

**Northwestern Ontario Municipal Association Fireside Chat
with Mayor David Canfield
Fireside Q&As
April 26, 2017**

Q1 – Forestry

Premier, some big news this week for the forestry sector, let's start there. Maybe you can describe the government's action plan to support the forestry sector in the wake of the U.S. decision to levy countervailing softwood duties, and tell us how you arrived at this decision?

- Our government is standing up for Ontario's forestry product workers and the communities that rely on this sector
- On Monday we named a new Chief Negotiator, Jim Peterson, who will help advocate for free and open trade for Ontario's softwood lumber industry
- Jim was the former federal Minister of International Trade and part of the negotiations on the previous Softwood IV lumber agreement
- And today we announced that we are taking action to help forestry businesses and workers weather this storm
- We're investing an additional \$20 million into this year's Provincial Forest Access Roads Funding Program
- And alongside Quebec, we are calling on the federal government to create a loan guarantee program, as well as community and individual supports
- We will continue to stand up for our forestry workers and support the sector in uncertain times just as we always have, but we also think this is a national issue that calls for national support

Q2 – Energy Infrastructure and Resource Sectors

This morning you were at the Ontario Natural Resources Forum, obviously a critical sector here in the northwest. There is some concern that our energy infrastructure won't be sufficient to support the resource development that is possible in the region. What can we expect in terms of energy transmission commitments going forward?

- The 2013 Long-Term Energy Plan identified several priority transmission projects in the Northwest to ensure reliable and adequate electricity supply and enable growth in the region.

- These include the East-West Tie, the Northwest Bulk and the connection of remote First Nation communities including enabling infrastructure.
- We recently announced the selection of Wataynikaneyap Power LP (Watay) to connect 16 remote First Nation communities that currently rely on diesel power.
- Once completed, this line will provide more than 10,000 people living in remote First Nation communities and support resource development opportunities across the region.
- We're also making it easier for northern homes and businesses to connect to low cost natural gas
- The new, \$100 million Natural Gas Grant Program just opened for applications from interested municipalities

Q3 – Fair Hydro Plan

On the topic of hydro, we were greatly relieved when you announced the Fair Hydro Plan a few months ago. Can you walk us through how you chose that solution and how it is actually going to roll out? When can people expect to see those savings?

- We took decisive action to lower electricity bills for all residential consumers in Ontario by 25 per cent on average
- Northern ratepayers will save even more
- Electricity rates have risen for two key reasons:
 1. We needed to invest more than \$50 billion in generation, transmission and distribution assets to ensure the system is clean and reliable, and eliminating coal and producing clean and renewal power created additional costs
 2. The burden of financing these improvements was unfairly put on the shoulders of today's ratepayers
- So we are refinancing these capital investments to ensure that these costs are shared fairly over time
- The provincial economy is a leader in Canada in growth and tomorrow's budget will be balanced, so it was time to provide relief and make the system fairer

- We want everyone to experience the benefits of a growing economy and a balanced budget
- And the relief on bills is coming sooner than expected
- The OEB has just approved a 17 per cent reduction in rates to kick in May 1
- Combined with the 8 per cent HST rebate we introduced on January 1, that means starting in May your rates will be down by average of 25 per cent compared to just 5 months ago
- Additional measures will lower bills for northern and rural ratepayers even further by providing relief on distribution charges
- It's the fairer way forward for Ontario

Q4 – Fair Housing Plan and Northern Implications

There is an element of fairness coming through in much of your policy lately. Last week you announced a Fair Housing Plan. But a lot of us here are wondering whether it's fair to apply a provincewide solution to a Toronto problem. There is concern that if we're forced to align residential and multi-residential rental property tax rates, we're going to take yet another hit. Can you explain how the northern lens was applied in crafting the Fair Housing Plan?

- Our new Fair Housing Plan addresses various parts of the problem while being mindful of avoiding possible adverse impacts
- We needed to take action to make housing more affordable for homebuyers and renters, because the cost of buying or renting is creating a massive burden for too many people and families
- It's not just a Toronto problem — the overheated Toronto market was spilling out to create affordability issues all across the south
- Of course, here in the northwest you have different challenges — one of them being the rising cost of providing essential services and the impact that is having on residential property taxes
- We've ensured fairness in the property taxation of purpose-built rental housing by mandating that all new multi-residential properties are taxed at a similar rate as other residential properties throughout the province

- This lower tax level for new multi-residential properties will support and encourage the development of new purpose-built rental housing and help improve housing affordability in the rental market.
- **But this change will not result in any loss of existing municipal tax revenues, because it will apply only to newly constructed properties.**
 - Municipalities will levy property taxes on these properties using the same tax rate that would have applied if they had been developed as condominiums.

Q5 – Balanced Budget, Basic Income and Fair Economy

On Monday you gave a speech about what a balanced budget means, and announced a Basic Income pilot program in three communities. One of them is Thunder Bay. What is the Basic Income pilot program and what does it tell us about what we can expect in tomorrow's budget?

- The Basic Income pilot speaks to the need for government to be active, bold and inventive at this juncture
- The economy is changing — quickly — and it's tougher for people to get ahead
- So many are feeling insecure, whether about their own jobs or the kind of jobs their children will have
- In uncertain times like this, I see it as government's responsibility to actively respond with a plan that creates fairness and security
- Our plan so far has been straightforward: get the fundamentals right by reducing the deficit, supporting new jobs and economic growth, and investing where we can have the most impact — new roads, schools, bridges and hospitals
- The evidence tells us we are making progress — most jobs and growth in Canada and a balanced budget tomorrow
- But doing better than other places doesn't mean everyone in Ontario is doing better
- A balanced budget gives us the freedom and flexibility to respond to these new challenges
- So in our budget and our plan going forward you are going to see government taking a stand, doing all it can to ensure people can achieve their potential during this period of change
- That means putting a tireless and far-reaching focus on education
- It means new investments in the transformation of health care across Ontario
- And it means that we will be focused on making sure workers are treated fairly and providing help in areas where businesses have withdrawn from their traditional role

- The Basic Income pilot fits into this plan by taking a bold, inventive approach to supporting people struggling through this economic transition
- The pilot will gather evidence about how it works in the real world
- That is why we are launching a three-year pilot project, starting in late spring, in three locations
- We want the pilot to be representative of Ontario, so a Northern community was essential and Thunder Bay and the surrounding area was chosen
- We are also in the early stages of planning a separate, parallel First Nations Basic Income Pilot, co-created and designed with First Nations partners
- The basic income sum is not extravagant — for a single person it's just under \$17,000 a year
- But that can make all the difference for someone struggling to get back on their feet — it says government is with you, the people of Ontario are with you
- From my very first moments as Premier I have said that with a clear, targeted plan to create fairness, opportunity and security, I believe government can be a force for good
- 4 years in, with everything that is happening in the world and in the economy, the need for government to stand up and play an active role in building a fairer society has only grown

[Mayor Canfield to invite audience questions]