Hansard: Jones to Sousa -- 2018 Budget

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INSTANT HANSARD

>>MPP Jones : Thank you, my question is to the acting **Premier**. Both the auditor general and the financial accountability officer have released reports in the past weeks showing the Liberal government has misrepresented the true state of the government's finances and they are quibbling over pennies. The financial accountability officer -- And we aren't quibbling over pennies, Speaker. The financial account officer is reporting the 2018 deficit to be more than $12 billion. That's twice what the finance Minister 's projected. The Liberal government has called this an accounting dispute. I believe the auditor and the financial accountability officer. When will the government come clean and amend their deficit forecast for 2018?

>>Minister Sousa: Mr. Speaker, I appreciate the question. I also appreciate the work done by the F.A.O and the Auditor General. They both reaffirm that we obtained a very cautious and reasonable approach in our assumptions going forward. The F.A.O. has reinforced some of the Progressive measures that we put on will have a profound positive impact on our society as well. The auditor general has cited two issues and the F.A.O. has assumed them in his estimates going forward. Both of these two issues, which pension assets that are jointly sponsored by the government, as well as the fair hydro plan that enables us to reduce rates by 25% on the ratepayer base, are being disputed by the auditor and professional accountants both internally and externally. We recognize that dispute but we're not going to weigh into it. What we're going to do is continue to foster investment. And grow our economy -- of Ontario.

>>MPP Jones: What is the point of having an auditor general and a financial accountability officer if you don't listen to them? When the Liberal government came to power in 2003, Ontario's debt was $139 billion. In less than 15 years we've watched Ontario's debt balloon to over $300 billion. If we stay on the Liberal path of deficit spending, Ontario's debt to G.D.P., already at 40%, will exceed 45%. Twice Bob Rae's legacy. Again I ask the Minister, will you finally admit that the auditor general and the financial accountability officer are right and amend your financial numbers to reflect this year's deficit will be over

$12 billion?

>>Minister Sousa: Mr. Speaker, the member opposite is now disputing the integrity of our civil service and professional accountants internally that signed off on these measures. The member's now also disputing the chair of the Canadian standards on accounting principles that has also provided an opinion on the matter saying that the very pension assets the auditor's now disputing is the very same assets she audited and approved only years ago and has been for the past 20 years, even when the Conservatives were in power. Furthermore the issues around the fair hydro plan around rate regulated accounting is in fact permissible even today in this government in other areas as well as other parts of Canada and United States. So we have taken their advice. We've made a policy decision to provide supports for the people of Ontario and we've been very open and disclosed. In fact investors around the world are investing in these very measures. O.P.G. -That debt very clearly on their books, has a clean audit and is approved by our auditor as well, Mr. Speaker.

>>MPP Jones: Spin it all you want, Minister. The financial accountability officer and the auditor general don't believe you and neither do we. The F.A.O. reports that the government spending plan will add $70 billion to the province's net debt increasing it to almost $400 billion in 2021. F.A.O. chief economist David West said at a basic level, the government's current spending levels are unsustainable. Unsustainable. But that's not the only word people have used to describe the books. Dangerous precedence. Unlikely assumptions. Unreliable. Distorted. Bogus. That's just a small selection of the words used. That is your legacy. Do the right thing. Update your deficit numbers to reflect the $12 billion deficit.

>>Minister Sousa: Here's our legacy, Mr. Speaker. We lead Canada, Europe, United States in economic growth. We've balanced the budget. We have a $600 million surplus. The lowest unemployment in two decades. We have -- foreign direct investment and Canada's doing well. And our public accounts, which is the actual results of the year, have proven that we've balanced the budget and have a surplus, Mr. Speaker. Have affirmed our double-a rating and stable, Mr. Speaker. The F.A.O. has made projections every year, and each time this government exceeded targets and we are now doing better than we've ever done and we continue to make life more affordable for the people of Ontario. They both reaffirm that we obtained a very cautious and reasonable approach in our assumptions going forward. The F.A.O. has reinforced and reinforced some of the Progressive measures that we put on will have a profound positive impact on our society as well. The auditor general has cited two issues and the F.A.O. has assumed them in his estimates going forward. Both of these two issues, which pension assets that are jointly sponsored by the government, as well as the fair hydro plan that enables us to reduce rates by 25% on the ratepayer base, are being disputed by the auditor and professional accountants both internally and externally. We recognize that dispute but we're not going to weigh into it. What we're going to do is continue to foster investment.

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