

# Hansard: Fedeli to Premier (McMahon) -- AG Pre-Election Report

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**From:** "Jonsson, Rachel (CAB)" <rachel.jonsson2@ontario.ca>  
**To:** "Codd-Downey, Beckie (GHLO)" <beckie.codd-downey@ontario.ca>, "Ernesaks, Andrea (OPO)" <andrea.ernesaks@ontario.ca>, "Forgione, Andrew (OPO)" <andrew.forgione@ontario.ca>, "Killorn, Bill (OPO)" <bill.killorn@ontario.ca>, "Lazarus, Jordan (OPO)" <jordan.lazarus@ontario.ca>, "McPhail, Blane (OPO)" <blane.mcphail@ontario.ca>, "Sumi, Craig (CAB)" <craig.sumi@ontario.ca>  
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## INSTANT HANSARD

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>> Vic Fedeli: Good morning, Speaker. And thank you. My question is for the **Premier**. The opening centres of the auditor general's blistering report says it all. The numbers from the Liberal government are, quote, not a reasonable presentation of Ontario's finances. There you have it, Speaker. Auditor Bonnie Iysyk revealed that Ontario's deficit this year is actually \$11.7 billion, up 5 billion from the numbers the Liberals just reported. They're off by 75%. Next year, they're off by 85% and the deficit grows to 12.2 billion. And the year after that the Liberals understate the number by almost 100% as the deficit hits 12.5 billion. The Liberal government cannot be trusted, Mr. Speaker. Will the government finally come clean about the true state of Ontario's finances?

>> **Premier** Wynne: Thank you very much, Mr. Speaker. And I appreciate the question from the opposition member. I know that the Minister responsible for the treasury board secretariat is going to be happy to respond in supplementary and I've already answered the question in the public realm with the media today, Mr. Speaker. Thank the auditor general for her response to the pre-election report. I know that the treasury board secretariat and the ministry of finance have been working closely with the auditor general of Ontario, Mr. Speaker, on a wide variety of issues. There are issues that the auditor general has raised in her response, Mr. Speaker, that she has raised before and these are ongoing conversations and, you know, we have worked closely with accounts. We've been very, very careful, Mr. Speaker, as we made the decision as a government to reduce people's electricity bills by 25%, Mr. Speaker. We knew that that was necessary and we worked very, very hard to make it clear that that would mean a cost over a period of time. We worked with accountants to create that plan, Mr. Speaker.

>> Vic Fedeli: Thank, Mr. Speaker. Back to the **Premier**. The auditor general's scathing report is an indictment of this Liberal government. Auditor Bonnie Iysyk said, quote -- the government did not properly record the true financial impact of the fair hydro plan. She said, quote -- neither the expense to pay power generators nor the interest on the funds borrowed has been included. There's billions in cash going out the door, but they're not listing it as an expense. They're borrowing money to pay the bills but not reporting the cheque. So it appears there's money in the bank when there isn't any. Only Liberals think they can get away with that. Mr. Speaker, why does this government present numbers that are off by 100%?

>> **Premier** Wynne: Mr. Speaker, all of that -- all of those numbers are reported -- recorded. And there is an accounting disagreement, Mr. Speaker, and -- Mr. Speaker, all of those numbers are recorded. They are clearly laid out as definitely carried in the electricity system, Mr. Speaker. We made a decision that people need today have relief on their electricity bills, Mr. Speaker, and we are spreading the cost -- the billions of dollars of investments that we have made over -- A longer period of time, Mr. Speaker. And carrying that within the electricity system where it appropriately resides, Mr. Speaker. And it is done in other jurisdictions. There is an accounting disagreement that has been going on, Mr. Speaker. I recognize that. We acknowledged that and we will work with the auditor general.

>> Vic Fedeli: Back to the **Premier**. I have to say, Speaker, that is 100% wrong. It is not recorded. It is recorded as an asset, something they legislated, Speaker. Only a Liberal would legislate a debt as an asset. As if that isn't enough, the government then recorded pension revenue that wasn't there and listed insufficient pension expenses. The auditor sd, quote, it should not have been done. She added, quote, the incorrect reporting of pension revenues and expenses is an understatement of expenses. Speaker, the government's books are off by up to 100%. They simply cannot be trusted. Nothing they ever tell us should ever be believed again and the auditor has proved that. Mr. Speaker, how can the people of Ontario ever trust one word from this -- this government says?

>> Minister McMahon: Thank you, Mr. Speaker. I'm delighted to have the opportunity to respond to the auditor general's pre-election report and start by thanking the auditor, Speaker. As an independent officer of legislature, the auditor general brings a value to an incredibly important perspective to our work as government. We work closely with her and her officials and I do want to take this opportunity to thank the outstanding officials in our government, Speaker, who have worked so closely with the auditor in her work. Our government passed the fiscal transparency and accountability act in 2004, Speaker, precisely because it was under a previous governme we woke up to a \$6 billion surprise and we have fixed that, Speaker. Why? Because on this side of the House, we believe that transparency and accountability are foremost in our thinking, Speaker. And that is why - We are delighted to have this pre-election report today as an opportunity to once again be accountable to Ontarians. Thank you, Mr. Speaker .

*N.B.: Transcripts are captured by a closed captioning system and may contain errors.*