

FW: FYI - G&M article mentioning PER & adverse audit opinion

From: "Hosick, Sarah (TBS)" <sarah.hosick@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>, "Donaldson, Mark (TBS)" <mark.donaldson@ontario.ca>
Date: Fri, 13 Apr 2018 09:43:27 -0400

FYI

From: Tharani, Alisha (TBS)
Sent: April 13, 2018 9:40 AM
To: Hadisi, Lawvin (TBS); Rubin, Jack (TBS); Skoberne, Vivienne (TBS); Ue, Allison (TBS); Nelson, Dane (TBS); Liu, Mary (TBS); Walsh, Laura M. (TBS); Goodwin, David (TBS); Laughton, Patrick (TBS); Hosick, Sarah (TBS)
Cc: @TBS-L-Issues and Media
Subject: FYI - G&M article mentioning PER & adverse audit opinion

Hi all,

See below for an article published in the Globe & Mail, ["Why Doug Ford should release a costed election platform."](#)

The article references the pre-election report and the potential for an adverse audit opinion from the Auditor General. Relevant sections are highlighted below.

Best,

Alisha

Alisha Tharani
Senior Issues & Media Advisor | Treasury Board Secretariat
416-327-3803 | Alisha.Tharani@ontario.ca

[Why Doug Ford should release a costed election platform](#)

CHRISTINE VAN GEYN
CONTRIBUTED TO THE GLOBE AND MAIL

Christine Van Geyn is Ontario director of the Canadian Taxpayers Federation.

There has been a lot of talk about the cost of various Ontario election platforms lately, especially with the recent decision by Progressive Conservative Leader Doug Ford to not cost his party's platform.

Costed platforms matter. And they matter because voters ought to know the price tag attached to the X they mark on their ballot. They deserve to know if their taxes will be going up or down, if the services they support will receive funding and if their grandchildren will be shouldering more debt.

But sadly, for politicians, costed platforms have become an exercise in election gimmickry.

In 2003, when the Ontario Liberals had been out of power for 13 years, Dalton McGuinty used a fully

costed platform to acquire the veneer of credibility. His platform was verified by a forensic accountant and two bank economists, unlike (he bragged) the platform of the then-governing PC Party. The Liberal platform costing included a \$2.2-billion deficit, without any tax hikes.

However, once Mr. McGuinty was elected, some of his first acts as premier were running a \$5.6-billion deficit and raising taxes by implementing the Ontario Health Premium. The costed election platform didn't stop him.

In the 2007 and 2011 general elections, the Liberals also provided "costing summaries" as separate documents, but in 2011 dropped the third-party platform analysis, relying instead on the auditor-general's pre-election report. And by the time Kathleen Wynne was running as leader in 2014, the platform relied on the Ontario budget as their costing document. That is likely the same form of "costing" we will be seeing in her party's 2018 platform.

For the governing Liberals, the costs associated with their promises appear to have declined in significance over their years in power. And the insignificance of costing to them is even more obvious in a recent tweet (since deleted) by Hamilton area Liberal MPP Ted McMeekin.

On April 8, Mr. McMeekin tweeted that "ALL political parties are required by law to present a 'full costing' of their election platform. Can't believe [Doug Ford] would knowingly and deliberately break the law ..."

The problem is that there is no such law. You'd think that after being an MPP for almost two decades, running in four Ontario general elections and a fifth this year, Mr. McMeekin would know this. He has run in campaigns in which the Liberals costed platforms and campaigns in which they didn't.

This just shows how little regard politicians actually have for the costing promises they make on the campaign trail. They themselves don't even know if their promises matter.

In Mr. McGuinty's case, his explanation (or excuse) for the surprise health tax was that the province's books were in much worse shape than he had expected.

Mr. Ford is faced with a similar problem today, but in his case the blindside is likely even larger.

The Auditor-General has said that she may not be able to sign off on the province's books and may be forced to issue an "adverse" audit opinion. She has described the government's accounting methods as "boqus" and said the current \$6.7-billion deficit is in all likelihood far larger. You can bet the Liberals' platform this year will not brag about the Auditor-General's assessment of their plan as they did in 2011.

However, Mr. Ford's predecessor, Patrick Brown, provided a third-party verified costing of his platform, "The People's Guarantee." While he was faced with the same problem of unreliable books, this would affect a balanced budget commitment, not price tags on spending promises or cuts.

It is important that Mr. Ford provide an overview of his spending commitments and give specifics of where money can be saved so that voters can hold him to account on those promises. Gimmicks and broken promises of previous governments' aside, voters are entitled to this information so they can make an informed choice. It is also important that the government provide financial statements that the public can trust, but Mr. Ford is trying to prove to the public that he is the better option. He should act like it.

While a law like the one contemplated by Mr. McMeekin is non-existent and is not necessary, in a follow-up tweet he said that Mr. Ford should nevertheless provide details in the name of transparency. This is good advice. And both Mr. Ford and Mr. McMeekin's government should take it.