Issues Summary - AG's Report on Ontario's Pre-Election Finances

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Morning all,

Below is an issues summary of the Auditor's report on Ontario's pre-election finances.

Summary

We've seen media coverage from all major outlets in the past 24 hours, including a front page article in the Globe by the same reporter who had written the Globe's article on fair hydro accounting over the weekend.

Articles focus more or less on three key points:

1.) **The Auditor is questioning the integrity of our accounting practices and suggesting they are improper.**

2.) **The Auditor says we are understating our deficit for the next 3 fiscal years, and that for this fiscal year we are understating it by 5 billion.**

3.) **The AG is saying that a potential consequence of this is that the government may spend more money on initiatives and programs than what is available to them.**

PC Response:

"This is why Ontario PC Leader Doug Ford has committed to a full audit of the government's books to restore responsibility, accountability, and trust in

government."

- The PC's are using the Auditor's disagreement with us as a reason for why Doug Ford would audit our government's books if he is elected.

Key messaging:

- We thank the Auditor General for her response to the Pre-Election Report.

- A nd appreciate her work to ensure the public received an independent assessment of the province's finances .

- As verified in her report, Ontario's books are prepared in accordance with prudent and cautious assumptions that recognize the need for flexibility.

- The two issues in dispute are a matter of technical accounting differences.

- The government's opinions on these two matters are well supported by internal and external experts.

- In both cases, our government has presented the provinces finances fairly and accurately and in accordance with the Canadian Public Sector Accounting Standards.

- Our government passed the fiscal transparency and accountability act in 2004 precisely because the previous government left us with a $6 billion surprise.

- In response, we created legislation to ensure that financial transparency is required before an election through the release of a pre-election report.

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