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From: Doose, Ann (CAB)
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Subject: MEDIA EVENT: PC LEADER FORD RESPONDS TO AUDITOR GENERAL'S PRE-ELECTION REPORT
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MEDIA EVENT: PC LEADER FORD RESPONDS TO AUDITOR GENERAL'S PRE-ELECTION REPORT

April 26, 2018

Time / Location:

10:30 a.m./Toronto Hilton Hotel, 145 Richmond Street West, 2nd Floor

Speakers:

PC Leader Doug Ford

Media Attendance:

Print – 7 TV - 7 Radio – 2

Media Outlets:

Loriggio – CP; Benzie – Star; Giovannetti – Globe; Artuso – Sun; Blackwell – National Post; Smith Cross – QP Briefing; Smith – QP Today; Crawley - CBC Radio/TV; Morris – Newstalk 1010; Rath - CHCH Television; Tumelty - City TV; Wong – CP24

Statement

Thank you for coming today. Yesterday Ontario's Auditor General performed an important public service and I want to thank her for it. What she uncovered was one of the largest financial scandals in Canadian history. One of the largest financial scandals in Ontario's history. She uncovered that in their desperation the Wynne Liberals have cooked the books. We thought they were cooking the books and she just confirmed they've been cooking the books on the taxpayers of this province. A hidden deficit of 75 per cent larger than what she told the public. \$5 billion in a hidden deficit. Just this year alone above and beyond the \$6.7 billion deficit that she could not hide. Over the next three years, this deficit will grow to \$16.6 billion. Unless we take action now that number will continue to grow.

What we are witnessing is a betrayal of the public trust. Kathleen Wynne and the Liberals were elected to lead Ontario. Instead they chose to mislead Ontario. The consequences of Kathleen Wynne's desperation is now clear. We cannot trust anything about the Liberal estimates or projections. Their budget is no longer worth the paper it's written on.

I know that people are angry and so am I. But I can promise you one thing. We will get this resolved. And my commitment here today is this. We're going to get those answers. We have already promised an outside audit into Kathleen Wynne's fiscal mess. But now, now that we know how shocking the extent of this scandal is, we know this audit is not business as usual. And it won't be.

We will initiate a full independent end-to-end commission of inquiry. We will build...that builds on and includes the work of the Auditor General and includes an independent participation of outside auditors and experts. And we will be mandated to investigate and recommend options for how to restore integrity in the government of Ontario's financial reporting.

We will build this commission on best practices such as the work we saw in **Ottawa with Sheila Fraser, investigated the Sponsorship Scandal**. We will fix this. It will take time but we will clean this mess up for the people of Ontario. We will restore Ontario to fiscal health in a responsible, and I repeat a responsible manner. We will deliver on our commitments, clean up the scandals and the waste and protect the services we hold dear.

My commitment to the people remains what it always has been. On June the 8th things will get better and help is on its way. It took 15 years for the Liberals to create this mess and it will not be solved overnight. But I will not tire. I will not stop until we've restored responsibility, accountability and trust, and Ontario's finances are healthy and honest once again.

Thank you. I'll take questions.

Q: Benzie: If you accept the Auditor General's accounting that means Ontario has a deficit of almost \$12 billion. Are you still planning to balance the books? Or are you going to have, or would that entail so many deep cuts or tax hikes that you wouldn't do that. Wouldn't be able to do that?

Ya, our goal is always to balance the books. It won't be the first year. We're going to do this in a modest and a responsible fashion. We never knew that there's an additional \$5 billion. But we are putting out a costed plan. And...but we're going to...I want to emphasize that. It won't be the first year because we're going to do it in a **responsible and modest fashion to balance the books**.

Q: Benzie: But will you have to make deeper cuts than you, you had promised 4 per cent cuts during the leadership race.

I never used; **I don't believe in the word cuts**. I've never said the word cuts. We're going to find 4 per cent efficiencies throughout the system. And again, **we're going to be responsible and it's going to be modest**. And that's why I'm saying we're not going to do it the very first year. But I can promise you one thing. **You can take this to the bank. We will be balanced and balancing the books**.

