hospitals provide world class care but also equip our hospitals with the latest technologies and energy efficiencies.
- Our government also supports several social programs that help hospitals reduce hydro costs
- Several hospitals have already realized the benefits of our governments retrofitting and rebate programs...
- For example, Health Sciences North has spent the last two-and-a-half years taking advantage of a number of these programs:
 - They have received more than \$277,000 in incentives to help with their efficiency upgrades,
 - And they now save more than \$500,000 per year on their energy costs.
- Our government will continue to work with hospitals across the province to ensure they have access to the support and resources they need.
- With investments such as the \$485 million we invested in hospitals this year we are well equipping our hospitals to continue to provide Ontarians with the best possible care.