Fwd: MM&P: Public Accounts Communications Products

From: "MacIntyre, Kyle (TBS)" <kyle.macintyre@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>, "Petsche, Nadine (TBS)" <nadine.petsche@ontario.ca>
Date: Sun, 02 Oct 2016 12:44:47 -0400

Begin forwarded message:

> **From:** "Mayman, Gadi (OFA)" <Gadi.Mayman@ofina.on.ca>
> **Date:** October 2, 2016 at 10:49:14 AM EDT
> **To:** "MacIntyre, Kyle (TBS)" <Kyle.MacIntyre@ontario.ca>
> **Cc:** "Thompson, Scott (MOF)" <Scott.Thompson@ontario.ca>, "Orencsak, Greg (TBS)" <Greg.Orencsak@ontario.ca>
> **Subject: Re: MM&P: Public Accounts Communications Products**

> Based on the answers to Q19 and 58, I'd suggest the following in answer to Q48 which is currently blank: Can credit rating agencies adjust their ratings based on this new development? What about bondholders?
>
> The government remains committed to balancing the budget by 2017-18.
>
> The deficit for 2015-16 is $5 billion, a $3.5 billion [as an aside, those numbers were transposed in the answers to Q58 and 59] improvement compared to the 2015 Budget. The deficit is also a $0.7 billion improvement compared to the interim results for 2015-16 contained in the 2016 Budget, which formed the basis for three rating agencies to confirm the Province's credit rating, and the fourth to improve their assessment of the Province's credit outlook.
>
> This marks the seventh year in a row that Ontario has beaten its annual deficit target, reflecting the government's responsible and balanced approach to fiscal management.
>
> Also, the rating agencies and bondholders will understand that the change in the Province's accounting treatment for pension assets of jointly sponsored pension plans, while increasing net debt, has no impact on the Province's borrowing requirements or total debt outstanding.
>
> On a separate note, Minister Sousa's statement near the end of this package still has the old numbers on net debt-to-GDP with an expected peak at 39.6 per cent, and remaining level after that. I'd suggest that whole paragraph be dropped from his statement, rather than putting in the new ratio, especially since, depending on what we include, or reverse or not, in FES it may not level off in 16-17 before beginning to drop in 17-18.
>
> Gadi
> Original Message
> From: MacIntyre, Kyle (TBS)
> Sent: Sunday, October 2, 2016 7:25 AM
> To: Greg Orencsak (MOF); Scott Thompson (CAB); Karen Hughes (MGS); Veinot, Cindy (TBS); Nadine Petsche (MOF); Gadi Mayman; Patrick Laughton (MOF); David McLean (MOF); Mike Jancik (OPO); Ghiassi, Ali (MOF); Steve Orsini (MOF); Lynn Betzner (CAB); Lauren Tedesco (EDU); William Bromm (CAB); Andrew Bevan (OPO); Karim Bardeesy (OPO); Michael Maddock (ENE); Rebecca MacKenzie (GHLO); McEachern, Gillian (OPO); Bill Killorn (OPO); Jacob Mksyartinian (MOHLTC); Ostergard, Matt (TBS); Jason Pichelli (MOF); Alicia Farrow (CAB); Kelsey Ingram (OPO)

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Please find attached the communications products for the MM&P meeting this afternoon.

Kyle