Q: Giovannetti: Most of the Auditor General's concerns were the Fair Hydro Plan. So what would a PC government do with that (inaudible)

Well again, until we get in there. This is the thing. We don't trust anything the Liberals have done now. And until we get in there. We think it's even higher than what they're projecting. And that's why we have to make sure that we have an outside auditing firm to go line item by line item. And I think the people of Ontario; our own government will be shocked at the scandals that we're going to find out. **This is the biggest financial scandal in Canadian history that I've ever seen. When you're projecting, or hiding \$5 billion.**

Yes?

Q: Loriggio: If you accept the Auditor General's numbers and then you're also planning on having your independent audit, and now this also, this inquiry. This commission of inquiry. How is it financially responsible to spend all this extra taxpayer money on reviewing and doing the same work essentially that the Auditor General's already done?

Well you know something? The Auditor General's been blocked by this government day in and day out. They haven't given the Auditor General freedom to go in and really go through the books. So I think **this government's been totally irresponsible**. We're going to be responsible and there has to be accountability and transparency. When it comes to budgets the people of this province want to know where they stand. And right now no one believes anything because every day it changes. It changed from \$6.7 billion now close to \$12 billion dollars. The people of this province wants, they want answers and we're going to get down to the bottom of it.

Q: Loriggio: So are you saying that you don't trust the Auditor General's numbers then?

No. I never said that. I don't trust the Liberal's numbers. I trust the Auditor General. I think she did a great job.

Q: Loriggio: So then why do the work again?

An absolutely great job. But we're going to work hand-in-hand with an outside auditor that's going to be able to go in there. Go line item by line item in depth and get some answers for the people of Ontario. The people are sick and tired of this scandalous government, just wasting billions of dollars. Yes?

Q: Smith Cross: The AG outlined two distinct issues yesterday and those have been known for some time. What makes you think now that there's something else hiding in there?

Well you know something? With the Liberals you don't know what they're going to do. You really don't. I would almost bet my bottom dollar there's still waste in there. We have to go again, item by item, ministry by ministry, line item by line item and go through the books. I telling you there's other stuff. As far as I'm concerned we go in there we're going to find additional waste. We're going to find areas that we can drive efficiencies. But to say that I think this government is truthful? They're the furthest from the truth. They always want to twist numbers and then numbers and you know control certain access and to the AG's office. That's unacceptable. We believe in transparency and accountability and bringing integrity back to Ontario and back to the people. The taxpayers of this province.

Q: Smith Cross: Are you comparing this to the Sponsorship Scandal? Are alleging that there's some kind of self-dealing going on? Some kind of corruption at that ethical level?

I used Sheila Fraser as an example. We need someone like a Sheila Fraser. Not necessarily Sheila Fraser. To come in here and run through the books to make sure that the people of Ontario have confidence when it comes to the next day June the 8th when a new government takes over.

Q: Rath: Doug do you think? Go ahead..

Q: Blackwell: What do you plan to do with the Fair Hydro Plan which seems to be central to the Auditor General's report and these increased deficits I guess.

Well once we get in there and start running through the books, we'll have a better idea. But I can tell you one thing we'll have a fully costed plan. Our plan. And we'll sit down and review every single dollar that is being spent. Be it the Fair Hydro Plan or any other area. But until we get in there we can't start guessing. Because again every single day there's a new financial scandal with this government.

Q: Blackwell: But how do you cut hydro rates as you have promised to do, without running up the kind of costs that the Auditor General reported on yesterday? Well again, once we get in there we'll have a fully costed plan. We'll be able to run through the numbers and we'll be very transparent. But I can tell you one thing. When we get in there our books are going to be open and we're going to have a fully costed plan. And it's going to be transparent to the people of Ontario.

Unidentified: Last question.

Q: Morris: Doug, I'm just, you've already said that you want to do an independent audit. How does an independent commission of inquiry do anything different than what an independent audit is doing? Because it just, it seems like a lot of money and time and effort to get to the same result.

No I disagree with that. I think an independent commission will come in and again, work in a different fashion but hand in hand with the Auditor General's report, and the outside auditor. But it's going to hold some people accountable. This is about making sure that there's accountability and transparency and some integrity when it comes to the taxpayers' money. I think this going to be the best investment this province has ever seen. For once, for once, we're actually going to be able to see the financial books. Where we actually stand. Because no one in this room right now knows where we stand financially including myself. Until you actually get in there and look at the books.

Q: Morris: Then why bother with the independent audit if you're going to do that anyway?

Oh...that's it. Thank you.

N.B.: Comments captured are not verbatim quotes

Prepared by:

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